

The NGOs: Pöyry's actions in the Xayaburi hydropower project must be reinvestigated

A year ago, fifteen NGOs submitted a complaint to the Ministry of Employment and the Economy (MEE) about Pöyry's actions in the Xayaburi hydropower project on the Mekong in Laos. The decision made by the MEE and thus the OECD National Contact Point, which was published today and states that Pöyry cannot be regarded as having acted in breach of the OECD Guidelines, is fully inadequate according to the NGOs.

The NGOs have not been treated in the procedures as is supposed to when applying the OECD Guidelines. The response to the complaint that Pöyry submitted to the MEE has been treated as strictly confidential, and [thus] the complainant has not been allowed to access central information regarding the handling of the case. This has made it impossible to correct the wrongful and misleading information that Pöyry has provided [to the MEE], and this is clearly visible in the final decision.

"We demand the case to be re-handled. During the procedures [of this specific instance], the implementation of the OECD Guidelines in Finland has turned out to be inadequate and discriminatory towards the NGOs. Among other things, the central issue of conflict of interest for Pöyry providing services for the undemocratic government of Laos has been disregarded. When handling the case anew, [the NCP] should really investigate, what Pöyry has done and what it has left undone," states Otto Bruun from the Friends of the Earth [Finland].

Also Joseph Wilde from OECD Watch, which promotes corporate accountability, is wondering about the level of confidentiality held in the Finnish NCP. "For example in the UK, one decision of the NCP had to be revoked, because it was based on information that was not accessible for both parties during the handling process."

According to the knowledge of the complainants, Pöyry has not been able to respond to the most central problems brought up in the complaint, and it has not been able to show that it would have been truly acting in compliance with the OECD Guidelines. On the other hand, the decision made by MEE does nevertheless acknowledge the responsibility of the consulting companies and the importance of prior consultations and careful impact assessments in similar projects. The decision also brings up the fact that there have been shortcomings in Pöyry's behaviour and in taking the rights of the stakeholders into account.

The complaint's NGOs from the Mekong are disappointed with the decision and with the way the MEE and the Committee on Social and Corporate Responsibility (CSCR) have been handling Pöyry's unethical actions in Laos.

"In its development policies in the Mekong region, Finland is aiming to promote good governance and the principles of corporate responsibility, so the expectations for the outcome of the complaint were high. When considering this, the outcome of the procedures was a disappointment. It has also been surprising that Pöyry has been so unwilling to participate in a dialogue and has refused to meet with the NGOs. We are still hoping for a dialogue on how Pöyry is going to carry its partial responsibility for the loss of livelihoods and violations of human rights that follow from the Xayaburi project," says Witoon Permpongsacharoen from MEE Net, a network of NGOs dealing with energy issues in the Mekong region.