

Welcome to ANZ Mr Smith, here's the thing

[Russel Norman](#), Green Party Co-Leader

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The Green Party is calling on Michael Smith, who starts tomorrow as CEO of the ANZ Banking Group, to stop his company providing financial support to illegal and unsustainable logging, human rights abuses and climate change. And, to encourage Mr Smith, Green Party Co-Leader Russel Norman is laying a formal complaint with the New Zealand Contact Point for the OECD Guidelines for Multinational Enterprises.

“I call on Michael Smith, the new head of ANZ, to use his first day in the job to stop the ANZ Banking Group’s involvement in providing financial support to the destruction of rainforest in Papua New Guinea,” says Dr. Russel Norman, Green Party Co-Leader.

“Michael Smith has come from HSBC, a bank which has a policy of refusing to finance the destruction of rainforest. He has taken over ANZ, a bank which is actively involved in providing financial support to the destruction of rainforest in Papua New Guinea. I call on Mr. Smith to use his turn at the tiller to change ANZ’s destructive course.

“What better way to start the new job, than to take a stand against the single biggest contributor to greenhouse gas emissions, the destruction of tropical forests? Mr Smith is in a unique position; he has the power to make a choice from which we will all reap benefits.

“The OECD has guidelines to encourage multinational enterprises like ANZ to behave responsibly. Our complaint is that ANZ is not behaving responsibly by providing financial support to the unsustainable and illegal logging of rainforests in Papua New Guinea.

“By financially supporting unsustainable and illegal logging in Papua New Guinea, ANZ is breaching the OECD guidelines for multinational enterprises.

“The complaint, backed by hundreds of pages of evidence, will be lodged with the OECD New Zealand Contact Point on October 1, the first day that Mr. Smith takes over as CEO at ANZ. We look forward to engaging with Mr. Smith over this issue and hope to see a speedy and sustainable resolution. Mr Smith has a choice to make and we urge him strongly to do the right thing.

Summary of the Complaint

ANZ’s continuing financial support for logging company Rimbunan Hijau’s (RH) operations breaches a number of the OECD Guidelines for Multinational Enterprises, including:

- Article II, Section 1 – obligation to contribute to economic, social and environmental progress. By facilitating RH’s operations, ANZ is detracting from, rather than contributing to, these goals.

- Article II, Section 2 – respect for human rights. By failing to take basic steps to ensure that its clients respect human rights, ANZ becomes closely associated with violations of those rights.
- Article II, Section 10 – encouragement of compliance by business partners. While ANZ has discussed community concerns with RH on these issues, this engagement has not demonstrated positive outcomes and is likely to be ineffective, as it does not occur within an articulated and binding framework of acceptable minimum environmental and human rights standards required as a condition for doing business with the bank.
- Article V, Section 1 – appropriate environmental management. ANZ has not adopted a system of environmental management appropriate to its business in that it has not adopted forestry and human rights policies that set acceptable minimum standards for client engagement, in contrast to a number of other multinational financial institutions.

We seek commitments from ANZ to ensure its compliance with the Guidelines, including:

- The adoption of meaningful forestry and human rights policies that set basic standards for ANZ clients across all business operations, in accordance with international best practice for financial institutions;
- Immediate disengagement from socially and environmentally destructive forestry operations in PNG;
- Support for using carbon credit associated financial instruments to protect old growth forests in PNG;
- Commitment to explore and actively foster community-based forestry operations conducted on a sustainable basis in PNG;
- Commitment to advocate for positive solutions to forestry and human rights issues in New Zealand and in PNG.