

Pathfinder conference 29/30 September 2010
Brussels
„Illegal trade in natural resources. What can Brussels do?“

Keynote speech: Senator Sanaullah Baloch

Ladies and Gentlemen,

We are gathered here today because we recognize the role that we as individuals and representatives play in furthering the destruction of environment and human security if we turn a blind eye and continue commerce in the same ways we have been. While it is easy for most people to overlook the consequences of environmental abuse because it is not down the street from their homes, you are here because you recognize that the effects are occurring on the street of someone else's.

In fact, across the globe, communities after community of already suffering people are plunged into even more desperate situation because of looting of their natural wealth, unlawful expropriation and illegal natural resource trading, which not only deprives them from their natural belonging but evolves a cycle of miseries, including conflicts, civil war, humanitarian and human rights crisis, insecurity and endless poverty and hunger.

-- From the copper extraction in Congo, to the illegal logging of Malaysia, or unlawful expropriation of Uranium and dumping waste in Balochistan, to the illegal mineral and marble trade in Afghanistan, unlawful oil and petroleum products trade in Iraq and Iran and gem mining in Sri Lanka, our world is plagued by tragic exploitation of the land and people.

My home land, resource-rich Balochistan, Pakistan's south western province, located very close to the oil lanes of the Persian Gulf and having a common border with Iran and Afghanistan is strategically very significant region. Commanding almost the entire coast of the country, Balochistan accounts for 43% of Pakistan's territory and 45% of its natural gas production. The region is worst exploited in terms of its strategic land, marine resources, uranium, coal, marble and countless minerals and resources. But the Baloch people have remained the most poor, illiterate, and destitute in the entire nation reporting only a .2% growth in GDP in 30 years.

Though we will be discussing illegal exploitation and trade in natural resources but we should not forget that large number of states including Pakistan shrewdly providing legal cover to illegally extracted and expropriated natural resources traded by Pakistani and Chinese companies.

The fortified Saindak copper-gold project, in Balochistan's remote Chagi hills is an evident case of forceful and illegal exploitation and trade in natural resources under state protection.

Balochistan is not the only case - in many parts of the World conflicts, wars, miseries, hunger and disease are caused due to injustices, looting and plundering of natural wealth of marginalized communities by powerful states, mafias, organizations and multi-national corporations.

The illegitimate policies of parent states itself has elicited exploitative practices with regards to its own people and has set the perfect stage for non-state actors, groups and violent organizations to gain legitimate positioning in the minds of exploited people in harvesting natural resources illegally.

Due to the illicit and irresponsible extraction of natural resources the environment and human security all are being compromised. In fact, developmentally, all resource rich people in Asia, Africa, and South America including my homeland Balochistan lag much behind in all 10 key social indicators.

Unfortunately across the globe, communities of already desperate people are being cheated not only by insurgent groups, but by their own governments and their partner government and companies. What these situations reveal, is that it is becoming more and more difficult to differentiate between legal resource trading and what is illegal exploitation. Essentially, a cloud of grey has been formed around illegally extracted resources that allows for them to eventually be sold as a part of the legal market. It is imperative that we find a means of breaking through that cloud in order to define resources again in black and white.

When examining the question “What can Brussels do?” I believe that the solutions should take on a multi-dimensional approach – simply the bottom-up and the top-down actions to tackle the problem from both the Supply side and the Demand side.

To influence the supply the bottom-up approach, the international community should consider intensive mediation of relationship-building activities between local organizations and their federal governments. At the moment, most of the regions being destroyed by illegal exploitation demonstrate a complete lack of confidence on their national government. And when a poverty stricken population is better off working with mafias and groups doing illegal extraction than with legal sources, it is highly improbable that illegal resource trading could be contained.

However, by increasing means of communication and willingness to discuss issues openly, confidence between parties will grow. This will engage local communities because they will feel like equal participants in the wealth-sharing from trade and production. By engaging the local community, the supply of illegal resources will be hindered because locals can be the most accurate sources in reporting of illegal activities.

Another fundamentally aspect of mediation of relationship-building activities is the fostering of confidence that local groups and federal governments have in the international community that the international community is united behind the cause of fighting illegal natural resource trading.

To influence the demand the top-down approach currently numbers of countries where illegal trades in natural resources are common happening are trade partners with EU. They are benefited through different trade schemes and concessions.

Brussels can influence demand by employing international actions such as regulations, liberalizing trade barriers, and imposing sanctions when necessary as part of a strategy to eliminate illegal trading. If the international community, led by large powers such as the EU, mandated that all trading partners show evidence that their products come from all legal sources, the demand for illegally acquired natural resources would have to be re-drawn. Because the EU has established such strong trading ties through their Economic Partnership Agreements with countries like China, Switzerland, and the African-Caribbean-Pacific nations, the EU is in a perfect position for encouraging wide-ranging trade co-operation on services and standards.

The trading of illegal resources is weakening too many nations across the globe wrecking their environment, furthering insecurity, causing endless conflicts, resulting in civil wars, worsening human rights situations and hindering people development in the short and long run.

In addition;

1. Brussels could play a pivotal role in promoting and protection of the Right to Permanent Sovereignty of People and States over Natural Resources enshrined in the UN General Assembly Resolution 1803 (XVII) of 1962: The illegal exploitation and trade of natural resources shall be considered as a violation of the right of people and member states.
2. Brussels should establish independent specialized bodies responsible for mapping conflict resources, combating the illegal exploitation and trade of natural resources.
3. Brussels could discourage illicit trade by introducing a comprehensive Mechanism for the Certification of natural resources: the set of policies, laws and regulations to serve as a tool for combating the illegal exploitation of natural resources. This mechanism shall institute accredited standards as regards natural resource exploitation and shall include provisions on certification of origin including labeling, monitoring, supervision and verification.
4. EU must encourage its trade partners and aid recipient countries to review their national legislations on the illegal exploitation of natural resources to ensure that such legislations complies with the provisions of relevant international instruments and legal norms.
5. Promote the participation of civil society and non-governmental organizations in detecting and preventing acts, or means of exploiting natural resources illegally.

Starting here, starting now, we must take on the challenge to end the stealing of resources. We must attack forcefully from both the Supply side and Demand side of the issue and we must act as a united global force to convey to the resource bandits that their detrimental actions will certainly yield harsh consequence.

Thank you!

