

“The Public Eye Awards”

Nominations form

Nominated company (name):

RD Corporation (for their activities in Madang Province Papua New Guinea).
These activities have been carried out by RD Tuna Cannery & RD Fishing PNG.

Short description of the company:

RD Corporation is controlled by Phillipino businessman Rodrigo Rivera and his family. RD in the Philippines have 31 managers/officers and 47 employees. This is a family corporation with only 9 stockholders, all Riveras from General Santos and Cebu (Philippines). Authorized capital stock is 750 million pesos (abt US\$13.5M) with 2/3 of that subscribed. RD Corporation was incorporated in May 1999 and started operations in 2000 – although their Papua New Guinea canning operations began in 1996.

RD Fishing PNG employ 300 people at Vidar (a port in Madang Province, Papua New Guinea). RD Tuna Cannery employ 3000 people (mainly women) at Siar (at the cannery located 10-15 km from the township of Madang).

Background: The RD group of companies began in 1976 as a pawnshop in General Santos City in the Philippines. RD Corporation was incorporated in the Philippines in 1999 and is now the holding and management company of the RD Group of Companies, a family-controlled conglomerate founded and managed by Rodrigo E. Rivera, Sr., its President & Chief Executive Officer. The CEO's wife, Dolores C. Rivera, is Executive Vice President & Treasurer.

Main Interests: The group now consists of 40 subsidiaries and major divisions engaged in various ventures including fishing, agri-business, manufacturing, processing (Genpack & Philbest), banking (Penbank), pawning, insurance, real estate development, hotels and retailing of hardware and fishing supplies, mainly operating in the Philippines and now also in Papua New Guinea and Indonesia.

The Rivera family is also engaged in cattle ranching, prawn farms and hatcheries, exports and imports of food products, jewellery and shipping. They have operated the canning operation in Madang Papua New Guinea since 1996.

RD Tuna Cannery Directors (also Directors of RD Corporation):

CEO: Rodrigo Estabillo Rivera (Snr), EVP/Treasurer: Dolores Chua Rivera, Rodrigo Estabillo Rivera (Junior), Ronnel Chua Rivera, Pedro Castillo Celso, Ryan Chua Rivera, Ritche Chua Rivera, Debbie Ann Rivera, Roy Chua Rivera

Send your nominations to: The Public Eye on Davos, Berne Declaration, Quellenstrasse 25, PO Box, CH-8031 Zurich, Switzerland; email: publiceye@evb.ch; fax: +41 (0)1 277 70 01.

www.evb.ch/publiceyeondavos.ch

Nominated for the following award categories:

- X environment
- X human rights
- X labour rights
- O corruption
- X special prize: legal actions against traditional owners and community groups _____
(name a award category in the style of the above)

More than one category can be chosen, if a company has acted irresponsibly in all these areas or if it cannot be assigned to just one category. In this case the organising committee will decide the final category.

Reasons for nomination:

Under this heading there should be presented as much information as possible on the irresponsible behaviour of the nominated company – ideally covering each of the points below, including references or sources. Please use a separate page for each case example of the company. Additional supporting material such as reports or newspaper articles, and also film material, is welcomed.

General information on the case and date or time period

RD Tuna began operating in the Papua New Guinea Province of Madang in 1996. Complaints about the company started almost as soon as the company started operating. <http://www.rd.green.net.au/docs/timeline.htm#13/12/96>

The company has had a devastating impact on the local indigenous people and broader local community, with RD's activities undermining the long term futures of local landowners. Thousands of workers (mainly women) at the companies cannery work in oppressive conditions and are very poorly paid.

<http://www.rd.green.net.au/docs/workers%20issues.htm#Workers>

The company has refused to allow the workers at the cannery to organise into a union, although a union has been registered. Workers also have to endure very poor occupational health and safety conditions.

The company has had a major ecological impact on the reefs and lagoons of the area, with indigenous communities reporting decreases in local fish stocks.

<http://www.rd.green.net.au/docs/legal.htm#lagoon>

Waste has been illegally dumped. Toxic spills have occurred in the reef at the companies port of Vidar.

<http://www.rd.green.net.au/docs/timeline.htm#acid>

An independent report published by Dr Nancy Sullivan in November 2003 recommended that RD Tuna Cannery and RD Fishing PNG should cease operations to address hygiene and safety conditions.

<http://www.rd.green.net.au/docs/sullivanreport.htm#Results>

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In September 2003, the company working hand in hand with The National Newspaper (itself owned by notorious Malaysian logging company Rimbunan Hijau) took legal action against local landowners and community groups, denying these groups the opportunity to counter a tirade of public relations published throughout Papua New Guinea. In February 2004, a local community group, Bismark Ramu Group had to file a counter suit against the company for defamation and malicious intent. <http://www.rd.green.net.au/docs/legal.htm#Courts>

In September 2004, Philippino fishermen fighting for better work conditions held a one week strike where RD's entire fishing fleet (50 vessels) sailed out of Vidar and stayed in the Bismark Sea refusing to work. After a deal brokered by the Philippino Ambassador which ended the strike, 10 fishermen were arrested on their return to the Philippines and have been charged with mutiny, which carries the death penalty in the Philippines. They had been promised immunity by the Ambassador. <http://www.rd.green.net.au/docs/workers%20issues.htm#10>

Characteristics of the company's irresponsible behaviour

In sum, and at risk of oversimplifying all the abovementioned studies, we conclude that there has been measurable environmental damage to Madang Lagoon. The fish people catch to eat and conduct trade; the water they wash in; the reefs and coral that support the marine ecosystem---have all suffered from the presence of RD Cannery and RD Fishing operations. (Aaron Jenkins 2003)

Problems are on the rise, that the indigenous based Iduwan Association think need to be addressed. These include:

1. Sea pollution caused by oil spills from the RD Fishing Vessels, killing marine creatures.
2. Destruction of reefs by these same vessels
3. Dumping of waste into the sea just beside the wharf
4. Dumping of waste in the near-by bushes and along North Coast road, filling the air with the nasty smell
5. Marital and sex-related problems, particularly sex trade and group sex
6. Spin-offs are in loan basis and employment in spin-offs like stevedoring is more working like slave than paid employment.
7. Very few are benefiting from these spin-offs since they have made them become their private businesses.

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8. Illegal shipment of goods in and out of the country, example; strong alcohol like 'Tanduay'

9. Illegal business activity like selling of shark fins

There is also a problem of water pollution. According to villagers, the Murmurba Creek which runs near the cannery is polluted with green fungi and smells badly (as is Kumula Creek). Before, this water had a lot of fish, which the women used to catch. Now it has none. Besides the Cannery, drain waste is dug out and emptied towards Murmurba, even though people still use this creek to wash and do laundry. Floods cause it to overflow waste all the way down the creek.

Quotes from the Sullivan Report published in November 2003. Also can be found on the internet site: <http://www.rd.green.net.au>

Consequences

"In Kananam, as in Siar, by eliminating the one resource upon which rests the people's subsistence and customary trade practices (fish), RD has sent the community hurtling into the cash economy, without any lifelines."

"Lack of any suitable protocols for disposing of waste in both the Cannery and Wharf areas has led to horrible smells and suspected sicknesses of adults and children."

"Conditions in the Cannery are unhygienic and inhumane. Workers have no breaks, no clean or working toilets or showers, and labor under poor lighting and windless, hot conditions. Their sweat runs off onto the fish in the production area, and the spilled fish scraps are retrieved from a crumbling cement floor only to be lightly washed and processed."

"The wages are well below minimum national wage, and the hours unmonitored: most workers say they are forced to work over eight hours daily without overtime pay."

"Because RD's operations have always been dedicated to a harboring profits, and a reduction of profit sharing at all levels, none of its workers actually make a 'living wage.' The working conditions are deplorable, representing not the least investment on the part of the Company in their labor force. More importantly, none of the environmental responsibilities laid out in RD's environmental reports has come to pass, and therefore the longer the Company stays, the greater the price is paid by all the landowners with their marine resources. In exchange, they receive sub-minimum wage for strenuous physical labor that puts them at health and, we have learned, frequent security risks (particularly for the women) traveling on Company transport."

One worker at Vidar recently stated: "Very recently the company ran out of toilet paper. After using the toilet you were supposed to bend over a large sink, open the tap and wipe your ass with your bare hands." (Quote on website: www.rd.green.net.au)

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“In Seg, young women are selling themselves to get the fish they used to call their own. There is a general disrespect shown by the RD Filipino workers to their PNG counterparts, and most brazenly, to PNG women”.

Quotes taken from Sullivan Report (Nancy Sullivan Pty Ltd Nov 2003)

<http://www.rd.green.net.au/docs/sullivanreport.htm>

Demands made to the company

- *Cease all operations and address hygiene & safety conditions at both plants
- *Reduce levels of fish caught in Seg Harbour.
- *Pay for independent ecological audit of harbour and lagoons and implement audit recommendations.
- *Raise wages to legal minimum & above
- *Landowners need a training program: re employment & they should be given preference for any available positions
- *All spin-off businesses be restructured
- *Health and safety inspections monitor work sites regularly
- *HIV clinics and medical clinics need urgently be established by the company
- *Unions must be allowed to seek better working conditions
- *By-catch needs to be given rather than sold to landowners
- *Improve working conditions for Philippino fishermen employed to supply RD operations.

Sources / references

All information can be seen on the following websites:

<http://www.rd.green.net.au> This website has detailed information regarding RD Tuna. Almost all of the information on this website is referenced. The site was established by James Jones who can confirm all references as he visited Madang in 2003 on a fact finding mission.

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www.evb.ch/publiceyeondavos.ch

<http://lorikeet.and.com.au/RD/RDtuna.html> Another website which gave the RD corporation alot of heartburn
(See:<http://www.rd.green.net.au/docs/timeline.htm#fight>)

The Sullivan Report by Nancy Sullivan Ltd (2003) This report can be viewed on the website: <http://www.rd.green.net.au>

Further references can also be found at this site

Nomination submitted by

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