

RESOLUTION NO. 11

Submitted by the American Federation of State County and Municipal Employees (AFSCME) Local 3563 and Submitted by American Federation of Teachers - Oregon (AFT-Oregon) Executive Council

Referred to Laws and Legislation Committee

PROTECTING THE HUMAN RIGHTS OF UNIONS, ACTIVISTS & JOURNALISTS ABROAD

WHEREAS, the [AFL-CIO believes](#)¹ that working people share a common struggle that transcends borders, and it is only by acknowledging our shared humanity and working together that we can ensure fair and equitable treatment at home and throughout the world; and

WHEREAS, the AFL-CIO believe² that increased accountability and responsibility must be required of capital markets; and

WHEREAS, Oregon's Treasury oversees approximately \$140 billion³ in investments, and \$97 billion of that is in the Oregon Public Employee Retirement Fund (OPERF); and

WHEREAS, Oregon's public pension fund gave its blessing to a 2019 deal by [Novalpina Capital to acquire the NSO Group](#)⁴, whose software has targeted journalists, activists, unions, and dissidents around the world; and

WHEREAS, in 2017, the state of Oregon invested \$233 million in Novalpina, the private equity firm that later acquired a controlling stake in the NSO Group, making the state of Oregon's pension fund the largest indirect investor in the company; and

WHEREAS, while the Oregon Treasury repeatedly stated that it had no role in selecting companies that its private equity investors invest in, new revelations from The Guardian show that in 2018, fully aware of the NSO Group's role in enabling human rights violations, a senior official at the pension fund discussed investing in the company "in detail" and expressed "strong support" for the deal; and

¹ <https://aflcio.org/issues/global-worker-rights?type=All&page=1>

² <https://aflcio.org/issues/corporate-greed>

³ <https://www.oregon.gov/treasury/invested-for-oregon/pages/performance-holdings.aspx>

⁴ <https://www.theguardian.com/world/2022/jan/17/oregon-public-pension-fund-gave-blessing-to-nso-group-deal-sources-suggest>

WHEREAS, the NSO Group's Pegasus software is capable of breaking into a smartphone, extracting files, and even turning on the microphone and camera without the user's permission; and

WHEREAS, Pegasus spyware has been used to target hundreds of activists and journalists including in [India](#)⁵, [Saudi Arabia](#)⁶, [Palestine](#)⁷, the [United Arab Emirates](#), [Hungary](#)⁸, and other nations; and

WHEREAS, Pegasus spyware has been used to target unions, such as when the Mexican government used Pegasus spyware in 2016 to systematically target [dozens of politically-active teachers and members](#)⁹ of the National Education Workers' Syndicate (SNTE) when the union protested burdensome education reforms; and

WHEREAS, the Biden administration [blacklisted the NSO Group](#)¹⁰ in November 2021, describing Pegasus as a "tool of repression;" and

WHEREAS, several members of Congress, including Oregon's own [Senator Ron Wyden](#)¹¹ have called on the Treasury and State Departments to apply sanctions to the NSO Group under the Global Magnitsky Human Rights Accountability Act; and

WHEREAS, since the U.S. blacklisted the NSO Group, ratings agency Moody's [downgraded NSO to Caa2](#)¹², eight levels below investment grade, citing low revenue, ongoing lawsuits against the company, and severe risk of default on around \$500 million of debt, making NSO an unsound investment for Oregon PERS; now therefore be it

RESOLVED that the Oregon AFL-CIO will send a letter to the State Treasurer and the Oregon Investment Council requesting immediate and complete divestment of state pension funds from Novalpina Capital once suitable alternatives are identified that will not harm pension stability; and be it further

RESOLVED that the Oregon AFL-CIO will encourage the implementation of a human rights screening for all future investments; and be it further

⁵ <https://thewire.in/rights/project-pegasus-list-of-names-uncovered-spyware-surveillance>

⁶ <https://www.nytimes.com/2018/12/02/world/middleeast/saudi-khashoggi-spyware-israel.html?action=click&module=Top%20Stories&pgtype=Homepage>

⁷ <https://apnews.com/article/technology-business-israel-jamal-khashoggi-hacking-6bfc5bc992de7f33f5c8e969e69ce15c>

⁸ <https://www.nytimes.com/2018/12/02/world/middleeast/saudi-khashoggi-spyware-israel.html?smid=url-sh>

⁹ <https://www.occrp.org/en/the-pegasus-project/politically-active-mexican-teachers-may-have-been-targeted-for-digital-surveillance>

¹⁰ <https://www.cnn.com/2021/11/03/tech/nso-group-us-blacklist/index.html>

¹¹ <https://www.registerguard.com/story/news/2021/12/15/sen-ron-wyden-oregon-should-divest-nso-group-israel-spying-company/8915301002/>

¹² <https://www.bloomberg.com/news/articles/2021-11-22/israeli-spyware-firm-nso-seen-at-risk-of-default-as-sales-drop>

RESOLVED that the Oregon AFL-CIO will advocate for legislation, and to strengthen existing, state laws, to protect human rights at home and abroad, as related to Oregon's financial investments; and be it further

RESOLVED that the Oregon AFL-CIO will forward to the National AFL-CIO, the Northwest Oregon Labor Council and Chapters of the Oregon AFL-CIO a copy of this resolution; and be it further

RESOLVED that the Oregon AFL-CIO will advocate for qualified public sector union members to be appointed to the Oregon Investment Council ; and be it further

RESOLVED that the Oregon AFL-CIO will provide support for initiatives or legislation in the coming years that would require annual Oregon Treasury investment reporting in an accessible format online which would support investment transparency; and now be it finally

RESOLVED that the Oregon AFL-CIO send a letter to the State Treasurer and the Oregon Investment Council requesting voluntary annual reporting of investment holdings, to the extent possible under current Oregon statute.