



Ireland Palestine Solidarity Campaign

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Mr. Myles Lee
Chief Executive
CRH plc
Belgard Castle
Belgard Road
Clondalkin
Dublin 22

March 31st 2010

Re : CRH plc Divest from Mashav Initiative and Development Ltd

Dear Mr. Lee,

I am writing on behalf of the Ireland-Palestine Solidarity Campaign to request that CRH support and respect the protection of internationally proclaimed human rights within the company's sphere of influence by divesting from the Israeli company Mashav Initiative and Development Ltd.

We believe that CRH's part ownership of Mashav Initiative and Development Ltd makes CRH complicit in the worst elements of Israel's illegal occupation of Palestine and the human rights abuses of the Palestinian people.

We are asking that CRH plc ensure that the company is not complicit in these human rights abuses by immediately divesting from Mashav and its operations in the occupied Palestine.

We understand the following to be true however we would be happy to correct any errors:

- CRH plc through Europe Materials Division owns 25% of Mashav Initiative and Development Ltd
- Mashav own 75 % of Neshet Cement Enterprises Ltd
- Neshet Cement Enterprises Ltd is Israel's sole cement producer
- Neshet supply approximately 75-90% of all cement sold in Israel and occupied Palestine
- Neshet cement is being used in the construction of the illegal Separation wall, the Jerusalem Light Railway project, the illegal colonial settlements and the network of apartheid settler-only roads, underpasses, bridges and tunnels in occupied Palestine
- Neshet own 50% of Taavura Holdings who among other activities are involved in haulage and transportation of construction materials
- Taavura through Tavit Construction Machinery are the sole importers of Liebherr heavy equipment
- Liebherr heavy equipment is being used to demolish the homes of Palestinians and the destruction of olive groves and farms to facilitate the continued ethnic cleansing of Palestinians and expansion of Israel's colonial project in occupied Palestine

CRH through its investment in Mashav is deriving profits and therefore benefiting from the occupation of Palestine. CRH are complicit in the human rights abuses of the Palestinian people through their indirect involvement with the instruments of Israel's illegal occupation of Palestine.

Israel's continued occupation of Palestine, the construction of illegal settlements and its infrastructure, the construction of the apartheid wall and other instruments of the occupation violate International Humanitarian Law and International Human Rights Law:

- The Fourth Geneva Convention 1948 Articles 3, 32, 33, 39, 49, 53, 64, 146, 147, Protocols 50, 51
- The Universal Declaration of Human Rights 1948
- United Nations Resolutions (more than 28 resolutions including 242, 446, 465, 468, 469, 478, 476, 484)
- International Court of Justice ruling on the illegality of the Separation wall 2004



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- International Covenant on Civil and Political Rights (ICCPR)
- International Covenant on Economic, Social and Cultural Rights (ICESCR)
- Many other UN Charters, Conventions and Covenants

Breaches of some of these international laws constitute War Crimes and/or Crimes against Humanity.

CRH plc have argued that its subsidiaries are under obligation to comply with the national laws of Israel, the suggestion being that the company cannot refuse to supply the raw materials or other instruments facilitating the illegal occupation. As Israel is a High Contracting Party to the key international treaties it is worth noting that International Humanitarian and Human Rights Law take precedence over all national laws. With this in mind CRH and their subsidiaries are obliged to refuse to supply materials or services which may be used to commit violations of international human rights or humanitarian law. CRH must now demand that their subsidiaries cease their illegal activities and if the subsidiaries refuse and continue to violate international law then CRH have no option but to divest from Mashav.

There are several important internationally accepted frameworks and guidelines for transnational corporations with regard to business enterprises and Human Rights. There are 3 key criteria, consistent in the guidelines, which transnational businesses are encouraged to adhere to;

- Respect all UN treaties and International Law
- Support and respect Human Rights within their sphere of influence
- Not be complicit in human rights abuses

These guidelines and frameworks include among others;

- The OECD Guidelines for Multinational Businesses (2000-2008)
- Protect, Respect and Remedy: a Framework for Business and Human Rights (2008)

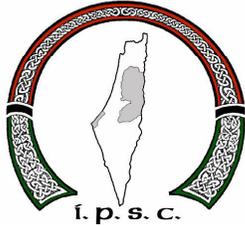
The latter framework, prepared by John Ruggie, the Special Representative of the Secretary-General (SRSG) on the issue of human rights and transnational corporations and other business enterprises (adopted by the Human Rights Council and supported by the EU in 2008), states that companies should adhere to four core elements:

- Have a human rights policy
- Assess human rights impacts of the company's activities
- Integrate those values and findings into corporate cultures and management systems
- Track as well as report performance

Ruggie stated that among the various factors corporations should consider are whether and how the company might contribute to human rights abuse through the relationships connected to its activities, such as with business partners, entities in its supply chain, other non-State actors, and State agents. In "conflict-affected areas" he asserted that corporations should take into account international humanitarian law and policies; and in projects affecting indigenous peoples, should set standards specific to those communities.

CRH claims to be 'committed to ethically and responsibly managing all aspects of its operations relating to employees, customers, neighbours and local communities, shareholders and other stakeholders' and that 'CRH is committed to the highest standards of corporate governance'. CRH's own Code of Business Conduct (2008) states that 'The Code should be seen in the context that CRH, while aiming for top financial performance and growth, believes that this can only be achieved by excellence in the way we do business and by adhering to the highest standards of corporate and social responsibility'. The Code claims to:

- Consider human rights implications where applicable in investment decisions
- Support the principles of the United Nations Declaration of Human Rights
- Respect the protection of Human Rights within its areas of influence



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The groups claims to respect human rights are all well and good however what is clearly missing is an ongoing process of human rights due diligence, whereby CRH would become aware of, prevent, and mitigate adverse human rights impacts as outlined in the SRSG's framework referred to above. CRH urgently need to adopt the SRSG's framework and carry out due diligence taking the following factors into consideration:

- The country and local context in which the business activity takes place. The country's human rights commitments and practices, the public sector's institutional capacity, ethnic tensions, migration patterns, the scarcity of critical resources like water, and so on.
- What impacts of the groups own activities may have within that context, in its capacity as producer, service provider, employer and neighbour, and understanding that its presence inevitably will change many pre-existing conditions.
- Whether and how the group might contribute to abuse through the relationships connected to its activities, such as with business partners, entities in its value chain, other non-State actors, and State agents.

The substantive content of this due diligence process is that CRH should encompass all internationally recognized human rights. There can be no doubt that the Articles of the United Nations' Universal Declaration of Human Rights, which CRH claim to be committed to, along with the other significant international laws, treaties, norms and guidelines referred to above are fully applicable to CRH and its subsidiaries. In this regard CRH cannot continue its current relationship with the Israeli company, Mashav.

Again I would like to reiterate our call that CRH support and respect the protection of internationally proclaimed human rights within the group's sphere of influence and to ensure that CRH are not complicit in human rights abuses by immediately divesting from Mashav and its operations in the occupied territories of Palestine.

If there are facts that we should be made aware of that would place CRH's activities in a different light we would be happy to hear of them. In particular we would welcome a move by CRH to divest from Mashav as a positive step in the fight for justice and peace in Palestine and Israel.

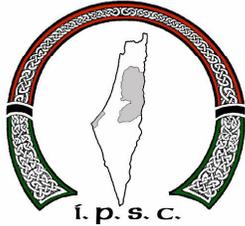
I would welcome the opportunity to meet with you to discuss our concerns and ways in which CRH could make a positive contribution to bringing an end to the human rights violations in Palestine and Israel.

I look forward to hearing from you.

Yours sincerely,

John Dorman
Divestment Officer IPSC

cc Board of Directors



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Mr. M.S. Towe
Chief Executive Officer
CRH plc
Belgard Castle
Belgard Road
Clondalkin
Dublin 22

March 31st 2010

Re : CRH plc Divest from Mashav Initiative and Development Ltd

Dear Mr. Towe,

Please find enclosed a copy of my letter to Mr. Myles Lee regarding what we consider to be CRH's complicity in human rights abuses in occupied Palestine through the group's relationship with the Israeli company Mashav Initiative and Development Ltd and our request to CRH to immediately divest from Mashav.

Yours sincerely,

John Dorman

Issued by post to the following

Executive Directors

Mr. Albert Manifold Chief Operating Officer
G. Culpepper Finance Director
M.S. Towe Chief Executive Officer

Non- Executive Directors

Ms. Joyce O'Connor
Mr. Jan Maarten de Jong
Mr. John Kennedy
Mr. Kieran McGowan
Mr. Nicky Hartery
Mr. Terry Neil
IMr. Utz-Hellmuth Felcht
Mr. Liam O'Mahony Mr. Bill Egan