

A sample of Canadian mining companies operating in developing countries accused of human rights and environmental abuses

Prepared by Catherine Coumans, MiningWatch Canada, June 7, 2007

From the Mining Map (October 1, 2006)

NOTE: Some updates have been provided in the text of some of these cases.

Bolivia

Don Mario Gold Mine

Orvana Minerals Corp.

IFC: issued loans to and held equity in COMSUR,^[1] a Bolivian company that was an Orvana shareholder until 2005.^[2] The Don Mario mine is located in the heart of the Chiquitano Dry Forest.^[3] This rare, globally significant ecosystem supports the headwaters of the Pantanal wetlands and is home to numerous endemic species.^[4] The Pantanal is one of the world's largest freshwater ecosystems, recognized by UNESCO and the Ramsar Convention.^[5] The area is also of great cultural, economic and social importance to the Chiquitano indigenous people.^[6] In a complaint filed with the World Bank's Compliance Advisor Ombudsman, an indigenous organization argued that the mine violates the rights of over 7000 indigenous communities.^[7] Among other shortcomings, the ombudsman found that indigenous people were not adequately consulted by the project proponents.^[8]

^[1] Office of the Compliance Advisor/Ombudsman of the International Finance Corporation and the Multilateral Investment Guarantee Agency. *Assessment Report: Complaint regarding COMSUR/Don Mario Mine Bolivia*. November 2003 (hereinafter CAO Report).

<http://www.cao-ombudsman.org/pdfs/Assessment%20Report%20Final%20Sent%2012-05-03.pdf>

^[2] www.orvana.com/Pr-Feb10-2005.pdf

^[3] International Finance Corporation. *A Guide to Biodiversity for the Private Sector*. 2004.

[http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/BiodivGuide_CaseStudy_Comsur/\\$FILE/Comsur.pdf](http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/BiodivGuide_CaseStudy_Comsur/$FILE/Comsur.pdf)

^[4] Ibid.

^[5] CAO Report.

^[6] Ibid.

^[7] Ibid.

^[8] Ibid.

Bulgaria

Ada Tepe Gold Mine

Dundee Precious Metals

CPP: \$11 million^[1]

Dundee Precious Metals hopes to construct the Ada Tepe gold mine in the East Rhodopi mountains, near the town of Krumovgrad. A substantial majority of local residents, concerned about the mine's impact on agriculture, tourism and historic monuments, oppose the project. In 2005, the Municipal Council of Krumovgrad passed a resolution rejecting the project on environmental grounds.^[2] Nearly 10,000 people, representing close to 90% of eligible voters, endorsed the resolution by signing the document.^[3] In July 2006, Bulgaria's Supreme Administrative Court blocked a complaint brought by

the company against the Environment Ministry for its failure to issue a decision regarding the company's environmental impact assessment.^[4]

[1] CPP Investment Board Canadian Equity Holdings as of March 31, 2006. http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

[2] Resolution 329. September 16, 2005.

<http://www.cyanidefreerhodopi.org/index.php?articleid=106>

[3] <http://www.bankwatch.org/project.shtml?apc=147581-----1&w=147581&s=368448>

[4] Dnevnik newspaper. July 14, 2006.

Burma

Monywa Copper Mine

Burma Ivanhoe Mines Ltd.

CPP: \$32 million^[1]

Burma is ruled by a repressive military junta. The government, which is accused of committing egregious human rights violations, is the subject of international sanctions. In 1990, opposition leader Aung San Suu Kyi handily won Burma's first multi-party elections in 30 years. The junta refused to relinquish control and has detained Aung San Suu Kyi for years. In 1991 she was awarded the Nobel Peace Prize.^[2] Since 1996, Ivanhoe has invested over \$90 million in a 50-50 joint venture with the ruling junta to develop the Monywa mine.^[3] The company reports that it consulted with the Canadian government before initiating business with the military regime.^[4]

NOTE: Vancouver-based Ivanhoe Mines has transferred its 50% assets in Burma to an independent trust pending their sale, according to an Ivanhoe announcement made March. 30, 2007..

[1] CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

[2] www.news.bbc.uk

[3] Patterson, Kelly. *Open Veins: Conflicts Erupting Around the World over Canadian Mines*. The Ottawa Citizen. October 1, 2005

[4] *Ibid.*

Chile

Pascua Lama Gold Mine

Barrick Gold Corp.

CPP: \$351 million^[1]

The Pascua Lama gold deposit is located high in the Andes, in an area rich with glaciers. Glacial runoff irrigates the productive Huasco valley, an agricultural centre just south of the Atacama desert.^[2] Barrick's original plan to relocate portions of several glaciers^[3] was met with public outcry and was rejected by the Chilean government. Barrick now claims that it can extract the gold without damaging the glaciers or significantly impacting water resources in the valley.^[4] However, a government report reveals that exploration activity may already have caused significant damage to several glaciers.^[5] The Indigenous Diaguita community of Huasco-Altino claims that the concession includes part of its ancestral territory and is suing to recover the land.^[6]

[1] CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

^[2] Rohter, Larry. *So Much Gold, but Andean Farmers See Big Risks, Too*. New York Times. July 30, 2006.

^[3] Patterson, Kelly. *Into the Final Frontier*. The Ottawa Citizen. October 2, 2005.

^[4] Pascua-Lama Update – Questions and Answers. www.barrick.com (accessed August 17, 2006).

^[5] Dirección General de Aguas. Informe de Comisión de Servicio a la III Región. Visita a Pascua Lama, 12 de Enero de 2005.

^[6] Ponze, Mireya. *Indigenas Mantienen Juicio por Supuesta Usurpación de Tierras de Pascua Lama*. La Tercera. 04/06/05.

Colombia

Conquistador Mines Ltd.

The town of Simiti, in northern Colombia, is the site of a gold mine whose ownership is a matter of dispute. The mine is claimed by both the Higuera-Palacios family and the 35,000 poor miners who have worked the deposit for 30 years. In 1997, at roughly the same time that Conquistador, through its subsidiary Corona Goldfields, expressed interest in the Simiti mine, paramilitaries began to appear in the area. They killed at least 19 people in towns around Simiti, beheaded one miner, and tortured and killed the Vice-President of a local miners association. Fearing for their lives, thousands of people fled the area. According to Francisco Ramirez, President of the Colombian Mine Workers Union, the death squads' purpose was to displace small-scale miners in order to make way for foreign capital. Conquistador has since abandoned the project.

Ismi, Asad. *Profiting from Repression: Canadian Investment in and Trade with Colombia*. Americas Update. November, 2000.

Ramirez Cuellar, Francisco. *The Profits of Extermination. How U.S. Corporate Power is Destroying Colombia*. Common Courage Press. 2005.

Democratic Republic of Congo

Dikulushi Copper and Silver Mine

Anvil Mining Ltd.

MIGA: US\$13.3 million political risk insurance^[1]

CPP: \$4 million^[2]

Brutal conflict, fuelled by the country's extraordinary mineral wealth, officially ended in 2003 with the establishment of a transitional government. While a fragile peace has held since then, tensions remain high and the government lacks control over large tracts of the country.^[3] The Dikulushi mine began production in 2002. Two years later, Anvil provided logistical support to the Armed Forces of the Democratic Republic of Congo (FARDC) to suppress a rebel uprising. The company supplied the FARDC with planes, vehicles, personnel and food.^[4] According to a UN mission, the FARDC utilized these resources to carry out a number of human rights abuses, including alleged summary executions.^[5]

^[1]Office of the Compliance Advisor/Ombudsman of the International Finance Corporation and the Multilateral Investment Guarantee Agency. *CAO Audit of MIGA's Due Diligence of the Dikulushi Copper-Silver Mining Project in the Democratic Republic of the Congo: Final Report*. November 2006.

<http://www.cao-ombudsman.org/html-english/documents/DikulushiDRCfinalversion02-01-06.pdf>

^[2]CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

^[3] www.bbc.uk

^[4] United Nations Organization Mission in the Democratic Republic of Congo (MONUC). *Report on the conclusions of the Special Investigation concerning allegations of summary executions and other human rights violations perpetrated by the Armed Forces of the Democratic Republic of Congo (FARC) in Kilwa (Katanga Province) on 15 October 2004*. Unauthorized translation.

^[5] Ibid.

Guatemala

Marlin Gold and Silver Mine

Glamis Gold Ltd.

IFC: US\$45 million loan

CPP: \$63 million^[1]

Marlin, which became operational in 2005, is the first major mining investment in Guatemala in 20 years^[2] and is an important test case. In January 2005, the break-up of a 40-day protest by the army resulted in one death.^[3] Later that year, indigenous Sipacapan communities affected by the mine overwhelmingly rejected mineral development in a popular referendum.^[4] In response to a community complaint, the World Bank's Compliance Advisor Ombudsman (CAO) investigated the project. While the CAO found that some community concerns, particularly those involving impacts to local water supplies, were unwarranted, the CAO identified some serious shortcomings with project assessment and management. For example, the CAO described the lack of a clear policy on human rights as a "significant oversight" on the part of both Glamis and the IFC.^[5]

Note: Glamis Gold was acquired by Goldcorp Inc in late 2006.

^[1] CPP Investment Board Canadian Equity Holdings as of March 31, 2006. http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

^[2] Office of the Compliance Advisor/Ombudsman of the International Finance Corporation and the Multilateral Investment Guarantee Agency. *Assessment of a complaint submitted to CAO in relation to the Marlin Mining Project in Guatemala*. September 7, 2005 (hereinafter CAO Report).

^[3] Swann, Christopher. *World Bank Attacked Over Gold Mine*. Financial Times. August 21, 2005.

^[4] CAO Report.

^[5] Ibid.

Guyana

Omai Gold Mine

Cambior Inc. and Golden Star Resources Ltd.

EDC: \$163 million political risk insurance^[1]

MIGA: reinsured \$55 million

CPP: \$21 million (Cambior)

\$14 million (Golden Star)^[2]

The now infamous, massive tailings dam failure at the Omai mine occurred in August 1995. Millions of cubic metres of heavy metal laden mine waste spilled into the Essequibo River, the country's main waterway. Large fish kills were reported and the government declared the area a disaster zone. Amerindian indigenous people living along the banks of the Essequibo claimed major fish losses, contamination of freshwater supplies and adverse health effects, as a result of the spill. A class action

lawsuit on behalf of affected Guyanese was thrown out by a Quebec court, which denied the Guyanese plaintiffs standing.^[3]

NOTE: After the case was sent back from Canada to Guyana it languished in the courts in Guyana until October 2006 when it was dismissed.

^[1] Adams, Patricia. *Probe International Submission to the Export Development Act Review*. December 2005. www.probeinternational.org

^[2] CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

^[3] Moody, Roger. *The Risks We Run. Mining, Communities and Political Risk Insurance*. International Books. 2005.

India

Utkal Bauxite Mine and Alumina Refinery

Alcan Inc.

CPP: \$256 million^[1]

Thousands of tribal and low-caste people living in Kashipur, India prefer to die rather than abandon their lands to make way for Alcan's proposed mine and refinery.^[2] Local residents have organized massive mobilizations against the project.^[3] Opponents describe a climate of fear and hostility, and claim that they routinely meet with police repression.^[4] In 2000, three protesters were killed and several others injured.^[5] Alcan suspended operations after the incident until it was satisfied that local authorities would responsibly enforce the law and keep order.^[6] The villagers have found an important ally in Canada. Alcan workers in British Columbia, represented by the Canadian Auto Workers union, have vowed that they will not smelt any alumina originating from Kashipur.^[7]

NOTE: On April 12, 2007, Alcan announced its intention to sell its 45% interest in India's Utkal Alumina International Limited (Utkal).[8]

^[1] CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

^[2] http://www.saanet.org/alcant/Communique/caw_resolution.pdf

^[3] Ibid.

^[4] CAW Communique, "CAW Stand in Solidarity with Anti-Mining Movement in India." April 12, 2005. http://www.alcantinindia.org/Communique/caw_pr_ang.pdf

^[5] Patterson, Kelly. *Open Veins: Conflicts Erupting Around the World over Canadian Mines*. The Ottawa Citizen. October 1, 2005.

^[6] Ibid.

^[7] http://www.saanet.org/alcant/Communique/caw_resolution.pdf

[8] <http://www.alcan.com/web/publishing.nsf/Content/Utkal>

Indonesia

Inco Ltd. NOTE: INCO was taken over by CVRD in September 2006.

EDC: loans of \$60 and \$200 million[1]

CPP: \$130 million[2]

For thirty years Inco enjoyed a cozy relationship with the repressive and corrupt Suharto regime.[3]

Members of the Karonsi'e Dongi and Sorowako indigenous communities lost their most productive agricultural land when the PT Inco mine was built, and they received paltry compensation in return.[4] Mining activity has degraded land and water resources,[5] and initial monitoring suggests that smelter emissions affect air quality in neighbouring communities.[6] Despite apparent efforts by Inco to resolve community claims in recent years, protesting residents report being threatened and intimidated by the Indonesian military and police.[7]

[1] NGO Working Group on the EDC. *Seven Deadly Secrets: What the Export Development Canada does not want you to know*. January 2003.

[2] CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

[3] NGO Working Group on the EDC. *Seven Deadly Secrets: What the Export Development Canada does not want you to know*. January 2003.

[4] Ballard, Chris. *Human Rights and the Mining Sector in Indonesia: A Baseline Study*. IIED and World Business Council for Sustainable Development. October 2001. http://www.iied.org/mmsd/mmsd_pdfs/indonesia_hr_baseline.pdf#search=%22Chris%20Ballard%20Human%20rights%20and%20the%20mining%20sector%22

[5] Ibid.

[6] Glynn, Tracy. *Community-Based Research on the Environmental and Human Health Impacts of a Laterite Nickel Mine and Smelter in Sorowako, Indonesia*. A thesis submitted to the School of Graduate Studies in partial fulfillment of the requirements for the degree of Master of Science (Environmental Science). Memorial University of Newfoundland, St. John's, Newfoundland. January 2006.

[7] KRAPASKAD (Karonsi'e Dongi Community Alliance). *Ethnocide of the Sorowako Karonsi'e Dongi People*. 2003.

Robinson, Kathryn. *Stepchildren of Progress: The Political Economy of Development in an Indonesian Mining Town*. State University of New York Press. 1986.

Kanaky-New Caledonia

Goro Nickel Mine

Inco Ltd. NOTE: INCO was taken over by CVRD in September 2006.

CPP: \$130 million^[1]

Home to the world's greatest barrier reef system, largest lagoon, and unique plant and animal species, Kanaky-New Caledonia is a biodiversity hotspot.^[2] This biological treasure-trove may be irrevocably damaged if mining giant Inco moves ahead with plans for a massive open pit mine. Arguing that they were not consulted, native Kanaks oppose further construction - citing the project's potential social and environmental impacts.^[3] The Kanaks' concerns are credible - in 2006, erosion controls employed by the company failed, contaminating an important marine protected area.^[4] In June 2006, an administrative tribunal responded to a complaint by the Kanak organization, Rheebeu Nuu, by canceling Goro's mining license, arguing that the project's potential environmental impacts had not been adequately studied.^[5] The company is appealing the decision,^[6] but has proceeded with mine development, relying on a separate construction permit.^[7]

[1] CPP Investment Board Canadian Equity Holdings as of March 31, 2006. http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

[2] Patterson, Kelly. *Into the Final frontier: In the race for resources, Canadian mining firms are leading the charge into environmental hotspots*. The Ottawa Citizen. October 2, 2005

[3] See Rheebeu Nuu web site: www.rheebunuu.com

[4] *Goro in New Erosion Control Failure*. Mining Environmental Management. April 26, 2006.

[5] Tribunal Administratif de Nouvelle-Calédonie No 0536.

http://www.eca-watch.org/problems/asia_pacific/kanaky/Decision_Tribunal_14juin06.pdf

New Caledonia Mine Protesters Score Court Victory. Radio Australia. June 15, 2006.

<http://www.minesandcommunities.org/Action/press1112.htm>

[6] While Inco has not initiated a legal appeal of the tribunal's decision, it has announced plans to solicit a new mining license.

See interim financial statements of July 26, 2006 at

<http://www.sedar.com/DisplayCompanyDocuments.do?lang=EN&issuerNo=00001084>

[7] www.rheebunuu.com

Kyrgyzstan

Kumtor Gold Mine

Comeco Corp.

EDC: US\$50 million political risk insurance[1]

EBRD: US\$40 million loan[2]

IFC: US\$40 million loan[3]

MIGA: US\$45 million political risk insurance[4]

CPP: \$35 million[5]

In May 1998, a company truck spilt a load of sodium cyanide, a chemical used to extract gold, into the Barskoun River, raising the cyanide concentration in the water to 50,000 times the permissible level.[6] In the days following the spill, hundreds, possibly thousands of local residents sought medical attention and several deaths were reported. Thousands were evacuated from the spill area.[7] A study published by Natural Resources Canada[8] concluded that few, if any, significant environmental impacts were generated by the spill - conclusions that were questioned by an independent hydrogeologist.[9]

[1] Moody, Roger. *The Risks we Run: Mining, Communities and Political Risk Insurance*. International Books. 2005 (hereinafter Moody).

[2] Ibid.

[3] Ibid. The IFC has since divested from the project.

[4] Ibid.

[5] CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

[6] Moody.

[7] Ibid.

[8] Hynes, T.P. et al. August 1998, *Assessment of the Impact of the Spill at Barskaun, Kyrgyz Republic*, May 20, 1998. Canmet Mining and Mineral Sciences Laboratories Report MMSL 98-039(CR). As cited in Moran, Robert E., 2000, *Cyanide in Mining: Some Observations on the Chemistry, Toxicity and Analysis of Mining-Related Waters*: in Proc. Central Asia Ecology-99, Lake Issyk Kul, Kyrgyzstan, June 1999 (hereinafter Moran).

<http://www.earthworksaction.org/ewa/pubs/morancyanidepaper.pdf>

[9] Moran.

Mali

Sadiola Gold Mine

IAMGOLD Corp.

IFC: owns 6% of the operating company

CPP: \$38 million^[1]

Two villages were displaced in order to make way for the Sadiola mine. The vast majority of relocated agriculturalists and pastoralists who did not possess title to their lands have seen their livelihoods diminish. Replacement lands are less fertile and some are located far from villages. Water resources are scarce. Natural areas used by locals have been degraded through deforestation caused by the mine. Mine workers live in poor conditions and locals report a rise in prostitution, alcoholism, drug use and the spread of HIV/AIDS since the arrival of gold mining.^[2]

[1] CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

[2] Jul-Larsen, Eyolf et al. *Socio-Economic Effects of Gold Mining in Mali: A Study of the Sadiola and Morila Mining Operations*. CMI (CHR. Michelsen Institute). 2006.

Mexico

Metallica Resources Inc.

When Metallica arrived in Cerro de San Pedro in 1995 to build an open pit mine, local residents, human rights organizations and environmental groups formed the Broad Opposition Front (FAO) to halt the operation that they say would destroy their 400-year old town. The company's own environmental impact assessment reveals that if built, the mine would require the relocation of the community and would cause "significant adverse" impact to the area's only aquifer. [1] The latter is of particular concern. Water is extremely scarce in the State of San Luis Potosi and the National Water Commission of Mexico reports that it is already being exploited at an unsustainable rate. [2] Local residents, whose property has been adversely affected by Metallica's exploration activities, have sued the Government of Mexico over its decision to issue the company a permit. [3]

[1] Behre Dolbear de Mexico, S.A. de C.V. Del Resumen Ejecutivo de la Manifiestacion de Impacto Ambiental. 1997.

[2] Arguelles, Edith. Preocupa a la CAN sobreexplotacion del manto acuifero de San Luis. Pulso. 18 de Septiembre del 2006.

[3] Juicio número 630/2004-VI.

Peru

Manhattan Minerals

When Manhattan Minerals proposed an open pit gold mine in the town of Tambogrande, local residents came together and stopped the project. The San Lorenzo valley is a lush oasis in Peru's barren desert coast. The area was transformed into an important agricultural centre with the installation of a World Bank-financed irrigation system. Area residents were concerned that the environmental risks associated with gold mining would threaten their thriving agricultural economy. The municipality held a popular referendum on the proposed project – the first referendum of its kind in the world. The vote, which was monitored by international observers, registered virtually unanimous opposition to the mine. The

Tambogrande referendum, which played a vital part in halting the project, has since been replicated by other communities[1] threatened by mining projects.[2]

[1] Esquel, Argentina; Sipacapa and Huehuetenango, Guatemala; Cerro de San Pedro, Mexico.

[2] Christian Aid. *Mining in Peru: Unearthing the Truth*. February 2005.

<http://www.christianaid.org.uk/indepth/502peru/index.htm>

The Philippines

Marcopper Copper Mines

Barrick Gold Corp. (formerly Placer Dome Inc. until 2006)

EDC: US\$1.36 million loan[1]

ADB: US\$40 million loan[2]

CPP: \$351 million (Barrick)[3]

The Marcopper mines are environmental disasters. Placer Dome's partnership with repressive dictator Ferdinand Marcos enabled the company to mine within a protected area and to use Calancan Bay, the source of livelihood for 12 fishing villages, as a toxic dumping ground for 16 years.[4] Both the Mogpog and Boac Rivers have been literally overrun with toxic waste.[5] Two children died when they were buried in the Mogpog mine waste spill.[6] Studies conducted by the United Nations, government agencies and academics show that communities, who continue to rely on these rivers and on Calancan Bay, are exposed to unsafe levels of environmental toxins.[7] Placer Dome denies responsibility for these environmental disasters[8] and sold its stake in the project in 1997. The Province of Marinduque is currently suing Placer Dome and Barrick in the US, seeking damages for the environmental harm caused by the Marcopper mines.[9]

[1] Halifax Initiative Coalition. *Reckless Lending: How Canada's Export Development Corporation Puts People and the Environment at Risk*. March 2000.

[2] http://www.lawphil.net/judjuris/juri2002/apr2002/gr_138104_2002.html

[3] CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

[4] Coumans, Catherine. 2000. *Canadian Companies in the Philippines: Placer Dome*. In *Undermining the Forests: The need to control transnational mining companies: a Canadian case study*. Forest Peoples Programme, Philippine Indigenous Peoples Links, World Rainforest Movement: United Kingdom (hereinafter Coumans 2000).

http://www.forestpeoples.org/publications/undermining_forests_eng.shtml;

Coumans, Catherine (Rineke). 1995. "Ideology, Social Movement Organization, Patronage and Resistance in the Struggle of Marinduquenos Against Marcopper." In *Pilipinas*. No. 24, Spring.

[5] Patterson, Kelly. *Placer Dome faces \$115 M lawsuit. Philippines sues mining giant for cleanup for 1996 spill*. The Ottawa Citizen. October 4, 2005.

[6] Oxfam Mining Ombudsman. *Case Study: Marinduque, the Philippines*.

<http://www.oxfam.org.au/campaigns/mining/ombudsman/2004/cases/marinduque/marinduque.html>

[7] See *Ibid.* and Coumans 2000.

[8] Coumans 2000; Cooney, J. P. 1997. "Placer Dome: 'We are responsible.'" In *The Catholic Register*. April 28; Position Paper on the Privilege Speech of Congressman E.O. Reyes. March 18, 1999.

Prepared for the Joint Committees on Ecology and Good Government. House of Representatives, May 25, 1999. Placer Dome Technical Services (Philippines) Ltd.

[9] Case No. CV-S-05-1299-KJD-RJJ, United States District Court, District of Nevada.

The Philippines

Canatuan Polymetallic Mine

TVI Pacific Inc.

CIDA: Canada Fund (approx. \$31,000)[1]

Opposition to the Canatuan project is widespread.[2] TVI claims that local residents support the project, but the ancestral leadership of the indigenous Subanon people, who claim ancestral domain over the concession land, dispute having given their free, prior and informed consent for the mine.[3] Locals report a climate of aggression and intimidation around the project.[4] The company hired a private security force made available by the Philippine military[5] and has issued eviction notices to clear the mine site of settlers. Armed security guards and bulldozers were involved in the most recent forced eviction of a family living in the concession area.[6] Mine opponents report having faced death threats and shootings. In March 2004, four people were injured after security guards fired on protesters.[7]

[1] Access to information documentation obtained from Canadian Embassy in Manila. ATI reference number 000156 dated July 1, 2003. Engineer Domenico E. Pastoriza Jr., Operations Manager, TVI Resource Development Phils, Inc. accepts offer from Canadian Ambassador Robert Collette (ATI 000152-000155) of funding through the Canada Fund for Local Initiatives. Copy of the proposal is attached (ATI 000157-000170).

ATI reference number 000002 dated 7 September, 2005. Monitoring Meeting, Top Plaza Hotel, Dipolog City. "Total CF commitment: P1,299,750 (approx. CAD \$31,000)."

[2] See petitions and testimonies contained in: Coumans, Catherine. Briefing Document: Subcommittee on Human Rights and International Development - TVI Pacific. May 18, 2005.

See also access to information documentation obtained from Canadian Embassy in Manila.

ATI reference number 000060 dated September 7, 2001. Letter from Jean-Rene Bealieu, Program Manager, Asia Bureau, Industrial Cooperation, CIDA, to Clifford James, President TVI Pacific Inc. "...we are facing mounting opposition against any form of involvement by CIDA in this highly contested mining project."

See also: www.dcmiphil.org,

[3] Christian Aid and PIPLinks. Breaking promises, making profits: Mining in the Philippines. December 2004.

<http://www.christianaid.org.uk/indepth/412philippines/index.htm>

[4] Ibid.

[5] Ibid.

[6] See affidavits of local residents. Available from MiningWatch Canada.

[7] Patterson, Kelly. Open veins: Conflicts erupting around the world over Canadian mines. The Ottawa Citizen. October 1, 2005.

Romania

Rosia Montana Gold and Silver Mine

Gabriel Resources Ltd.

CPP: \$8 million^[1]

The proposed Rosia Montana mine has generated opposition across Europe. Over 1,000 scholars have voiced their objection to the mine, due to the area's great archeological significance. The site includes historic Roman temples.^[2] The Minister of the Environment in neighbouring Hungary has called the

project a serious threat and advocates for it to be abandoned.^[3] Mine development would require the relocation of 2,000 people, at least half of whom refuse to move.^[4] Environmental concerns include the clear cutting of forests and the contamination of the water table.^[5]

^[1] CPP Investment Board Canadian Equity Holdings as of March 31, 2006.

http://www.cppib.ca/files/PDF/Canadian_Equity_Holdings.pdf

^[2] Patterson, Kelly. *Canadian firm could face years of litigation over project*. The Ottawa Citizen. April 14, 2006 (hereinafter Patterson).

^[3] Reuters. *Hungary says Romania should stop gold mine project*. August 1, 2006.

See <http://www.rosiamontana.org>.

^[4] Patterson.

^[5] NGO Working Group on the EDC. *Seven Deadly Secrets: What the Export Development Canada does not want you to know*. January 2003.

Spain

Boliden Ltd.

The 1998 failure of the tailings dam at the Los Frailes mine wreaked widespread environmental havoc. The toxic mine wastes that were released caused a massive fish kill, damaged thousands of acres of farmland,^[1] threatened a United Nations World Heritage Site^[2] and eliminated 5,000 local jobs.^[3] The Government of Spain spent \$275 million cleaning up the waste.^[4] The company is challenging a high court decision awarding the government \$74 million in compensation and damages.^[5]

^[1] Patterson, Kelly. *Into the Final Frontier: in the race for resources, Canadian mining firms are leading the charge into environmental hotspots*. The Ottawa Citizen. October 2, 2005 (hereinafter Patterson).

^[2] United Nations Environment Programme Mineral Resources Forum. <http://www.mineralresourcesforum.org/incidents/Losfrailes/index.htm>>

^[3] Ibid.

^[4] Patterson.

^[5] Ibid.

Appendix 1

Mining Deeds Eroding Canada's Image Throughout the World: Canadian owned Metallica Resources Inc. ignoring community demands in Cerro de San Pedro

By Ana Maria Alvarado and Sue Moxley
Embassy, June 6th, 2007

We are an unlikely pair: Sue Moxley, an Anglican bishop from Halifax and Ana Maria Alvarado, of the Cerro de San Pedro community in Mexico. We first met when, as part of a church leaders delegation in 2005, Ms. Moxley was among the first non-mining Canadians to travel to Cerro de San Pedro and bear witness to how Canadian owned Metallica Resources Inc. was ignoring community demands and pressing ahead with its mining operations. Our friendship and bond is a direct product of that visit and the unlawful injustice perpetrated by a Canadian-owned mining company.

Later that same year, Ms. Alvarado joined Ms. Moxley in Ottawa for the first in a series of visits with government and politicians looking for a solution to what is an untenable situation. Community demands were buoyed by a 2006 referendum in which 19,050 participants of a total 19,608 voted against the company continuing its operations in Cerro de San Pedro. Given Metallica's ongoing flagrant disregard of these demands, we called for the Canadian government to step up and enact legislation regulating Canadian companies abroad to respect human rights and the environment.

We were optimistic that our time in Ottawa would bring positive results in Mexico. Sadly, two years later, the blasting has intensified, the cyanide leaching is about to begin and legitimate protestors are being arrested on trumped up charges.

The tension in the community is increasing daily. The opposition to Metallica and its wholly owned subsidiary MSX has grown steadily in recent months as the company has resumed its operations in contravention of Mexican court decisions. Mexican authorities have repeatedly failed community members and their growing supporters, so people are taking their resistance to the street. On May 1, thousands of students, youth, workers, environmentalists and others marched through the streets of San Luis Potosi, Mexico celebrating May Day but also uniting in their resistance to Metallica Resources. Hundreds of police broke up the peaceful march, violently arresting five young students and falsely accusing them of delinquency and vandalism. They were beaten and thrown in jail for a week. According to officials, their crime was their "opposition to Metallica Resources."

The company is forging ahead despite the court decisions, the most important of which have gone against them for the past 14 years. State Decree 1993 recognizes the area as uniquely bio-diverse, and therefore protected. Moreover, UNESCO World Heritage recognition of the town only lacks the reluctant governor's signature. Metallica's open pit gold mine will use cyanide leaching that threatens to destroy this historic village, the fragile ecology and contaminate the water supply. Already, boulders are falling on the village due to blasting, vibrations are being felt throughout the community, and unique cacti are on the verge of being destroyed.

Fortunately, in Canada, there is a growing awareness of the negative impacts of Canadian mining companies all over the world and the need to develop policies to make them legally accountable. In late March, after a series of multi-stakeholder consultations, the federal government Advisory Committee on the National Roundtables on Corporate Social Responsibility took a step forward by recommending that Canada immediately implement the CSR Framework detailed in the report that references international human rights and environmental standards.

These recommendations to the government are a step in the right direction in the journey towards binding legislation. Once mandatory, they can integrate the principle of free, prior and informed consent of affected communities. They must also reflect international human rights and environmental standards and the obligations of non-state actors to respect people and communities.

Our struggle is not simply for the community of Cerro de San Pedro; it is a global struggle. As the community says, "Our hope comes from the knowledge that we are not alone in this struggle. There are people all over the world who understand our struggle and have joined us."

We urge the government to enact these measures to regulate Canadian corporate mining activity abroad as swiftly as possible. The government must ensure that corporate citizens respect and uphold the values for which Canada is known the world over. Sadly, as each day passes, that image is being further eroded by the activities of Canadian mining companies throughout the world. In the case of Cerro de San Pedro, like many others, there is simply no more time to waste. This historic village is quickly being destroyed, the Mexican legal system has failed the townspeople, and the criminalization of legitimate protest is escalating at an alarming rate. The rocks are tumbling, the historic churches are crumbling, and our government is simply mute.