MiningWatch Canada and the Institute for Policy Studies: Response to OceanaGold

December 11, 2018

OceanaGold Fails to Refute Report's Critical Findings

OceanaGold Philippines Inc.'s (OceanaGold) <u>response to the Business and Human Rights Resource</u> <u>Center</u> (November 19, 2018) does not address, let alone refute, the critical findings in our October 31 Report: *OceanaGold in the Philippines: Ten Violations that Should Prompt Its Removal.*

OceanaGold's statement is focussed on delivering a public relations message, rather than a substantive response to 30-plus pages of evidence of their violations, both of their mine lease (Financial and Technical Assistance Agreement) and of Philippine laws and regulations.

We reiterate our bottom line: Our Report provides ample documentation, not only of lack of compliance, but also of unacceptable impacts of OceanaGold's Didipio copper and gold mine on water, forests, land, indigenous peoples, human rights, biodiversity, and workers' rights.

We support calls by local affected community members, including indigenous Ifugao peoples, and the provincial and national organizations that support them, that it is now time for President Rodrigo Duterte and DENR Secretary Roy Cimatu to act. OceanaGold's 25-year mining licence ends in June 2019. The Philippine government can – and should – deny the mining company's request for a renewal in 2019. So too should OceanaGold's requests for new exploration permits in the Philippines be denied.

Further Evidence of Ongoing Harm Supports our Report's Findings:

Many of the issues set out in our Report of October 31, 2018 were raised again recently by directly affected indigenous people of Didipio, where the mine is located, in a highly contentious **community meeting in Kasibu, Nueva Vizcaya on November 15, 2018**, attended by Report co-author Catherine Coumans of MiningWatch Canada. The meeting reflected a high level of frustration with the company and the mine among members of the Didipio community, as well as the mine's labour force. Among the issues that were raised in the day-long meeting, which was overseen by the Mayor and Vice Mayor of the municipality of Kasibu, were:

Consent of the Indigenous Peoples in Didipio. The anger that was expressed by Didipio residents against the company and the mine is rooted in a wide range of harms residents are enduring. These were raised as residents took turns articulating environmental, social and labour issues. They also expressed frustration at the OceanaGold's lack of responsiveness to their concerns. Residents' statements included calling for the mine to close. OceanaGold had sent two lawyers and a community relations representative to the meeting. The community relations representative was largely silent, but drew particular ire when he responded to one resident by saying that people who opposed the mine could not expect to receive any benefits. The two lawyers mainly responded to the concerns raised by the community by noting that they could not address these issues and that the community would need to speak to the General Manager. Therefore, a new meeting was set for November 27 for the specific purpose of having the mine's General Manager be present to answer questions from the community. When community

members arrived in Kasibu on November 27, they learned that the General Manager would not be present after all but, rather, they were provided written statements setting out OcenaGold's positions on various issues. This disregard for local resident's time and efforts and lack of personal availability of the mine's General Manager to respond to community concerns have further deepened the anger and frustration of community members.

- 2. **Depletion of groundwater**. One of the concerns raised by community members in the Kasibu meeting of November 15 is the depletion of groundwater for drinking as a result of the mine's operations. As wells have run dry, residents now need to pay for water services or buy bottled water for drinking and cooking. OceanaGold has done nothing to address the longer-term implications of this problem.
- **3.** Contamination of surface water. Residents spoke about the contamination of rivers around the mine making the water no longer suitable for irrigation as rice crops die when irrigated with the contaminated water.
- **4.** Failure to comply with commitments made in a 2013 Memorandum of Agreement (MOA) with the community. The 2013 MOA was raised repeatedly in frustration as community members noted that the company had not fulfilled its commitments in the agreed-upon timelines under this agreement. A 2018 petition that was signed by more than 300 residents also references the lack of compliance by the company with the provisions of the 2013 MOA and calls for the suspension of the mine.
- **5. Labour rights**. The vice-president of the union for mine workers pointed out that the mine has reduced its labour force by firing workers over the age of 50. Some of these, with years of experience, are being re-hired only as contract workers, therefore now facing even more precarious labour conditions and loss of benefits.
- 6. Security. A new concern that was raised in the meeting was the increased risk faced by the rights defenders from Didipio. In October, signs appeared along the main thoroughfares and roads in the province. The crude signs accused various organizations of being associated with the country's New People's Army (NPA), an outlawed communist movement. After the signs appeared, a pamphlet was distributed with the names of 27 individuals and two organizations. All were accused of being in one way or another associated with the NPA. Neither the signs nor the pamphlet identified who had produced and placed them. The individuals and organizations named all have in common that they have been open in their criticism of OceanaGold's mine. Five of the individuals targeted in the pamphlet are from Didipio, where the mine operates. Such "redtagging" or "red-baiting" is too often a precursor to violence against environmental and human rights defenders in the Philippines and, as such, must be condemned. We share residents voiced concerns that OceanaGold has failed to publicly condemn this dangerous targeting of individuals and organizations, including from Didipio, who are known to speak out in defence of environmental and human rights.

The above concerns bolster the conclusions of our Report regarding the unacceptable impacts of OceanaGold's Didipio mine on water, forests, land, indigenous peoples, human rights, biodiversity, and workers' rights.