

Ministre  
de la Coopération internationale



Minister  
of International Cooperation

Gatineau, Québec K1A 0G4

JAN 14 2011

Dr. Catherine Coumans  
Co-Manager  
Mining Watch Canada  
250 City Centre Avenue, Suite 508  
Ottawa, Ontario  
K1R 6K7

Dear Dr. Coumans:

Thank you for your letter regarding the Government of Canada's Corporate Social Responsibility (CSR) Strategy for the Canadian International Extractive Sector. Please accept my apologies for the delay in replying.

You may recall from the CSR Strategy that the Government encourages and expects Canadian companies operating abroad to meet high standards of corporate social responsibility and to respect all applicable laws and internationally-agreed principles of responsible business conduct.

As you may be aware, the Canadian International Development Agency (CIDA) has adopted sustainable economic growth as one of the three priority themes to guide its work. CIDA is examining ways in which it can incorporate its implementation of the Government's CSR Strategy into its plans related to sustainable economic growth. With respect to disbursements, to date in the current fiscal year, CIDA has disbursed \$5,024,344 on projects related to the extractive sector and all of these disbursements have been in the Americas. Approximately 70 percent of this figure is focused on projects where CIDA is working, in whole or in part, with developing-country governments to strengthen resource governance and municipal government capacity to plan, manage, and deliver community development initiatives to achieve long-term sustainable development results. All of these disbursements fall under Official Development Assistance.

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Canada

You asked about “projects in communities that are directly affected by Canadian mining companies”. CIDA is currently funding one initiative in Peru, under the Public Policy and Public Sector Reform Fund, which involves a community where a Canadian mining company, Barrick Gold, has been operating. The initiative is being managed by SOCODEVI. The objective of the project is to strengthen the capacity of regional and local governments, communities, and the private sector to work jointly to implement a regional reforestation and agroforestry program. Barrick Gold is contributing approximately \$150,000 directly to the Peruvian non-governmental organization (ADEFOR) which is implementing this initiative in partnership with SOCODEVI. The total amount budgeted for this sub-project is \$499,445, and to date in the 2010–2011 fiscal year a total of \$158,241 has been disbursed.

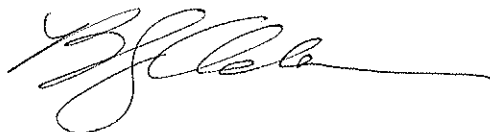
I am also pleased to inform you that I have recently approved the contribution of \$500,000 over three years to a project in the Bibiani-Ahnuasio-Bekwai District in Ghana, whose objective is to maximize the developmental impact of mining operations for the District’s 134,000 residents. The project will be implemented by World University Services of Canada, and it will receive a cash contribution of approximately \$268,000 from Rio Tinto Alcan. The project’s objectives include enhanced governance and service delivery, strengthened quality of education, access to clean water, economic growth and job creation.

Additional proposals for projects in communities where Canadian mining companies are operating have been received by CIDA. However, it is CIDA’s practice not to divulge information on projects still under consideration.

With respect to international financial flows, CIDA believes that the most effective way of ensuring that developing countries secure the greatest possible benefit from their interaction with international companies is to assist the countries to build their own capacity over a wide range of responsibilities, including legislation, regulation, and enforcement. They will then be able to deal efficiently and effectively with Canadian and other international extractive-sector companies which seek to invest and operate in the countries.

Thank you once again for writing to me on this important subject.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Oda', with a long horizontal flourish extending to the right.

Hon. Beverley J. Oda