



MiningWatch Canada

Mines Alerte

Suite 508, 250 City Centre Avenue, Ottawa, Ontario, Canada K1R 6K7
tel. (613) 569-3439 — fax: (613) 569-5138 — info@miningwatch.ca — www.miningwatch.ca

March 16, 2009

Robert Walker, Vice President Sustainability, The Ethical Funds Company
Nadime Viel Lamare, The First Swedish National Pension Fund
Arne Lööw, The Fourth Swedish National Pension Fund
Peter Chapman, Executive Director, SHARE
Helen Regnell, Research Director, GES Investment Services
John Gordon, National President, Public Service Alliance of Canada

Dear All,

RE: Ongoing Concerns with the Goldcorp Human Rights Impact Assessment

Thank you for your e-mail of March 16, 2009 with attached the revised HRIA objective and On Common Ground's Statement on Ethical Principles. We are writing to record our deepening concern with the Human Rights Impact Assessment (HRIA) this shareholder group called for in a resolution to Goldcorp in 2008. In light of reliable reports of increasing local conflict, stress, and opposition to the attempts of your contractors, On Common Ground, to carry out this HRIA for the Marlin Mine, we believe it is fundamentally unethical for this shareholder group to continue to support and promote this HRIA process.

On December 4, 2008 MiningWatch Canada wrote to you to express our serious concerns with the shareholder resolution calling on Goldcorp to conduct an HRIA at its Marlin Mine in Guatemala. To summarize the concerns we raised in our previous letter: 1) There was no consultation with, nor consent from, the affected communities ahead of the shareholder resolution being put to Goldcorp; 2) The steering committee that was formed as a result of an MOU between the shareholder group and Goldcorp included representation from Goldcorp, but not from the affected communities; 3) The shareholder group had received letters from organizations that work directly with the affected communities, and one from the affected communities in San Miguel Ixtahuacan (September 4, 2008), expressing concern and opposition to the HRIA process.

Since our letter of December 4, information about the progress of the HRIA process has deepened our concern. In particular:

- The Goldcorp HRIA is not perceived locally as independent. In fact, the Catholic Church of Guatemala has commissioned another HRIA that is considered as more independent than that by the contractors hired by the Goldcorp HRIA Steering Group and paid for by Goldcorp. Already the new HRIA team is carrying out consultations with local communities on whether or not they are interested in participating and discussing with them the terms of reference and the methodology to be developed. A recent BBC item (March 11, 2009), available through Google, quotes Professor Cassel of Notre Dame University – “However, Professor Douglas Cassel of the University of Notre Dame's Centre for Civil and Human Rights declined Goldcorp's offer to tender a bid for the HRIA. “We were not confident that the terms set down by Goldcorp would result in a full and independent picture emerging,” says Professor Cassel. It was awarded instead to a Canadian consulting company called On Common Ground. Now Professor Cassel's group is working with the Catholic Church in Guatemala on a separate HRIA that he hopes will be released at the same time as Brassington's.”

- The Goldcorp HRIA steering committee and its Canadian consultants have reportedly found it difficult to persuade respected local organizations to partner with them.
- There are ongoing indications that the Goldcorp HRIA is raising concerns, increasing tension and internal divisions, and facing opposition among the mining-affected communities near the Marlin Mine. A strong statement in this regard was made by human rights advocate Gonzalo Rafael Funes Villatoro (February 26, 2009), who has also rejected collaboration with the Goldcorp HRIA. Mr. Villatoro details opposition, mistrust, and concern with regard to the Goldcorp HRIA from local mayors, local social organizations such as COPAE, and “many organizations of the social movement.” Mr. Villatoro also notes that proposals by members of On Common Ground about how to push ahead with the HRIA, in spite of opposition, will lead to heightened divisions and conflict in the affected communities. For all these reasons Mr. Villatoro resigned as a human rights consultant for the project.
- Concerns raised by Civil Society Organizations who work closely with the affected communities are not perceived as genuine by some members of the Steering Committee of the Goldcorp HRIA, who instead are openly questioning the motivations of these organizations. See <http://cule.ca/wp-content/uploads/2009/02/hitting-back-feb-09-revised-pdf.pdf> (available through Google). This document, “hitting back,” raises serious concerns about whether the parties involved in the Goldcorp HRIA are still able to impartially evaluate the effects this process is having on local communities and still have the willingness to decide to withdraw from the process if it is seen to be increasing conflict and is not receiving the freely given consent for participation that the Steering Committee said it would seek.
- Finally, there is too little transparency surrounding this project. The official website, <http://www.hria-guatemala.com> is not recording articles in publications expressing concern, the letters of concern that members of the shareholder group have received both from civil society organizations and from various Canadian and Guatemalan consultants that have been asked to participate, but have declined and detailed why. These documents should be made available insofar as the authors agree to public disclosure.

In light of the above, we once again call on members of the shareholder group who share these concerns to withdraw from the MOU with Goldcorp. We believe it is fundamentally unethical to ask people to participate in a process that they did not ask for, were not consulted on, have no direct say in, and which is clearly causing division, conflict, and concern among the mining affected communities. We also request that this letter and our previous letter to this group of December 4, be posted on the official web site for this project www.hria-guatemala.com.

Finally, it is important to note that some of the members of this shareholder group are considering another shareholder resolution, this one on Barrick Gold, that would, if it goes ahead, also impact on local communities at Barrick mine sites around the world. We urge these shareholders not to proceed with such a resolution until they have had a chance to build relationships of trust with the affected communities and can assure themselves that they have the free prior and informed consent for a resolution from these communities. It is quite apparent to us that in the absence of these conditions a resolution on Barrick will face similar challenges as the one on Goldcorp is now facing.

Sincerely,



Catherine Coumans, Ph.D.
 Research Coordinator
 Coordinator of the Asia Pacific Program

Copy to: Eugene Ellman, SIO; Michael Jantzi, Jantzi Research; François Meloche, Bâtirente; Regroupement pour la Responsabilité Sociale et l'équité (RRSE); Alex Neve, Amnesty International; Ian Thomson, Kairos Canada; Grahame Russell, Rights Action; Kathryn Anderson, Breaking the Silence; Louise Casselman, Social Justice Fund Officer, PSAC; Bishop Ramazzini