

MiningWatch Canada / Mines Alertes

Suite 508, City Centre Building, 880 Wellington St., Ottawa, Ontario K1R 6K7 Canada
tel. (613) 569-3439 — fax: (613) 569-5138 — e-mail: canada@miningwatch.ca — www.miningwatch.ca

Newsletter

Number 3: Spring 2000

Contents:

- MiningWatch hosts workshop for communities affected by large scale mining
- Sulawesi activists visit Toronto, Nitassinan (Labrador) and Sudbury
- Spotlight on Canadian Rôle in Relocations in Tarkwa, Ghana
- Placer Dome's "sustainability" policies challenged by community activists
- Public to get input on EDC environment and human rights rules
- Canadian mining companies in Armenia and Kyrgyzstan
- Citizens oppose Niocan's proposed niobium mine in Oka, Québec
- Communications update



Martin Misiedjan, from Nieuw Koffiekamp, Suriname, makes a point at the "On the Ground Research" workshop as Francisco Ramirez, President of the Colombian Mine-workers' Union, listens.

Important notice! Logo contest!

MiningWatch Canada STILL needs a logo for our letterhead, etc. — there is even a \$100 prize for the winning entry! Entries should be sent to the MiningWatch Canada office in Ottawa; judging will be done by the Directors whenever we get enough entries to make it worth while.

MiningWatch Hosts Workshop for Communities Affected by Large-Scale Mining

On April 14-16, MiningWatch Canada hosted thirty participants from eleven different countries at a participatory workshop to look at the research needs of communities affected by mining. We had local community representatives and on-the-ground NGOs from Indonesia, the Philippines, Papua New Guinea, Colombia, Suriname, Guyana, Mexico, Peru, Ghana, the United States and Canada.

The participants agreed that Canadian mining companies were having many devastating impacts on their communities. For the first day and a half of the workshop, participants told stories from their communities: about the affects of exploration by Golden Star and Cambior in Suriname and Vannessa Resources in the Guyana rain forest, on the way of life of the community and on the environment; about the toxic legacy of mining in Papua New Guinea, the Philippines, the Western Shoshone lands of the

United States, and Canada's North; and about the effects of uranium mining in northern Saskatchewan and Arizona.

We talked about how Canadian companies distort and influence the laws of the countries where they mine, or want to mine. In Colombia, for example, attempts have been made by Corona Goldfields to distort mining regulations to their favour. We heard about the rise of paramilitary organisations and private security firms, working in the mining companies' interests against displaced small scale miners and communities in Colombia, Ghana and the Philippines.

Participants told about their efforts to negotiate just compensation and protection of community health and economies from com-

panies like Placer Dome, Inco and Cominco, and their frustration as the negotiations usually lead nowhere.

There were also stories of how communities have organised and strategised to protect their interests, and many



Translator Sammy Gamboa (l.) and Beth Manggol of the Philippines share a laugh at the "On the Ground Research" workshop

moments of excitement as we saw places for collaboration and future work together.

There will be four concrete results from this workshop:

- A network of communities affected by mining that can share information, ideas and campaigns
- A report with the stories, analysis and conclusions of the workshop (ready mid-June)

- A video of the workshop (ready end of June)
- A Research Agenda for funders identifying the research needs of communities affected by large-scale mining (ready in October)

The Canadian Consortium for International Social Development (<http://www.ccisd.ca>) helped organise this workshop and will continue to be involved in the follow-up.

Sulawesi Activists visit Toronto, Nitassinan (Labrador) and Sudbury

Indonesian mining activists Arianto (Anto) Sangaji of the Free Earth Foundation and Andi Baso Am of KWAS, the indigenous peoples' organisation of Soroako on the is-



PT Inco's smelter in Soroako on the island of Sulawesi, Indonesia

land of Sulawesi, spent the last two weeks of April visiting communities in Canada that also have to deal with Inco.

The tour enabled them to speak at the Inco annual meeting in Toronto, meet with ethical investment advisors, develop relationships and share stories and strategies with other communities coping with Inco, and to see first-hand the impacts of Inco's mining on the environment, workers, and communities in Canada.

According to Andi and Anto, and the communities that they visited, the tour was a resounding success. The visit was made possible by a grant from the Steelworkers Humanity Fund.

INCO IN INDONESIA: A Report for Canadian People by Arianto Sangaji, can be found on our web site at www.miningwatch.ca/publications/sangaji_paper.html.

Spotlight on Canadian Rôle in Relocations in Tarkwa, Ghana

A submission by Entraide Missionaire, a Montréal-based human rights group, to the annual Foreign Affairs human rights consultation, got a lot more attention than such presentations usually receive when it was written up in the *Globe and Mail*. The report documents the way that the privatisation of mining assets in Africa has led to increased involvement of private security companies and mercenaries. It also mentions forced relocation of people who happen to live where the mining companies want to prospect or develop mines. MiningWatch and Development & Peace also endorsed the report.

The key, apparently, was that the report mentioned a Toronto urban planning company called Planning Alliance (formerly John Van Nostrand Associates) who had engineered one such relocation on behalf of Goldfields Ghana Ltd. in Tarkwa, Ghana. (Goldfields Ghana is operated by Goldfields of South Africa, but 18.9% owned by Repadre Capital of Toronto.) Van Nostrand himself was making a presentation at the "Mining Millennium 2000" conference the day the article came out, and was incensed to be mentioned in the same breath as mercenaries.

Yet the facts of the matter have been documented and reconfirmed by Third World Network-Africa Secretariat and the Wassa Association of Communities Affected by Mining (WACAM): that Planning Alliance cynically "negotiated" with residents who had no legal advice or power in the situation, with local security agents present, in a

context of repression and police action; and that the several hundred people in the village of Atuabo who have resisted relocation have had to deal with the destruction of their community by Goldfields' bulldozers (this according to Planning Alliance's own Janet Fishlock) — as well as the violation of their basic rights to education, clean water, and access to their fields and crops.

It seems that Planning Alliance is moving away from their established area of work — they have a solid reputation internationally for their work on affordable housing — and into the more lucrative area of assisting mining companies to engineer the removal of entire villages. How the residents' rights are to be protected in these circumstances is unclear.

Meanwhile, Planning Alliance is expanding operations, most recently in Tambo Grande, Perú, where Manhattan Minerals of Vancouver has been trying to explore for gold within the town itself. They are also planning to publish a report which will document how the Tarkwa experience is in fact a model relocation.

According to Planning Alliance's latest communication with MiningWatch, although we may differ in our interpretation of events, we share a common concern for the people. We would like to take advantage of this concern to open communications with Goldfields itself, and perhaps remove some of the pressure that the people of Atuabo are facing.

Placer Dome's "Sustainability" Policies Challenged by Community Activists

At Placer Dome's Annual General Meeting on April 20th in Toronto, shareholder activists held the company's sustainability promises to account.

Among them was Beth Manggol, of the Marinduque Council for Environmental Concerns on the Philippine Island of Marinduque. She holds the company responsible for the fact that — four years after a major tailings spill — most of the tailings that spilled into the Boac River have ended up in the sea where they have damaged coral reefs.

She blames Placer's insistence on ocean disposal of tailings for the four year delay. She also pointed at the company's unwillingness to take responsibility for cleaning up the tailings deposited in Calacan Bay, and for the damage to the Mogpog River.

Also at the Toronto meeting, Ken Georgetti of Working Enterprises Ltd. (WE), a labour-sponsored investment fund,

spoke to a shareholder proposal put forward by WE to provide independent public assessments of environmental risk at each Placer Dome operation, and to disclose detailed information to shareholders about levels of insurance against environmental accidents.

Working Enterprises agreed to withdraw the proposal for this year, on condition that Placer Dome makes substantial progress on a number of environmental commitments. Said Georgetti: "Real situations, like the one the company faces in the Philippines, will be the litmus test of the company's ability to apply these principles."

Placer Dome held a meeting with NGOs in Sydney Australia in late March to try to reach an agreement on setting benchmarks for sustainable practices. Neither the NGOs nor Placer Dome have been able to endorse the draft agreement that came from the meeting.

Public to get input on EDC's environment and human rights rules

On May 18, 2000, International Trade Minister Pierre Pettigrew responded to the recommendations of a Parliamentary review of the Export Development Act, which is the Act governing the Export Development Corporation (EDC). According to Pettigrew, "The way the Corporation addresses these issues will be made more transparent to ensure ongoing public confidence in its operations."

The Minister's response states that:

- The need for an EDC ombudsman will be studied.
- EDC will conduct public consultations beginning later this month on its Information Disclosure Framework.
- The Auditor General will examine the adequacy of EDC's environmental framework this year. The government will design a statutory authority within 12 months for an ongoing environmental audit of EDC by the Auditor General.
- EDC will conduct public consultations on its environmental review framework on a regular basis.
- The Department of Foreign Affairs and International Trade (DFAIT) will ensure that EDC is fully apprised of human rights issues in specific countries, and able to assess the human rights impacts of specific activities.
- The government will review its existing debt forgiveness policy so that EDC shares in the cost of official debt rescheduling.

- Options will be assessed to ensure that EDC gives due regard to Canadian benefits and to Canadian obligations under international agreements.

The full report is available from DFAIT's web site at <http://www.dfait-maeci.gc.ca/english/news/public.htm>.

EDC has been under constant attack from human rights, labour, social justice and environmental organisations for its lack of accountability and poor environmental record. On April 3, MiningWatch was one of four NGOs that participated in the release of *Reckless Lending: How Canada's Export Development Corporation Puts People and the Environment at Risk*.

The report describes ten environmental and human rights disasters that received funding from the EDC, including two mining projects: Placer Dome's Marcopper Mine in the Philippines and the Ok Tedi mine in Papua New Guinea.

The NGO Working Group on the Export Development Corporation (<http://www.web.net/~halifax/edc/index.html>) — of which MiningWatch Canada is a member — issued a policy paper in November 1999, which is available at <http://www.web.net/~halifax/edc/pubs/policy.htm>.

Our presentation to the Standing Committee on Foreign Affairs is also available on the MiningWatch Canada web site at: <http://www.miningwatch.ca/SCFAIT-EDC.html>.

Canadian Mining Companies in Armenia and Kyrgyzstan

On May 4, MiningWatch Canada presented a study of the Canadian mining presence in Central Asia to the House of Commons Standing Committee on Foreign Affairs and International Trade. The study looked at the growing interest of Canadian companies in exploiting the mineral re-

serves in countries of the former Soviet Union. The brief concentrated on First Dynasty Mines in Armenia and Cameco's activities in Kyrgyzstan.

By late 1996, there were over 40 Canadian companies with interests in 65 mineral properties in seven countries of

the Former Soviet Union. Most of this activity has been in Russia, but Canadian mineral investment in Central Asia has grown as state-owned mining properties are offered for sale under pressure from the IMF. There is continuing interest in the region from World Wide Minerals, Placer Dome, Teck, and other Canadian companies which are engaged in exploration and negotiations. In the past year, the *Northern Miner* (<http://www.northernminer.com>) has reported on the following substantive Canadian projects in the region:

- Kazakhstan: Cameco — Inkai mine (uranium; seeking approval for “in situ leach” project); Ivanhoe — Bakyrchik (gold; on care and maintenance since 1998)
- Kyrgyzstan: Cameco — Kumtor (gold; open pit); Tien-Shan Mining (gold; exploration)
- Tajikistan: Nelson Gold — Jilau Mine, Taror Mine (gold); Marshall Minerals — Bolshoi and East Kanimansur deposits (gold; exploration)
- Armenia: First Dynasty — Zod and Megradzor Mines, Ararat Tailings Recovery facility (gold)

First Dynasty belongs to Robert Friedland. In Armenia, it consists of a tailings recovery plant at Ararat and the re-mining of tailings at the Zod and Megradzor mines. These

are old mine sites, and there are already serious environmental problems to cope with including arsenic, hydrocarbons and acid mine drainage. Megradzor is in an earthquake zone, and the ore must be transported a considerable distance on existing railway infrastructure. The railroad to the Ararat facility is 110 km; the distance between Zod and the processing facility by railroad is about 235 km. The Zod Mine is close to a zone which has been the subject of hostilities between Armenia and Azerbaijan.

Some voices in Armenia are concerned about the company's relationship with the Armenian government and people. In March 1999, SNARK, the Armenian news agency reported “Neither government agency or official shall be allowed to require information on the course of works at the Armenian-Canadian gold mining plant Ararat. This provision is included in the agreement between the Armenian Industry and Trade Ministry, the state-owned Armgold company and Canada's First Dynasty Mines signed on June 24, 1998.”

The full text of our submission to SCFAIT is available on our web site at

http://www.miningwatch.ca/publications/SCFAIT_Central_Asia_brief.html.

Niocan's Proposed Niobium Mine in Oka, Québec Opposed by Residents

The people of Oka are campaigning against the development of a niobium mine proposed by Niocan, a Québec company, in their community. A parish vote taken on April 16 overwhelmingly rejected the mine. The Municipality of Oka consultant, Donat Bilodeau, found a disturbing number of problems in his review of the Environmental Impact Statement submitted by Niocan. The total finished product from the mine that is projected by Niocan is just under the amount requiring a full environmental assessment in Québec.

There are many concerns about the mine. The problems with radioactivity and radon gas in the region — already of concern — are likely to increase when the rock is mined and milled, since more surface rock will be exposed to air and water as dust, waste rock piles and tailings.

Oka is an agricultural region and there will be greatly increased dust and traffic during the construction and operation of the mine.

Communications update:

Thanks to the “Spiral of Violence” report and a growing reputation, our web site is getting a lot of attention. As of early May, we'd had just over 10,000 requests for pages since September 1999. Visit www.canada.miningwatch.ca to catch up on the latest news and publications from MiningWatch.

The mine will use a great deal of water in its operations (3500 gallons of water a minute), and the community is worried that this will affect the availability of water to other users.

The extraction of niobium requires many toxic chemicals (1800 kilos to produce 1600 kilos of niobium). Although these will be treated before they are discharged into the environment, the citizens are not convinced that proper care and monitoring will be in place or that they will be transported safely.

The benefits in royalties and taxes are offset by the size of the provincial investment in the mine and infrastructure and the risks of long-term liability for cleanup, even if a closure plan and reclamation security are established. There is no guarantee that any of this money will accrue to the local community or the Kahnasatake First Nation.

For more information, check Okavert's web site at <http://www.geocities.com/herbobec/okavert.html>.

The best press coverage we've had so far was a front page article in the Sudbury Star on April 28th, covering the Indonesians' visit (see above). Press response around the Placer Dome Annual General Meeting was also positive, though MiningWatch was not specifically mentioned.

△