

MiningWatch Canada

Mines Alerte

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'On the Road for Justice' Speaking Tour Brings Attention to Guatemala Mining Conflict, Need for Remedy in Canada

How is it that when community leaders wrongfully targeted in the wake of violence connected with Tahoe Resources' Escobal silver mine in Guatemala they spend months in jail, while the company's former head of security, accused of ordering guards to open fire on protesters last April, is first given house arrest and then allowed to avoid prison by arguing that he is sick?

This is just one of the stark asymmetries in the current conflict between the Toronto-listed mining firm and communities in southeastern Guatemala, where repression and violence have been the outcome of efforts to install the project without social support.

More than half of the communities in the municipality of San Rafael las Flores, where the Escobal project is located, have declared opposition to the mine. In neighbouring municipalities, in the departments of Santa Rosa and Jalapa, the majority of the population has voted against the mine in municipal referenda.

Nonetheless, Tahoe Resources reported in January that the Escobal mine is operational, claiming that "unanticipated social issues have been addressed." According to local reports, the only thing that Tahoe Resources seems to have resolved is how to mine despite ongoing conflict in Guatemala, where the company and its principal investor, Goldcorp, wield considerable political and economic influence.

This conflict brings to the forefront the need for the Canadian government to facilitate access to justice for abuses committed abroad. The Residents of Volcancito vote on the Escobal mine. (CPR Urbana)



March tour of a group of Guatemalans included stops in Ontario, Quebec, and British Columbia to link to the Canadian Network for Corporate Accountability's Open for Justice campaign. The CNCA campaign calls for laws to allow access to Canadian courts for people who have been harmed by the international operations of Canadian companies. It also calls for the creation of an extractive-sector Ombuds office in Canada mandated to investigate accusations of abuses and make recommendations to the government and the companies involved.

To provide a first hand community account of the situation around the Escobal mine, lawyer Rafael Maldonado from the Guatemalan Centre for Environmental, Social, and Legal Action (CALAS) visited Ottawa, Toronto and Montreal to talk about the current state of Canadian mining conflicts in Guatemala.

Rafael has defended numerous community members who have been criminalized for their opposition to the Tahoe project and represents plaintiffs in the case against Alberto Rotondo, who is facing charges for aggravated assault against six community members. Rafael also represents communities in a case of industrial contamination against the mine.

Oscar Morales joined Rafael in Toronto and then travelled

to Kingston, Peterborough and Vancouver. Oscar is Coordinator of the Committee in Defence of Life and Peace in San Rafael Las Flores, as well as a community advocate and agronomist who is deeply concerned about the environmental and social impacts of Tahoe's mine. He has worked to support the six men shot by mine security in April 2013 and has been an advocate for the community consultations that have taken place throughout Santa Rosa.

Celeste Gutierrez from the Diocesan Committee in Defence of Nature (CODIDENA) from Santa Rosa also participated in the events in Toronto and then travelled to the Maritimes. Celeste spoke on CODIDENA's work to educate communities on the impacts of mining projects, her experiences organizing community consultations in Santa Rosa and the risks for human rights defenders in Guatemala.

This speaking tour would not have been possible without the support and hard work of the Justice and Corporate Accountability Project (JCAP) at Osgoode Hall Law School, the Maritimes-Guatemala Breaking the Silence Network (BTS), and the Network in Solidarity with the People of Guatemala (NISGUA).

There's also a one-page backgrounder on our web site.

Infinito Gold Goes Ahead with Lawsuit Against Costa Rica for Protecting Forest, Water

In December, we reported that we had joined with the Blue Planet Project, Common Frontiers, the Council of Canadians, and the United Steelworkers to gather 300,000 signatures on a petition telling Calgary-based Infinito Gold to respect Costa Rica's democratic right to make its own policy and withdraw its threatened billion-dollar law suit against that country for not allowing it to build the Crucitas gold mine near the border with Nicaragua and the San Juan River.

The company did eventually file its suit before the World Bank's investment arbitration tribunal on March 4, 2014, but for a "mere" \$94 million – one-tenth the amount originally

claimed as lost investment and profits. That's still an awful lot of money for a small, poor country to pay, and Costa Rica will still have to pay millions in legal fees even if it wins. However, our pressure undoubtedly pushed the company to file for a much lower amount, and to delay for five months.

Infinito Gold still owes the Costa Rican government some \$10 million for damage already done to 300 hectares of tropical forest, as well as about \$100,000 each to university professors Nicolás Boeglin and Jorge Lobo in costs and damages after the company lost defamation suits it had filed against them.

African Barrick's Confidential Compensation Agreements Questioned at Troubled Tanzania Mine

A previously confidential legal waiver, forced to light by litigation in England, raises serious questions about African Barrick Gold's handling of alleged violence against civilians by police and security guards at its North Mara mine in Tanzania.

African Barrick Gold (ABG) is a UK-registered company, 74 percent owned by Barrick Gold Corporation of Toronto.

As early as May 30, 2011, just two weeks after the fatal shooting of five men at the North Mara mine, Barrick issued a statement that "ABG recently notified Barrick that it had received highly disturbing allegations of sexual assaults by the police and ABG security against local women." While the companies claimed to have launched a full investigation and to be addressing the allegations of violence and rape by security guards and police at the mine, the results of the investigation have been kept completely secret. No concrete information has been made public.

The confidential legal waiver, dated December 16, 2012, is

part of a document being used at North Mara for complainants who enter the mine's grievance process. It raises serious concerns about ABG's handling of the cases of villagers around North Mara. The document speaks of "Condolence Disbursements", for which the complainant has to work for the company over a period of two years. Complainants are required to sign the waiver and commit themselves to secrecy.

ABG claims to be following the UN Guiding Principles on Business and Human Rights, which proposes that corporate grievance mechanisms should be transparent and should provide public information about the procedure. Yet, there is very little publicly available information about the grievance program at North Mara, and there is no information on how ABG has addressed victims of rape.

The document commits the complainant to complete secrecy and goes even further than similar waivers Barrick has required of rape victims at its Porgera mine. At Porgera, the waiver was changed by Barrick after it came under scrutiny from MiningWatch Canada and other organisations.

The legal waiver used at North Mara covers not only the specific grievance brought by the complainant but also "any other claim which could have been brought by the Complainant" against ABG or its affiliates, including Barrick. (Barrick Gold owned and operated the Tanzania mines, which have a history of conflict and violence, prior to spinning off its African operations in 2010 to create ABG.)

Furthermore, in a "covenant not to sue" the complainant is required to agree not to "assist other complainants" in their potential suits against ABG or its affiliates. The waiver is so broad that complainants might believe that they would be restricted from acting as witnesses in civil litigation or even in criminal proceedings.

MiningWatch Canada has pressured Barrick to address similar concerns in regard to the Porgera mine, and although that process is still grievously flawed, Barrick seems not to have applied even the improvements made in Porgera to the North Mara case.

Background documents, including African Barrick Gold's "Agreement and Full and Final Release", our brief on non-judicial grievance mechanisms, and correspondence with Barrick, can naturally be found on our website.

Rejection of New Prosperity Provides Clarity to Industry: Lake Destroying Projects and Projects Without Indigenous Consent Need Not Apply

MiningWatch Canada welcomed the February 26 announcement by Environment Minister Leona Aglukkaq that the federal government will not approve Taseko Mines' New Prosperity gold-copper project. The project, located in south-central British Columbia, was a modification of a previously rejected application.

The original federal environmental review identified numerous "significant adverse effects" that were acknowledged by then-Environment Minister Jim Prentice. When the federal government rejected the project at the time, it indicated Taseko could submit another application if it addressed the numerous adverse effects. The findings of the second review panel clearly indicated that the company had failed to do this, and again the government has accepted those findings and chosen not to have other considerations, such as economic impact, outweigh the environmental effects. Aglukkak's announcement did not include an invitation to reapply.

The area that would have been directly affected by the mine is in the heart of the traditional territory of the Tŝilhqot'in Nation and includes two lakes with abundant trout populations, homesteads, grazing areas, and important grizzly bear habitat. The Tŝilhqot'in have been strongly opposed to the project through both review processes. Communities of the Secwepemc Nation also opposed the project. The mine's electrical transmission line would have crossed Secwepemc territory. Local



The killings at North Mara made the cover of the October 2011 issue of Report on Business magazine.

indigenous opposition was backed by regional and national First Nations organizations including the Assembly of First Nations (AFN).

"This second rejection should send a clear signal to the mining industry that aggressively pushing mining projects against the will of indigenous peoples is a losing gamble," commented Ramsey Hart, Canada Program Coordinator with MiningWatch Canada.

Much of the opposition to the project was related to the impacts on Teztan Biny (Fish Lake), which Taseko originally planned to drain. In its revised application, the company claimed to have found a way to save the lake while developing the mine, including recirculating the lake's outflow to its inlet. Fisheries specialists that reviewed the plan had little faith it could work.

"Indigenous and non-indigenous Canadians alike do not want to see valued aquatic ecosystems sacrificed for the short term-benefit of mining projects. This decision is in line with Canadians' expectations and the importance we place on our lakes," added Hart.

Taseko tried and failed to get economics to trump the project's environmental risks. MiningWatch and others questioned Taseko's economic claims, including the numbers of jobs the project would create and the net benefits of the project. In contrast to the company's hyperbolic claims, the mayor of Williams

Lake described the economic impact of the mine on her community as merely "additive".

Taseko has enjoyed support from the B.C. Liberal government despite a pending Environment Ministry review of Taseko's revised plan. In 2010 MiningWatch called into question the objectivity of BC Liberal support given considerable financial contributions the company made to the party. In January the Vancouver Sun provided an updated analysis of Taseko's political contributions, which totalled \$110,000 since 2009, from both Taseko and its CEO, Russ Hallbauer.

In response to the review panel's report, Taseko filed for a

judicial review of the panel's findings and the review process, claiming the panel erred in its conclusions and accusing the panel of procedural unfairness. From MiningWatch's assessment, the claims are without merit and stand to simply waste the time and resources of the company, the courts, the federal government, the Tŝilhqot'in National Government, and other possible interveners.

"We wonder why Taseko's investors would allow the company to continue spending money on a project which is now twice dead," questioned Hart. MiningWatch urges the company to drop the suit and move on to other prospects.

New Federally Funded Academic Institute a Tool to Support Mining Industry

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Despite public reassurances of independence during its recent launch, the Canadian International Institute for treatractive Industries and Development (CIIEID) is a poorly conceived instrument of the Canadian government to support the mining sector abroad.

In a presentation to the Mining Association

In a presentation to the Mining Association of Canada last year, former International Development Minister Julian Fantino promised

industry representatives that the Institute "will be your biggest and best ambassador." And in a January submission to the Canadian government, the Prospectors and Developers Association of Canada (PDAC) proposed that the University of British Columbia-housed Institute could be a "key delivery device" for influencing natural resource management in resource-rich countries.

The CIIEID was established through a \$24.6 million donation from the former Canadian International Development Agency (CIDA), now part of the Department of Foreign Affairs, Trade and Development (DFATD). It was formally launched on January 29, 2014 as a partnership between the University of British Columbia (UBC), Simon Fraser University (SFU), and Montreal's École Polytechnique.

The Institute's purported mission is to work with national, regional, and local governments so that resource extraction will

contribute to sustainable growth and poverty reduction. A contribution agreement was signed between UBC and CIDA in May 2013 to establish it.

MiningWatch Canada has produced a brief analysis of the

CIDA-UBC Contribution Agreement and a summary of past Canadian involvement in natural resource management in Latin America that underline why these public funds are mis-

directed and destined to privilege Canadian mining investment and profitability over poverty reduction and protection of communities, workers, and the environment.

"While mining-affected communities could make use of independent academic expertise, the CIIEID is not independent, nor is it likely to have much credibility given its close ties with the Canadian government and industry," remarks Jen Moore, Latin America Program Coordinator for MiningWatch Canada. "The Canadian government's vested interest, its stated goal of promoting and protecting the interests of Canadian extractive companies operating overseas, and its poor track record in countries such as Honduras, Colombia, and Peru have already laid its path."

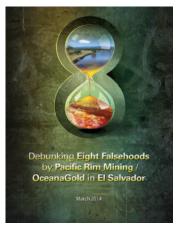
Our analysis is available on our web site in English, French and Spanish.

New Study Debunks Mining Company Falsehoods About El Salvador

The President-elect of El Salvador has publicly committed to prohibit new mining during his administration, just as his predecessors have done since 2008. OceanaGold should respect the democratic process in El Salvador, abandon its acquisition of Vancouver-based Pacific Rim Mining, and drop its lawsuit against the government of El Salvador for not having permitted a mine, according to international civil society organizations. A new study debunks eight falsehoods the company has used to try to justify mining in El Salvador and undermine public debate and policymaking.

Canadian-Australian firm OceanaGold acquired Pacific Rim Mining in November 2013. Up against stiff local and national opposition in El Salvador, Pacific Rim has been trying to get at gold deposits in northern El Salvador for about a decade.

In 2009, Pacific Rim launched what is now a \$301 million lawsuit against El Salvador in a World Bank arbitration tribunal, arguing that the government must grant the company the permit to begin its El Dorado gold project. OceanaGold, having bailed out Pacific Rim from near bank-



ruptcy in November 2013, aims either to strike a deal with the Salvadoran government or to continue fighting the suit.

But OceanaGold is making a shaky bet. The facts are:

- Pacific Rim did not meet the regulatory requirements necessary to obtain a mining permit in El Salvador, relying instead on political lobbying.
- Pacific Rim never undertook adequate studies to understand, much less mitigate, potential adverse impacts from the El Dorado project, especially on water supplies.
- There is broad opposition to mining in El Salvador that extends to the highest echelons of the Catholic Church.
- 4. Pacific Rim's activities in Cabañas have generated conflict, aggravated divisions, and raised the stakes around current and potential economic benefits from mining. This can only have contributed to threats and violence, which have yet to be fully investigated.
- 5. Pacific Rim's willingness to opt for political lobbying

- and local patronage, rather than meet regulatory requirements and respect communities, could have fueled corruption.
- 6. Any profits from the El Dorado project would mainly be returned to the company and its shareholders.
- The company is using investor-state arbitration rules to subvert a democratic, nationwide debate over mining in El Salvador, a matter that should not be decided by a World Bank tribunal.
- 8. OceanaGold operates an open-pit gold-copper project in the Philippines that illustrates the costs of mining that Salvadorans do not want to bear.

These facts correspond to eight falsehoods from Pacific Rim/OceanaGold, carefully debunked in a new report published by the Blue Planet Project, the Council of Canadians, the Institute for Policy Studies, MiningWatch Canada, and Oxfam International: Debunking Eight Falsehoods by Pacific Rim Mining/OceanaGold in El Salvador, available on our website.

Canadian Mining Investment Benefits Eritrea's Repressive Regime

Canadian Business Magazine's May 2014 issue ran a sensational headline: The slaves of Eritrea: Canadian mining company Nevsun has been accused of using forced labour to build a mine in Eritrea. How could something like that happen in the modern business world? The news wasn't so much the allegations, now a couple of years old, that contractors at Nevsun Resources' Bisha gold-copper mine in Eritrea had used forced labour, under inhumane conditions. It was that the Canadian government's response to those allegations, exposed through an

Access to Information request, was to worry about the company's public reputation – not any actual abuse of workers.

But a larger issue lurks undiscussed in the background. What are the ethics of doing business in Eritrea? The accusations of using forced labour originate with Nevsun being forced to contract government and military businesses, and the company has worked to isolate itself from their labour practices. But at the same time, Nevsun's operations are contributing to the well-being of a regime classified by many observers as one of the world's most repressive.

The Eritrean government may well be using the revenue from the mine to build much-needed infrastructure and services, but what assurance is there that it is not also going to buy weapons? Various agencies, including Amnesty International, have found Eritrea to be one of the most repressive countries in the world, with a long list of violations including thousands

of people subject to arbitrary, cruel, and indefinite detentions. Eritrea has also been subject to a UN Security Council-imposed arms embargo (UNSC Resolution 1907) since 2009, principally on account of its support for Islamist guerrilla group al

Shabaab, though it doesn't affect foreign investment. The UN found that by 2012 Eritrea had stopped direct support for the militants but continued to channel support through proxies in the region, and that sanctions should not be lifted.

Short of full economic sanctions, Canada has no legal mechanism to control investment by Canadian companies, even in cases as egregious as this. Elizabeth Chyrum of Human Rights Concern testified to the Human Rights Subcommittee of the House of Commons Standing Committee on Foreign Affairs

and International Development in February, 2012, about the use of Army conscripts and the mistreatment of workers by Eritrean government construction company Segen under contract to Nevsun.

Nevsun was clearly aware of the possibility of abuse; it has been producglossy Corporate Social Responsibility reports since 2011 supposedly addressing the potential for such violations. Despite this, CEO Cliff Davis told iPolitics in November, 2012: "I'm certainly not directly aware (of human rights violations) at all." Davis was in Ottawa to testify before the same parliamentary committee; it is still a mystery why he appeared before the committee when he had little of substance to present, and who on the committee invited him six months after Chyrum's disturbing testimony.

An investigation by Human Rights Watch, published soon afterwards in

January 2013, supported these allegations, finding that Nevsun "initially failed to take those risks seriously, and then struggled to address allegations of abuse connected to its operations. Although the company has subsequently improved its policies,



The news was grim, but not surprising, 'tennick Lamonde, an official within Canada's Department of Foreign Affairs and International Trace (DFATT, received word in January last year of an impending report by a prominent non-governmental organization, its contents were explosive. Human Rights Walch Caimed a Canadan-owned mine in Eithea had been built partly by de facto slaves. Department officials were already well-acquainted with the mine's majority owner. Vancouver-based Nersun Resources, and certainly its mine. Birka, located in the dusty interior of the North African nation. They had even heard similar rumours at least a year earlier. But with those unproven allegations now receiving widespread publicity, remaining ritigate was no longer as portion.

it still seems unable to investigate allegations of forced labor concerning a state-owned contractor it uses."

In this context, the revelations by Canadian Business are especially damning of the Canadian government. Their only response to the Canadian public? That Corporate Canada "leads the world in responsible mining practices." Nevsun's defence is that (a) it is doing nothing illegal, and (b) it is providing benefits

to Eritreans by providing jobs and revenue.

Neither the company, nor, it seems, the Canadian government has any ethical qualms about supporting the Eritrean regime, even in the absence of any guarantees that such support isn't going directly or indirectly to support a group Canada lists as a terrorist entity — or being used to repress the country's own people.

Groups Rally on Parliament Hill To Demand Ombudsman for Extractive Industries

On May 14th, Development and Peace and other members of the Canadian Network on Corporate Accountability (CNCA) came together with supporters on Parliament Hill to call for the creation of an impartial and independent Ombudsman to hear

complaints from people who have been harmed by the activities of Canadian extractive companies operating internationally.

The rally was attended by some 300 supporters. Development and Peace presented Members Parliament with more than 85,000 signatures on postcards from Canadians who support the call for an extractive sector Ombudsman. Another 13,500 signatures were gathered by CNCA member organizations Inter Pares, Amnesty International, the United Steelworkers, and Kairos. These signatures support both the creation of an Ombudsman, as well as the creation of better access to Canadian courts for people from other parts of the world who feel they have been harmed by a Canadian extractive company.

The CNCA's "Open for Justice" campaign recognizes that people who have been harmed by the activities of Canadian extractive companies operating overseas often do not have access to effective judicial or non-judicial mechanisms to seek



Alex Neve, Secretary-General of Amnesty International Canada (English-speaking section) speaks for the Canadian Network on Corporate Accountability (CNCA) the crowd gathered on the steps in front of the Parliament Buildings in Ottawa. (Catherine Coumans photo)

Several MPs joined in the noon-hour rally to address the crowd and show their support for the creation of an Ombudsman. Speakers included MPs Ève Péclet (NDP), Irwin Cotler (Liberal), Jean-François Fortin (BQ), and Green Party representative Lorraine Rekmans. Liberal MP John McKay was also present to show his support. McKay's private member's Bill C-300, which also sought to create a mechanism to receive complaints about the activities of Canadian extractive sector companies overseas, was defeated by just 6 votes in 2010.

redress in their own countries. The campaign therefore seeks to enhance access for these people to Canadian courts, as well as the creation of an independent extractive sector ombudsman in Canada that will be empowered to investigate complaints, report out on the findings of investigations, provide mediation, make recommendations regarding remedy for people who have been harmed by a Canadian extractive company operating overseas, and, if needed, recommend that the government of Canada withhold political and financial support to a company.

Canada's Corporate Social Responsibility Strategy Up in the Air Yet Again

The federal government is engaged in a review of its Corporate Social Responsibility (CSR) strategy for the international operations of the Canadian extractive sector. As part of this review, MiningWatch was invited to participate in a civil society roundtable consultation hosted by the Department of Foreign Affairs Trade and Development Canada (DFATD), as well as in an in-depth interview by the Department's Office of Audit, Evaluation and Inspection; both meetings were in December 2013. In a brief subsequently submitted to DFATD, MiningWatch set out in greater detail why the government's CSR strategy is failing to meet its stated goals.

The Government of Canada's CSR Strategy for the Extractive Sector, launched in 2009 as Building the Canadian Advantage: A Corporate Social Responsibility (CSR) Strategy for the Canadian International Extractive Sector, purports to address three key areas:

- increasing development benefits associated with mining, primarily through support for host country capacity-building initiatives related to resource governance and for host countries to benefit from these resources to reduce poverty;
- (2) providing remedy to those who have been harmed by the activities of Canadian extractive companies operating over-

- seas, via the Office of the Extractive Sector CSR Counsellor; and
- (3) promoting voluntary corporate social responsibility guidelines and tools, through the CSR Counsellor as well as via promoting voluntary international CSR performance guidelines – the OECD Guidelines for Multinational Enterprises, the International Finance Corporation's Performance Standards on Social and Environmental Sustainability, the Voluntary Principles on Security and Human Rights, and the Global Reporting Initiative – in addition to the development of a Centre for Excellence in CSR.

The government's failure to meet even these modest goals result from the fact that they are subservient to its prevailing economic objectives, prioritizing the promotion and protection of the interests of Canadian extractive companies operating overseas. This focus on promoting corporate interests is responsible for key flaws of the Strategy, such as its entirely voluntary nature, the weak mandate of the CSR Counsellor, and the use of Official Development Assistance as a corporate subsidy and to support the social acceptability or "social licence" of Canadian companies' operations.

The Canadian government's failure to address and remedy the harmful economic, environmental, and human rights impacts of mining in developing countries will ensure increased opposition to Canadian mining companies and increased conflict at mine sites – the very issues the CSR Strategy was supposed to address.

For more on these failures see references in the online version of this article.

Ejido Carrizallillo Reaches Agreement with Goldcorp, Ending 33-Day Blockade

When the Ejido (farming community) of Carrizalillo, in the state of Guerrero, Mexico, blockaded and shut down Goldcorp's massive Los Filos gold mine after the company refused their terms for a renewed lease of Ejido lands, there was serious concern that the company would call in the police or local vigilantes to break the blockade and resume operations illegally.

We coordinated pressure on the company to negotiate in good faith; eventually a deal was struck. The new deal does not meet all of the Ejido's needs, but it is much more reasonable than what the company had been offereing, and it provides a good base for future negotiations – and there was no violence.

Here's what the Ejido had to say (our translation of the Spanish original):

On April 1, 2014, the temporary land use contract that our Ejido of Carrizalillo has with Goldcorp expired without having

reached a new agreement that would permit the Ejido to establish joint mechanisms with the company to monitor and prevent the actual and future environmental and health impacts associated with mining, as well as to improve social, educational, economic and health benefits to the Ejido in exchange for the mining activities that the company carries out on our lands. The lack of an agreement to establish a contract addressing these issues led the entire population of our community Carrizalillo to take action and to stop mining activities at Goldcorp's 'Los Filos' mine for 33 days.

These were 33 days of intense mobilization and struggle in defence of our rights, to demand that the company treat us with respect. During this time we received the support and solidarity of a large number of individuals, communities, organizations, and mine workers from more than twenty coun-

tries in Central America, South America, Canada and the U.S., Europe and Mexico, as well as members of the Mexican Network of Mining Affected Communities (REMA) and the Mesoamerican Movement against the Mining Model (M4), and from the media. Their support deserves our respect, thanks, and a hug in solidarity.

To all of you, as well as to public opinion and to the media, we report that yesterday (May 3rd), and with the approval of the community assembly today, we finally reached an agreement with Goldcorp that – while it does not live up to 100% of our aspirations – does represent a significative advance in the basic elements included in our petition. This includes a joint environment and health monitoring initiative that will allow us in the short and medium term to examine the impacts of mining in this respect, and similiarly, to design preventative measures and



The El Bermejal pit, one of two that in addition to an underground operation make up Goldcorp's Los Filos mine Guerrero, Mexico. (Jen Moore photo)

measures for the mitigation and reparation of the impacts caused by mining activities as needed. The agreement also encompasses broader social benefits in the area of education, support for vulnerable groups, and improvements in the areas of community health and respectful and dignified treatment of workers.

In economic terms, the rent for our lands has increased from 2.5 to 4 ounces of gold per hectare per year with an annual 6% increase, as well as the opportunity to obtain contracts for transportation and hauling materials, which will improve employment local income for families in our Ejido and community. These agreements are part of a new temporary land use contract for five years.

The company established a dialogue with us in which we finally felt like we were treated with the respect that we deserve, which without doubt helped to address the antagonisms and frictions that had been created in the lead up to negotiations and with effort from both parties were set aside in order to undertake this process.

We reiterate our thanks to all of those who have been attentive to what has been going on in our struggle and who helped

> to ensure better conditions such that this process could take place and to finalize our renewed contract with the improvements that achieved today.

Fraternally,

Roberto Guzmán, President, Carrizalillo Ejido

Julio Peña, President, Carrizalillo Ejido Oversight Committee



Members of the Ejido Carrizalillo discuss the negotiation. (Jen Moore photo)

<u> </u>	YESI I want to help provid	e mining-affected communities with the support they need
— and make the mining industry accountable.		
Please direct my contribution to:		
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