Problems for

Indigenous Peoples from Mining and Climate Change
Bad record of Mining

• Mining has left a legacy of destruction and permanent damage wherever it has operated.
• Social destruction has also followed it
• Global. Old mining districts are among The poorest counties in the USA. Same in UK and elsewhere
• Bad record has led to growing and effective opposition. By 1990s threatening mining finance and project development
Industry response to improve image

Efforts include

• Mines Minerals and Sustainable Development Report
• Formation of ICMM
• Recruitment of academics, social scientists
• Environmental audits from zero to virtually universal—but far from independent
• Target NGOs—including IUCN with finance
Sustainable Mining?

• Outcomes of industry investment
• WSSD Plan of Action includes “sustainable mining”
• Formation of the partnership between Govt of S Africa and Canada IGF
• The Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development. 42 member states. Now operates out of UK Govt, London DfID
• NB UN Commission on Sustainable Development 2010-11 review of mining. Indigenous response?
• Industry and Copenhagen???
Mining, Oil and Gas

• The central part of mining and oil activity is the extraction of non-renewable fossil carbons: coal, petroleum, natural gas and then mainly to burn them.

• The other minerals that mining extracts (also non-renewable) normally depend on these carbons to turn the ores into useable minerals through massive energy injections.

• Mining contains a key threat to climate change. In fact, reduction of mining is essential to climate change mitigation.
Peabody Energy

“Key Reasons to Invest

Coal is the fastest-growing fuel in the world and Peabody is the world’s largest private sector coal company

In 2008 Peabody demonstrated the strength of its global platform..

new records in all key financial metrics—sales volumes, revenues, EBITDA

• Only US based coal company serving major long term demand epicentres in Asia

• Operating portfolio predominantly large scale low cost surface operations making performance less susceptible to geology and safety compliance issues.

• Opportunistically evaluating potential acquisitions amid currently distressed market conditions”
Who is Peabody?

Directors include John F. Turner (64)
Independent Director, Former U.S. Assistant Secretary of State
for Oceans and International Environmental and Scientific Affairs
(OES) 2001-05, Compensation Committee Nominating & Corporate
Governance Committee

William A. Coley (63), Independent Director, President, Chief
Executive Officer British Energy Group plc, Compensation
Committee Executive Committee

Robert B. Karn III (65) Independent Director, Former Managing
Partner Arthur Andersen Financial & Consulting, St. Louis
Compensation Committee, Chair, Audit Committee

Alan H. Washkowitz (66), Independent Director, Former Managing
Director
Lehman Brothers Inc, Audit Committee Nominating & Corporate
Governance Committee
Mining and Climate Change: Forests

• Modern mining not more sustainable but less so. More extensive, intrusive and destructive based on low grade ores and heavy equipment use

• Strip mining for coal, nickel, aluminium, iron can cover thousands of hectares per mine

• Open pit mining for copper gold iron and others can also impact a wide area

• Impacts—removal of vegetation, exposure of earth to erosion, disruption of drainage, drives away animal and fish life, destroys subsistence, farms, fruit trees and so violates HR to subsistence

• NB Papua unstoppable die back on Ok Tedi, Fly
Restoration of Forest?

- Rare and very long term. Forest is a complex system
- Land disturbed, nutrients drained and removed by mining.
- Replanting programmes often fail
- most often based on quick growing commercial trees-not forest
- Problem of restoring control to local community-Iligan Maranao Community requested the return of their land
- However company interest extended by commercial trees. Less chance of community getting it back. Itogon housing developments-same
Less than 6% of original forests remains
Source: Environmental Science for Social Change, 1999
High Energy demands

• Massive Equipments, petrol and electricity use
• Certain minerals are hugely dependent on energy inputs. The most notorious is probably aluminium. To convert bauxite into aluminium takes massive injections of electricity. Such that a bar of aluminium is predominantly energy input. To make aluminium requires massive cheap-underpriced/subsidised energy mostly HEP dams like Bacun dam or the mekong projects. So there is a double footprint
• Recycling aluminium involves only 5% the original energy input
Energy inputs

- Copper processing, iron and steel
- The costs of extracting in energy terms increasing, impacts increasing
- Recycling involves much less. Figures in copper mining the ore bodies now mined are now of lower grade than ever in history.
- Meanwhile little done to maximise recycling
- Such that in the US some rubbish dumps are now richer in copper than some mine-able ore bodies. But when you recover refined copper you need only small proportion of energy to make it reuse-able
Impacts on water

- Massive water demands of mining leading to threats to local needs. Irresponsible use of scarce and valuable resources including in semi arid regions using massive volumes water for washing coal-US South West- a gross irresponsibility-Peabody and Navaho, Barrick and Shoshone
- This particularly affects farms of mountain people and others in marginal environments-esp with increase in extreme weather
- Reduction in life, forest die back
- AMD poisoning of rivers and seas
- Choking of corals disruption of marine systems which are key issue in protection against climate change
- STD a high risk low cost strategy
Impacts on water threats from extreme weather

• Run off from mines
• Choking of rivers with dust and exposed soil leading to filling of river beds increased threats from flooding and danger from flash floods
• Threats from coastal flooding of toxic mine sites – pollution poisoning sea-e.g. Atlas mine-
• recomm ban mining in threatened zones next to coasts or near sea level
Mine waste concerns

- Dumping in rivers- unacceptable but done by major companies
- Dumping in sea-unacceptable but done by major companies
- Dumping in tailings dams all built to some safety/cost balance
- Tailings dams in monsoon regions particularly contain risk and growing risk from extreme weather
- Philippine documentation on tailings dam failure more than 20 in 30 years
Tailings dams

• Over last 30 years More than 20 major breaches involving deaths, major pollution, health effects
• Rapurapu mine washed out within two years of opening with massive environmental impact
• Recomm - No go areas for mining under extreme weather threat (monsoon zones?)
• Citigroup analysis also points to high latitude precipitation increase
TVI Tailings Dam

Collapse of sulphide dam at TVI – May 2007
Siltation of nearby creeks - May / June 2008
Continuing Risk and Continuing Damage

Tapian Pit of Marcopper

1993 collapse of Maguila-guila dam
Contaminated Mogpog River

1996 collapse of drainage tunnel released 1.6 million cubic meters of toxic mine tailings in Boac River
Threats from mitigation measures influencing mining

- Revival of uranium mining with huge record of health impacts for indigenous peoples, threats to global security
- Expansion of platinum mining
- Dams for power for mining
Security issues/urgency

- Carbon wars-Iraq, others, peak oil and possible authoritarianism
- Governments give high value to mining. This in part justified by supposed need for urgent and extreme action. Given discrimination against IPs this brings negative threat for IPs
- Intimidation and fraud as basis for “achieving” local consent
- Recomm. Respect for Human Rights essential UNDRIP
- System without local support will be under economic pressure and unattractive to investors
Recommendations

• “A smaller mining industry for a more sustainable world.” Rationalise/minimise mining development
• Reduce mining, increase recycling. (big mining industry does not invest in recycling sector-so they are unlikely to see this as way forward)
• Need to expose irrational competing projects, private competing investments leading to more rapid development, maximisation of projects and irrational exploitation of resource e.g. nickel projects in S.E Asia many in operation and development-
Recommendations

• Respect for international standards on rights should be fundamental to companies in all jurisdictions, including esp Declaration on Indigenous Peoples rights, FPIC, rights based approach. National and international level demand

• Independent and credible monitoring and transparency needed (NB IP/civil society to initiate, systematise)
Recommendations

• IP lands-FPIC issue, Tailings threat, sea rise threat, frozen regions mining boom?, forest protection priority
• Life on earth or corporate profit?
• Re-evaluation :- .IP rights and forests, priority IP and forest right before mining
• Ban on marine dumping, riverine dumping
• No to uranium mining
Recommendations

• Point to inconsistencies
• Challenge governments, investors to withhold funding from fossil carbon,
• prioritise recycling, alternatives, stricter regulation of mining and speculative funding to mining
• IFIs (IFC/Equator Banks) base approach on respect for Human Rights, the UNDRIP and FPIC. Reduce/Stop carbon investments