

## Written evidence submitted by London Mining Network (LMN)

### 1. Summary

- The operations of UK-listed and UK-funded mining companies are causing severe damage and creating a legacy of bitterness.
- Neither engagement with mining companies nor voluntary initiatives such as EITI are in themselves sufficient to hold mining companies accountable: stricter regulation is necessary.
- We therefore recommend that either the Financial Conduct Authority or some other statutory body be given the power, responsibility, funding and institutional capacity to enforce good conduct on all UK-listed extractives companies, including those trading on the London Stock Exchange's Alternative Investment Market. This must extend beyond matters of financial concern to shareholders and include compliance with human rights and environmental standards.

### 2. Introduction

[London Mining Network](#) (LMN) is an alliance of eighteen member organizations and twelve observer organizations concerned about the negative impacts of UK-listed and UK-funded mining companies.

Our network contains organizations and individuals with many years' experience working with communities directly and negatively affected by the operations of mining companies listed on the London Stock Exchange or funded by London-based financial institutions.

This submission is limited to matters of which our network has direct experience or other expert knowledge, so does not answer every question. We would be happy to testify further in oral hearings.

### **3. What are the corporate governance concerns raised by the number of extractive industries companies listed in the UK? Are there reputational risks for the UK and UK financial institutions in being a centre for such businesses?**

LMN notes that corporate governance extends to the wider interests of all those affected by a company's activities and involves adherence to internationally recognised human rights and environmental standards. In this context LMN has observed and documented the detrimental activities of a disturbing number of UK-listed mining companies, as noted below.

#### **3.1 LMN 2012 report**

3.1.1 LMN's 2012 report, [UK-listed mining companies and the case for stricter oversight](#)<sup>1</sup>, was a contribution to debate on the Financial Services Bill. It included eight case studies of mining companies which had listed in London over the previous ten years and whose human rights and environmental records leave much to be desired. It also contained specific recommendations to the UK Government.

---

<sup>1</sup> <http://londonminingnetwork.org/docs/lmn-the-case-for-stricter-oversight.pdf>

### 3.1.2 Of the companies included in the report,

- [Bumi](#) has since been embroiled in boardroom disputes over governance<sup>2</sup>, has seen its share price slump and share trading temporarily suspended<sup>3</sup>, and has been investigated for corruption<sup>4</sup>;
- [GCM Resources](#) currently faces a [complaint brought under the OECD mechanism](#)<sup>5</sup> and is in financial difficulty<sup>6</sup>;
- [Vedanta](#) faces serious financial consequences<sup>7</sup> as a result of its cavalier attitude to the law and to adivasi (indigenous) communities in India<sup>8</sup>, as it looks unlikely now to

<sup>2</sup> Bumi plc delays the vote on split with Bakries, Mines and Communities, 22 November 2013, <http://www.minesandcommunities.org/article.php?a=12498>, accessed 2 December 2013; Cecilia Jamasmie, Bumi closer to split with the Bakries, says lacks proof family has cash for it, Mining.com, 8 November 2013, <http://www.mining.com/bumi-closer-to-split-with-the-bakries-says-lacks-proof-family-has-cash-for-it-14485/>, accessed 2 December 2013; Reuters, Bumi separation plan should complete by November, Mineweb, <http://www.mineweb.com/mineweb/content/en/mineweb-fast-news?oid=205002&sn=Detail>, accessed 2 December 2013; Cecilia Jamasmie, Ten Bumi executives desert the ship, Mining.com, 8 March 2013, <http://www.mining.com/ten-bumi-executives-desert-the-sinking-ship-90136/>, accessed 3 December 2013; More Bumi plc directors resign on shake up, The Jakarta Post, 5 March 2013, <http://www.thejakartapost.com/news/2013/03/05/more-bumi-plc-directors-resign-shake.html>, accessed 3 December 2013; Clara Ferreira-Marques and Sarah Young, Rothschild defeated in Bumi showdown, Reuters, 21 February 2013, <http://www.reuters.com/article/2013/02/21/bumi-vote-idUSL1N0BL2JX20130221>, accessed 3 December 2013; James Ashton, The City's most valuable asset is its reputation, Evening Standard, 21 February 2013, <http://www.standard.co.uk/comment/comment/james-ashton-the-citys-most-valuable-asset-is-its-reputation-8505139.html>, accessed 3 December 2013; Matt Turner, The Bumi debacle: A timeline, Financial News, 21 February 2013, <http://www.efinancialnews.com/story/2013-02-21/bumi-debacle-timeline?mod=blogheadlines-home>, accessed 3 December 2013 and <http://londonminingnetwork.org/?s=bumi> passim.

<sup>3</sup> Cecilia Jamasmie, Bumi sees stock plummet in first day of trading after suspension, Mining.com, 22 July 2013, [http://www.mining.com/bumi-sees-stock-plummet-in-first-day-of-trading-after-suspension-81030/?utm\\_source=digest-en-mining-130722&utm\\_medium=email&utm\\_campaign=digest](http://www.mining.com/bumi-sees-stock-plummet-in-first-day-of-trading-after-suspension-81030/?utm_source=digest-en-mining-130722&utm_medium=email&utm_campaign=digest), accessed 3 December 2013; Alistair Osborne, Coal giant Bumi seeks to lure former BP executive John Manzoni, Daily Telegraph, 16 June 2013, <http://www.telegraph.co.uk/finance/newsbysector/industry/mining/10124037/Coal-giant-Bumi-seeks-to-lure-former-BP-executive-John-Manzoni.html>, accessed 3 December 2013; Louise Armitstead, Rethink listing rules after ENRC: top investor, Daily Telegraph, 28 April 2013, <http://www.telegraph.co.uk/finance/newsbysector/industry/mining/10023823/Rethink-listing-rules-after-ENRC-top-investor.html>, accessed 3 December 2013; Listing Badly, The Economist, 27 April 2013, <http://www.economist.com/news/business/21576705-kazakh-and-indonesian-miners-battle-shareholders-london-listing-badly>, accessed 3 December 2013 and <http://londonminingnetwork.org/?s=bumi> passim

<sup>4</sup> Alistair Osborne, Financial Conduct Authority investigates Bumi founders, Daily Telegraph, 8 November 2013, <http://www.telegraph.co.uk/finance/newsbysector/industry/mining/10436976/Financial-Conduct-Authority-investigates-Bumi-founders.html>, accessed 2 December 2013; Alistair Osborne, Roeslan Roeslani emerges as surprise buyer of Inter Milan, Daily Telegraph, 15 October 2013, <http://www.telegraph.co.uk/finance/globalbusiness/10381528/Roeslan-Roeslani-emerges-as-surprise-buyer-of-Inter-Milan.html>, accessed 2 December 2013; and <http://londonminingnetwork.org/?s=bumi> passim.

<sup>5</sup> <http://www.wdm.org.uk/news/uk-government-accepts-complaint-over-gcm-resources%E2%80%99-bangladesh-coal-mine>, accessed 3 December 2013

<sup>6</sup> GCM Resources plc Annual Report and Accounts 2013, page 1, <http://www.gcmplc.com/pdf/GCM-2013-Annual-Report.pdf>, accessed 3 December 2013, notes financial losses over the last two years.

<sup>7</sup> Simon Goodley, Top City investor attacks miner Vedanta Resources, The Guardian, 1 August 2013, <http://www.theguardian.com/business/2013/aug/01/top-investor-attacks-vedanta-resources?INTCMP=SRCH>, accessed 3 December 2013.

<sup>8</sup> Amnesty International, Vedanta's Perspective Uncovered, 28 August 2012, <http://www.amnesty.org/en/library/asset/ASA20/029/2012/en/2140b017-434e-4383-b07a-fc655693c72a/asa200292012en.pdf>, accessed 3 December 2013; Vedanta accused of further serious violations in India, Mines and Communities, 24 July 2012, <http://www.minesandcommunities.org/article.php?a=11816&l=1>, accessed 3 December 2013; UK company brazenly flouted construction rules, Mines and Communities, 24 April 2012, <http://www.minesandcommunities.org/article.php?a=11651>, accessed 3 December 2013; Indian minister halts fresh Vedanta bid to mine Niyamgiri, Mines and Communities, 24 April 2012, <http://www.minesandcommunities.org/article.php?a=11646>, accessed 3 December 2013; Vedanta guilty of illegal mining, admits political donations, Mines and Communities, 10 October 2011,

carry out its plan to mine bauxite in the Niyamgiri Hills<sup>9</sup> to feed its illegally constructed refinery at Lanjigarh<sup>10</sup>;

- [African Barrick](#) is being sued in the UK for the killings of villagers near its North Mara mine in Tanzania<sup>11</sup>.

3.1.3 Bumi, Vedanta and African Barrick are essentially foreign companies which took advantage of the UK's lax listing regime to gain the financial and reputational advantages of a London listing. Bumi made use of a shell company ([Vallar plc](#)) to conduct a 'reverse take-over' on to the London Stock Exchange with even less scrutiny than would usually be the case<sup>12</sup>.

3.1.4 Since we published our report, the largest of the companies included in it, [Glencore](#), has merged with another large London-listed mining company, [Xstrata](#), to form [Glencore Xstrata](#)<sup>13</sup>. Mention is made below of some of Xstrata's operations.

### 3.2 Other concerns

3.2.1 We are also concerned about the human rights and environmental impacts of mining companies with a good reputation among investors, generally healthy finances and supposedly excellent governance. Not all are recent arrivals: one company of particular concern, [Rio Tinto](#), has been listed in London for many decades.

3.2.2 This submission builds on our 2012 report by summarising current concerns about some companies not included in that report – especially concerns about social and environmental impacts faced by communities with whom we are working or who have recently approached us for help.

### 3.3 Anglo American

---

<http://www.minesandcommunities.org/article.php?a=11213>, accessed 3 December 2013

<sup>9</sup> Niyamgiri setback: Odisha govt should give us alternate mine, says Vedanta, Firstpost.com, 24 October 2013, [http://www.firstpost.com/business/niyamgiri-setback-odisha-govt-should-give-us-alternate-mine-says-vedanta-1192497.html?utm\\_source=ref\\_article](http://www.firstpost.com/business/niyamgiri-setback-odisha-govt-should-give-us-alternate-mine-says-vedanta-1192497.html?utm_source=ref_article), accessed 3 December 2013; Final tribal meeting rejects Vedanta's mining proposal in Niyamgiri, Mines and Communities, 21 August 2013, <http://www.minesandcommunities.org/article.php?a=12422>, accessed 3 December 2013;

<sup>10</sup> HC dashes Vedanta hopes to expand refinery, The Times of India, 19 January 2012, [http://articles.timesofindia.indiatimes.com/2012-01-19/bhubaneswar/30642318\\_1\\_review-petition-vedanta-aluminum-alumina-refinery](http://articles.timesofindia.indiatimes.com/2012-01-19/bhubaneswar/30642318_1_review-petition-vedanta-aluminum-alumina-refinery), accessed 3 December 2013; Vedanta's refinery expansion plan suffers another setback, The Times of India, 17 September 2011, [http://articles.timesofindia.indiatimes.com/2011-09-17/india/30168402\\_1\\_bauxite-mining-project-environment-clearance-vedanta](http://articles.timesofindia.indiatimes.com/2011-09-17/india/30168402_1_bauxite-mining-project-environment-clearance-vedanta), accessed 3 December 2013; Generalisations, omissions, assumptions: The failings of Vedanta's Environmental Impact Assessments for its bauxite mine and alumina refinery in India's state of Orissa, Amnesty International, 24 July 2011, <http://www.amnesty.org/en/library/asset/ASA20/036/2011/en/07a6e7a0-5022-4c00-abad-911837242487/asa200362011en.pdf>, accessed 3 December 2013; A famous battle is won - now to end the war!, Mines and Communities, 30 August 2010, <http://www.minesandcommunities.org/article.php?a=10346>, accessed 3 December 2013; Don't mine us out of existence, Amnesty International, 9 February 2010, <http://www.amnesty.org/en/library/asset/ASA20/001/2010/en/0a81a1bc-f50c-4426-9505-7fde6b3382ed/asa200012010en.pdf>, accessed 3 December 2013.

<sup>11</sup> Tanzanian villagers claim abuse of legal process by African Barrick Gold, Leigh Day and Co press release, 3 December 2013, <http://www.leighday.co.uk/News/2013/December-2013/Tanzanian-villagers-claim-abuse-of-process-by-Brit>, accessed 3 December 2013; African Barrick Gold sued in UK over Tanzania mine deaths, Mines and Communities, 30 July 2013, <http://www.minesandcommunities.org/article.php?a=12405>, accessed 3 December 2013.

<sup>12</sup> Bumi Burns Hole in London's Reputation, Mines and Communities, 2 October 2012, <http://www.minesandcommunities.org/article.php?a=11933>, accessed 3 December 2013

<sup>13</sup> Glencore clinches Xstrata take-over with Chinese copper deal, Mines and Communities, 22 April 2013, <http://www.minesandcommunities.org/article.php?a=12252>, accessed 3 December 2013

Concerns about [Anglo American](#) currently include:

- The plight of many thousands of former mine workers suffering from silicosis as a result of poor dust suppression in gold mines for which the company retains legal responsibility. [Legal proceedings](#) have been taken in both South African and English courts<sup>14</sup>.
- [Disputes with mine workers](#) at subsidiary Anglo American Platinum's operations in South Africa<sup>15</sup>.
- Involuntary resettlement of communities and conditions for workers at the [Cerrejón coal](#) mine in Colombia<sup>16</sup>, a mine which the company jointly owns with BHP Billiton and Glencore Xstrata and which continues to cause concerted local protest<sup>17</sup>.
- Its involvement, through an 11% shareholding in Nautilus Minerals, in plans for [seabed mining off the coast of Papua New Guinea](#), with the prospect of severe damage to marine ecosystems and the livelihoods of coastal communities<sup>18</sup>.

<sup>14</sup> UK Court decision in gold miner's silicosis cases, Leigh Day and Co press release, 24 July 2013, <http://www.leighday.co.uk/News/2013/July-2013/UK-Court-decision-in-gold-miner%E2%80%99s-silicosis-cases>, accessed 3 December 2013.

<sup>15</sup> South African labour strife: no resolution in sight, Mines and Communities, 21 May 2013, <http://www.minesandcommunities.org/article.php?a=12300&l=1>, accessed 3 December 2013.

<sup>16</sup> Cerrejón Coal and villagers of Roche reach agreement at last in Colombia, London Mining Network, 19 October 2013, <http://londonminingnetwork.org/2013/10/cerrejon-coal-and-villagers-of-roche-reach-agreement-at-last-in-colombia/>, accessed 3 December 2013; British-owned coal mine threatens to evict villagers in Colombia; right-wing paramilitaries threaten death to anyone standing in mining companies' way, London Mining Network, 17 August 2013, <http://londonminingnetwork.org/2013/08/british-owned-coal-mine-threatens-to-evict-villagers-in-colombia-right-wing-paramilitaries-threaten-death-to-anyone-standing-in-mining-companies-way/>, accessed 3 December 2013; Julio Gomez speaks outside Anglo American AGM – denounces displacements for mining in Colombia, London Mining Network, 20 April 2013, <http://londonminingnetwork.org/2013/04/julio-gomez-speaks-outside-anglo-american-agm-denounces-displacements-for-mining-in-colombia/>, accessed 3 December 2013; Multinationals 'on trial' for mining activities in Colombia, Colombia Reports, 15 May 2010, <http://colombiareports.co/multinationals-on-trial-for-mining-activities-in-colombia/>, accessed 3 December 2013; Colombia: Seven year long peoples' struggle achieves a victory, Mines and Communities, 7 January 2009, <http://www.minesandcommunities.org/article.php?a=8999>, accessed 3 December 2013; Coal mining and forced displacement in Colombia: the British connection , Colombia Solidarity Campaign, 20 February 2007, <http://www.colombiasolidarity.org.uk/mining/106-coal-mining-and-forced-displacement-in-colombia-the-british-connection>, accessed 3 December 2013; John Vidal, Colombian miners hit out at Anglo American, The Guardian, 15 April 2013, <http://www.theguardian.com/environment/2013/apr/15/mining-mining>, accessed 3 December 2013

<sup>17</sup> Marjorie Andrea González Ramírez and Javier E. Núñez Calderón, Yazmin Romero: "Defending the earth is an act of peace", The Prisma, 24 November 2013, <http://www.theprisma.co.uk/2013/11/24/yazmin-romero-epiyu-defending-the-earth-is-an-act-of-peace/>, accessed 3 December 2013; Oliver Balch, The mismatch between indigenous communities and mining wealth, The Guardian, 15 November 2013, <http://www.theguardian.com/sustainable-business/mismatch-indigenous-mining-wealth-utopia>, accessed 3 December 2013; INDEFINITE CIVIC STRIKE CALLED IN LA GUAJIRA DEPARTMENT, COLOMBIA, London Mining Network, 6 August 2013, <http://londonminingnetwork.org/2013/08/indefinite-civic-strike-called-in-la-guajira-department-colombia/>, accessed 3 December 2013; Colombia: Wayuu women weigh in on coal at UN Forum, Mines and Communities, 3 June 2013, <http://www.minesandcommunities.org/article.php?a=12326&l=1>, accessed 3 December 2013; Cerrejón Coal pulls back from river diversion, London Mining Network, 23 November 2012, <http://londonminingnetwork.org/2012/11/cerrejon-coal-pulls-back-from-river-diversion/>, accessed 3 December 2013; STATEMENT BY TRIBES AND COMMUNITIES WHICH HAVE BEEN AFFECTED BY MINING MEGAPROJECTS IN THE GUAJIRA DEPARTMENT, COLOMBIA – HAVING COME TOGETHER IN A MEETING FROM NOVEMBER 18 TO 20, 2011, IN THE WAYUU PROVINCIAL INDIGENOUS RESERVE BARRANCAS MUNICIPALITY, <http://xa.yimg.com/kq/groups/10539469/613361253/name/111120+Guajira+communities++statement++English+version.pdf>, accessed 3 December 2013; Civic committee of La Guajira created in the face of large transnational mining, 15 August 2011, Colombia Solidarity Campaign, 15 August 2011, <http://www.colombiasolidarity.org.uk/component/content/article/25-news/551-civic-committee-of-la-guajira-created-in-the-face-of-large-transnational-mining>, accessed 3 December 2013;

- The probable impacts on water quality and marine livelihoods of the company's proposed [Pebble Mine](#) near Bristol Bay, Alaska, which have led to concerted opposition and calls for the project to be banned<sup>19</sup>.
- [Worker deaths](#) and community discontent around the company's Anglo Ferrous operations in Brazil<sup>20</sup>.
- [Disputes](#) between Anglo American subsidiary De Beers and Native communities in northern Canada<sup>21</sup>.

### 3.4 BHP Billiton

- [BHP Billiton](#) is involved with Anglo American and Glencore Xstrata in the [Cerrejón coal](#) mine in Colombia (see above).
- Its Cerro Matoso nickel mine in Colombia has caused [national outrage](#) as a result of the low level of its taxes and social investment<sup>22</sup>.
- It is involved with Glencore Xstrata at the Antamina copper mine in Peru, which was recently fined for a [toxic spill](#) that left hundreds needing medical treatment<sup>23</sup>.
- It has been accused of [corruption in Cambodia](#) involving the country's Prime Minister<sup>24</sup>.
- There is continuing controversy in Papua New Guinea about the [impacts of the Ok Tedi mine](#), formerly run by the company<sup>25</sup>.
- Its plans to open a huge opencast [coal mine](#) in heavily forested Central Kalimantan<sup>26</sup> in Indonesia are the focus of opposition from local, national and international environmental groups<sup>27</sup>.

<sup>18</sup> Nautilus questioned on economic viability and environmental risks, Deep Sea Mining Campaign, 26 June 2013, [http://www.deepseaminingoutofourdepth.org/media-release-nautilus-questioned-on-economic-viability-and-environmental-risks/?utm\\_source=Stop+Experimental+Deep+Sea+Mining&utm\\_campaign=57b2858c49-Nautilus\\_AGM\\_2013&utm\\_medium=email&utm\\_term=0\\_c4419d759e-57b2858c49-4720853](http://www.deepseaminingoutofourdepth.org/media-release-nautilus-questioned-on-economic-viability-and-environmental-risks/?utm_source=Stop+Experimental+Deep+Sea+Mining&utm_campaign=57b2858c49-Nautilus_AGM_2013&utm_medium=email&utm_term=0_c4419d759e-57b2858c49-4720853), accessed 3

December 2013

<sup>19</sup> Juliet Eilperin, Five Western senators question Obama on proposed Alaskan mine, The Washington Post, 9 June 2013, [http://www.washingtonpost.com/politics/five-western-senators-question-obama-on-proposed-alaskan-mine/2013/06/09/80cc0c90-d115-11e2-a73e-826d299ff459\\_story.html](http://www.washingtonpost.com/politics/five-western-senators-question-obama-on-proposed-alaskan-mine/2013/06/09/80cc0c90-d115-11e2-a73e-826d299ff459_story.html), accessed 3 December 2013

<sup>20</sup> Cecilia Jamasmie, Brazil environmental watchdog charges Anglo with a \$10m fine over port accident, Mining.com, 4 April 2013, <http://www.mining.com/brazil-environmental-watchdog-charges-anglo-with-a-10m-fine-over-port-accident-53004/>, accessed 3 December 2013; Six missing after Brazil accident, BBC, 30 March 2013, <http://www.bbc.co.uk/news/world-latin-america-21971513>, accessed 3 December 2013

<sup>21</sup> Canadian native protesters block road to De Beers mine, Mines and Communities, 19 February 2013, <http://www.minesandcommunities.org/article.php?a=12142&l=1>, accessed 3 December 2013

<sup>22</sup> Harvey Beltran, Colombian minister calls BHP Billiton's Matoso social investment offer 'a joke', Business News Americas, 16 August 2012, <http://www.minesandcommunities.org/article.php?a=11868>, accessed 16 December 2013

<sup>23</sup> Peru Support Group, Antamina faces threat of legal action for toxic mining spill, 9 August 2013, <http://www.perusupportgroup.org.uk/news-article-657.html>, accessed 16 December 2013

<sup>24</sup> Mines and Communities, Cambodia: BHP accused of corrupt deal with Cambodia's prime minister, 1 April 2013, <http://www.minesandcommunities.org/article.php?a=12213>, accessed 16 December 2013

<sup>25</sup> Mines and Communities, PNG: Ok Tedi mine a curse, 21 March 2013, <http://www.minesandcommunities.org/article.php?a=12194>, accessed 16 December 2013

<sup>26</sup> Bob Burton, Oops!:BHP loses a new mine, 19 June 2013, <http://londonminingnetwork.org/2013/06/oopsbhp-loses-a-new-mine/>, accessed 16 December 2013; Angela Dewan (AFP), Coal rush ravages Indonesian Borneo, 3 December 2013, [http://www.google.com/hostednews/afp/article/ALeqM5jJRev\\_2vQ5U-b1UCIHv2FLHVIL1Q](http://www.google.com/hostednews/afp/article/ALeqM5jJRev_2vQ5U-b1UCIHv2FLHVIL1Q), accessed 16 December 2013

<sup>27</sup> Arie Rompas, BHP in Indonesian Borneo: the coal disaster waiting to happen, ABC Environment, 19 November 2013, <http://www.abc.net.au/environment/articles/2013/11/19/3893451.htm>, accessed 16 December 2013; Richard Solly, BHP Billiton's London AGM, Thursday 24 October 2013: nearly the full works, London Mining Network, 5 November 2013, <http://londonminingnetwork.org/2013/11/bhp-billitons->

- There was [opposition](#) by aboriginal elders and environmental activists to its plans, now abandoned, to expand its Olympic Dam uranium mine in Australia<sup>28</sup>.

### 3.5 Glencore Xstrata

Before the takeover by Glencore (whose record is covered in our 2012 report, noted above) Xstrata was already involved in a number of conflicts with communities.

- It is accused of contributing to [lead poisoning in children](#) living around its Mount Isa mine in Australia<sup>29</sup>.
- There is massive opposition to its [Tampakan](#) copper gold project in the Philippines, and allegations of numerous human rights abuses committed against the project's opponents<sup>30</sup>.
- There has been unrest around the company's [Tintaya](#) mine in Peru because of alleged pollution and poor community relations; protesters have been killed by security forces<sup>31</sup>.
- The company's Dominican Republic operations were the subject of an [investigation by the United Nations Development Program](#) as the result of a request from the country's Environment Ministry<sup>32</sup>.

---

[london-agm-thursday-24-october-2013-nearly-the-full-works/](#), accessed 16 December 2013; Jakarta Globe, Indonesia Digging Up Too Much Coal: Greenpeace, 30 January 2013, <http://www.thejakartaglobe.com/archive/indonesia-digging-up-too-much-coal-greenpeace/568445/>, accessed 16 December 2013

<sup>28</sup> The Lizards Revenge, July 2012, <http://lizardsrevenge.net/in-the-media/>, accessed 16 December 2013

<sup>29</sup> Donna Field, Australian Broadcasting Corporation, Xstrata mining emissions causing lead poisoning in Mount Isa children: report, 17 June 2013, <http://www.minesandcommunities.org/article.php?a=12349&l=1>, accessed 16 December 2013

<sup>30</sup> Marya Salamat, Operations of Glencore-Xstrata mining linked to killings of indigenous people?, Bulatlat.com, 21 October 2013, in Environmental, human rights and legal protests merge in Philippines mining, Mines and Communities, 28 October 2013, <http://www.minesandcommunities.org/article.php?a=12473>, accessed 16 December 2013; Mines and Communities, Philippines - Mining rights violations on the increase again, 1 September 2013, <http://www.minesandcommunities.org/article.php?a=12425>, accessed 16 December 2013; Mines and Communities, Philippines: Glencore Xstrata further delayed over Tampakan, 14 August 2013, <http://www.minesandcommunities.org/article.php?a=12411>, accessed 16 December 2013; Mines and Communities, Philippines: Human rights project at Tampakan questions the project's future, 20 June 2013, <http://www.minesandcommunities.org/article.php?a=12351>, accessed 16 December 2013; Mines and Communities, Philippines: More questions, and a few answers, 26 March 2013, <http://www.minesandcommunities.org/article.php?a=12209>, accessed 16 December 2013; Bong S. Sarmiento, SouthCot board stays firm on open-pit mining ban; critics hit approval of SMI's ECC, MindaNews, 20 February 2013, <http://www.mindanews.com/environment/2013/02/20/southcot-board-stays-firm-on-open-pit-mining-ban-critics-hit-approval-of-smis-ecc/>, accessed 16 December 2013; Mines and Communities, Philippines: Another killing at Xstrata's Tampakan mine, 31 January 2013, <http://www.minesandcommunities.org/article.php?a=12126&l=1>, accessed 16 December 2013.

<sup>31</sup> Mines and Communities, Peruvian government's response to protests "disproportionate" - IACHR, 20 March 2013, <http://www.minesandcommunities.org/article.php?a=12204>, accessed 16 December 2013; Tiffany Grabski, Xstrata to present new contributions framework for Tintaya-Antapaccay next month, Business News Americas, 31 December 2012, <http://www.bnamericas.com/news/mining/xstrata-to-present-a-new-contributions-framework-for-tintaya-antapaccay-next-month/334607183>, accessed 16 December 2013; The Northern Miner, Xstrata copes with civil unrest in Peru, 25 June 2012, <http://www.northernminer.com/issuesV2/VerifyLogin.aspx?&er=NA>, accessed 16 December 2013; The Guardian, Peru declares state of emergency after two killed in mining protests, 29 May 2012, <http://www.theguardian.com/world/2012/may/29/peru-emergency-mining-protests?cat=world&type=article>, accessed 16 December 2013; BBC News, Peru anti-mining protest leader arrested near Cusco, 30 May 2012, <http://www.bbc.co.uk/news/world-latin-america-18260108>, accessed 16 December 2013; Mines and Communities, Peru uses emergency rules to end violent protests at Xstrata mine, 29 May 2012, <http://www.minesandcommunities.org/article.php?a=11721>, accessed 16 December 2013.

<sup>32</sup> Alexandra Demo-Dananberg, UN begins evaluation of Xstrata's proposed Dominican Republic expansion, Business News Americas, 8 February 2013, <http://www.bnamericas.com/news/mining/un-begins-evaluation->

- Xstrata was a major shareholder in [Lonmin](#) (see below) whose reputation was tarnished by a massacre of mine workers at its Marikana operations in South Africa in August 2012.

### 3.6 Rio Tinto

[Rio Tinto](#) has a long history of strong opposition to its activities, both in the UK and elsewhere. Issues that continue to generate opposition include:

- Environmental and social impacts of its [Oyu Tolgoi](#) copper gold mine in the Gobi Desert in Mongolia, a project which has detrimental effects on traditional nomadic herders, plans to use more water than appears to be available, and stands to benefit from tax agreements which are deeply unpopular in Mongolia<sup>33</sup>.
- Its role in the war in Bougainville, triggered by pollution from its [Panguna](#) copper mine, and its current eagerness to reopen the mine, despite the continuing opposition of many Bougainvilleans<sup>34</sup>.

---

[of-xstratas-proposed-dominican-republic-expansion/339949919](#), accessed 16 December 2013.

<sup>33</sup> Civil Society Review of the Oyu Tolgoi Audit and Operational Management Plans, London Mining Network, 13 November 2013, <http://londonminingnetwork.org/2013/11/8746/>, accessed 16 December 2013; A Rio Tinto Classic: Trade Union Rights violation and Dismissal of thousands in Mongolia, IndustriALL, 20 August 2013, <http://www.industriall-union.org/a-rio-tinto-classic-trade-union-rights-violation-and-dismissal-of-thousands-in-mongolia>, accessed 16 December 2013; Clyde Russell, Mongolia takes battering over Rio Tinto's Oyu Tolgoi mine, Reuters, 19 August 2013, <http://www.mineweb.com/mineweb/content/en/mineweb-political-economy?oid=201584&sn=Detail>, accessed 16 December 2013; Bernhard Zand, Mining the Gobi: The Battle for Mongolia's Resources, Der Spiegel online, 7 August 2013, <http://www.spiegel.de/international/world/mining-the-gobi-desert-rio-tinto-and-mongolia-fight-over-profits-a-915021.html>, accessed 16 December 2013; Mongolian herders submit complaint to European public bank, OT Watch / CEE Bankwatch Network / London Mining Network / urgewald press release, 4 July 2013, <http://londonminingnetwork.org/2013/07/mongolian-herders-submit-complaint-to-european-public-bank/>, accessed 16 December 2013; Michael Kohn and Yuriy Humber, Rio Tinto's Oyu Tolgoi copper mine raises water worries in Mongolia's Gobi desert, Bloomberg News, 21 June 2013, <http://business.financialpost.com/2013/06/21/rio-tintos-oyu-tolgoi-copper-mine-raises-water-worries-in-mongolias-gobi-desert/>, accessed 16 December 2013; Richard Solly, The Rio Tinto AGM: money makes their world go round, but for the company's opponents, the struggle goes on, London Mining Network, 24 April 2013, <http://londonminingnetwork.org/2013/04/the-rio-tinto-agm-money-makes-their-world-go-round-but-for-the-companys-opponents-the-struggle-goes-on/>, accessed 16 December 2013; Rupert Neate, Rio Tinto accused of environmental and human rights breaches, The Guardian, 18 April 2013, <http://www.theguardian.com/business/2013/apr/18/rio-tinto-environmental-human-rights-breaches>, accessed 16 December 2013; Sukhgerel Dugersuren, Dr Kim, where is Mongolia's economic diversification?, Bretton Woods Project, 8 April 2013, <http://www.brettonwoodsproject.org/2013/04/art-572244/>, accessed 16 December 2013; Update from Mongolia: herders fear water impacts of Rio Tinto's river diversion, London Mining Network, 3 April 2013, <http://londonminingnetwork.org/2013/04/update-from-mongolia-herders-fear-water-impacts-of-rio-tintos-river-diversion/>, accessed 16 December 2013; Michael Kohn & Yuriy Humber, Mongolia to charge Rio Tinto interest on tax owed by Oyu Tolgoi, Bloomberg News, 28 February 2013, <http://www.mineweb.com/mineweb/content/en/mineweb-fast-news?oid=179925&sn=Detail>, accessed 16 December 2013; World Bank-IFC urged to refuse funding for Rio Tinto's Mongolian mine, Mines and Communities, 19 February 2013, <http://www.minesandcommunities.org/article.php?a=12151&l=1>, accessed 16 December 2013.

<sup>34</sup> Kristian Lasslett, Bougainville Needs Reparations, Not Aid, New Matilda.com, 13 November 2013, <https://newmatilda.com/2013/11/13/bougainville-needs-reparations-not-aid>, accessed 16 December 2013; UNEP promises to help Bougainville manage clean-up of Rio Tinto mine, Mines and Communities, 10 September 2013, <http://www.minesandcommunities.org/article.php?a=12435>, accessed 16 December 2013; Bougainvillians against the mine, Postcourier, 22 August 2013, <http://www.minesandcommunities.org/article.php?a=12424>, accessed 16 December 2013; Kristian Lasslett, From Civil War To The Boardroom, New Matilda.com, 28 March 2013, <https://newmatilda.com/2013/03/28/civil-war-boardroom>, accessed 16 December 2013; Bougainville: War of words continues over mine re-opening, Mines and Communities, 28 March 2013, <http://www.minesandcommunities.org/article.php?a=12207>, accessed 16 December 2013; Winterford Tareas, ABG's plan to open mine criticised, Investors Hub, 30 October 2012,

- Its role in funding the expansion of, and profiting from, the [Grasberg](#) mine in West Papua, a mine which has had devastating environmental impacts, destroyed Indigenous sacred places and is associated with grave human rights abuses<sup>35</sup>.
- Work around its [Bunder diamond project](#) in India, which is strengthening its reputation for duplicity and broken promises<sup>36</sup>.
- Its operations in [Michigan](#)<sup>37</sup> and [Wisconsin](#)<sup>38</sup> in the USA, which have left a [legacy of bitterness](#)<sup>39</sup> among Indigenous communities, environmentalists and other local residents.
- Air pollution from its [Bingham Canyon](#) mine and smelter in Utah, USA, which is alleged to be responsible for elevated levels of deaths in the Salt Lake City area<sup>40</sup>.

[http://investorshub.advfn.com/boards/read\\_msg.aspx?message\\_id=80997123](http://investorshub.advfn.com/boards/read_msg.aspx?message_id=80997123), accessed 16 December 2013.

<sup>35</sup> Amungme leader warns Freeport it could be closed down, West Papua Media Alerta, 24 January 2012, <http://westpapuamedia.info/2012/01/24/amungme-leader-warns-freeport-it-could-be-closed-down/>, accessed 16 December 2013; Carolyn Marr, Twenty-two years of top-down resource exploitation in Papua, Down to Earth, November 2011, <http://www.downtoearth-indonesia.org/story/twenty-two-years-top-down-resource-exploitation-papua>, accessed 16 December 2013; Anthony Kuhn, In Indonesia, Anger Against Mining Giant Grows, National Public Radio, 16 November 2011, <http://www.npr.org/2011/11/16/142346962/in-indonesia-anger-against-mining-giant-grows>, accessed 16 December 2013; NAJ Taylor, Norway's 'ethical divestment' from Rio Tinto, AlJazeera, 19 October 2011, <http://www.aljazeera.com/indepth/opinion/2011/08/201182913613680545.html>, accessed 16 December 2013; Statement by the Financial Reporting Review Panel in respect of the report and accounts of Rio Tinto Plc, 15 March 2011, <http://www.frc.org.uk/News-and-Events/FRC-Press/Press/2011/March/Statement-by-the-Financial-Reporting-Review-Panel.aspx>, accessed 16 December 2013;

Referral to the Financial Reporting Review Panel Re: the Rio Tinto Group Annual Report 2008, Client Earth, <http://www.clientearth.org/reports/clientearth-submission-to-frpp-re-rio-tinto-annual-report-2008.pdf>, accessed 16 December 2013.

<sup>36</sup> Uma questions diamond mining by Rio Tinto in Bundelkhand, Times News Network, 6 December 2013, <http://www.minesandcommunities.org/article.php?a=12507>, accessed 16 December 2013; Nostromo Research/Partizans, Rio Tinto: what it says and what it really does in India, London Mining Network, 15 April 2013, <http://londonminingnetwork.org/2013/04/rio-tinto-what-it-says-and-what-it-really-does-in-india/>, accessed 16 December 2013.

<sup>37</sup> Richard Solly, The Rio Tinto AGM: money makes their world go round, but for the company's opponents, the struggle goes on, 24 April 2013, London Mining Network, <http://londonminingnetwork.org/2013/04/the-rio-tinto-agm-money-makes-their-world-go-round-but-for-the-companys-opponents-the-struggle-goes-on/>, accessed 16 December 2013; Jack Parker, Open Letter to ICMM about Rio Tinto's Eagle Mine in Michigan, London Mining Network, 14 February 2013, <http://londonminingnetwork.org/2013/02/open-letter-to-icmm-about-rio-tintos-eagle-mine-in-michigan/>, accessed 16 December 2013; US: New Concerns over Mining Boom in Great Lakes region, Mines and Communities, 12 June 2012, <http://www.minesandcommunities.org/article.php?a=11751>, accessed 16 December 2013; Andrew Topf, Opponents appeal decision to permit Michigan nickel-copper mine, Mining.com, 13 December 2011, <http://www.mining.com/opponents-appeal-decision-to-permit-michigan-copper-mine/>, accessed 16 December 2013; Stelles Lootmaker, Mining Michigan Part 2: Native Americans make the stand and bear the brunt, Grand Rapids Institute for Information Democracy, 4 August 2010, <http://griid.org/2010/08/04/mining-michigan-part-2-native-americans-make-the-stand-and-bear-the-brunt/>, accessed 16 December 2013.

<sup>38</sup> In Wisconsin Mining Industry Targets "Prove It First" Law, Mines and Communities, 28 January 2013, <http://www.minesandcommunities.org/article.php?a=12115>, accessed 16 December 2013.

<sup>39</sup> Rio Tinto hits a snag in US copper mine clean-up, Mines and Communities, 16 January 2012, <http://www.minesandcommunities.org/article.php?a=11433&l=1>, accessed 16 December 2013.

<sup>40</sup> Britain's Olympic medals mining company in court in Utah, London Mining Network, 23 September 2013, <http://londonminingnetwork.org/2013/09/britains-olympic-medals-mining-company-in-court-in-utah/>, accessed 16 December 2013; Doctors, moms, environmental groups sue Rio Tinto's US subsidiary Kennecott, London Mining Network, 24 September 2013, <http://londonminingnetwork.org/2013/09/doctors-moms-environmental-groups-sue-rio-tintos-us-subsiary-kennecott/>, accessed 16 December 2013; Rupert Neate, Olympic medal mining firm Rio Tinto faces air pollution lawsuit in US, The Guardian, 24 September 2013, <http://www.theguardian.com/business/2013/sep/24/olympic-medal-mining-firm-rio-tinto-air-pollution-lawsuit-us>, accessed 16 December 2013; Anthony Halley, Rio Tinto's Bingham Canyon pollution 'similar to smoking 20 cigarettes a day': US lawsuit, Mining.com, 24 September 2013, [http://www.mining.com/rio-tintos-bingham-canyon-pollution-similar-to-smoking-20-cigarettes-a-day-us-lawsuit-53172/?utm\\_source=digest-en-mining-](http://www.mining.com/rio-tintos-bingham-canyon-pollution-similar-to-smoking-20-cigarettes-a-day-us-lawsuit-53172/?utm_source=digest-en-mining-)



- It is accused of causing disruption to communities' access to food and water in [Mozambique](#)<sup>41</sup> through [resettlements to make way for coal mining](#)<sup>42</sup>.
- It has a history of appalling labour relations and has in recent years been in dispute with workers in [Australia](#)<sup>43</sup>, [Canada](#)<sup>44</sup>, the [USA](#)<sup>45</sup> and [West Papua](#)<sup>46</sup>. Global mining union [IndustriALL](#)<sup>47</sup> has targeted the company.
- Its bauxite project in Cape York in Queensland, Australia, has been dubbed '[environmental vandalism on a grand scale](#)' by environmental groups<sup>48</sup>.
- It has been accused of trying to [scupper European Union law on transparency](#)<sup>49</sup>.
- It is in [dispute](#)<sup>50</sup> with [communities displaced by its QMM mining project](#)<sup>51</sup> in Madagascar.
- It has been [sued by Canadian Indigenous communities](#) for disruption to their way of life through more than half a century of iron ore mining<sup>52</sup>.
- It has been [in dispute with communities](#) affected by its operations at Palabora in South Africa<sup>53</sup>.

---

[130923&utm\\_medium=email&utm\\_campaign=digest](#), accessed 16 December 2013; Paul Foy, Kennecott defends Utah mining from challenge, Associated Press, 25 September 2013,

<http://finance.yahoo.com/news/kennecott-defends-utah-mining-challenge-20200911.html>, accessed 16 December 2013; Brian Moench and Cherise Udell, Kamloops should weigh impact of gold mine on environment, Vancouver Sun, 28 March 2013,

<http://www.vancouversun.com/business/bc2035/Kamloops+should+weigh+impact+gold+mine+environment/8166648/story.html>, accessed 16 December 2013; Rio Tinto and the 2012 Olympic Medals, London Mining Network, 15 April 2012, <http://londonminingnetwork.org/2012/04/rio-tinto-and-the-2012-olympic-medals/>,

accessed 16 December 2013; Utah Moms for Clean Air denounces DAQ's decision to approve another Kennecott Expansion Permit, Utah Moms for Clean Air press release, 2 July 2011,

<http://londonminingnetwork.org/2011/07/utah-moms-for-clean-air-denounces-daq%E2%80%99s-decision-to-approve-another-kennecott-expansion-permit/>, accessed 16 December 2013.

<sup>41</sup> Mozambique: Mining resettlements disrupt food, water, Mines and Communities, 23 May 2013, <http://www.minesandcommunities.org/article.php?a=12310>, accessed 16 December 2013

<sup>42</sup> Agnieszka Flak and Marina Lopes, Mozambican tribal queen stands up to Rio Tinto over land, Reuters, 7 March 2013, <http://www.minesandcommunities.org/article.php?a=12178>, accessed 16 December 2013

<sup>43</sup> Australia: United they stand against Rio Tinto, Mines and Communities, 28 May 2013, <http://www.minesandcommunities.org/article.php?a=12318>, accessed 16 December 2013

<sup>44</sup> Justice for Rio Tinto workers in Canada, London Mining Network, 25 April 2012, <http://londonminingnetwork.org/2012/04/justice-for-rio-tinto-workers-in-canada/>, accessed 16 December 2013

<sup>45</sup> US Borax workers bring struggle to Rio Tinto AGM in London, London Mining Network, 19 April 2010, <http://londonminingnetwork.org/2010/04/us-borax-workers-bring-struggle-to-rio-tinto-agm-in-london/>, accessed 16 December 2013

<sup>46</sup> Michelle Chen, Unrest in Indonesia's Mines: Local Chaos and Global Injustice, Huffington Post, 9 April 2013, [http://www.huffingtonpost.com/michelle-chen/unrest-in-indonesias-mines\\_b\\_1408221.html](http://www.huffingtonpost.com/michelle-chen/unrest-in-indonesias-mines_b_1408221.html), accessed 16 December 2013

<sup>47</sup> <http://www.industrial-union.org/rio-tinto-anti-union-bias-confirmed-at-agm>, accessed 16 December 2013

<sup>48</sup> Australia: Mining Project to Unleash 'Environmental Vandalism on a Grand Scale', Mines and Communities, 21 May 2013, <http://www.minesandcommunities.org/article.php?a=12296&l=1>, accessed 16 December 2013

<sup>49</sup> UK tried diluting EU law on mining transparency: MEP, Euractiv.com, 11 April 2013, <http://www.euractiv.com/sustainability/uk-tried-diluting-eu-law-mining-news-519049>, accessed 16 December 2013

<sup>50</sup> Rio Tinto threatens to exit Madagascar after CEO is trapped by protesters, Daily Telegraph, 11 January 2013, <http://www.telegraph.co.uk/finance/newsbysector/industry/mining/9797182/Rio-Tinto-threatens-to-exit-Madagascar-after-CEO-is-trapped-by-protesters.html>, accessed 16 December 2013

<sup>51</sup> Rio Tinto in Madagascar: 15 activists arrested, EJOLT, 19 March 2013, <http://www.ejolt.org/2013/03/rio-tinto-in-madagascar-15-activists-arrested/>, accessed 16 December 2013

<sup>52</sup> Canadian Aboriginal communities sue Rio Tinto for C\$900m, Mines and Communities, 25 March 2013, <http://www.minesandcommunities.org/article.php?a=12202>, accessed 16 December 2013

<sup>53</sup> Protest against Rio Tinto at Palabora, London Mining Network, 23 November 2012, <http://londonminingnetwork.org/2012/11/protest-against-rio-tinto-at-palabora/>, accessed 16 December 2013

- It is in [dispute with Native Americans](#) and others over its subsidiary Resolution Copper's plans to mine in Arizona<sup>54</sup>.

### 3.7 Coal mining and climate change

Anglo American, BHP Billiton, Glencore Xstrata and Rio Tinto are all big producers of coal. Numerous other London-listed mining companies also produce coal. Studies in [Australia](#)<sup>55</sup> and [South Africa](#)<sup>56</sup> in the past year have suggested that much of the coal which mining companies plan to extract is unburnable if agreed climate targets are to be met. Accounting company PWC has drawn attention to the [pressing need to limit carbon emissions](#)<sup>57</sup>. The World Resources Institute has published a [Coal Risk Assessment](#)<sup>58</sup> which points to the dangers of continuing to burn coal. The World Bank has [called for a move away from coal](#)<sup>59</sup>. London-listed companies which persist in mining coal run the risk of undermining global targets to cut carbon emissions, with consequent damage to corporate reputations, the reputation of the UK, and the ecological health of the planet. If governments are able to display the political will to pursue effective low carbon policies, many of the assets of coal mining companies will become useless, with consequent damage to shareholders' financial interests.

### 3.8 Other companies of particular current concern to London Mining Network

#### 3.8.1 AngloGold Ashanti

[AngloGold Ashanti](#) is based in South Africa but also listed on the London Stock Exchange. At present it

- is accused of [shameful treatment of communities](#) displaced by its operations in Tanzania<sup>60</sup>;
- faces [lawsuits on behalf of former mine workers](#) suffering from silicosis in South Africa<sup>61</sup>;
- is accused of causing [serious environmental damage](#) in Ghana<sup>62</sup>;

<sup>54</sup> Raul M Grijalva, Mining and American Indians Still Don't Mix, Indian Country Today, 19 November 2011, <http://indiancountrytodaymedianetwork.com/2011/11/19/mining-and-american-indians-still-dont-mix#ixzz1el6kN1HV>, accessed 16 December 2013

<sup>55</sup> Climate Commission warns coal will be left in ground, Financial Review, 19 June 2013, [http://www.afr.com/p/australia2-0/climate\\_commission\\_warns\\_coal\\_will\\_Os3K60MAR9LJPTDd2nGTDO](http://www.afr.com/p/australia2-0/climate_commission_warns_coal_will_Os3K60MAR9LJPTDd2nGTDO), accessed 16 December 2013

<sup>56</sup> Unburnable carbon: Budgeting carbon in South Africa, Carbon Tracker, <http://www.carbontracker.org/southafrica>, accessed 16 December 2013

<sup>57</sup> Is it too late to limit greenhouse gas emissions to 2 degrees?, Mines and Communities, 11 November 2012, <http://www.minesandcommunities.org/article.php?a=12001>, accessed 16 December 2013

<sup>58</sup> Ailun Yang and Yiyun Cui, Global Coal Risk Assessment, World Resources Institute, November 2012, <http://www.wri.org/publication/global-coal-risk-assessment>, accessed 16 December 2013

<sup>59</sup> Climate Change Report Warns of Dramatically Warmer World This Century, World Bank, 18 November 2012, <http://www.worldbank.org/en/news/feature/2012/11/18/Climate-change-report-warns-dramatically-warmer-world-this-century>, accessed 16 December 2013

<sup>60</sup> Tanzanian farmers displaced by mining live like refugees, IRIN news, 3 June 2013, <http://www.irinnews.org/report/98150/tanzanian-farmers-displaced-by-mining-live-like-refugees>, accessed 16 December 2013; Zahra Moloo, Local miners left out by Tanzania gold rush, AlJazeera, 8 June 2013, <http://www.aljazeera.com/indepth/features/2013/05/2013515161130258616.html>, accessed 16 December 2013

<sup>61</sup> Mike Cohen, Lawyers in talks to merge South African mine silicosis lawsuits, Bloomberg, 6 March 2013, <http://www.mineweb.com/mineweb/content/en/mineweb-political-economy?oid=180795&sn=Detail>, accessed 16 December 2013

<sup>62</sup> In Ghana, a mining activist fights the gold goliaths, Mines and Communities, 18 April 2012, <http://www.minesandcommunities.org/article.php?a=11625>, accessed 16 December 2013

- faces major opposition to its proposed [La Colosa gold mine](#) in Tolima, Colombia, where it is accused of buying influence in local government and the media and benefiting from intimidation of mining opponents<sup>63</sup>.

LMN member group Colombia Solidarity Campaign is working with community activists opposed to the mine. It published a [report on the project](#)<sup>64</sup> in 2011 and a further report in December 2013<sup>65</sup>.

### 3.8.2 Antofagasta

LMN was contacted in 2012 by community representatives from Caimanes in Chile, seeking help in their conflict with London-listed, Chilean controlled [Antofagasta](#). Their concerns included water availability, water pollution, the dangers posed by a huge tailings dam constructed above the town, the loss of archaeological heritage and the intimidation of mining opponents<sup>66</sup>. These issues were raised at [Antofagasta's AGM](#) in London in June<sup>67</sup>. The company has been challenged in numerous lawsuits. Chilean court decisions in July recognized that the tailings dam presents a grave danger, instructed the company to implement a security plan, and found that the company has broken the law with regard to archaeological remains<sup>68</sup>.

---

<sup>63</sup> Colombia Solidarity Campaign Launches Report "LA COLOSA: A Death Foretold", London Mining Network, 9 December 2013, <http://londonminingnetwork.org/2013/12/colombia-solidarity-campaign-launches-report-la-colosa-a-death-foretold/>, accessed 16 December 2013; Colombian town rejects AngloGold Ashanti in local vote, Mines and Communities, 30 July 2013, <http://www.minesandcommunities.org/article.php?a=12406>, accessed 16 December 2013; Notice to AngloGold Ashanti shareholders from community organizations in La Tolima, 11 May 2013, <http://www.colombiasolidarity.org.uk/articles/57-features/591-notice-to-anglogold-ashanti-shareholders>, accessed 16 December 2013; Colombia orders AngloGold Ashanti to stop illegal mining exploration activities, Colombia Reports, 13 March 2013, <http://colombiareports.co/colombia-orders-anglogold-ashanti-to-stop-illegal-mining-exploration-activities/>, accessed 16 December 2013; Multinational mining giant sues small town in central Colombia, Colombia Reports, 19 February 2013, <http://colombiareports.co/multinational-mining-giant-sues-small-town-in-central-colombia/>, accessed 16 December 2013; Stigmatisation of Campesinos and Environmentalists opposing La Colosa Gold Mine, Comité Ambiental y Campesino de Cajamarca, 27 February 2103, <http://www.colombiasolidarity.org.uk/urgent-actions/589-stigmatisation-of-campesinos-and-environmentalists-opposing-la-colosa-gold-mine>, accessed 16 December 2013; Indefinite strike declared against AngloGold Ashanti in Colombia, London Mining Network, 14 February 2013, <http://londonminingnetwork.org/2013/02/indefinite-strike-declared-against-anglogold-ashanti-in-colombia/>, accessed 16 December 2013; AngloGold Ashanti gold mine sparks protests in central Colombia, Colombia Reports, 4 January 2013, <http://colombiareports.co/anglogold-ashanti-gold-mine-spurs-protests-in-central-colombia/>, accessed 16 December 2013; Thousands march against La Colosa Gold Mine in Ibagué, Colombia Solidarity Campaign, 20 October 2012, <http://www.colombiasolidarity.org.uk/articles/57-features/582-thousands-march-against-la-colosa-gold-mine-in-ibagu>, accessed 16 December 2013.

<sup>64</sup> <http://www.colombiasolidarity.org.uk/attachments/article/548/La%20Colosa%20Report%204%20June%20011.pdf>, accessed 16 December 2013

<sup>65</sup> [https://www.colombiasolidarity.org.uk/attachments/article/612/LA%20COLOSA\\_A%20Death%20Foretold.pdf](https://www.colombiasolidarity.org.uk/attachments/article/612/LA%20COLOSA_A%20Death%20Foretold.pdf), accessed 16 December 2013

<sup>66</sup> Alison Silveira, Hunger Strikers Surpass Day 50, Accusing Mine Company Of Contamination, Santiago Times, 19 November 2010, <http://www.minesandcommunities.org/article.php?a=10546>, accessed 16 December 2013

<sup>67</sup> Richard Solly, Flat contradiction: no meeting of minds at the Antofagasta AGM, London Mining Network, 14 June 2013, <http://londonminingnetwork.org/2013/06/flat-contradiction-no-meeting-of-minds-at-the-antofagasta-agm/>, accessed 16 December 2013

<sup>68</sup> Video: Antofagasta Minerals – Dangerous Shares, 14 September 2013, <http://londonminingnetwork.org/2013/09/video-antofagasta-minerals-dangerous-shares/>, accessed 16 December 2013

LMN member group War on Want is working with Chilean activists to support opponents of the mine.

### 3.8.3 Beowulf

[Beowulf](#) is seeking to mine iron ore, and possibly uranium, in Indigenous Saami territory in Sweden, without the free, prior, informed consent of the Saami people. Mining threatens to disrupt traditional reindeer herding activities<sup>69</sup>. The Saami Council of Sweden, which opposes the company's activities, has sought LMN's help in making representations to the company's board and shareholders at its London AGMs. Saami activists have recently been [blockading the company's operations](#)<sup>70</sup>.

### 3.8.4 ENRC

[ENRC](#) has a reputation for poor corporate governance and has been under investigation by the Serious Fraud Office over its operations in Kazakhstan and the Democratic Republic of Congo<sup>71</sup>.

---

<sup>69</sup> Saami Communities attend Beowulf's AGM in London, Saami Council Press Release, 4 July 2013, <http://londonminingnetwork.org/2013/07/saami-communities-attend-beowulfs-agm-in-london/>, accessed 16 December 2013; British Beowulf reported again for breach of Swedish Minerals Act, Swedish Saami Council Press Release, 11 January 2012, <http://londonminingnetwork.org/2012/01/british-beowulf-reported-again-for-breach-of-swedish-minerals-act/>, accessed 16 December 2013; British Beowulf caught drilling illegally, London Mining Network, 17 December 2011, <http://londonminingnetwork.org/2011/12/british-beowulf-caught-drilling-illegally/>, accessed 16 December 2013; Saami communities protest in London over mining, London Mining Network, 6 December 2011, <http://londonminingnetwork.org/2011/12/saami-communities-protest-in-london-over-mining/>, accessed 16 December 2013.

<sup>70</sup> Under Northern Lights, AlJazeera, 28 November 2013, <http://www.aljazeera.com/programmes/peopleandpower/2013/11/under-northern-lights-201311279432224643.html>, accessed 16 December 2013; Video of the struggle of the Saami and their supporters against Beowulf Mining, London Mining Network, 13 November 2013, <http://londonminingnetwork.org/2013/11/video-of-the-struggle-of-the-saami-and-their-supporters-against-beowulf-mining/>, accessed 16 December 2013; Sweden's indigenous Sami in fight against miners, Mines and Communities, 1 September 2013, <http://www.minesandcommunities.org/article.php?a=12431>, accessed 16 December 2013; Saami in Sweden seek support for protest against iron mine, Nunatsiaq News, 12 August 2013, [http://www.nunatsiaqonline.ca/stories/article/65674saami\\_in\\_sweden\\_seek\\_support\\_for\\_struggle\\_against\\_a\\_n\\_iron\\_mine\\_on\\_trad/#.Ugm0Bw0igKE.twitter](http://www.nunatsiaqonline.ca/stories/article/65674saami_in_sweden_seek_support_for_struggle_against_a_n_iron_mine_on_trad/#.Ugm0Bw0igKE.twitter), accessed 16 December 2013; Swedish police swoop on peaceful protesters resisting London-listed Beowulf, Press release from National Swedish Sami Association, 29 July 2013, <http://londonminingnetwork.org/2013/07/police-swoop-on-peaceful-protesters-resisting-london-listed-beowulf/>, accessed 16 December 2013

<sup>71</sup> Matthew Campbell and Jesse Riseborough, Mining Firms Face New Regulator Scrutiny Amid Deal Probes, Business Week, 17 June 2013, <http://www.minesandcommunities.org/article.php?a=12345&l=1>, accessed 16 December 2013; Rights and Accountability in Development (RAID), OECD Complaint Filed Against ENRC Regarding Mining Communities in the Democratic Republic of Congo, 13 May 2013, <http://www.minesandcommunities.org/article.php?a=12299&l=1>, accessed 16 December 2013; Louise Armitstead, and Emma Rowley, Rethink listing rules after ENRC: top investor, Daily Telegraph, 28 April 2013, <http://www.telegraph.co.uk/finance/newsbysector/industry/mining/10023823/Rethink-listing-rules-after-ENRC-top-investor.html>, accessed 16 December 2013; Listing badly: Kazakh and Indonesian miners battle shareholders in London, The Economist, 27 April 2013, <http://www.economist.com/news/business/21576705-kazakh-and-indonesian-miners-battle-shareholders-london-listing-badly>, accessed 16 December 2013; Simon Goodley, Mark Hollingsworth and Rupert Neate, ENRC: Serious Fraud Office launches criminal investigation, The Guardian, 25 April 2013, <http://www.theguardian.com/business/2013/apr/25/serious-fraud-office-enrc-documents>, accessed 16 December 2013; Global Witness welcomes SFO announcement of formal investigation into ENRC, 26 April 2013, <http://www.globalwitness.org/library/global-witness-welcomes-sfo-announcement-formal-investigation-enrc>, accessed 16 December 2013.

LMN was contacted earlier this year by community activists in Ilheus, Brazil, worried about the potential [impacts of a port](#) which the company plans to build in an important ecological reserve<sup>72</sup>.

### 3.8.5 Lonmin

[Lonmin](#) has a record of appalling labour relations in South Africa<sup>73</sup>. In August, 2012, a [massacre](#) of mine workers took place at its [Marikana](#) operations<sup>74</sup>. An inquiry into the massacre is in process. Many fear that it will be a 'whitewash'<sup>75</sup>.

LMN member groups ACTSA and Colombia Solidarity Campaign have links with mine workers in South Africa and have taken an active interest in justice for mine workers and their families.

## 3.9 Reputational risks

Given the increasing national and international emphasis on good corporate citizenship, global standards and the interests of communities and other stakeholders, the activities of UK-listed extractive companies noted above will have implications:

- the reputation which UK trading and financial markets seek for sound companies and sound investments will be undermined
- resource-rich countries may be reluctant to offer future concessions to UK companies

---

<sup>72</sup> Breathing space for ENRC project's opponents in Brazil, Acao Ilheus, 19 October 2013, <http://londonminingnetwork.org/2013/10/breathing-space-for-enrc-projects-opponents-in-brazil/>, accessed 16 December 2013; Rob Davies, Fresh controversy engulfs scandal-hit ENRC over Brazil port plans, Mail Online, 14 July 2013, <http://www.dailymail.co.uk/money/markets/article-2363475/Fresh-controversy-engulfs-scandal-hit-ENRC-Brazil-port-plans.html#ixzz2Z5zxrDk>, accessed 16 December 2013; Fresh controversy engulfs scandal-hit ENRC over Brazil port plans, London Mining Network, 15 July 2013, <http://londonminingnetwork.org/2013/07/8132/>, accessed 16 December 2013; ENRC to devastate the largest Brazilian biosphere reserve, Ação Ilhéus (Action Ilhéus), Brazil, 14 February 2013, <http://londonminingnetwork.org/2013/02/enrc-to-devastate-the-largest-brazilian-biosphere-reserve/>, accessed 16 December 2013.

<sup>73</sup> AMCU wins permission to strike over wages at Lonmin, Reuters, 11 December 2013, <http://www.mineweb.com/mineweb/content/en/mineweb-platinum-group-metals?oid=221341&sn=Detail>, accessed 16 December 2013

<sup>74</sup> Maeve McClenaghan and David Smith, Questions raised about role of British company in South African mining massacre, Bureau of Investigative Journalism, 24 November 2013, <http://www.thebureauinvestigates.com/2013/11/24/questions-raised-about-role-of-british-company-in-south-african-mining-massacre/>, accessed 16 December 2013; Greg Nicholson, Marikana massacre, 55 seconds later: Cease fire? What cease fire?, Daily Maverick, 6 November 2013, <http://www.dailymaverick.co.za/article/2013-11-06-marikana-massacre-55-seconds-later-cease-fire-what-cease-fire/>, accessed 16 December 2013; Lonmin, pollution and the Marikana massacre, London Mining Network, 2 November 2013, <http://londonminingnetwork.org/2013/11/8628/>, accessed 16 December 2013; Marking the anniversary of two mining massacres: So much remains the same, London Mining Network, 17 August 2013, <http://londonminingnetwork.org/2013/08/marking-the-anniversary-of-two-mining-massacres-so-much-remains-the-same/>, accessed 16 December 2013; South Africa's Marikana mining massacre: who is to blame?, Mines and Communities, 17 August 2012, <http://www.minesandcommunities.org/article.php?a=11860>, accessed 16 December 2013; Deaths around Marikana Mine: ACTSA statement, ACTSA, 20 August 2012, <http://www.actsa.org/newsroom/2012/08/death-around-marikana-mine-actsa-statement/>, accessed 16 December 2013.

<sup>75</sup> Jackie Dugard, Marikana inquiry's mistakes call for a rethink, Business Day Live, 11 September 2013, <http://www.bdlive.co.za/opinion/2013/09/11/marikana-inquirys-mistakes-call-for-a-rethink>, accessed 16 December 2013; Sarah Evans, Marikana: Farlam commission's credibility on the rocks, Mail and Guardian, 13 August 2013, <http://mg.co.za/article/2013-08-13-marikana-farlam-commissions-credibility-is-on-the-rocks>, accessed 16 December 2013

- investors will be increasingly reluctant to fund companies who fail to observe social and environmental standards; or whose activities are disrupted by their failure to engage local communities
- when UK-listed and UK-financed companies act in defiance of local and international law and norms, it is harder for the UK to urge human rights and environmental standards.

#### **4. Is there sufficient engagement between UK extractive industries and the NGO sector? Are there examples of best practice in engagement between the extractive industries and NGOs?**

4.1 Organizations within LMN take different approaches to engagement with mining companies. Some have no direct contact with companies except in public fora such as AGMs. Others meet privately with companies to discuss aspects of company behaviour. Others meet with companies only in the presence of representatives of affected communities or mine workers, or with the explicit permission of communities or unions with which they are working; this is in order to avoid seeming to speak for communities or workers if those affected by the company's operations do not wish them to do so.

4.2 At best, any form of engagement with companies leads to improvements in corporate behaviour. At worst, it leads to a breach between NGOs and the communities on whose behalf they are working, or claim to be working, or ought to be working; and to companies being able to use this engagement to present themselves as more socially and environmentally responsible than they are.

#### **5. What is the impact of the industry of the UK signing up to the EITI?**

Transparency with regard to payments by extractives companies to public bodies is welcome, and to the extent that EITI is helping to achieve this, it is useful. But transparency is very far from being the only important issue. If a company is open about payments to governments while at the same time violating Indigenous Peoples' rights to Free Prior Informed Consent, or destroying Indigenous sacred sites, or relocating farming communities to inadequate land with inadequate compensation, or benefiting from human rights violations, or poisoning ground water, or leaving a legacy of acid mine drainage, then its behaviour is unacceptable, however 'transparent' it is.

#### **6. Would increased regulation for London listed extractives companies result in competition from elsewhere or can it be used to make the UK a centre of excellence for best practice and corporate governance?**

6.1 UK-listed extractive companies are breaching human rights and environmental norms. Monetary or competitive advantage can never be a justification for this and increased regulation is the only response.

6.2 Well thought out regulation could have advantages for UK, including avoidance of problems now faced by investors in Bumi, ENRC, GCM Resources and Vedanta. Since companies with low standards of operational behaviour may be most likely to be involved in financial scams, their departure from UK investment exchanges can only be of benefit.

6.3 Extractives companies should be compelled by law to publish much fuller information about the social and environmental impacts of their operations. A 2010 complaint to the Financial Reporting Review Panel (FRRP) by law firm Client Earth, assisted by LMN,

concerned the failure of Rio Tinto to include crucial human rights and environmental information in its annual report. The result was an agreement between Rio Tinto and the FRRP that the company report would include some, but not all, the information sought by Client Earth, without clarification of the law (see <http://www.clientearth.org/news/press-releases/uk-corporate-law-falls-short-1255>). The process was not transparent, the law was not clarified and there was no involvement of other parties.

## **7. What is the competitive landscape for the extractive industries in the 21st Century and is it in the UK's interest to remain a global centre for them?**

A choice is to be made between, on the one hand, a transition to low-carbon, low-consumption economies which can lift people out of poverty while enabling all people to live a dignified life within the ecological limits of the planet; and, on the other hand, maintenance of the current high-energy, high consumption, extractives-based model, which will inevitably lead to ecological catastrophe on a scale not yet seen in recorded history. It is in the UK's interest to contribute to the reform of the dominant economic model and to ensure that extractive industries are also reformed, aiming at reduced demand (which can be achieved partly through improvements in design), improved reuse and recycling, and swift abandonment of the extraction of minerals the use of which has particularly grave consequences, notably coal and uranium.

## **8. Recommendations**

8.1 The Financial Conduct Authority, or another statutory body, must be given the power, responsibility, funding and institutional capacity to enforce good conduct on all UK-listed extractives companies, including those trading on the London Stock Exchange's Alternative Investment Market. This must extend beyond matters of financial concern to shareholders and include compliance with human rights and environmental standards.

8.2 The powers and responsibilities of the statutory body must include, at a minimum, the following:

- sanctioning companies that have violated the law in any overseas countries in which they are operating. UK-listed companies must comply with national regulations concerning biodiversity, ecological and environmental protection;
- enforcement of corporate reporting requirements relating to environmental and social impacts contained in section 172 of the Companies Act 2006;
- and ensuring that UK-listed companies recognize and respect all the international human rights, labour rights and environmental standards to which the UK is a signatory.

8.3 Further suggestions were included in the recommendations that we made on pages 5 and 6 of the report which we published last year, [UK-listed mining companies and the case for stricter oversight](#), available on our website<sup>76</sup>.

**London Mining Network,  
Finfuture, 225-229 Seven Sisters Road,  
London N4 2DA.  
Tel: 07903 851695**

<sup>76</sup> <http://londonminingnetwork.org/docs/lmn-the-case-for-stricter-oversight.pdf>

Web: <http://londonminingnetwork.org>