Mineral extraction and communities for just energy transitions in Latin America

Rajiv Maher
Egade Business School, Mexico

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Mineral Production to Soar as Demand for Clean Energy Increases

The more ambitious climate targets, the more minerals needed for a clean energy transition

WASHINGTON, May 11, 2020 — A new World Bank Group report finds that the production of minerals, such as graphite, lithium and cobalt, could increase by nearly 500% by 2050, to meet the growing demand for clean energy technologies. It estimates that over 3 billion tons of minerals and metals will be needed to deploy wind, solar and geothermal power, as well as energy storage, required for achieving a below 2°C future.

The report “Minerals for Climate Action: The Mineral Intensity of the Clean Energy Transition” also finds that even though clean energy technologies will require more minerals, the carbon footprint of their production—from extraction to end use—will account for only 6% of the
Renewable energy production will exacerbate mining threats to biodiversity

Laura J. Sonter, Marie C. Dade, James E. M. Watson & Rick K. Valenta

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**Abstract**

Renewable energy production is necessary to halt climate change and reverse associated biodiversity losses. However, generating the required technologies and infrastructure will drive an increase in the production of many metals, creating new mining threats for biodiversity. Here, we map mining areas and assess their spatial coincidence with biodiversity conservation sites and priorities. Mining potentially influences 50 million km² of Earth’s land surface, with 8% coinciding with Protected Areas, 7% with Key Biodiversity Areas, and 16% with Remaining Wilderness. Most mining areas (82%) target materials needed for renewable energy production, and areas that overlap with Protected Areas and Remaining Wilderness contain a greater density of mines (our indicator of threat severity) compared to the overlapping mining areas that target other materials. Mining threats to biodiversity will increase as more mines target materials for renewable energy production and, without strategic planning, these new threats to biodiversity may surpass those averted by climate change mitigation.
### Community Impacts

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<tr>
<td>5 Deaths</td>
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<tr>
<td>3 Displacement</td>
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</tbody>
</table>

### Environmental Impacts

- Over one third of allegations recorded in the Tracker are related to water
- Water pollution
- Access to water
- Environmental safety violation
- Impacts on wildlife and species
- Insufficient impact assessment
- Air pollution
- Soil pollution
- Operations in protected areas (2 GHG emissions)

### Security & Conflict Zones

- Repressive state forces
- Abuses by private security

### Business and Human Rights Resource Centre’s Transition Minerals Tracker

Silencing community dissent

According to our Tracker data, the highest number of allegations involve impacts and attacks on local communities, civil society organisations and their leaders (125 allegations). This correlates with findings from our Human Rights Defenders (HRD) database which shows over a third (36%) of all HRD attacks relate to the extractive sector. In 33 cases (one in eight or 12%) communities responded through protests, marches, strikes or blockades against a mine, indicating the high level of frustration within communities. Community consultation and consent is vital to ensuring that renewable energy projects that facilitate the urgent energy transition to address the climate crisis benefit both the global and local populations, yet the Tracker shows that one in eight human rights abuses recorded in transition minerals features a community protesting. The lack of consent adversely affects Indigenous communities, who are on the front lines of both the climate crisis as well as the abuse and encroachment of their land by extractives and renewable energy companies. One in 10 (10%) allegations recorded in the Tracker relate to Indigenous rights.
Nickel

**USE IN LOW-CARBON TECHNOLOGY**

Nickel is used in wind turbines, solar panels and in electric vehicles.

- 3/5 have allegations related to their nickel mining operation
- 5/5 have a human rights policy in place

### TOP 5 COMPANIES

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>HQ LOCATION</th>
<th>COUNTRIES OF NICKEL OPERATIONS</th>
<th>HUMAN RIGHTS POLICY</th>
<th>CMM* MEMBER</th>
<th>VP** MEMBER</th>
<th>ALLEGATIONS RELATED TO NICKEL (NUMBER)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anglo American</td>
<td>UK</td>
<td>Brazil</td>
<td>🔑 🔑 🔑</td>
<td></td>
<td></td>
<td>0</td>
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<tr>
<td>BHP Billiton</td>
<td>Australia</td>
<td>Australia</td>
<td>🔑 🔑 🔑</td>
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<td>0</td>
</tr>
<tr>
<td>Glencore</td>
<td>Switzerland</td>
<td>Australia, Canada, New Caledonia</td>
<td>🔑 🔑</td>
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<td>1</td>
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<tr>
<td>Norilsk Nickel (Nornickel)</td>
<td>Russia</td>
<td>Russia, South Africa</td>
<td>🔑 🔑</td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Vale</td>
<td>Brazil</td>
<td>Brazil, Canada, Indonesia, New Caledonia</td>
<td>🔑 🔑 🔑</td>
<td></td>
<td></td>
<td>9</td>
</tr>
</tbody>
</table>


**NOTE:** Some companies that don’t have allegations specifically related to their nickel mining operations, have other human rights allegations recorded on the Resource Centre’s database.
UN-Guiding-Principles-on-Business-and-Human-Rights

The 'Understanding Company–Community Relations Toolkit' provides a structured approach for companies to understand the basis for community support and how to measure perceptions of support. It enables companies to identify the reasons why community support may be lacking at a project or operation and develop targeted approaches for improving company-community relationships.

Summary

- Building and maintaining positive relationships with local communities is vital to the success of mining and metals operations.
- The Toolkit is designed to help companies understand the nature of their relationships with communities; irrespective of whether these are supportive or otherwise. Ultimately the emphasis is on helping companies achieve relationships that are supportive.
- It aims to help companies understand the factors that influence community support and measure the level of community support at a particular project or operation.


This guidance aims to support mining and metals companies build strong and mutually beneficial relationships with Indigenous Peoples. It provides a range of practical tools and case studies around engagement and Indigenous participation, managing impacts, agreements and dealing with grievances.

- ICMM member companies commit to implementing ICMM’s position statement on Indigenous Peoples, including the commitment to work to obtain the Free, Prior and Informed Consent (FPIC) of affected Indigenous communities.
- This Guide presents an updated version of ICMM’s 2010 Indigenous Peoples and mining Good Practice Guide. Like the earlier version of the Guide, it is intended as a good practice resource for mining companies and others with an interest in ensuring that mining projects bring long-term mutual benefits to companies and host communities.
- In many respects, what constitutes good practice in relation to Indigenous Peoples is the same as for non-Indigenous Peoples. Regardless of where they operate, responsible companies aim to avoid impacting negatively on communities and seek to leave a positive legacy, particularly in relation to local social and economic development.
- However, Indigenous Peoples have distinct rights and interests, and there are growing expectations that these will be respected by responsible companies.
- Indigenous Peoples often also have a special relationship to land, territories and resources which can create specific obligations for companies, as well as presenting a range of unique challenges (and sometimes opportunities) that need to be understood and addressed.
- The focus of the Guide is on mining-related activities that take place in remote locations, but it is recognized that some mines are located close to large urban centres that contain substantial Indigenous populations.
- It contains a series of 13 tools, developed to give practical effect to the good practice principles covered in the Guide, and 26 case studies of how these principles have been applied at member operations.
Anglo American responds to Association of Brazil's Indigenous Peoples and Amazon Watch letter

[We continue to uphold our 2003 commitment to neither explore nor develop new mines in World Heritage sites. We also respect legally designated protected areas, in line with the International Council on Mining and Metals' (ICMM) Position Statement on Mining and Protected Areas. Second, we will always adhere to local laws and international standards when engaging with Indigenous Peoples and we will seek to obtain Free, Prior and Informed Consent (FPIC) of Indigenous Peoples prior to conducting activities that require access to Indigenous Peoples' lands and/or impact Indigenous Peoples' livelihoods or cultural heritage during all stages of exploration. Anglo American also respects the right of indigenous communities to oppose mining-related activities on their land and will refrain from undertaking any activities if consent is withheld.

Third, our overarching approach seeks to protect the rights of indigenous communities and to ensure that where consent is given, it is maintained through continuous engagement. Finally, when legislative change is considered that could affect Indigenous Peoples, we advocate that it is done in consultation with the relevant communities and that their consent is secured.

... In the letter of 22 December 2020, the APIB and Amazon Watch claim that as of 10 November 2020, 27 permits had been granted by the Agência Nacional de Mineração (Brazil's National Mining Agency – ANM) for Anglo American to prospect copper within Indigenous Lands in the states of Mato Grosso and Pará. We would like to take this opportunity to clarify that neither Anglo American Brazil nor any of its subsidiaries hold any exploration permits on Indigenous Lands in Brazil.

This is a response to

Brazil: NGO report alleges that international financial institutions are enabling violations of Indigenous Peoples' rights in the Amazon

Questions and dilemmas

• How is consent secured/obtained?
• Voices of Human Rights defenders during consent process?
• Going beyond Human Rights:
  • What impacts has the campaign to secure consent/social licence had on pre-existing community cohesion?
  • What policies around ethical conduct do you have for workers and suppliers? During periods of environmental/social licencing or consent?
  • What to do in territories of declared autonomy where leaders refuse to engage in any consent/consultations regarding extraction projects e.g. Wampis in Peru?
  • Communities with referendums results opposing mining project?
Concluding remarks

• Clean energy transition = soaring demand to extract minerals (copper, nickel, cobalt and lithium).
• Latin American home to most socio-environmental justice conflicts.
• Treat each community as different - Local Context is king.
• Have different policies in place for how to address mining in communities where local opposition significant; where locals wish to engage with mining.
• Work with a Human Rights mindset (e.g. UNGPs as largest miners already doing).
• But do this throughout the organization. Make it a priority (despite how contrarian this may feel – times are truly changing).
  • If not you may risk human and ecological harms as well as serious reputational crises.
Concluding remarks – beyond community relations

- Develop new technologies to minimize use and waste of water.
- Mine from waste in line with circular economy thinking – avoid community impacts.