Voices of impacted communities

for the UNSG Panel on Critical Energy Transition Minerals



In April 2024, the UN Secretary-General launched a <u>Panel on Critical Energy</u> <u>Transition Minerals</u>, bringing together governments, intergovernmental and international organisations, industry and civil society. The Panel is tasked with developing a set of global common and voluntary principles to safeguard environmental and social standards across the minerals value chain and embed justice in the energy transition. After a series of meetings, it will submit a report to the UN General Assembly in late September 2024.

However, there is one critical stakeholder group missing from the Panel: The communities who are directly impacted by mining and processing of critical transition minerals. These are the people who experience the impacts of 'green extractivism' every day, who see their land, livelihoods, health and rights taken in the name of tackling the climate crisis, and who rarely derive their fair share of benefits from these projects. The views of these frontline communities—about the environmental and social standards that affect them, and about what constitutes a just and sustainable energy transition—are vital if the panel is to meet its objective of "leaving no one and no place behind".

This briefing provides a snapshot of the concerns of community members affected by transition minerals in Argentina, Indonesia and Guinea. We urge the Panel members to centre these and other crucial voices of affected communities in their deliberations, and ensure they are reflected in the principles and report to the UN General Assembly.

Lithium mining Jujuy province, Argentina

The Salinas Grandes and Laguna de Guayatayoc basin in northwestern Argentina is home to more than 30 Kolla and Atacama indigenous communities, who rely on local natural resources and maintain a cultural and spiritual connection to their territory.

This basin—rich in lithium reserves—is being targeted by public authorities and private companies to develop lithium mining, without due consideration of its environmental and social impacts.

Most of the mining projects are led by large companies, including traditional oil companies like Pan American Energy, Pluspetrol and Tecpetrol, which use the energy transition narrative to greenwash their polluting record. The local authorities have stripped back regulations to make it easier for companies to come into the area without following proper consultation or environmental assessment processes. Companies are enabled to go ahead without <u>Free, Prior and Informed Consent</u> (FPIC), even despite clear opposition from indigenous communities, using flimsy environmental assessments which fail to evaluate the cumulative and synergistic impacts of mining on the whole watershed.

Lithium mining involves extraction and evaporation of thousands of litres of water, endangering a precious wetland ecosystem already characterised by water scarcity. Local indigenous communities have raised serious concerns over the social and environmental impacts. They have witnessed depletion of freshwater aquifers, salinisation and contamination of local water sources, which are critical for farming and daily use. Increased water scarcity is reducing agricultural productivity and threatening livelihoods. There has been a depletion of natural carbon sinks, biodiversity loss, and damage to ancestral territory.

Since 2010, local communities have been defending their territory and rights through peaceful demonstrations and legal actions in the Supreme Court of Justice and the Inter-American Commission on Human Rights. They developed a FPIC procedure named <u>Kachi Yupi</u> ("footprints in the sand"), which has been ignored by both the provincial government and mining companies, representing a clear violation of their right to FPIC as established by <u>ILO</u> <u>Convention 169</u>.

Rechazamos Las Licitaciones de las 11mil hectarias de litio en la cuenca de Salinas, Grandes y Laguna Guayatayoc. II Qué se respete II * LA LEY MADRE Art.75 Ins.17 y conv. 169 de La O.I.T.

Voices from Salinas Grandes

"Lithium mining directly affects us native [Kolla] peoples who live in this area. It affects our water resources. **It takes a lot of water, more than two million litres, to generate one ton of lithium.**

This is crazy for us, knowing that **climate change is harming us a lot** and that **we have little water left**." **-Karen Valdiviezo**

"Despite having **not carried out free, prior and informed consultation with the communities**, they are coming with approval from the State, the Mining Division and the Secretariat of Indigenous Peoples, **trampling all the rights that we have**.

We are concerned that **they are using people to colonise us all over again**, as they did years ago with the cross and Bible, today they do so with the wallet or purse, and with **lies to the communities**." -Clemente Flores

"Remember that the lithium mine consumes millions of litres of fresh water. We are in the middle of the Jujuy highlands and are **sure to run out of water**.

This will force us out of our territory, to kill ourselves, to lose our identity, our culture - before we even think of the **environmental disaster** that it will cause in the territory itself." -Iber Sarapura



Nickel industry Obi Island, North Maluku, Indonesia

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Indonesia has the largest nickel potential in the world, with <u>nickel ore reserves</u> (resources that can be economically mined) reaching 4.5 billion tons. About <u>90% of nickel reserves</u> are concentrated in the North Maluku Islands and Central, Southeast and South Sulawesi provinces, where many of the local residents work in small-scale farming, fisheries and crafts. For generations, people have made their livelihoods on these islands and coastlines, in harmony with the precious ecosystems and biodiversity.

The Indonesian government's mantra is that the nickel industry will bring prosperity and create jobs. The reality for people living in the vicinity of nickel downstreaming activities feels more like a curse.

The government provides many benefits for companies to encourage nickel downstreaming activities, including easily obtained permits, fiscal and non-fiscal benefits, and even security guarantees if the company succeeds in getting the label 'National Strategic Projects'.



One example is the Indonesia Morowali Industrial Park (IMIP) in Central Sulawesi, which started construction in 2013 and covers 3,200 hectares, while still expanding. The mining and smelters in IMIP are powered by 'captive coal' power plants whose greenhouse gas emissions are feeding the global climate crisis as well as causing local air pollution. Other projects include the Bantaena Industrial Park in South Sulawesi and mining on Wawonii island. The industry is financed by development banks, commercial banks and companies, and has links with International Finance Corporation intermediary lending.

The communities affected by these projects do not enjoy the same security and social protection as the companies, and face the dire consequences of the nickel industry on a daily basis. Once considered a lush haven of biodiversity, the islands now contend with polluted springs and water sources, damage to marine ecosystems, and damage to agriculture. Local communities now breathe polluted air and face land disputes, forced evictions and criminalisation if they speak out. For workers, health and safety protections are seriously lacking, which has led to several deaths and on-site injuries.

Voices from South Sulawesi and South East Sulawesi



"If you want to see fog, come to Mawang and Balla Tinggia. At night, the streets illuminated by vehicle lights resemble a blanket.

It's not very clear during the day, but when you start coughing, that's when you realise, it's from inhaling the dust."

- A resident of Papanloe village

"**The water is no longer clear,** from the pipes it is reddish-orange in colour and sometimes comes out mixed with mud.

The river is also murky and fish are hard to find anymore. When we go to sea, fish and coral are also difficult to find because of the company's jetty.

Then **dust**, **a new problem from the company's hauling activities** produces thick dust that makes residents short of breath."

- A resident of Wawonii Island





"Accidents that often occur due to long working hours, **inadequate equipment and low wages** make workers continue to multiply their energy to **work overtime to make ends meet**.

Besides that, nickel downstreaming has also damaged the environment and humanity."

- Henry Foord, Coordinator of the Mining and Energy Industry Labor Union in IMIP

Bauxite mining Boké region, Guinea

Guinea has the world's <u>largest reserves</u> of bauxite (aluminium ore), a key input for <u>electric</u> <u>vehicles</u> and other <u>renewable energy technologies</u>. Over the next two decades, bauxite mining in Guinea is expected to eliminate <u>858 km2 of agricultural land and destroy more</u> <u>than 4,700 km2 of natural habitat</u>.

The *Compagnie des Bauxites de Guinée* (CBG) mine, one of the largest bauxite mines in the world, is a joint venture of the Guinean government, Rio Tinto, Alcoa and Dadco. CBG has mined large swaths of land south of the Cogon river in Guinea's Boké region. The company has exploited farming and grazing land without the consent of customary landowners and without providing adequate replacement land or compensation. It has failed to effectively rehabilitate and return the agricultural land it has mined, leading to devastating impacts on local livelihoods. Mining has also caused dust pollution and sedimentation runoff into rivers, affecting crops, livestock and access to water for farming. It has destroyed springs that communities traditionally relied on for household use, making it difficult for people to meet their basic needs.

In 2019, 13 affected communities filed a <u>complaint</u> against the International Finance Corporation for loaning \$200 million to CBG without ensuring that effective redress and mitigation measures were in place. The complainants are seeking reparations for past harm—including restoration of water sources and land rehabilitation and return—and a fairer deal going forward. The complaint led to an ongoing <u>dispute resolution process</u> that has yielded some results, but the vast majority of harms remain unaddressed.

Now, CBG is exploring expansion north of the Cogon river, raising alarm for the people living there, who fear—based on the experience of their neighbours—that instead of being respected as partners in decision-making and receiving benefits based on their own development aspirations, they will have no say in what happens and will soon lose their agricultural land, water and way of life.

Voices from Boké



"Our land is our life. Before the mine came, the land provided everything we needed: the water that we drank, the land to grow crops, to raise animals, to hunt. The mine destroyed that. This is difficult to accept. I ask you: If someone came and destroyed your way of life, aren't they responsible for helping you?"

- Community member from a village impacted by CBG south of the Cogon river

"We are worried because we know the mine is coming. I don't want them to touch my land. But I may not have the power to stop them.

If they do mine here, the community should get half of the value of the bauxite. **We could use this money to improve our living conditions**, to build a new school and a health clinic and staff it with teachers and nurses. **This land comes from our ancestors. We should benefit**."

-Community member from an at-risk village north of the Cogon river





"If a mining company comes to your village, I have some advice: Do not welcome them. **They will make promises. But they won't deliver**."

-Community member from a village impacted by CBG

Recommendations



for the UNSG Panel on Critical Transition Energy Minerals

We believe it is an absolute imperative for impacted communities to participate in an accessible, safe and inclusive manner in decision-making on transition mineral mining and processing.

We invite you to <u>read the joint Civil Society Recommendations for the Panel</u>, and draw particular attention to the actions needed to protect people and the planet:

Governments and companies should:

- protect and respect Indigenous Peoples' right to self-determination and FPIC prior to and during minerals licensing, extraction and processing;
- ensure all communities and rightsholders enjoy the right to access relevant information and participate in decisions affecting them in a safe, culturally and age appropriate and inclusive manner;
- ensure that Indigenous Peoples, local communities and workers have access to timely remedies and legal assistance where they are harmed by minerals extraction or processing;
- promote and advance gender equality in the mining sector, including promoting women's participation in decision-making processes, addressing gender-based violence, and ensuring equitable access to benefits and resources;
- prohibit and avoid mineral exploration or development in protected conservation areas and other locations of high biodiversity, conservation, and cultural heritage values;
- end criminalisation of environmental and human rights defenders; recognise and commit to protecting their rights and legitimacy;
- protect and respect civic space and media freedom; and

• minimise and be transparent about GHG emissions from minerals extraction and processing, including by rapidly eliminating the use of fossil fuels for energy, ensuring zero deforestation, and favouring extraction and processing methods with the lowest emissions intensity.

Governments should:

- develop a robust framework to identify, evaluate, prevent and, or mitigate specific impacts on Indigenous Peoples' territories if and where such extracting and processing projects take place and ensure Indigenous Peoples have access to this information before mining takes place;
- negotiate, ratify and enforce binding treaties and national laws and regulations obliging companies to respect human rights, Indigenous Peoples' rights and labour rights across their whole value chain;
- ensure that companies extracting and processing minerals uphold the strongest international human rights, Indigenous Peoples' rights, environmental and governance standards in their own operations.