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Keeping Tabs on Country Risk

In 2014, the Western Australian government announced that up to 150 of the state's remote Aboriginal communities might be closed because their "lifestyle choices" are not financially viable. The announcement met strong criticism from Aboriginal leaders, who fear that the government will begin eliminating basic services, such as electricity and water, for these communities, forcing them to abandon their traditional land.

Meanwhile, Aboriginal leaders in Canada are protesting a proposed "antiterrorism" bill that would make it easier for the government to conduct surveillance and restrict the movement of suspected terrorists. It is widely believed that the bill is really about suppressing Aboriginal resistance to unwanted resource extraction.

It's important for companies to keep tabs on events like these in countries where they operate, even if they're not directly involved. Poor relations between Indigenous Peoples and governments almost always add a layer of difficulty to corporate engagement with Indigenous communities.

Sources: [BBC](#), [National Post](#)

FPIC Test in Australia

In March 2015, the Wangan and Jagalingou Peoples formally rejected a land use agreement that would enable Adani Mining to develop one of Australia's largest coal mines on their territories in Queensland. The company is asking the National Native Title Tribunal to override

the communities' decision. It alleges that the opposition comes from individuals who "are not authorized to speak on behalf of the Wangan and Jagalingou" and intends to "continue to negotiate with the Wangan and Jagalingou's authorized representatives towards terms acceptable to all parties."

Even though the Wangan and Jagalingou's application for native title is still under review, companies are required to negotiate with them until a land use agreement is reached. However, whether the communities have the right to give a finite no is less clear. This will be an important test of Australia's commitments to the UN Declaration on the Rights of Indigenous Peoples.

Sources: [The Guardian](#)

Signs of Reform on Fort Berthold

Since becoming Chairman of the Fort Berthold Reservation in December 2014, Mark Fox has taken some measures to fulfill his campaign promise of more responsible oil and gas oversight. He has overseen two royalty disbursements to community members, and put a hold on a \$140 million refinery that was viewed as a "pet project" of his predecessor, Tex Hall. A recent inquiry accused Hall of abusing his position as Chairman by entering self interested business arrangements with oil companies.

However, community concerns are not fully appeased. Community members are calling for a federal criminal investigation into Hall's activities, and want more transparency about what's happening at tribal council meetings. Given the extent of damage to the reservation thus far, it may take time for tribal leaders to regain the full trust of community members.

Sources: [Indianz.com](#)

Victory for the U'wa

Ecopetrol's decision to dismantle a gas project in northeastern Colombia is being hailed as a victory for the U'wa Peoples. The U'wa are becoming increasingly resistant to oil and gas drilling

on their territories, having suffered decades of pollution and militarization. Last year, U'wa protesters shutdown the Caño Limón-Coveñas Pipeline for more than a month, halting production of millions of barrels of oil and costing \$8 million per day. Based on these recent events, Ecopetrol probably decided that moving forward without U'wa support was too risky at this time. The company retains ownership of drilling permits for the site, raising questions about how long this victory will last.

Sources: [The Guardian](#)

Social License Threatens Nicaragua Canal

Indigenous Peoples in Nicaragua are denouncing plans to build an interoceanic canal that would rival the size of the Panama Canal, and cut through 282 communities. The government recently approved the project, and awarded a \$40 billion construction contract to a privately owned company based in Hong Kong. The canal is triggering nationwide protests, with opponents reportedly being harassed and abused by police.

One source claims that Nicaragua has made 73 attempts to build an interoceanic canal during the past two centuries, all of which failed for a variety of reasons. This time, the glaring lack of social license could be the canal's greatest threat. The presence of so much controversy at the earliest stages of what could become the world's largest megaproject is a strong indication of future disaster.

Sources: [Fusion](#), [Business and Human Rights Resource Centre](#)

Tribes Fight Geothermal Leases

A coalition of Native American and environmental organizations are taking legal action against the Bureau of Land Management's (BLM) renewal of Calpine Energy's geothermal leases in the Medicine Lake Highlands in northeastern California. The BLM renewed the leases without environmental review or tribal consultation, even though the highlands are considered sacred by the Pit River, Wintu, Karuk, Shasta, and Modoc Nations. The BLM is arguing that it had no

choice but to renew the leases, and thus had no discretion to implement environmental review or tribal consultation.

Sources: [Mount Shasta News](#), [Intercontinental Cry](#)