



## **FIRST PEOPLES WORLDWIDE**

### **CORPORATE MONITOR**

### **FEBRUARY 2015**

#### **Awa Victory Short-Lived**

Less than a year after Brazilian soldiers evicted all non-Awa settlers from an Awa reservation in Maranhao, illegal loggers have resumed their activities in the region. The evictions were mandated by the government in response to a campaign led by Survival International, and were hailed as a success. But as soon as the headlines died down, so did the government's attention to the issue. The forces of supply and demand have driven illegal loggers back into Awa lands, and the likelihood of violence may be stronger than ever. This is why activist campaigns must be supplemented with market reforms that attenuate financing for business activities that violate Indigenous Peoples' rights.

Sources: Indian Country Today, Indian Country Today, The Independent

#### **Poor Social Risk Management Costing US Taxpayers**

Communities in Oaxaca, Mexico have defeated a proposed hydroelectric plant that allegedly would have polluted their drinking water and damaged forests. The plant received an \$8.5 million loan by the Overseas Private Investment Corporation (OPIC), a US government agency that mobilizes private capital to finance overseas development projects. This is not the first OPIC project to encounter social resistance. The agency also met protests in Liberia, where a \$217 million energy project was recently shelved due to “questionable due diligence.”

These events have prompted US politicians to call for greater regulatory oversight of OPIC. An appropriate response would be better social risk management. Although OPIC operates without net costs to taxpayers, its activities supplement the foreign aid budget, so the costs of these botched investments are ultimately absorbed by taxpayers.

Sources: New York Times, Kansas City Star

## **World Bank Safeguards Violated**

The World Bank's Inspection Panel (IP), which monitors the Bank's compliance with its own policies, has identified an "operational link" between the Bank's provision of support to Ethiopia for basic services, and the country's "villagization" (forced relocation) of Indigenous Peoples. The Bank refutes this connection, claiming that "the allegations raised...are matters that are not related to compliance with Bank policy."

Another recent IP report acknowledged the Bank's role in the Kenya Forest Service's (KFS) eviction of the Sengwer Peoples from the Embobut Forest. The IP identified no direct link between Bank funding and the evictions, but found that the Bank "was noncompliant with its safeguard policies...by failing to adequately identify, address or mitigate the fact that the institution it was funding, KFS, was and still remains committed to [evicting the Sengwer]."

Debates surrounding the revision of language in the Bank's safeguards are important, but the Bank also must be scrutinized for how it applies its safeguards to its due diligence and risk analysis processes. The IP's findings reveal major weaknesses in this area.

Sources: [Aniak Media](#), [Forest Peoples Programme](#)

## **Transparency in the Supply Chain**

Wilmar International is publicly disclosing the names and locations of all its palm oil suppliers in Indonesia and Malaysia, two countries where palm oil production is devastating Indigenous lands. Wilmar is the first company in the palm oil industry to do so, and is being praised for implementing this unusually high level of supply chain transparency.

In December 2013, Wilmar adopted a Sustainability Policy committing to the full and demonstrable application of Free, Prior, and Informed Consent. It is too early to determine whether this policy has been fully implemented, but this indicates movement in the right direction. Wilmar has also developed a [Sustainability Dashboard](#) containing information on how it's implementing the policy, and how grievances raised by communities are being addressed.

Sources: [Eco-business](#)

## **Ogoni Sign Oil Agreement**

In February 2015, the Ogoni Peoples of the Niger Delta signed an agreement endorsing a Nigerian oil company, Belemaoil, to succeed Royal Dutch Shell. The agreement was signed by traditional leaders from across Ogoniland, and affirms that “Ogoni oil is now open for exploration and production for Belemaoil Producing Limited. Shell, the federal government, and all groups should kindly give all necessary support to making this historic event successful.”

The Ogoni were clear that their longstanding grievances with Shell have not been rectified, citing the company’s alleged role in executing several of their leaders in 1993. However, a community leader told journalists “we expect that the new company coming in will respect the rights, privileges, and the tradition and culture of the Ogoni.”

Sources: [Unrepresented Nations and Peoples Organization](#)

## **Defining Impact Areas**

For several weeks, hundreds of Achuar and Kichwa protesters have occupied Pluspetrol’s oil facilities in Peru to demand compensation for the company's use of their land. Production has been suspended at fourteen wells. With oil prices at an all-time low, the costs of these delays will be especially debilitating.

The protests were triggered by the fact that Pluspetrol pays compensation to some communities in the area, but excludes others. The company says the protesters are from communities outside its impact area, and are ineligible for compensation. Impact areas are frequently defined too narrowly by companies, as Indigenous Peoples often have different conceptions of territorial boundaries, inhabiting and using large swaths of land rather than a defined space. This is why the identification of a company's impact area requires transparent and inclusive consultation with communities.

Sources: [Fox News](#), [Telesur](#)

## **Oil Facility Attacked in Ecuador**

In January 2015, seven Waorani warriors attacked an oil facility owned by Petrobell in Ecuador. The attack shut down eleven oil wells, and wounded six Ecuadorian soldiers. The warriors were arrested and tried for “sabotage and paralysis of public services.” Following negotiations with the government, five of the seven warriors were freed, and Waorani leaders promised to refrain from attacking oil facilities in the future.

The Waorani have a history of tumultuous relations with the oil industry, and similar attacks on oil facilities occurred in 2011 and 2012. Oil companies reportedly provide money, food rations, and housing to the Waorani, but this has failed to prevent attacks, indicating need for more effective and sustainable community engagement.

Sources: [Indian Country Today](#)