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Human Trafficking in the Bakken

A spike in human trafficking can be added to the long list of hazards brought to the Fort Berthold Reservation by the Bakken oil boom. The combined influx of cash and oil workers has created a burgeoning illegal sex trade, to which Native American women are “hugely at risk.” There is no indication that companies operating in the region are supporting efforts to combat this trend.

Although ESG risk management in the Bakken is lacking in many departments, social risks appear to be an especially blaring blind spot. While some companies in the region are making efforts to reduce flaring and improve transparency, few, if any, substantive conversations are taking place about social impacts. First Peoples Worldwide’s Indigenous Rights Risk Report found that 48 out of 52 oil, gas, and mining companies do not address social risks at the board level in any formal capacity, and the continual surfacing of stories like this reflects the impacts this has on daily corporate management.

Sources: [Bismarck Tribune](#)

Prioritizing Cleanup and Reconciliation after Oil Spills

Shell has agreed to an out of court settlement of \$84 million to compensate the Bodo community for oil spills that took place in 2008 and 2009 in the Niger Delta. Although this is considered a victory for the community, the length of time it took to obtain the compensation is raising questions. The company’s initial offer to the community was reportedly as low as

\$6,000, and disagreements about the volume of the spills elicited a lawsuit that lasted three years. Shell claims the compensation process was prolonged by “divisions within the community”, and while the company accepts responsibility for the spills, it attributes the extent of pollution in the Niger Delta to the "scourge of oil theft and illegal refining.”

Effective spill response should prioritize cleanup and reconciliation with communities, rather than reducing financial and legal liability. Although compensation was eventually paid, it was only after a lengthy legal battle that, in the end, cost the company lots of money and did little to improve its standing with the community.

Sources: [BBC](#)

Asia Indigenous Peoples Pact Reports on Corporations

In December 2014, the Asia Indigenous Peoples Pact published a briefing paper detailing the experiences of Indigenous Peoples affected by corporate activities in Asia, with a focus on mines, dams, and plantations. These experiences include threats of ethnocide, fragmentation and internal conflicts, threats to well-being and a life of dignity, impacts on Indigenous women, and impacts on civil and political rights. The paper notes that grievance mechanisms offered by courts, national human rights institutions, intergovernmental commissions, and multilateral lenders are largely futile, and that those offered by traditional and community-based procedures are neither recognized nor respected by companies and governments. “Given the expense involved in accessing remedial mechanisms and the extended timeframes it takes in terms of having their grievances addressed, the communities are forced to take direct action in the form of blockades and protests in order to assert their rights.”

Sources: [Asia Indigenous Peoples Pact](#)

BG Group Faces Community Risk in Honduras

Indigenous opposition is surfacing to the BG Group’s offshore exploration permits in Honduras. Miskitu and Garifuna leaders are worried about potential damages to subsistence farming and fishing, and have reportedly denounced the company’s consultation process as “socialization of

the contract after the fact.” Additional risks stem from the company’s liaison with the Honduran military, which was recently implicated in a “slew of abuses and human rights violations” in Miskitu territories.

The BG Group claims to have consulted communities in accordance with ILO Convention 169, and promoted awareness of the Voluntary Principles on Security and Human Rights with both private and Honduran security forces. But given the budding presence of community opposition and history of violence in the area, the company would be better positioned if it went a step further and sought Free, Prior, and Informed Consent. Honduras is a risky oil investment as it is, as there has never been any significant production in the country, and effective social risk management may make or break the company’s success.

Source: [Upside Down World](#)

Webequie Chief Speaks about Ring of Fire

Development of northern Ontario’s Ring of Fire in the near future is looking more and more implausible, as Cliffs Natural Resources, the region’s leading investor, announced intentions to exit the area in late 2014. Cornelius Wabasse, Chief of the Webequie First Nation, says this is because conversations about Ring of Fire development are fixated on accelerating the pace of mining, rather than building a foundation of recognition and respect for First Nations.

Wabasse believes there is a “clear direction for success” in the Ring of Fire, but says three main things must be done for this to happen. First, agreements must be entered with First Nations that recognize and respect their role “in every aspect and dimension of development.” Second, development must coincide with implementation of treaty rights, which continue to be ignored and violated by the Canadian government. Third, social and economic investments must be made in communities to build their capacity to “direct, respond to, and benefit from the potential for development.”

Sources: [Globe and Mail](#), [Huffington Post](#)

Australia Needs New Approaches to Fracking

Fracking in Australia continues to meet widespread resistance from Aboriginals. In Western Australia, Buru Energy's negotiations with traditional landowners in the Canning Basin have been largely unsuccessful, and communities are organizing camp outs to stop the company. In Queensland, the weakening of environmental protections has prompted the Mithaka Peoples to go to the UN Special Rapporteur on the Rights of Indigenous Peoples, claiming that "Australia has taken no action to ensure that we are consulted and involved in these decisions, or to protect our rights to our culture." In the Northern Territory, communities have formed the Northern Territory Frack Free Alliance to oppose the drilling of boreholes and wells near aquifers.

The Australian government is attempting to circumvent these groups with legislative and regulatory changes. While this may accelerate the issuance of permits in the short term, Australia cannot expect to develop a sustainable oil economy without Aboriginal support, and will need to drastically shift its approaches to fracking on Aboriginal territories.

Sources: [ABC](#), [Inhabitat](#), [Shale Energy Insider](#)

Indigenous Peoples Excluded from UN Climate Change Conference

Among many criticisms of the twentieth [UN Climate Change Conference](#), which convened in Peru in December 2014, is the omission of Indigenous Peoples' rights from the outcome document, despite the fact that 1) Indigenous Peoples are especially vulnerable to the impacts of climate change, and 2) Indigenous traditional knowledge offers valuable solutions to climate change that may be lost if it continues to be ignored by policymakers. An Indigenous Peoples' caucus presented a series of proposals to the negotiators, including recognition and respect for land rights, the creation of a climate fund for Indigenous Peoples, and Free, Prior, and Informed Consent for climate related projects. None of these proposals were accepted.

As the impacts of climate change become more apparent, the private sector will undoubtedly be expected to play a greater role in mitigation. It would be more effective—and probably cheaper—for companies to accomplish this by supporting Indigenous Peoples' rights and lifestyles, rather than perpetuating the sequence of failed commitments and botched programs from governments.

Sources: [Indian Country Today](#), [Huffington Post](#)