

# FIRST PEOPLES WORLDWIDE CORPORATE MONITOR JUNE 2015

# **Bakken Legacy Afflicts Keystone**

There is a rapid spike in violence against Native American women in the Bakken oilfields, and communities along the route of the Keystone XL Pipeline fear that a similar trend is heading in their direction. One of TransCanada's selling points is that the pipeline will create thousands of jobs, and the company plans to construct man camps just a few miles from reservations. However, these man camps are infamous for housing transient workers who perpetrate upswings in gender based violence, with Native American women especially at risk.

According to a company spokesperson, "all of TransCanada's camps will have a strictly enforced code of conduct with zero tolerance to drugs, firearms, and public alcohol consumption. There will also be 24/7 security onsite at all camps. TransCanada [is] doing what [it] can to help Midwest residents and tribal communities that will neighbor the temporary work camps see how safe and respectful these camps are."

However, statistics being gathered from the Bakken oilfields, fracking boomtowns in Pennsylvania, and other places indicate otherwise, and tribal opposition to the pipeline remains strong for this and other reasons.

Sources: Pacific Standard

## **Indigenous Peoples Join Shell Protests**

Indigenous Peoples are actively involved with the pushback to Shell's resumption of exploratory drilling in Alaska's Chukchi Sea. Alaska Natives have joined environmentalists to file another lawsuit, alleging that the federal government approved the company's plans without

accounting for the risks of spills. In Seattle, Native Americans participated in massive demonstrations against the company's use of the city as a staging ground. In Canada, an Aboriginal delegation and Greenpeace sailed up and down the British Columbia coast to warn communities about the surge in oil tankers and heightened possibility of spills along their shoreline. In London, Indigenous activists attended the company's annual meeting to demand an end to its Arctic operations.

The extensive scale of resistance stems from Shell's failure to properly identify its footprint. While the strength of the company's engagement with Alaska Natives is unclear, it's obvious that no efforts have been made to build relationships with communities along its path to market, which are just as susceptible to spills and other negative impacts.

Sources: Fuel Fix, Mother Jones, Vancouver Observer

### **Understanding Country Risk**

In 2005, El Salvador denied an exploration permit to Pacific Rim Mining for failing to comply with environmental regulations. The project allegedly would have threatened water supplies for two-thirds of the country's population, and was the subject of nationwide protests. The company, which was acquired by Oceana Gold in 2013, sued the country for \$300 million in revenues lost from what it claims was an expropriation of its property.

The case is being heard by the World Bank's International Center for Settlement of Investment Disputes, a mechanism for investor state dispute settlements (ISDS). ISDSs enable companies to enter arbitration with foreign governments over breaches of free trade agreements or other investment deals. They are often criticized for constraining governments' ability to protect citizens and the environment from corporate exploitation.

Companies frequently attribute their poor community relations to actions taken (or not taken) by governments. While this may be the case, companies should be mindful of the fact that

governments often behave the way they do in response to pressures enacted by industry

interests.

Sources: Christian Science Monitor, Huffington Post

**Calls for Fracking Moratorium in NWT** 

The Dene Nation is calling for a moratorium on hydraulic fracturing in the Northwest Territories

(NWT). According to Dene National Chief Bill Erasmus, "we always knew the oil was there, and

until we find a secure and responsible way to extract it without hydraulic fracturing, we should

leave the oil in the ground. We are not opposed to oil and gas development in the north but the

uncertainty of this relatively new technology of fracking is a big question."

ConocoPhillips and Husky Energy currently hold concessions in the area. While neither plans to

do exploratory drilling this year, the NWT government hopes that other companies will step in

and "open the windows of opportunity." However, there is an atmosphere of strong opposition

extending beyond just the Dene Nation. The Akaitcho, Gwich'in, and Sahtu Nations have

expressed similar sentiments, and both Aboriginal and non Aboriginal residents are calling for a

referendum to accurately determine public opinion. According to one resident, "If the people of

the Sahtu can hold a referendum on alcohol, then why not hydraulic fracturing?...If we get a

vote I think there would be no fracking at all... There is so much opposition, and only a little

handful of leaders...made the decision for us."

Sources: Northern Journal, Northern Journal, Dene Nation

**EU Adopts Resolution on Land Grabs in Tanzania** 

In March 2015, the European Union (EU) adopted a resolution on land grabs in Tanzania. The

resolution spells out that large scale land acquisitions can be defined as land grabs when one or

more of the following apply: when there is a clear violation of human rights; when the

displacement of affected local communities is carried out without their Free, Prior, and

Informed Consent; when it is not based on transparent contracts; and when there is an

assessed negative social, economic, and environmental impact.

The resolution also calls for transparency and accountability from European companies involved with large scale land acquisitions in Tanzania, and a strong and efficient EU mechanism to monitor their activities. Moreover, it requests an independent investigation into land disputes in Loliondo, where Maasai pastoralists face repeated eviction attempts. Most recently, communities were violently forced from their homes by soldiers associated with the Tanzania National Parks Authority and Ortello Business Corporation, a luxury hunting company based in

Sources: European Parliament

the United Arab Emirates.

### Railroad Proposed on Indigenous Land

China has submitted a proposal to build an east west railroad between Brazil's Atlantic coast and Peru's Pacific coast that would accelerate the movement of South American commodities to Asian markets. The railroad, which is approved in Brazil and under review in Peru, is triggering apprehensions from the 600 Indigenous communities along its proposed path, including communities living in voluntary isolation.

Projects in both countries have lost billions of dollars due to poor social risk management. Large infrastructure projects are especially vulnerable because of their heavy footprints and perceived tendency to accelerate other forms of unwanted development. Yet key decisions are being made with zero input from communities, indicating that neither country has learned from past mistakes. The early stages of discussion are critical; beginning community engagement after decision making is almost guaranteed to dash chances of local support.

Sources: All Media NY, International Business Times