



FIRST PEOPLES WORLDWIDE
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Tribes Using Treaty Rights to Challenge Pipeline

Native Americans in South Dakota continue to resist TransCanada's Keystone XL Pipeline. This summer, they plan to challenge the state's recertification of the pipeline, arguing that the company should be required to restart the permitting process from the beginning because of changes since its original approval in 2010. The Yankton Sioux Tribal Council intends to file a lawsuit if the state recertifies the pipeline. Additionally, Native Americans have maintained an encampment near the pipeline's proposed route for more than a year, vowing to block construction if it begins. TransCanada has already spent \$2.5 billion more than what it budgeted in capital costs due to delays caused by social resistance, and that number will climb as long as its social license remains absent.

The pipeline's proposed route does not traverse any reservations, but the tribes are citing historic treaty rights—which encompass large swaths of South Dakota—as the legal basis for their challenges. This strategy is commonly used by First Nations in Canada, and now appears to be emerging as a tactic that could significantly alter the business landscape in the US.

Sources: [New York Times](#), [Reuters](#)

Human Rights Abuses Funded by the IFC's Clients

The International Finance Corporation (IFC) is being criticized for lending to banks, private equity funds, and other financial intermediaries without ensuring that they comply with its Performance Standards on Social and Environmental Sustainability. This prevents the IFC from knowing whether its Performance Standards are being upheld in its investments. A [report](#) by Oxfam and other NGOs links human rights abuses in Cambodia, Guatemala, Honduras, India,

and Laos with projects funded by the IFC's clients. The report also notes that "the IFC's flawed system of measuring development impacts of financial intermediary lending means that it has little proof of positive development outcomes."

Sources: [Oxfam](#)

Uncertain Future for Tia Maria

In April 2015, one person was killed and eleven others were wounded during protests against Southern Copper's Tia Maria mine in Arequipa, Peru. The mine was suspended in 2011, after similar protests left three people dead. It was resumed in 2014, following the government's approval of a revised environmental impact assessment. However, the latest protests are larger than ever before, and it looks like the mine will be stopped again. Despite this, Peru's Vice Minister of Intercultural Affairs said it won't perform consultations with impacted communities because they're not Indigenous, even though many in the region self identify as such.

The mine's future is highly uncertain, even from the company's perspective. Last month, the company said the mine would be cancelled due to the protests. It later retracted this statement, and said the mine was moving forward.

Sources: [Reuters](#), [Peru Support Group](#)

Country Risk Alert

Indigenous Peoples in Brazil are protesting a bill that would transfer responsibility for demarcating Indigenous land from FUNAI (the government agency that manages Indigenous affairs) to Congress. Indigenous Peoples fear that this will make it harder for communities to secure land title and reduce the size of existing land title, as Congress is perceived to be more hostile to Indigenous interests than FUNAI. This will also aggravate violent land conflicts that afflict many regions of the country, making it an even riskier business environment. A [report](#) by Global Witness found that more land defenders were murdered in Brazil than in any other country in 2014, and that 40 percent of the victims were Indigenous Peoples.

Sources: [Survival International](#), [Rainforest Foundation](#)

Papuans Excluded from Palm Oil Benefits

A report by the Center for International Forestry Research found that palm oil production in West Papua, Indonesia has brought economic benefits to some groups, but not Indigenous Papuans. Many lack the skills needed for employment, and companies are hiring migrants from other parts of Indonesia rather than investing in local content. They are also reporting lost access to land and water, environmental degradation, and higher rates of disease.

Many palm oil estates in Indonesia are owned by smallholders or cooperatives that might be less familiar with good community engagement practices than larger companies. Larger companies can address this by holding smaller companies in their supply chain to the same social and environment standards that they hold to themselves. Last year, institutional investors representing over \$600 billion in assets under management called on the world's largest palm oil users to adopt more responsible sourcing policies.

Sources: Farmlandgrab.org, Green Century Funds

First Nation Rejects LNG Deal

Members of the Lax Kw'alaams Band voted to turn down a \$1.2 billion benefits package offered by Petronas for a proposed liquefied natural gas terminal near Prince Rupert, British Columbia. The deal would have given the band \$27.8 million upfront, followed by annual payments of \$13 million, and a final payment of \$50.5 million after forty years. The deal also would have given the band jobs and 2,200 hectares of land in the Prince Rupert area. However, band members said the environmental risks were too great, and that the company selected "the worst place they could have chosen" for the terminal.

No matter how enticing a benefits package looks on paper, companies will have a difficult time obtaining a social license if they do not give communities an intricate role in project planning as well. The decision to build the terminal in a critical salmon habitat was clearly made without the band's input, leading to an overwhelming rejection of the deal.

Sources: Aboriginal Peoples Television Network