

Commission for Social Development

Fifty-first session

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Item 3 (a) of the provisional agenda*

Follow-up to the World Summit for Social Development and the twenty-fifth session of the General Assembly: priority theme: Promoting empowerment of people in achieving poverty eradication, social integration and full employment and decent work for all.

Statement submitted by the Sisters of Mercy of the Americas, a non-governmental organizations in special consultative status with the Economic and Social Council (ECOSOC) and endorsed by the following organizations with the same status: Pax Christi International.

Statement

On this occasion of the fifty-first Session of the United Nations Commission on Social Development, the Sisters of Mercy working in more than forty countries worldwide publicly grieve the lack of respect for the empowerment of peoples and the environment caused by an overreliance on the capitalistic model of development and unrestrained greed of those governments and extractive industries that value profit over life. As the gap between rich and poor widens, people are not only disempowered; their very lives are at risk. On a larger scale, this deplorable condition rends the social fabric of the community, breeds discord, and spreads violence. This model of growth-driven economics and unsustainable development not only disempowers and impoverishes the social cohesion of villages and towns. More devastatingly, it destroys the very culture of common humanity that cares for the well-being of the whole community of life.

Priority Theme and Personal Witness

At this decisive moment, the Sisters of Mercy welcome the Commission's priority theme. This is an opportunity, based on the long-term experience of our members, to reject the myth promoted by some governments and corporations worldwide that natural resource exploitation and economic development alone enable social and sustainable development and eradicate poverty.

On the contrary, the experience of our members overwhelmingly reveals that the costs of unrestrained natural resource exploitation and development profoundly outweigh any benefits to the local community. A common misperception that everyone benefits from the wealth promised by the mining industry is not true. The stark reality is a natural resource economy that provides income for a few budding consumers while leaving the rest in want. Current extractive industry models of development often disempower, isolate and perpetuate chronic joblessness, poverty, rancor and violence. A system that creates this inequality invites grave consequences that States have failed to address.

All too often, our members witness their governments succumbing to the persuasive powers of mining companies and disregarding governmental responsibilities to communities. Under the guise of “development”, laws are bent, changed, or ignored to meet the demands of these companies, usurping the rights of the people. Governments, our members tell us, have often “sold the potential future resources of the country to mining companies.” Even where governments attempt to uphold their obligations to protect their peoples and environment (as in the case of El Salvador), trade treaties have allowed foreign corporations to sue governments for violating the corporate right to profit.

Our members further report: “Communities are fractured. The families of miners are adversely affected by working conditions imposed on miners in the interests of greater productivity.” Moreover, “Residents have been subjected to human rights abuses as they protest the proposed mine, which they fear will poison their environment and harm their livelihoods.”

Empowerment of Peoples

As mining corporations compete for land, water and energy access, the community’s right to development, health and livelihood is severely diminished. Rather than benefiting from the extractive activity, the community suffers loss of precious farm, forest and water resources that have been their heritage for centuries.

The most egregious disempowerment of indigenous peoples and communities is that corporations routinely refuse to comply with their international legal obligations and consistently fail to adequately consult and obtain Free, Prior and Informed Consent of communities. Governments are complicit in this disempowerment when they fail to provide structures and policy space for people to be directly involved in decision-making conversations on the benefits and burdens to the communities and future generations of natural resource exploitation. All too often, the extraction model is presented as the best path for the community to achieve economic and social development.

Human Rights Violations

Dissenting voices are often silenced. Both State and non-State actors are guilty of social, economic, legal, and political disempowerment of local communities. The harassment, isolation and criminalization of protestors are all too common and are unfortunately increasing incidents throughout these communities. Almost without exception in countries where our members reside and natural resource extraction is a priority for economic growth, States commonly challenge a person’s right to self-determination, and to protest and demonstrate against natural resources extraction methods. Increasingly, activists who speak out against oil, gas and mining injustices are threatened or killed. Too often, States fail in their obligation to prevent, protect or remedy the situation and to empower the community to create a just, sustainable, and equitable framework for poverty eradication and development.

Transparency

Finally, the lack of transparency, including the failure to disclose payments made to governments by extractive industry corporations, further disempowers the people's public access to information on revenues and transactions associated with natural resource exploitation in their country and local area. This lack of transparency and accountability has been directly linked to an increase in poverty in countries that are resource rich because the revenues from natural resources leave the country to primarily benefit the corporations and their shareholders.

However, our members applaud the more recent advances in transparency and accountability through the public disclosure of royalties, bonuses and taxes paid and the establishment of national monitoring bodies through voluntary initiatives such as Publish What You Pay and the Extractive Industries Transparency Initiative. Furthermore, our members commend the most recent development of the Dodd-Frank Act in the United States, which requires multinationals quoted on Wall Street to disclose their payments for natural resource exploitation to foreign governments. For people's empowerment and poverty eradication to be more fully realized the EU, Canada and others should follow suit and adopt rigorous and binding reporting rules on how payments for natural resource exploitation are recorded.

Recommendations

We strongly urge the United Nations and Member States to:

1. Conduct a UN evidence-based study of the human, social, and environmental impacts of extractive industries on local communities in order to regulate policy and critically influence the Post-2015 development agenda, the Rio+20 outcome implementation, and the advancement of sustainable development goals.
2. Require government and extractive industry corporations to fulfill their international obligation to follow a transparent and accountable process of Free, Prior and Informed Consent¹ in all negotiations with Indigenous Peoples throughout the mining cycle. An equally stringent process must also be applied to negotiations with non-Indigenous communities.
3. Meet international obligations to promote and protect human rights and fundamental freedoms regarding the human and environmental impact of natural resource exploitation, including the people's right to freedom of association and peaceful assembly, of expression of opinion, and of access to information about mining projects. Concurrently ensure protection from the use of harmful force against peaceful demonstrations and enforce sanctions upon those wielding such force.
4. Adopt rigorous and binding reporting rules on recording payments for natural resource exploitation. Set meaningful targets for use of net foreign exchanges and taxes generated by extractive industries to fund investment in the social sector and to promote economic and livelihood diversification as well as poverty reduction programs.

We strongly urge Extractive Industry Corporations to:

¹ United Nations Declaration on the Rights of Indigenous Peoples, 2007, Article 32, and The International Labor Organization Convention 169, Article 15 and 16

1. Honor your legal obligations to implement the process of Free, Prior and Informed Consent ²with and to Indigenous Peoples throughout the natural resource extraction cycle and permit third-party observance and verification of the adequacy of these processes. An equally stringent process must also be applied in all dealings with non-Indigenous communities.
2. Publicly and regularly disclose in the Indigenous language of the community concerned the complete results of independent human rights and environmental impact studies of all extractive projects – including the process for disposal of tailings and mining closure plans – on the health and well-being of the community, the land, the water and vital ecosystems.
3. Where the people approve natural resource extraction, provide them with the opportunity to gain necessary skills, training and employment to enjoy healthy, social, safe and material benefits in the extractive industry.

Conclusion

Until extractive industry corporations are legally obligated to adopt binding national and international human-rights based and sustainable mechanisms to development and are penalized when they violate these social, human and environmental obligations, entire communities will continue to be terminally disempowered, unprotected, destroyed, and divested of economic, social, and environmental development guarantees they rightfully deserve.

The empowerment of persons is the strongest guarantee to ensure poverty eradication and sustainable development. In the words of UN Human Rights Commissioner Ms. Navanethem Pillay: “The right to development is a human right for all, and people have the right to define and determine their own development. Let us ensure that development for some is not to the detriment of others.”

Our common humanity demands that we do no less.

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² Ibid