



#ResponsiveEITI

Lima, February 23, 2016

Position Statement of Latin American civil society before the World Conference on the Extractive Industries Transparency Initiative

Presence and trends of extractive activities in Latin America and the Caribbean

Extractive activity has a strong presence in Latin America, where it has expanded substantially in recent decades, as a result of rising prices of minerals and hydrocarbons, which virtually quadrupled between 1991 and 2011. Although this fact indeed led to a higher economic growth and extractive revenues for countries, it did so at the cost of deepening the primary export model and expertise around the exploitation of natural resources and was not translated into measures towards diversifying the economy and energy matrixes that would allow for greater sustainability of these revenues over time and the compliance of commitments on climate change¹.

On the other hand, data suggests that part of this growth had an impact in reducing poverty and extreme poverty, which, although still high, were at their lowest levels since the early 80s. However, it did so parallel with an increase in socio-environmental conflicts resulting from the effects on the territories, environment, population and climate caused by the intensification and expansion of extractive activities. Numerous communities and sectors of society have raised their voices against human rights violations, negative changes of the labor market, child labor, damage to health, the closure of spaces for civil society organizations in the region and the environmental degradation that accompanies, in many cases, extractive, oil and gas projects.

In response, we have found political systems and institutions that have presented limitations to the effective participation of the population in decision-making processes regarding these projects. These systems have been subjected to processes of corruption and deficient mechanisms for access to information and poor accountability. An example of this is the difficulty that indigenous peoples and other ethnic communities face in order for States to guarantee their right to self-determination by respecting rights to prior consultation and free, prior and informed consent.

¹ For more information on this situation see “Transparencia de las industrias extractivas en América Latina durante el superciclo de las materias primas” available on: http://propuestaciudadana.org.pe/wp-content/uploads/2016/02/Balance-transparencia-II.EE_-en-Am%C3%A9rica-Latina-durante-el-superciclo.pdf

As a result of social pressure, progress was achieved in some of these fields, albeit limited, advances were made that allowed the strengthening of transparency and opportunities for participation. However, access to information and participation on the social and environmental implications of extractive activities has remained a significant hurdle, and conflict and rejection of this activity have continued to increase. Due to the above, the response of public authorities and companies has been, on many occasions, criminalization, harassment and persecution of human rights defenders in the territories, which have on occasion led to the death of several people.

The race to the bottom of extractive activity in the region

This situation has been aggravated since the fall of prices of minerals and hydrocarbons that has been occurring since 2011 and 2014 respectively. This situation threatens to disrupt the progress made in reducing poverty and inequality in the region and even accentuate these problems, especially in countries that are heavily dependent on the exploitation of these resources. Faced with this panorama, there is a great risk, evidenced in several countries, for the region to face the so-called “race to the bottom”, meaning, to attract investment and promote new projects to offset falling prices through higher levels of production. Measures for the latter are the weakening of the institutional and environmental regulation, neutralization of legislation regarding consultation and consent, reduction and closure of spaces to civil society, limiting access to information and tax regression which implies greater convenience and revenue for companies at the expense of the State, population, environment and climate.

This also comes at a time where States are committed to avoiding an increase in global temperatures of more than 1.5-2°C pursuant to the Paris Agreement and to implementing the Sustainable Development Agenda, whilst promoting Principle 10 to create a commitment of participation and access to information and justice in environmental matters and in which States have specific obligations to ensure human rights.

The Extractive Industries Transparency Initiative (EITI) in Latin America

It is in this context that the World Conference on the Extractive Industries Transparency Initiative (EITI) arises, which will be held in Latin America, during February 23, 24 and 25 in the city of Lima (Peru). The EITI is an international strategic alliance of governments, extractive companies and civil society from 48 countries in order to promote greater transparency and participation of society in extractive activities. Currently, several countries in Latin America and the Caribbean are involved in this initiative, with different degrees of progress, legitimacy and participation. This is the case with Peru, Colombia, Honduras, Guatemala, Trinidad and Tobago, Dominican Republic and Mexico. In addition, there are discussions in Chile for possible accession thereto. It is important to mention that, in Central America, EITI has been subject to strong criticism and there are signals around the lack of legitimacy of the process, as many organizations have pointed to the imposition of the initiative as a means to promote extractive activity in order to counteract the social rejection existing in these countries.

Thus, many countries are turning to this area of governance to collect information that for various reasons, as stated above, is not currently available, as well as to strengthen the opportunities for participation. An example of the latter is the demand of civil society for specific commitments to be established for the publication of information related to the social and environmental aspects of extractive activity. This is also a trend globally, where 12 of the 48 national EITI processes have included requirements in this regard, promoted in part by an expansion of organizations and groups that are participating in the initiative.

Faced with this panorama and considering the World Conference on EITI, the undersigned civil society organizations state that:

1. The population of Latin America and the Caribbean has the right to demand maximum transparency, access to information and participation in extractive activities and for policies in this matter to respect the environment, human rights, especially those of indigenous peoples and other ethnic communities and local populations living in areas rich in natural resources, and commitments on climate change and sustainability.

2. In this regard, EITI represents a window of opportunity to advance the transparency and access to information agenda, consequently, from the region we issue a call to respond to existing needs for information and boost the incorporation of socio-environmental commitments in national EITI processes and their inclusion in the international standard of the initiative.

3. Likewise, given the multi-stakeholder characteristic of EITI, it supposes an important venue for the participation of society in decision-making processes regarding the extractive sector, provided that the participation of independent civil society, both nationally and internationally, is guaranteed. It is therefore important to ensure conditions for this participation to occur in an atmosphere of security, trust and freedom, in which there is room to decide whether or not the EITI responds to national needs and then act accordingly.

4. Since the Global EITI Conference is the venue where each and every member of EITI gathers and makes key decisions for the future of the initiative, we call on the International Secretariat of the Initiative to ensure the participation of the entire civil society in Latin America that has registered to participate therein.

5. On the other hand, we recognize the historic role played by the Publish What You Pay (PWYP) coalition in promoting the participation of independent civil society in EITI, both nationally and internationally, and in strengthening the initiative by making it more relevant to the existing needs for information of society.

6. For this reason, we also recognize the role that the PWYP Nominating Committee, consisting of two PWYP members and two non-members has played in the impartial selection of 10 independent and highly qualified civil society representatives in the new EITI Board, a decision that will be ratified in Lima by the EITI Association. Therefore, we call on the Board, the Chair and the Secretariat of EITI to ensure that decisions of this Committee are respected.

7. Finally, we welcome the appointment of Ana Carolina González of the Externado University and the *Mesa de Sociedad Civil para la Transparencia de las Industrias Extractivas de Colombia* (Bureau of Civil Society for Transparency in Extractive Industries of Colombia), and César Gamboa of

Derecho, Ambiente y Recursos Naturales DAR and the Latin American Network on the Extractive Industries (RFIL) as representatives of Latin America in this new EITI Board. This adequately responds to the growing presence of EITI in the region and represents a key opportunity to promote the strengthening of the initiative over the following years, through the strengthening and expansion of the socio-environmental component therein and the participation of civil society in the region.

Signing Organizations

Grupo Propuesta Ciudadana - Perú
Foro Nacional por Colombia - Colombia
Grupo Faro - Ecuador
Asociación de Usuarios del Agua de Saltillo (AUAS) - México
Fundar, Centro de Análisis e Investigación - México
Freshwater Action Network Mexico (FANMex) - México
Cooperación - Perú
Derecho, Ambiente y Recursos Naturales, DAR - Perú
DECA Equipo Pueblo - México
TOXISPHERA Associação de Saúde Ambiental - Brasil
APROMAC Associação de Proteção ao Meio Ambiente de Cianorte - Brasil
AMAR Associação de Defesa do Meio Ambiente de Araucaria - Brasil
Asociación Ambiente y Sociedad - Colombia
Fundación Jubileo - Bolivia
Fundación Terram - Chile
Cultura Ecológica - México
Alianza Mexicana contra el Fracking - México
Centro de Estudios para el Desarrollo Laboral y Agrario (CEDLA) - Bolivia
Organización Nacional de Mujeres Indígenas Andinas y Amazónicas del Perú (ONAMIAP) - Perú
Chirapaq, Centro de Culturas Indígenas del Perú - Perú
Comunicación y Educación Ambiental - México
Causa Natura - México
Costa Rica Íntegra - Costa Rica
Fórum Mudanças Climáticas e Justiça Social do Brasil - Brasil
Transparencia Mexicana - México
Centro de los Derechos del Campesino - Nicaragua
Centro de Iniciativas en Políticas Ambientales - Nicaragua
Coordinadora Civil Red de Managua - Nicaragua
Central Autónoma de Trabajadores del Perú (CATP) - Perú
Instituto Brasileiro de Análises Sociais e Econômicas - Brasil
FOCO Foro Ciudadano de Participación por la Justicia y los Derechos Humanos - Argentina
Foro Ecológico del Perú - Perú
Red Regional agua, desarrollo y democracia (REDAD) - Piura, Perú
Fundación para el Desarrollo de Políticas Sustentables (FUNDEPS) - Argentina
Centro Mexicano de Derecho Ambiental (CEMDA) - México
Red Latinoamericana sobre Industrias Extractivas (RLIE)

Grupo de Financiamiento Climático para América Latina y el Caribe (GFLAC)
Observatorio de Expansión Minero Energética y Re-existencias
Grupo Regional sobre Financiamiento e Infraestructura (GREFI)
Coalición Regional por la Transparencia y la Participación
Asociación Interamericana para la Defensa del Ambiente (AIDA)
Center for International Environmental Law
Oxfam América Latina
DPLF Fundación para el Debido Proceso