

INTERNATIONAL CONFERENCE

Extractive Industries (Mining and Hydrocarbons), the issue of non-renewable natural resources in Latin America and the Mission of the Church Lima, July 14-16, 2011

CONCLUDING DOCUMENT

The church recognizes the importance of the extractives industries, the service they can provide to mankind and the economies of the world, and the progress they contribute to society as a whole.

We commend the conscientiousness of the different players (industry, government officials, professional engineers and technicians) who strive to go beyond mere legal compliance to protect the health and integrity of workers, the local communities, indigenous populations and the environment. The Church values these responsible practices that promote peoples' well-being based on law and democratic practices.

- 1. The Church finds that, in the majority of Latin American and Carribean countries, there is an accelerated expansion of both the formal and informal extractives industries, whose activities often have negative impacts on the lives of surrounding populations. As stated in the Aparecida document, "...there is an irrational exploitation that leaves a trail of destruction, even death, throughout our region" (DA¹ 43).
- 2. The Church cannot be indifferent to the fear, anxiety, and misery of mankind, above all those of the poor and afflicted.² Therefore, the Latin American Episcopal Council (CELAM) with the support of the German Catholic Bishops' Organisation for Development Cooperation (MISEREOR), organized a conference on "the extractive industries and the mission of the Church" on the 14th through 16th of June, 2011, in Chaclacayo, Peru. Participants included archbishops, bishops, priests, religious and social leaders, professionals and academics from 17 countries in Latin America and the Caribbean, North America and Europe.
- 3. The purpose of the meeting was to analyze the social, political, economic, and ecological consequences of extractive activities and to develop pastoral guidelines.

¹ Concluding document of the V. General Conference of the Latin American and Caribbean Episcopate (2007) in Aparecida, Brazil (hereafter known as DA). 2 Pastoral Constitutional Conference "Gaudium et Spes" (GS), Vatican II, 1 DEPARTAMENTO DE JUSTICIA Y SOLIDARI DAD CONSEJO EPISCOPAL LATINOAMERICAN O Carrera 5a. № 118-31 (Usaquén) - Tel. (57.1) 587-9710 - Fax. 587-9717 - Apartado Aéreo 51086 - Bogotá, Colombia Correo Electrónico: justiciaysolidaridad@celam.org – http://www.celam.org/

² Pastoral Constitutional Conference "Gaudium et Spes" (GS), Vatican II, 1



- 4. Previous conferences took place in Quito (August 3-9, 2009), Manaus (October 1-4, 2009), Buenos Aires (August 20-25, 2010), and Rome (October 1-2, 2010) at which the Church reflected on diverse topics related to Caring for Creation and the global common good.
- 5. We began our reflections with an analysis of the current situation which was enriched by a reading of the Gospel and of the Social Doctrine of the Church to determine the most appropriate pastoral lines of action. Because "there are three stages which should normally be followed in the reduction of social principles into practice... expressed in the three terms: look, judge, act". "

THE WOUNDED PLANET

- 6. In addition to the growth of the extractives industries to a global level, we note a change in the flow of investments, motivated by the recovery of the prices of minerals. New players on the scene such as Brazil, India, and China contribute to the increase in demand. This significantly affects the increase in prices for metals. Thus, there is an increasing demand for raw materials both by emerging countries and industrialized countries. Some of the latter have even developed medium- and long-term strategies to guarantee their supply, leading them to declare the supply of raw materials a matter of national security.
- 7. At the meeting, we analyzed testimonials about conflicts between mining-affected populations, the government, and private companies that occur in many Latin American Countries. These testimonials reflect grave social and environmental problems.
- 8. In some cases, we found that transnational companies exhibited irresponsible behavior when, in the development of their business activities, they failed to conform to internationally recognized social and environmental standards. Meanwhile, many national governments remain indifferent or passive to these malpractices.
- 9. Industrial activities for the exploration and exploitation of minerals and hydrocarbons generate the release, , dispersion, and dissemination of chemical products and wastes of various kinds, such as sodium cyanide, lead, arsenic, uranium, mercury and other heavy metals that contaminate, either directly or through filtration, the water supply (glaciers, lakes, rivers, and underground water), the air and the soil. In some cases, the contamination lasts for thousands of years, causing serious illnesses and genetic mutations. This fact, coupled with the destruction of soil (leaching) and landscapes—which for many indigenous populations are considered sacred—significantly impairs the quality of human, animal and plant life. The occurrence and increase in diseases among local residents and surrounding communities affected by informal mining

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³ Encyclical Letter "Mater et Magistra", Pope John XXIII, 236.



activities and in some cases by formal activities can be observed. In the majority of cases, the workers and communities are abandoned to their own fate.

- 10. Generally, extractive industries that improperly manage water resources negatively impact the production of goods and services, as well as impede the basic human right to water as a public good. This causes migration, converting entire communities into "environmental refugees." They become victims of informal mining activities and in some cases of the neoliberal formal activities heavily reliant on extractives and the sale of raw materials in the global market. This results in the breakdown of communities' invaluable ways of life.
- 11. A further result is both an increase in the concentration of property rights and in land concessions in the hands of transnational companies that, in many cases, also exercise strong social control over vast territories.
- 12. Extractives companies, especially mining, employ methods that rely heavily on technology and utilize little manual labor. It is true that they generate jobs, but they are for limited periods of time, and in many cases, part of subcontracted labor or "services" that are damaging to workers' rights. In the case of informal mining, an increase in work-related deaths is seen. However, it is important to recognize that, in the formal mining sector, the number of work-related deaths caused by noncompliance with safety regulations has considerably decreased.
- 13. Tax contributions of mining companies substantially increase state revenues. However, there are exemptions and commercial, environmental, or tax agreements that minimize these revenues. In the case of Central America, there are widespread policies of tax exemptions that have reduced companies' tax obligations to a range of only 5%. This has sparked a debate over the taxation of mining profits in countries throughout the region whose companies have seen a dramatic increase in profits thanks to the high price of metals.
- 14. We also note with concern that in many Latin American countries, informal mining is causing grave harm to human health and the environment, damaging all life forms wherever it takes place.

GOVERNMENTS

15. Extractives activities are mostly undertaken by private transnational companies. The economic power of these companies weakens national states and their sovereignty over all levels of local government. Often, national governments do not satisfactorily fulfill their function to create and enforce national environmental protection laws, allowing more flexible regulatory frameworks and using loopholes for companies instead of defending and protecting the rights of the population, which is the fundamental responsibility of every state.



- 16. We note an increase in corruption and a weakening of governance and justice systems. The documents governing the relationship between the State and the mining companies are often lacking in transparency, including concession contracts, impact studies, and socio-environmental monitoring reports. In many Latin American and Caribbean countries, open access to up-to-date mining contracts is not guaranteed.
- 17. Many socio-environmental conflicts occur because, "in the decisions over biodiversity and nature, traditional populations have been virtually excluded" (Aparecida Document, 84). Mechanisms for dialogue have not been established for when conflicts arise, and social protests are often criminalized.
- 18. National or private security forces frequently trample on the rights of communities. Armed guerilla or paramilitary groups are sometimes involved in the exploitation of raw materials, and in other cases they use violence to prevent extractive activities.
- 19. The State often does not hold prior consultations with indigenous communities who could be affected by projects. Prior consultation must be executed by the State as is required by the ILO 169 convention, article 6.2 and the UN Declaration on the Rights of Indigenous Peoples, article 19. In particular, governments are frequently inefficient in conducting Environmental Impact Assessments (EIA), approving environmental certifications, and monitoring the environmental impacts of projects. This creates contexts that are conducive to corruption and inappropriate relationships between state officials and the private sector. At minimum, the government should guarantee freedom, access to information, and the demonstration of good faith with a goal of achieving free and informed consent of the communities involved.
- 20. In that light, the State should observe the other aspects of the aforementioned ILO 169 convention and the UN Declaration on the Rights of Indigenous Peoples. It also highlights the lack of effective mechanisms to rebuke and sanction multinational corporations when they violate nationally and internationally recognized guidelines.

THE CHURCH

- 21. We are experiencing an increase in socio-environmental conflicts on the Latin American continent. We view with growing concern the pastors, social leaders, defenders of human rights, environmental protectionists and conservationists who are being threatened and persecuted. However, Jesus gives them strength by affirming: "Blessed are the peacemakers, for they shall be called sons of God. Blessed are they who are persecuted for righteousness' sake: for theirs is the kingdom of heaven" (Matthew 5:9). Our communities desire a development model that is humane, comprehensive, inclusive, and sustainable (DA 474c).
- 22. We want to highlight the support and involvement of the Church in the capacity-building, training and awareness of communities. The presence of the Church among the population has be decisive in facilitating dialogue and avoiding violence, coordinating and unifying the work of civil society at an international scale, as well as



fomenting alliances between unions, businesses, and other organizations with affected communities. It is vital to understand, document, and systemize these lessons and experiences in order to affectively interact with extractives companies and public authorities.

ENCOURAGING SIGNS

- 23. Even though a neoliberal economic model based on extractivism prevails in many countries, we note an emergence of new, comprehensive approaches to development that incorporate social, cultural and environmental dimensions.
- 24. Community groups have developed various strategies in addition to those executed by new organizations that have emerged in response to the conflict. They have built capacity to acquire knowledge and develop proposals. They have also created alliances with other social groups, hoping to impact public policies. With their newly acquired knowledge, they are able to create alternative solutions to uncontrolled extractive activities.
- 25. In high income, industrialized countries, important citizens' movements have emerged that question the consumerist way of life and call for solidarity and support with southern communities and peoples. These groups monitor corporate behavior as well as the impact of public policy in southern countries. Also, interesting international certification mechanisms and fair trade goods have developed which allow consumers in rich countries to purchase products from southern countries that were produced with minimal negative socio-environmental impacts on the ecosystems and residents who live there.
- 26. Some experiences show that extractive activities can be rational and responsible, can coexist with agriculture, can be developed in accordance with international standards, can keep in mind sustainability, and can result in minimal environmental impact. It is important to know and understand the social, cultural, and political frameworks behind these experiences in order replicate them in other places.

EARTH, HOME AND CHURCH

27. According to the Christian Faith, our earth is a creation of God. Therefore, we should treat it with respect. Humankind, created in God's image (Gen 1:26), is called upon to be a responsible steward of the goods of creation. We do not have the right to exploit earth's resources, "irrationally demolishing sources of life" (DA 471). God created life in its great diversity (Gen 1, 11-12.20). Our Latin American Continent holds one of the



greatest biodiversities on the planet.⁴ This is a free and fragile heritage "that we receive to protect" (DA 471).

- 28. A substantial foundation for the care of the goods of creation is the covenant between the Creator and all living things (Gen 9:17). The Social Doctrine of the Church emphasizes that "a correct understanding of the environment prevents the utilitarian reduction of nature to a mere object to be manipulated and exploited." Human intervention in nature should be governed by respect for other people and their rights, as well as respect for other living creatures. This also implies a greater responsibility so that future generations can inherit a habitable earth.
- 29. We reaffirm the need to preserve the earth as the "common home" for all living things. The Blessed Pope John Paul II advised us of the risks that come with considering the earth an unending source of economic resources: "[...] the environment as "resource" risks threatening the environment as "home". For this reason, the long-term environmental costs of extractives activities must be evaluated, just as they should be for legal activities such as livestock, agriculture, aquaculture, and for illegal activities such as coca or poppy harvesting for drug trafficking.
- 30. Jesus declared through His words and actions that God is the God of life. Following the Gospel obliges us to see life as a gift from God. The integral and interdependent nature of all that is created commits mankind to a collective responsibility.
- 31. A close link exists between following Jesus and mission. Our mission should be in the service of life of the peoples of Latin America. This is particularly highlighted in the Concluding Document of the Aparecida conference where they say: "the mission of evangelization cannot proceed separated from solidarity with the peoples and the promotion of their comprehensive development" (DA 545). "The living conditions of many of those who are abandoned, excluded, and ignored in their poverty and pain stand in contradiction to this project of the Father and challenge believers to greater commitment to the culture of life. The Kingdom of life that Christ came to bring is incompatible with such inhuman situations. If we try to close our eyes to these realities we are not advocates of the life of the Kingdom and we place ourselves on the path of death" (DA 358).
- 32. In order to live according to the spirit of Jesus, we reaffirm the preferential option for the poor, those who have priority access to the Kingdom of Heaven, and the first victims of the negative effects of the current socio-economic model and of natural disasters caused by climate change.

⁴ Cfr. DA 83

⁵ Compendium of the Social Doctrine of the Church (abbreviated: CSDC), 463

^o Cfr. CSDC. 459

⁷ SS John Paul II, Address to participants at an International Conference on "Environment and Health" (March 24, 1997), 2 (CSDC, 461)



- 33. In the search for a comprehensive and communal development solution, we are inspired by the spirituality of indigenous communities and Afro-descendents who have felt a part of "mother nature" and who relate to her as "the source of all life." In indigenous cultures, there is a spirit that recognizes the wisdom and power of God in creation which encourages them to practice the concept of 'Buen Vivir', or sustainable living. Recognizing this, the world's countries met in April of 2009 at the General Assembly of the United Nations, and unanimously approved a resolution that designates the 24th of April as the International Mother Earth Day.
- 34. As regards the activities of extractives industries and the use of non-renewable natural resources, one must remember the principle of the universal destination of goods, especially for resources of vital importance such as water, air, and earth. This is a fundamental principle in the whole ethical-social order.⁸
- 35. The current economic model is sustained by combustible fossil fuel energy. The pursuit of profit at any costs coupled with unlimited consumption results in the overexploitation and increasing scarcity of non-renewable natural resources. It also leads to global warming caused by the emission of greenhouse gasses (GHG), and aggravates the global climate change phenomenon. The accelerated melting of the poles and tropical Andean glaciers and deforestation in the Amazon are some examples, among others, of the non-sustainability of the current economic model. This model promotes inequality and individualism and puts the survival of the planet at risk. Faced with this, the concluding document of the fifth General Conference of the Bishops of Latin America challenges us to "pursue an alternative development model; one that is comprehensive and communal" (DA 474c).
- 36. The Principle of the common good is another fundamental principle of the Social Doctrine that guides the Church in its commitment to promote a comprehensive and sustainable development model. "To desire the common good and strive towards it is a requirement of justice and charity". Pope Benedict XVI affirms that, in the construction of the order of social justice, the Church "cannot and must not replace the State. Yet at the same time she cannot and must not remain on the sidelines in the fight for justice. She has to play her part through rational argument and she has to reawaken the spiritual energy without which justice, which always demands sacrifice, cannot prevail and prosper. A just society must be the achievement of politics, not of the Church. Yet the promotion of justice through efforts to bring about openness of mind and will to the demands of the common good is something which concerns the Church deeply." 10
- 37. It is important to remember that "the Church has a responsibility towards creation, and she considers it her duty to exercise that responsibility in public life, in order to protect earth, water and air as gifts of God the Creator meant for everyone, and above all to

⁸ Cfr. Encyclical Letter "Laborem Exercens" from SS John Paul II, 19

⁹ Encyclical Letter "Caritas in veritate" of SS Benedict XVI, 5

¹⁰ Encyclical Letter "Deus caritas est" de SS Bened<u>ict XVI, 28a</u>



save mankind".¹¹ In this sense, we emphasize once again the huge significance of the rich biodiversity on our continent, which is essential for healthy life on earth. This fact should be valued by northern countries.

USE THE GOODS OF CREATION WITH CAREFUL RESPONSIBILITY¹²

- 38. Together with other players in society, the Church works to strengthen the ethical dimension in politics and the economy. The Church "wishes to help form consciences in political life and to stimulate greater insight into the authentic requirements of justice as well as greater readiness to act accordingly, even when this might involve conflict with situations of personal interest".

 13 It is not possible to achieve comprehensive, communal, and sustainable development without an ethical dimension.
- 39. Fulfilling its mission to work towards reconciliation and unity, to respect all people's dignity, and to work for the common good (cfr. LG1), the Church continues to promote an open and transparent dialogue among the different players of society that are involved in socio-environmental conflicts. In all cases, the Church wishes to halt the escalation of conflicts in order to avoid violent outcomes, and to find just and sustainable solutions.
- 40. The Church implores governments to establish a legal and political framework that regulates extractive activities according to international socio-cultural and environmental standards, protects the rights of surrounding communities, and ensures compliance with established contracts for companies.
- 41. At the same time, the Church encourages the State to guarantee prior consultation and an Environmental Impact Assessment (EIA) before authorizing the start of any extractive activity. Legal regulations in the majority of Latin American countries require that an EIA be conducted by the company before beginning an extractive project, as part of the conditions for approval. The EIAs are, for the most part, a document for stakeholders. For this reason, it is necessary that the state responsibility of revising the EIAs be executed with impartiality and according to internationally established scientific criteria. Also, the Church urges the State to adequately inform the public on the results of the study.
- 42. In that same light, we ask the State to implement, apply and perform consultations, facilitating the participation of representatives from mining-affected indigenous communities in decision-making and approval of those projects.

¹¹ SS Benedict XVI, Mensaje para la XLIII Jornada Mundial de la Paz (2010), 12

¹² Cfr. DA 471

¹³ Encyclical Letter "Deus caritas est", 28a



- 43. The Church reminds the State and mining companies that it "is urgently necessary to succeed in combining technology with a strong ethical dimension" and that they must incentivize "the research and exploitation of clean energy sources that preserve the heritage of creation and are harmless to humans, "15 which we remind them should be political and economic priorities. 16
- 44. The Church urges mining companies to act with social and environmental responsibility, to respect established contracts, to ensure the safety and health of workers, and to pay them fair wages. The government has the fundamental responsibility to confirm that companies are operating accordingly, a function to be performed with impartiality, technical rigor and transparency.
- 45. It also feels a duty to promote an ethic throughout the industry based on the principles of the Social Doctrine of the Church.
- 46. Concerning prior consultation, the Church reaffirms its commitment to full and complete dissemination of information regarding the complex extractives industry, as well as the benefits and risks it entails, through its radio and media network. In doing this, the Church hopes that the public can be informed and make well-founded and critical decisions, as well as develop alternative proposals and defend their rights through dialogue.
- 47. The Church is committed to redouble its "efforts toward enacting government policies and citizen involvement, to assure the protection, conservation and restoration of nature" (DA 474d). In this task, concrete actions should be designed with pastoral creativity to influence governments to enact social and economic policies to deal with the varied needs of the population and lead toward sustainable development" (DA 403). It will continue its support of civil society to "decide on measures for social monitoring and control over the application of international environmental standards in our countries" (DA 474e).
- 48. The Church welcomes the call from Pope Benedict XVI that "a change in mentality" is necessary in order to "quickly arrive at a global lifestyle that respects the covenant between humanity and nature, without which the human family risks disappearing." The Church vows to decidedly contribute to this change in mentality and practice.
- 49. The Church affirms its commitment that, "as disciples and missionaries in the service of life, we accompany the indigenous and native peoples in strengthening their identities and their own organizations, the defense of their territory, bilingual intercultural

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 $^{^{14}}$ SS Benedict XVI address to new ambassadors before the Holy See, June 9, 2011

¹⁵ Ibid.

¹⁶ Cfr.ibid.

¹⁷ SS Benedict XVI address to new ambassadors before the Holy See, June 9, 2011



education, and the defense of their rights. We also pledge to create awareness in society about the situation of the indigenous and their values, through the media and other areas of opinion" (DA 530).

CELAM will strive to promote dialogue with the Episcopal Conferences of the US, Canada, and Europe about the extractives industries and the mission of the Church. It will promote the coordination of the respective pastoral efforts already underway in the Latin American Church, and work to strengthen ties with pastoral agents, social leaders, environmentalists, and human rights champions who are being threatened and persecuted. At the same time, it will intensify links with the Pontifical Council for Justice and Peace.

The Justice and Solidarity department of the Latin American Episcopal Council (CELAM) promises to follow-up on the issues and commitments made at the conference, and to reflect on other dimensions of the issue from the standpoint of the Church's Social Doctrine.

Lima, June 2011

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