

Sept. 16, 2011

Ms. Meg Taylor Compliance Advisor Ombudsman International Finance Corporation 2121 Pennsylvania Avenue NW Washington DC 20433 USA

Dear Ms. Taylor,

We are writing to your office to relay our urgent and important concern regarding an investment of the IFC to a mining project in the Philippines. Specifically, we are referring to the Agata Nickel Project, owned by Mindoro Resources Limited (MRL), which will operate in several project sites in the province of Agusan del Norte within the CARAGA region, situated in the northeast region of Mindanao. We believe that if IFC will proceed with its investment in the mining project, serious threats to the lives, livelihoods, and culture of the indigneous communities, as well as the ecological integrity of the direct impact area and surrounding localities of the proposed mine project, will ensue.

Attached are the formal complaints of our community partners, mostly indigenous peoples belonging to the ethno-liguistic group of Mamanwas. Aside from the two indigneous communities residing in the villages of Bunga and Dinarawan that will be affected by the mining project, other clan-groups of the Mamanwas and the higher level of the traditional leadership structures, gave their consent and finally decided to move forward with these complaints. We, Philippine-based NGOs, are formally endorsing their complaints, as we have reason to believe that their assertions have solid basis.

The opposition to the mining project are based on the following, which are all clear violation to IFC's Performance Standard (PS) 7, on Indigenous Peoples:

- Flawed implementation of the free, prior and informed consent (FPIC) processes, that resulted in MRL securing an illegitimate Certificate of Precondition from the National Commission on Indigenous Peoples (NCIP);
- 2. The illegal appointment of a traditional leader (datu), to represent the indigenous communities in negotiating with MRL. As such, the indigenous communities feel that any decision or agreement regarding the mining project do not carry their tacit approval.
- The validated claim of the indigenous communities that they were not given adequate information about the mining project, and that essentially, they were not asked nor did they give consent for any of the activities being conducted my MRL
- 4. The claim that bribery and coercion were used by the mining company and by some local government officials to intimidate the indigenous community, to ensure that the mining project will proceed

As support groups providing services and assistance to these communities, we have witnessed the resulting social division and tense environment in the area. We are confident that the aggressive entry of MRL and their mining activities are directly causing these tensions and deteriorating state of peace and security of the Mamanwas.



In addition, we believe that the mining project will introduce serious negative environmental impacts to Lake Mainit, a key biodiversity area in the region. Our reading of the Summary of Proposed Investment (SPI) for the MRL project revealed to us that it was categorized by IFC as Environment Categroy B, meaning it has very minimal environmental and social impacts. Moreover, it was claimed that no communities will be physically displaced and that land access is transitory and sporadic.

We would like to clearly indicate our disagreement with these impressions, and moreover, with the categorization. We feel that serious environmental and social impacts will be introduced:

- 1. The proposed mining project is very near the fringes of Lake Mainit; and can potentially violate IFC's PS 6, on Biodiversity Conservation and Sustainable Natural Resource Management.
- 2. The water source of the indigenous communities might be dangerously affected;
- 3. Livelihood projects of the IPs will possibly be affected by exploration activities;
- 4. The sacred burial ground of the IPs are covered by the exploration activities of MRL, and may result to a desecration of their culture and traditions, a clear violation of PS 8, on Cultural Heritage;
- 5. Social divisions between pro and anti-mining community will escalate, triggered by the lack of transparency of MRL regarding the mining project and their activities

Finally, we feel that there are considerable lapses in the regulatory functions of local governments and the local offices of the National Commission on Indigenous Peoples (NCIP). Recent events inform us that a proposed dialogue about the project was misused and misrepresented by local officials when the participants were unexpectedly asked to vote on whether to accept the mining project or not.

The communities and the support groups will be submitting additional documents to strengthen these claims.

In light of these, we urge the CAO to conduct an investigation on the operations and activities of MRL. We believe that once an independent and objective inquiry is done, there should be sufficient evidence to convince IFC not to proceed with this investment.

Sincerely,

Jesus Vicente Garganera

Alyansa Tigil Mina (ATM)/Alliance Against Mining

## List of Attachments:

- Complaint Letter of Mamanwa Indigenous Community Against MRL to IFC CAO\_Sept2011
- 2. Endorsement of Complaint Against MRL\_KAMAMAKIJA\_April2011
- 3. United Stand Against Mining\_March2011
- 4. Tribal Justice Decision and Penalty Against MRL\_KAMAMAKIJA\_March2011
- 5. Petitition to Oppose and Stop MRL\_DIPO\_Feb2011
- 6. Agreement\_Dispute Settlements\_Local Stakeholders\_MRL Site\_Oct2010

(Translated from original Bisayan document, signed or marked by the members of the indigenous community, a scanned copy of which is attached)

Sept. 16, 2011

To: Compliance Adviser/Ombudsman International Finance Corporation 2121 Pennsylvannia Avenue NW Washington, DC 20433 USA

Dear sir/mam,

We, the Mamanwa tribe in the community of Dinarawan would like to officially submit our letter of complaint to your office for the violation made by the Mining company Mindoro Resources Limited (MRL) in entering the sacred grounds within our ancestral domain without our Free, Prior and Informed Consent (FPIC). The objective of Mindoro Resource Limited (MRL) to enter our sacred grounds is to mine them. We believe that this act of MRL is a grave violation to the customs and traditions of the Mamanwa tribe.

It is our belief that the lake and our ancestral domain are the sources of our life and livelihood since time immemorial. To us, mining means to extract and exploit our resources inside and deep beneath our ancestral land, and destroys not only our plants but also the lives of all the animals that live within the forests. Above all, our efforts to sustain these resources will be useless because all the trees in the forest and mountains will be destroyed, and nothing will bring them back to their natural state.

Additionally, we would like to state in details the various violations made by MRL:

- Entry to our sacred grounds such as the place where we worship and make rituals, watershed, hunting grounds, source of potable water, and forests without our free, prior and informed consent (FPIC).
- Causing division within the community by using divide and conquer tactics among the indigenous peoples (pro- and anti-mining), and organizing leaders without the consent of the traditional chieftains and elders which is a grave violation of the customs and traditions of the tribe
- Causing undue stress and fear as tribal community feels threatened by the impacts of mining and the damages it will bring to the members.
- 4. Threats of soil erosion caused by mining which will destroy farmlands and lake causing reduction in harvest for farmers and fishermen
- 5. Threat to loss of culture and sources of medicine.
- 6. Threaten the enjoyment of the rights of the Mamanwa over their ancestral domain which is integral to their traditional governance, customs and practices.

Sitio Dinarawan, barangay San Pablo Jabonga Agusan del Norte.



To: Compliance Advisor/Ombudsman International Finance Corporation 2121 Pennsylvania Avenue NW Fax Email

I/We, the Mamanwa tribes, are against the MRL project here in Barangay Bunga, Municipality of Jabonga, Agusan del Norte. This complaint is made because of the violations made by the MRL in our heritage land.

In connection with this, we want to narrate the details of the violations made by the MRL in our inherited land.

- 1. We do not want the MRL to enter because we do not want our mountains to be destroyed.
- 2. The area where the camp is built, we won't have that touched because that place is sacred since that is where we pray and that is the graveyard of our ancestors.
- 3. Why did they enter without notice or permission from us, the native tribes?
- 4. They have no respect for the native tribes here.

Barangay, Bunga, Municipality of Jabonga, Agusan del Norte

Barangay Bunga, the address of the complainant

Country of the Philippines		•
	Email add	recc
THE PERSON NAMED IN COLUMN TWO IS NOT THE OWNER.	Liliali add	1033

We, the Mamanwa tribes, are the ones directly affected by the harm that will come out from MRL project, especially in harming the nature of the mountain and forest where we get our livelihood, food and home. Therefore, the effect of this to us the Mamanwa tribes will be the following:

- 1. There will be trouble for us the Mamanwa tribes.
- 2. We won't have resources anymore.
- 3. Our culture will be lost.
- 4. Our rights to our heritage will be lost.
- 5. The Mamanwa tribe will be dispersed.

To confirm and strengthen our united complaint, signed by the Mamanwa tribes, we write our names and affix our signatures here.

Name Signature

"We the Mamanwa tribes against the MRL mining company projects in the Barangay Bunga, Municipality of Jabonga, Agusan del Norte. Our complaint was completed in the following grounds ended by MRL mining company in our ancestral domain.

We are outlining the following anxieties:

- 1. We don't want the MRL mining company to encroach in our ancestral domain, because we don't want our forest to be destroyed.
- 2. We don't want our area to be extracted because it will be in our one of our sacred places, which has been very important for us and our culture since time immemorial.
- 3. They entered into our ancestral land without proper information and consent from us.
- 4. They don't even respect indigenous people's right.

We the Mamanwa tribe will [be] directly affected [by] the consequence of MRL mining company project. Destroying our natural forest will affect our daily needs. The ensuing effects are:

- 1. Mamanwa tribe's relationship will be in troubled.
- 2. There were no traditional sources of income.
- 3. Indigenous culture will be disappeared.
- 4. The right of land will be moved out.
- Displacement of the mamanwa tribes.

[Twenty-nine traditional elders and leaders of Mamanwa tribe signed the grievance letter which strongly opposes the MRL mining exploration and operation in the Mamanwa ancestral land.]

from Mines and Communities website:
http://www.minesandcommunities.org/article.php?a=10649