

RESEARCH DOCUMENT ON EXTRACTIVE INDUSTRIES

The extractive industries, or the mining of oil, gas and minerals leave heavy environmental and social footprints, often causing irreversible damage to land, water and community infrastructure. Many civil society groups argue that these activities are disproportionately borne by the populations of developing countries while the rewards generally accrue to large corporations and consumers in developed states. The Sisters of Mercy worldwide have had long experience living and working in close proximity to mining sites throughout the world, and have raised concerns about the environmental impacts of mining on water, air and soil. They are concerned that the mining industry continues to wreak havoc particularly for those who are poor and who do not have a voice. As worldwide demand increases for products such as copper, lead, gold and hydrocarbon oils, poor people continue to suffer the negative impacts of mining such as poisoning of land and water, and lack of health and education facilities.

Sisters of Mercy have been working with communities who are suffering from the negative impacts of extractive mining in countries across the globe for many years. However, the scale and expansion of the extractive industries over the past decade has highlighted the need for research into the industry and the devastation that it is wreaking on communities and ecosystems. Mercy Global Action decided to undertake this action research project to see how we can work on this issue more effectively. This research will be undertaken by MGA's researcher Betty Lacey who will be contacting, experts in the field, members of the Global Action Networks and the Cosmology/Eco Justice working group to ascertain their views on the issue.

The abuses of the extractive industries are a major issue for Sisters of Mercy and this research will focus on these industries in countries where Mercy works. It will investigate government policies, human rights violations and negative impact on the environment and ecosystems. It will look at the work being undertaken by the Sisters of Mercy on this issue. It will look at possibilities for joint lobbying also seek to formalize an action plan for lobbying and advocacy of governments and other actions which MIA member Congregations might undertake together Details on this research project proposal can be read in the Terms of Reference [link](#)

Messages to Betty Lacey.



Terms of Reference for Research/Action for Extractive Industries

Extractive industries are described as “industries involved in the prospecting and exploring of natural resources, acquiring them, further exploring them, developing them, and extracting them from the earth”.¹ The definition does not encompass the industries of forestry, fishing and agriculture as these are resources of a regenerative nature. This research will cover mining of coal, oil, gas and minerals taken from the earth in a permanent and non-regenerative way.

The abuses of the extractive industries are numerous. In 2010 the world watched in horror as the Gulf of Mexico filled with 5m barrels of oil from a BP operation which leaked and caused uncontrolled spillage erupting from the ocean floor. Eleven workers lost their lives in this disaster. The following year, on the other side of the Atlantic, the Royal Dutch Shell’s operation caused 1m to 2m gallons of oil to spill into the ocean off the coast of Nigeria, as the result of an industrial accident. In India, leaders of thousands of forest-dwelling tribesmen who have fought for years to preserve their ancestral lands from exploitation by an international mining corporation have promised to continue their struggle whatever the decision in a key hearing before India's Supreme Court. A leader of the campaign described it as a "not just that of an isolated tribe for its customary rights over its traditional lands and habitats, but that of the entire world over protecting our natural heritage".

In 2009 Exxon Mobil was found to have polluted New York City's groundwater with a gasoline additive resulting in a \$105 million in damages. On the human rights front, Exxon Mobil has faced long-standing claims that it hired members of the Indonesian military to protect the company's facilities in the country. Indonesians accuse the company of murder, rape and destruction.

Chevron, the US giant has been complicit in human rights violations committed by security forces against local people in the Niger Delta. In Kazakhstan, Chevron has contaminated land and water resources and impaired the health of local residents. Their operations in Burma are providing a financial lifeline to the Burmese military regime -- known for its appalling human rights record. In the Philippines, regular oil leaks and spills have sickened Manila residents.

When the price of oil goes up, oil firms dig deeper and seek out unconventional sources of oil and gas that would have been previously too costly to extract. Hydrofracking or Fracking is such a method. Fracking involves extracting gas from rock by injecting toxin-laden fresh water and sand at extremely high pressure into rock layers to shatter the stone and release the gas. In over 30 states in the U.S. fracking has generated immense environmental problems, including contaminated drinking water, toxic waste ponds, drill fluid leaks, and flammable tap water. Fracking is intensely controversial in the United States, where it has been blamed for the

¹ http://www.teachmefinance.com/Scientific_Terms/Extractive_industries.html#ixzz1uO1zFz2t

contamination of drinking water and for causing countless cases of death in wildlife and livestock. It has been blamed for triggering earthquakes and straining local water supplies because of the prodigious amounts of water used in the process.

In Ireland two oil and gas companies have been granted on-shore gas exploratory licenses for the Lough Allen and Clare Basin covering approximately 8,000 acres. A government opposition politician expressed regret that these licences have been granted before Ireland developed a policy on fracking. Several campaigns have been set up opposing the fracking project and a full scale environmental assessment has been promised by the government to address these issues. Fracking has been suspended in France and Bulgaria, and in parts of the United Kingdom, South Africa, North Rhine Westphalia, Australia and the United States.

The renewable energy sector is seen as the way forward but requires constant research and investment. The US government has introduced new standards helping them move away from the carbon-heavy plants that currently produce nearly half of the country's electricity. Globally, investment in renewable energy reached record levels during 2011 with the UK, China, Italy, Germany and the United States exceeding their expectations. However, there is sign of a rapid turnaround over the next twelve months and politicians in many countries appear to be ducking the decisions that would ensure the sector maintains its growth trajectory.

The abuses of the extractive industries are a major issue for Sisters of Mercy in many countries throughout the world. They are fighting for basic human rights through a regulated and accountable extractive industry, urging governments to respect the natural environment as they endeavour to generate jobs and enterprise. Mercy International Association at the United Nations is highlighting mining abuses with special emphasis on issues brought to our attention by sisters and associates in the United States, Honduras, Argentina and Panama. Communities in Peru are struggling with the gold mining industry which is responsible for contaminating the water supply with their extraction methods. Coal seam gas mining and its associated risks is of great concern to Mercy sisters in Australia who feel that water security, food production and health may be threatened by this industry.

The extractive industry knows no boundaries and rich and poor communities are targeted alike. These abuses of the extractive industries are a major issue for Sisters of Mercy and this research will attempt to investigate how MIA member Congregations can work together to raise awareness and campaign to end these abuses.

The specific terms of reference for the study are as follows:-

Research/Actions

- ❖ Analyse the practices of extractive industries in countries where Mercy works
- ❖ Research government policy in respect of the extractive industries in those countries
- ❖ Examine the failure of governments and mining corporations to consult communities on natural resource use

- ❖ Examine human rights violations in respect of environmental damage wreaked on communities especially in poorer countries who have little or no voice
- ❖ Examine the negative environmental impact of mining on water sources and health
- ❖ Identify on-going campaigns that are addressing violations of human rights and environmental issues
- ❖ Research campaigns with a view to Mercy joining and collaborating with such a campaign
- ❖ Liaise with other congregations and work together towards a common goal, learning from each other's experiences
- ❖ Examine possibilities for joint education programmes by MIA member Congregations
- ❖ Identify Common Lobbying of governments which MIA members could undertake in respect of their commitments to invest and research in renewable energy
- ❖ Identify Common Lobbying of governments on the concerns of the fracking industry
- ❖ Recommend personal actions which MIA members could undertake to reduce dependence on fossil fuels
- ❖ Examine other actions which Mercy Congregations could do together – shareholders resolutions etc.

Methodology

- ❖ Conduct literature review of human rights violations in countries where Mercy works
- ❖ Research using Internet, looking at research papers, newspapers, campaign groups and all forms of social media to establish patterns of mining, government policy and health/environmental issues in each country
- ❖ Examine Mercy involvement and campaigns in various countries by researching Mercy enews
- ❖ Email and telephone research with similar campaigns and NGOs.
- ❖ Discussion with experts in the area of mining
- ❖ Discuss with all relevant Mercy stakeholders with regard to building a common action programme