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**Follow-up to the World Summit for Social Development and
the twenty-fourth special 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 Sisters of Mercy of the Americas, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.



Statement

On this occasion of the fifty-first session of the Commission for Social Development, the Sisters of Mercy of the Americas, working in more than 40 countries worldwide, publicly grieve the lack of respect for the empowerment of peoples and the environment caused by overreliance on the capitalistic model of development and the unrestrained greed of those Governments and extractive industries that value profit over life. As the gap between rich and poor widens, not only are people disempowered, but 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 villages and towns and erodes their social cohesion, but also, and more devastatingly, destroys the very culture that tends to the well-being of the entire 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, 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. The commonly accepted idea that everyone benefits from the wealth promised by the mining industry is not correct. The stark reality is a natural resource economy that provides income for a few consumers while leaving the rest in want. Current extractive industry models of development often disempower people, perpetuating joblessness, poverty, discord and violence. The system that has created this inequality has had 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 their countries to mining companies. Even when Governments have attempted 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 them for violating their corporate right to profit.

Our members also report that communities are fractured and that the families of miners are adversely affected by working conditions imposed in the interests of greater productivity. Moreover, residents have been subjected to human rights abuses as they have protested a proposed mine, which they fear will poison their environment and harm their livelihoods.

Disempowerment 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 extractive activity, the community suffers the loss of precious farm, forest and water resources, its heritage for centuries.

The most egregious disempowerment of indigenous peoples and communities occurs when corporations routinely refuse to comply with their international legal obligations and consistently fail to adequately consult communities and to obtain their free, prior and informed consent. Governments are complicit in this disempowerment when they fail to provide structures and policy space for people to become directly involved in decision-making with regard to the benefits and burdens of natural resource exploitation for communities and future generations. All too often, the extraction model is presented as the best way 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 the social, economic, legal and political disempowerment of local communities. The harassment, isolation and criminalization of protesters are all too common and are, unfortunately, increasing. Almost without exception, the countries where our members live and where natural resource extraction is a priority for economic growth, commonly challenge a person's right to self-determination and to protest and demonstrate against dangerous natural resource 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 or remedy the situation and to empower the community to create a just, sustainable and equitable framework for poverty eradication and development.

Non-transparency

Finally, lack of transparency, including the failure to disclose payments made to Governments by extractive industry corporations, further disempowers the people by denying public access to information on related revenues and transactions in their countries and local communities. This lack of transparency and accountability has been directly linked to an increase in poverty in resource-rich countries, because the revenues from these resources leave the countries to benefit primarily the corporations and their shareholders.

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

Recommendations

We strongly urge the United Nations and Member States to:

(a) Conduct an evidence-based United Nations study of the human, social, and environmental impacts of extractive industries on local communities in order to regulate policy and critically influence the development agenda beyond 2015, the implementation of the outcomes of the United Nations Conference on Sustainable Development, and the advancement of sustainable development goals;

(b) Require Governments and extractive industries to fulfil 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;

(c) Meet international obligations to promote and protect human rights and fundamental freedoms regarding the human and environmental impacts 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;

(d) Adopt rigorous and binding reporting rules on the recording of payments for natural resource exploitation. Set meaningful targets for the 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 programmes.

We strongly urge extractive industry corporations to:

(a) Honour their legal obligations to implement the process of free, prior and informed consent with and to indigenous peoples throughout the natural resource extraction cycle and permit third-party observance and verification of the adequacy of that process. Apply equally stringent processes to all dealings with non-indigenous communities;

(b) 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 the disposal of tailings and mining closure plans — in terms of the health and well-being of the community, the land, the water and vital ecosystems;

(c) Where the people approve natural resource extraction, provide them with the opportunity to gain skills, training and employment in order to enjoy the benefits afforded by the extractive industry.

Conclusion

Until extractive industries are legally obligated to adopt binding national and international human rights-based and sustainable development mechanisms and are

¹ See United Nations Declaration on the Rights of Indigenous Peoples, article 32, and International Labour Organization Convention No. 169, articles 15 and 16.

penalized when they violate those obligations, entire communities will continue to be disempowered and left unprotected, with the economic, social and environmental development guarantees that they rightfully deserve destroyed.

The empowerment of persons is the strongest guarantee of poverty eradication and sustainable development. In the words of the United Nations High Commissioner for Human Rights, Navanethem Pillay, “The right to development is a human right for all, and indigenous peoples have the right to define and determine their own development. ... let us ensure that development for some is not to the detriment of the human rights of others”.

Our common humanity demands that we do no less.

Note: The statement is endorsed by the following non-governmental organizations in consultative status with the Council: Company of the Daughters of Charity of St. Vincent de Paul, Congregation of Our Lady of Charity of the Good Shepherd, Dominican Leadership Conference, Passionists International, Pax Christi International, Salesian Missions, Sisters of Notre Dame de Namur, UNANIMA International and VIVAT International.