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The battle with Vedanta is not over yet

By Bianca Jagger

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A tribal woman sits with her child in the forest village of Phuldomer, India near the mining site of Vedanta Alumina refinery. Photograph: Parth Sanyal /Reuters

Today it was announced that the Joseph Rowntree Charitable Trust has withdrawn its investment in Vedanta, a company linked to serious human rights and environmental abuses. This is a clear victory for proponents of corporate and social responsibility, for those who believe that companies should adhere to ethical practices, and respect human rights. And it is a hopeful sign for the Kondh, an indigenous tribal people whose livelihoods are threatened by Vedanta's proposed bauxite mine on the mountain of Niyamgiri, in Orissa, India.

The trust is in good company; the Church of England disinvested earlier this month on the grounds that "we are not satisfied that Vedanta has shown, or is likely in future to show, the level of respect for human rights and local communities that we expect of companies in whom the church investing bodies hold shares".

The growing international scrutiny of Vedanta's activities in Lanjigarh and elsewhere led the Norway pension fund to withdraw its investment of \$15.6m in 2007 based on the findings of its ethics committee, which stated: "Allegations levelled at Vedanta regarding environmental damage and complicity in human rights violations, including abuse and forced eviction of tribal people, are well founded." Similarly, Edinburgh-based investment management company Martin Currie sold its £2.3m stake in Vedanta in 2008, also on ethical grounds.

These companies have demonstrated their commitment to human rights and ethical investment. The Bianca Jagger Human Rights Foundation, the organisation I founded, has been appealing to

such investors, alongside Action Aid, to consider the human rights and environmental consequences of the mine. Amnesty International released a report in February, outlining the dire consequences Vedanta's proposed bauxite mine would have on the Kondh tribal people and on the environment.

I am extremely concerned for the communities, the ecosystems and the water sources which will be affected if this mining project is allowed to proceed. It will cause irreversible damage to the ancestral home of thousands of Kondh tribal people, for whom the mountain is their source of food, culture, medicines and the seat of their God. Mining Niyamgiri will undermine the Kondh's collective identity and way of life.

It is also predicted that mining will lead to massive deforestation and the destruction of local ecosystems, as well as threaten water sources and the many endangered species that live on the mountain.

When I attended the Vedanta AGM, I spoke to Sitaram Kulisika, who was representing the Kondh people at the meeting. I was very moved by his compelling testimony, his commitment to his homeland, and his people: "Once they start mining the mountain will be bulldozed and the rivers will dry up and our livelihood will be lost," he said. "We will become fish out of water. We don't know how to adapt and survive and our way of living is not available in the cities. We will be extinct."

Vedanta failed to fully inform the Kondh people of the potentially devastating impact of its project. According to a report from the UK National Contact Point for the OECD Guidelines for Multinational Enterprises, "Vedanta failed to put in place an adequate and timely consultation mechanism fully to engage the Dongria Kondh, an indigenous community who would be directly affected by the environmental and health and safety impact of its plans to construct a bauxite mine. It did not consider the impact of the construction of the mine on the rights and freedoms of the Dongria Kondh, or balance the impact against the need to promote the success of the company. For these reasons, Vedanta did not respect the rights and freedoms of the Dongria Kondh consistent with India's commitments under various international human rights instruments, including the UN international covenant on civil and political rights, the UN convention on the elimination of all forms of racial discrimination, the convention on biological diversity and the UN declaration on the rights of indigenous people."

The Indian government has yet to give final approval to Vedanta's proposal; there is still an opportunity to prevent this humanitarian and environmental tragedy. The very existence of the Kondh as a distinct tribal group is now hanging in the balance. Now is the time for the Indian authorities to honour their commitment to international human rights.

I would send the same message to the shareholders: while the Joseph Rowntree Charitable Trust's recognition of Vedanta's abuses is cause for optimism, the matter is not over yet. A number of UK county councils, including four London boroughs and state pension funds, still have shares in the company, not to mention the large group of investors from civil society.

I appeal to these remaining shareholders to consider the human rights and environmental consequences of Vedanta's proposed bauxite mine, and urgently reconsider their investment.

Although the Joseph Rowntree trust has pulled its investments in the mining company, other shareholders need to follow suit.

<http://www.guardian.co.uk/commentisfree/2010/feb/18/vedanta-mining-battle-plans>