

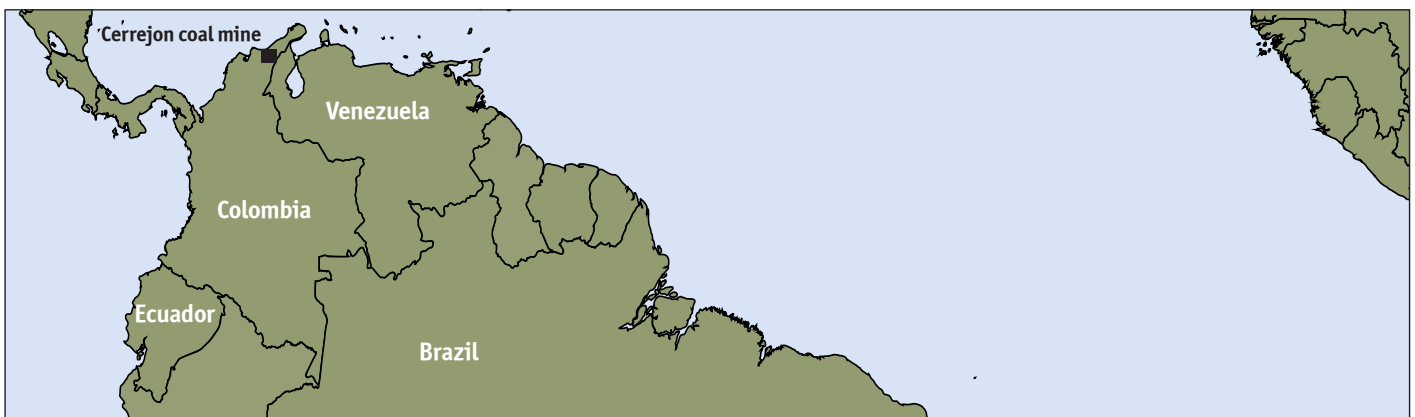
The Cerrejón mine

Coal exploitation in Colombia

May 2013

The Cerrejón coal mine in La Guajira, Colombia is the largest in Latin America and one of the largest in the world. Its steady expansion since its founding in 1976 has led to the destruction of whole villages populated by local indigenous and Afro-Colombian people. The extracted

coal is almost exclusively for export to rich countries with local people seeing few benefits. The mine is owned by three giant UK-listed mining companies: BHP Billiton, Anglo American and Xstrata, all of which receive billions of pounds in finance from UK banks and pension funds.



The Cerrejón coal mine is situated in the north east of Colombia in the Guajira Peninsula.

Destroyed communities

Roche, Chancleta, Tamaquitos, Manantial, Tabaco, Palmarito, El Descanso, Caracolí, Zarahita, Patilla – these are the names of just some of the communities that have been devastated or simply wiped off the map by the Cerrejón mining project.

The project spans a vast 69,000 hectares of land in the middle of the territory of the indigenous Wayuu people, who share the area with people of African descent, local farming communities and other indigenous groups.

Since the signing of the agreement between Exxon and the Colombian government establishing the mine in 1976, it has expanded, leading to the displacement of whole villages and towns by the mining company. The village of Manantial was the first to be destroyed in 1986. But even today many of the people of Manantial are awaiting full compensation which they were denied at the time. Now many other settlements have also been destroyed in the same way.

While the Cerrejón mining company's promotional material gives the impression that it is helping the displaced communities, the reality is that the mining company has used underhand tactics to buy off individuals and sow internal division within the communities. So while a few people in the village of Roche were paid extra money to leave early, others who decided to stay faced power cuts and water shortages that lasted for weeks at a time. Local

Devastating facts

13,000,000,000 – tonnes of CO₂ that would be emitted if all the coal in the Cerrejón mine were burned.

184 years – the amount of time it would take Colombia (at current rate of emissions) to emit the same amount of CO₂ contained within the coal reserves at Cerrejón.

£7 billion – the amount HSBC, Barclays, Lloyds and RBS have loaned the companies behind Cerrejón since 2009.

1 per cent – The proportion of jobs at the Cerrejón mine which have gone to the local Wayuu indigenous people (45 per cent of the population of La Guajira is indigenous).

324 – The number of women employed by the Cerrejón mine in 2011 (out of a total workforce of 5,373)

people have formed an organisation, FECODEMIGUA, to defend their interests and demand compensation.

The damage caused by the Cerrejón mine is not limited to those who have been displaced. The mine has also caused broader environmental damage to local rivers and habitats,

The City and Cerrejón – UK investors funding destruction

The Cerrejón mine is owned by three UK listed mining giants: BHP Billiton, Xstrata and Anglo American. Despite efforts to greenwash their image, all three are among the most carbon intensive companies in the world. But the coal mining companies themselves are not the only ones responsible for the destruction caused by Cerrejón. The big miners would be lost without the loyal support of UK banks and institutional investors who plough billions of pounds into these companies every year. The table below shows how much the UK's biggest banks and institutional investors have put into the three companies behind Cerrejón since 2009.

Banks, investors and pension funds	Total involvement in companies behind Cerrejón
HSBC	3.133 billion
Barclays	3.524 billion
RBS	3.340 billion
Lloyds	3.429 billion
Blackrock Advisors (UK)	7.7 billion
Legal & General	3.3 billion
Prudential (M&G investment arm)	659 million

and the coal dust from the mine has caused respiratory problems for local people and workers.

In 2011, the mining companies behind Cerrejón approved plans to expand the mine further, which would have required the rerouting of 26km of the Rancheria river, the main river in La Guajira province. This 'P500 project' was vehemently opposed by local people, as the river is their main water source. In November 2012, the mining companies announced that they were suspending studies into the rerouting of the river. Although welcome, the local communities do not believe that this stay of execution will last for long. The companies are still planning to expand the mine by other means and local villagers still face being forced to leave their homes.

Exploited labour

The Cerrejón mining company has exploited cheap labour and forced mine workers to live and work in conditions that have damaged their health. According to the coal mine workers' union, Sintracarbon, 700 workers at Cerrejón are suffering from serious health problems as a direct result of the inadequate working conditions at the mine. Workers have to work 12 hour shifts and don't receive adequate medical attention. Pro-union workers have been reportedly intimidated or sacked and replaced with casual workers who are paid less than their permanent counterparts. In 2008, one union leader, Adolfo González Montes, was tortured and killed in his own home.

Conditions got so bad that Sintracarbon called a strike in February 2013 which ground Cerrejón to a halt for over

a month. While the workers of Cerrejón are struggling to improve their conditions, things are even worse for indigenous groups like the Wayuu who are not getting these jobs at all. They make up just 1 per cent of Cerrejón's workforce, despite the fact that 45 per cent of the local population is indigenous. Women have also seen scant benefit from the mine, as 94 per cent of the jobs at Cerrejón go to men.

Climate injustice

Climate change is already having an effect on Colombia. Warming has already led to an 82 per cent reduction of glaciers in the Colombian Andes. Colombians have done little to cause this problem. The country's per capita carbon footprint is under a fifth of the UK's and 11 times less than that of the USA.

The Cerrejón mine, however, is making a major contribution to climate change. Every year, 32 million tonnes of coal are exported from the mine, mostly to European and North American countries. With the expansion of the coal mine, the companies behind Cerrejón hope to increase this figure to 40 million tonnes. This means that while local people use very little of the coal, they are having to deal with the effects of climate change caused by the emission of 82 million tonnes of CO₂ into the atmosphere every year, which is more than the carbon footprint of the entire country of Colombia. If they are successful in burning all the known coal reserves at Cerrejón, the resulting carbon emissions, at over 13 billion tonnes of CO₂, would be equivalent to Colombia's domestic emissions for 184 years.

Take action

To find out how you can help stop dirty finance funding climate injustice please visit www.wdm.org.uk/carbon-capital or call 020 7820 4900



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