



PRESS RELEASE - For Immediate Release

Center for Human Rights and Development (Mongolia)  
OT Watch (Mongolia)  
MiningWatch (Canada)  
Rights and Accountability in Development (UK)

Friday 23 April 2010

**Mongolian NGOs Appeal to the Special Representative of the Secretary-General on Business and Human Rights to resolve Oyu Tolgoi Mine Dispute**

A coalition of Mongolian NGOs appealed today (23rd April 2010) to Professor John Ruggie, the United Nations Special Representative of the Secretary-General on Business and Human Rights, to use his good offices to calm the tension that has erupted in the capital, Ulaanbaatar and other parts of the country, over the decision by the Government of Mongolia to allow Rio Tinto and Ivanhoe Mines Ltd to develop a copper-gold mine in the South Gobi region (the size of Manhattan) without undertaking adequate environmental studies. According to the NGOs there are a number of legal irregularities in relation to the Oyu Tolgoi agreement.

On 4 April 2010 NGOs and 200 representatives from 18 *aimags* (provinces) gathered in Sukhbaatar Square, the main square in Ulaanbaatar, Mongolia's capital, calling on the Government to respect its election promises and accusing it of selling out the country to foreign mining interests. Tension mounted after an unprovoked assault on the demonstrators. On April 5, thousands of protesters marched to the main square to demand dismissal of parliament. The demonstration ended peacefully, but some remained in Sukhbaatar Square waiting for a reply from authorities.

On 8 April a Toyota land cruiser drove into the *ger* (traditional tent) where the protestors were based injuring eight people. The driver of the vehicle (who was allegedly mentally disturbed) was subsequently arrested by police. Seven demonstrators went on hunger strike demanding *inter alia* constitutional reforms and a review of the Oyu Tolgoi investment agreement. There are concerns about the situation of the hunger strikers, who were taken away in the middle of the night on 14 April and placed under police guard in hospitals around Ulaanbaatar. A District Health official justified these measures on the grounds that the hunger strikers' blood sugar levels were dangerously low. Police then cordoned off the square, removed the *ger* and confiscated the hunger strikers' personal belongings and documents. Some of the people on hunger strike, who had come from rural areas, refused treatment and were 'discharged' from hospital on 17 April late at night.

Rio Tinto's participation in the project is supposed to guarantee the world's best mining and environmental practices. But, a major cause of concern is the absence of a full Environmental Impact Assessment and a detailed water study for the Oyu Tolgoi project which is located in the fragile ecosystem of the South Gobi Desert. Increasingly Mongolian civil society fears that the mine licences awarded to foreign companies will reduce both the quality and availability of water, threaten Mongolia's wildlife and biodiversity; and decrease the amount of pasture on which the country's traditional nomadic population depends for their survival.

“The Mongolian Government approved the Oyu Tolgoi Investment Agreement on 31<sup>st</sup> March 2010 without obtaining the prior consent of Mongolia's parliament (the State Great Hural) and despite the fact that the technical and economic feasibility study submitted by Ivanhoe Mines Mongolia Inc has not met in full the recommendations of Mongolia's Mineral Expert Council [the technical council that has the responsibility to approve mining projects]” said Ms. Urantsooj of the Center for Human Rights and Development, a NGO which has made a study of Mongolia's mining and environmental legislation.

On 1 April 2010, the Mongolian NGOs, assisted by MiningWatch Canada and RAID, filed complaints in the UK and Canada against Rio Tinto and Ivanhoe Mines Ltd for alleged breaches of the OECD Guidelines for Multinational Companies. .

The Mongolian NGOs are appealing to Professor Ruggie to contact the Government of Mongolia as a matter of urgency and to stress the need for Rio Tinto and Ivanhoe Mines Ltd to undertake a full environmental impact assessment and water study. The NGOs are also asking Professor Ruggie to review the fairness of the benefit sharing arrangements of the Investment Agreement so as to ensure that the project helps eradicate poverty in Mongolia.

“We are hopeful that Professor Ruggie's intervention may help to bring a peaceful solution to the hunger strike and prevent further human rights violations” said Sukgerhel Dugersuren, the Executive Director of OT Watch.

The Speaker of Mongolia's Parliament is trying to negotiate an end to the hunger strike. According to the NGOs nine people remain on hunger strike in Darhan city and in various districts of Ulaanbaatar.

Professor Ruggie is to report to the Human Rights Council in Geneva in June.

“The Special Representative could use his good offices to bring the companies speedily to the negotiating table under the auspices of the Canadian and UK National Contact Points for the OECD Guidelines for Multinational Enterprises” said Patricia Feeney, RAID's Executive Director, an authority on the OECD mechanism.

**ENDS**

## Notes for Editors

1. The members of the NGO coalition include Oyu Tolgoi (OT) Watch, Center for Citizen's Alliance, Centre for Human Rights and Development, Steps without Border, Drastic Change Movement and National Soyombo Movement
2. Rio Tinto plc currently owns 22.4% of Ivanhoe Mines and has an option to increase that interest to 46.6% over the next 19 months.
3. The Government of Mongolia owns 34% of the Oyu Tolgoi project and Ivanhoe Mines owns a 66% interest in the mine. Oyu Tolgoi LLC is the name of the joint venture company that holds the mine licences.
4. In 1984, Mongolia embarked on a program to restructure its political and economic system and modernize the country.
5. In 2005, Professor John Ruggie, the Berthold Beitz Professor in Human Rights and International Affairs, John F. Kennedy School of Government, Harvard University, was appointed the Special Representative on Business and Human Rights (SRSG).

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