



News Release
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Companies not doing enough to protect rights of indigenous peoples, says EIRIS

Ethical Investment Research Services (EIRIS) and the Centre for Australian Ethical Research (CAER) today released a joint report exploring the challenges and opportunities faced by companies operating in areas where the rights of indigenous peoples are threatened. The report also analyses the measures companies are implementing to address indigenous and land rights issues.

Globally, there are estimated to be up to 500 million indigenous peoples in more than 70 countries around the world representing over 5,000 languages and cultures on every continent. Companies engaging in activities that may infringe the rights of indigenous peoples, as enshrined within the UN Declaration on the Rights of Indigenous Peoples, face increasing reputational risks potentially leading to issues with access to capital, damage to brand, licence to operate, and operational risks such as the threat of litigation and increased regulation.

The report [*Indigenous rights, indigenous wrongs: risks for resource sectors*](#) examines the policies and strategies adopted by seven large companies¹ operating in a range of countries and resource sectors for whom the issue of indigenous rights to land and sea is identified by EIRIS to be a potential business risk: Anglo-Eastern Plantations, Barrick Gold, BHP Billiton, Suncor Energy, Total, Weyerhaeuser, and

Woodside Petroleum. The report finds that whilst some companies are addressing indigenous rights issues, none of the companies researched are going far enough:

- most companies examined demonstrate a basic public commitment to indigenous rights and a commitment to meaningful consultation
- of the high risk sectors analysed, extractive industries such as oil and gas and mining are most likely to demonstrate a response; sectors such as forestry and agriculture lag behind in their response
- few companies are clearly committed to achieving free, prior and informed consent² (without manipulation or coercion) for all projects or are effectively managing the engagement and consent process
- the quality of reporting on indigenous rights issues is generally poor, with most companies providing a response to any allegations of breaches of indigenous rights but few reporting voluntarily on areas of non-compliance

“Given the level of NGO and media attention to the issue of indigenous peoples’ rights and the introduction of more rigorous laws and regulations in many countries, those companies with strong commitments and effective engagement processes will undoubtedly benefit in an environment where access to land and resources is becoming increasingly difficult” said Stephanie Maier, Head of Research at EIRIS. “Indigenous rights are a human rights issue that both companies and their investors are waking up to” she continued.

Christal George, Corporate Ethics Researcher at CAER said: “The recent adoption of the Declaration on the Rights of Indigenous Peoples by 143 countries as members of UN General Assembly, sends a clear signal that as

international standards evolve companies will increasingly be brought into the spotlight and their actions scrutinised. Companies which are committed to achieving free, prior and informed consent for all their projects are not only best placed to mitigate risk but also able to benefit from indigenous knowledge and expertise”.

Click [here](#) for a copy of the report

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Note to editors:

- 1 The selected companies included in the research are Anglo-Eastern Plantations, Barrick Gold, BHP Billiton, Suncor Energy, Total, Weyerhaeuser, and Woodside Petroleum. All seven companies operate in countries with recognised indigenous peoples and engage in activities that have the potential to infringe on indigenous peoples land and/ or sea rights. These companies have been selected to provide a comparative analysis of management responses from different sectors. It is generally recognised that indigenous rights covers a range of interrelated issues including health, representation in the media, access to basic services and equality in the administration of justice. However for the purposes of this briefing EIRIS has focused on companies involved in direct impact activities and excluded companies in other sectors such as Health Care, Media, Chemicals, Tobacco, Food Products and Real Estate.
- 2 Free prior informed consent is contained free of manipulation or coercion. In order to be informed and properly equipped to give consent, affected communities must have access to information in an accessible form on the nature of the project. This includes information on the nature, duration, impact and personnel associated with the project. The concept of 'informed' consent is further elaborated by the UN Commission on Human rights.
- 3 Ethical Investment Research Services (EIRIS), established in 1983, provides the independent research into corporate social, environmental and ethical performance that is needed by investors to make informed and responsible investment decisions. EIRIS does not promote any one particular view on ethical or socially responsible issues.
- 4 EIRIS is the leading global analyst of corporate social, environmental and ethical performance with the following overseas research partners: Centre for Australian Ethical Research (CAER), Fundacion Ecologia y Desarrollo (Ecodes) of Spain, Imug – Institut fur Markt-Umwelt-Gesellschaft of Germany and EthiFinance of France.
- 5 EIRIS clients include, amongst others, Aberdeen Asset Managers, ABN Amro Bank, Aegon Asset Management, AGF Asset Management, AIB Investment Managers, AllianceBernstein, ATP, AXA Investment Managers, BankInvest, Bank of Ireland Asset Management, BlackRock, Cazenove Fund Management, Co-operative Bank, Credit Suisse, F & C Asset Management, Fédérés Gestion d'Actifs, FIDH, Fonds de Réserve pour les Retraites, FTSE, Insight Investment, KBC Asset Management, Martin Currie Investment Management, M&G Investment Management, Methodist Church Central Finance Board, Mondrian Investment Partners, Montgomery Oppenheim, Morgan Stanley, New Star Asset Management , Newsweek Japan, Newton Investment

Management, Norwegian Government Pension Fund, Nomura Asset Management, Old Mutual Asset Management, Oxfam, Pen-Sam, Robeco Institutional Asset Management, Royal London Asset Management, Santander Gestion de Activos, Sarasin Chiswell, Setanta Asset Management, Schroders Investment Management, Scottish Widows Investment Partnership, Standard Life Investments, WaterAid.

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