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**February 6th, 2012**

**The Hon. John Baird**

Minister of Foreign Affairs

Foreign Affairs and International Trade Canada

Office of the Minister of Foreign Affairs

125 Sussex Drive

Ottawa, Ontario K1A 0G2

**Re: Mining Law Before the Honduran National Congress**

Dear Minister Baird,

We are writing to express our concern about a proposed mining law currently before the Honduran National Congress. Several Canadian non-governmental organizations, including Development & Peace, Rights Action, and Mining Watch, have brought this bill to our attention in recent weeks.

This new mining law comes only a few months after the Canada-Honduras Free Trade Agreement negotiations were concluded on August 12, 2011. We understand that this bill was drafted quickly as a result of significant pressure from investors and that there was little consultation with Honduran civil society organizations. This is taking place within a context of a human rights crisis, including threats and attacks on activists and journalists in Honduras.

Given that mining is central to the Canada-Honduras FTA and Canada is the second largest foreign investor in Honduras, we are concerned about reports that Canadian mining companies wishing to invest in Honduras under the FTA may have been involved in lobbying for this legislation. We understand that the process of drafting this legislation was carried out with little transparency. Furthermore, Canadian and Honduran civil society organizations have suggested that this bill puts the interests of investors before those of communities affected by mining.

We would like to draw your attention to several problems in this bill that have been highlighted by Canadian NGOs including Development & Peace, Rights Action, and Mining Watch, and their NGO partners in Honduras:

- The bill does not ban open pit mining, a practice that uses cyanide to extract ore and that has caused significant environmental damage in the past.
- The bill fails to protect communities' right to clean water.
- The bill offers significant tax breaks to investors that will deprive the state of legitimate revenue.
- The bill makes it easier for companies to obtain mining concessions and more difficult for communities to have concessions cancelled.
- The bill also restricts access to information about mining activities, making this available only to government officials and not to the general public.

In March 2009, the Canadian government unveiled its Corporate Social Responsibility Strategy, which recognizes that some states do not have the capacity to adequately regulate mining. While Canada has committed to work with such states to improve their governance capacity in the extractive sector, we are alarmed at reports of well-documented cases of human rights violations associated with the work of Canadian extractive industries abroad. New Democrats believe that Canada's official Corporate Social Responsibility Strategy does not go far enough to ensure that Canadian companies operating in developing countries uphold human rights standards. Canada continues to fall back on a toothless CSR Counsellor who has yet to produce any tangible results. We urge your government to immediately adopt more stringent standards for extractive companies operating abroad, including in Honduras.

Minister, we urge the Canadian government to express strong concerns to the Honduran government about this legislation, as it will undermine the interests of the Honduran state and its people. As you know, Canadian mining companies including Goldcorp, Nyrstar and Aura Minerals play an active role in the Honduran mining sector. This legislation will do nothing to stop environmental degradation, and it could potentially lead to irresponsible behaviour – including by Canadian mining companies.

We believe Canada has a responsibility to prioritize human rights over corporate interests. We are concerned that this proposed law may result in social conflict in areas in which Canadian mining companies operate. We believe that the implications of this legislation will not only be harmful to Hondurans, but also to Canada's reputation internationally.

Minister, we urge you to press the Honduran government to reconsider this legislation and instead focus on engaging in a transparent, consultative process to strengthen the legislative framework for mining in Honduras. Such a process should involve local communities, civil society organizations and human rights activists, and Canada should offer its assistance. Any mining bill that is written without the active and effective participation by civil society, including environmental and human rights NGOs, is, in our minds, contrary to the principles that Canada claims to promote abroad.

As this matter is of pressing urgency, we look forward to your immediate attention and response.

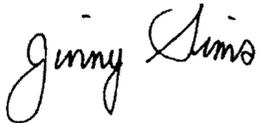
Sincerely,



**Hélène Laverdière**  
MP for Laurier – Ste-Marie,  
Official Opposition Critic for Foreign Affairs



**Peter Julian**  
MP for Burnaby – New Westminster  
Official Opposition Critic for Finance



**Jinny Sims**  
MP for Newton – North Delta  
Official Opposition Critic for International  
Cooperation



**Wayne Marston**  
MP for Hamilton East – Stoney Creek  
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**Brian Massé**  
MP for Windsor West  
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