



EARTHWORKS

January 24, 2018

To the attention of:

Mr. Michael Corbat
Chief Executive Officer, Citigroup

Cc: Ms. Brandee McHale
President Citi Foundation and Director of Corporate Citizenship
Ms. Valerie Smith
Director, Global Head of Corporate Sustainability

Re: Citigroup must sever ties with companies that dump mine waste into the ocean

Dear Mr. Corbat,

Each year, mining companies dump over 180 million tonnes of hazardous mine tailings directly into oceans, rivers and lakes; this is more than the US puts into its landfills each year. Mine tailings can contain dangerous chemicals including arsenic, lead, mercury, and cyanide. This practice devastates the environment, and the communities that depend on it for food, clean water and livelihoods.¹

Citigroup is a shareholder in Nussir ASA and Nordic Mining ASA, which have both proposed new mines that would dump tailings directly into Norway's majestic fjords. Citigroup is also the third largest shareholder in Highlands Pacific and St Barbara Limited, two mining firms responsible for collectively dumping more than 54 million tonnes of toxic waste into waters off the coast of Papua New Guinea, home to some of the most highly diverse coral ecosystems in the world.

Citigroup's investment in companies that dump their mine waste into coastal waters, as well as those companies seeking to employ this practice, violates the Equator Principles, which seek to ensure that financing is provided only to projects being developed in a "socially responsible manner and with sound environmental management practices."² Submarine tailings disposal has been phased out in many parts of the world due to the often irreversible consequences.³

¹ Earthworks and MiningWatch Canada, "Troubled Waters: How mine waste dumping is poisoning our oceans, rivers, and lakes." February 2012. https://www.earthworksaction.org/files/publications/Troubled-Waters_FINAL.pdf

² Equator Principles, 2013 http://www.equator-principles.com/resources/equator_principles_III.pdf

³ "International Assessment of Marine and Riverine Disposal of Mine Tailings." May, 2013
<http://www.imo.org/en/OurWork/Environment/LCLP/newandemergingissues/Documents/Mine%20Tailings%20Marine%20and%20Riverine%20Disposal%20Final%20ofor%20Web.pdf>

Continued investment in the few companies that use this archaic practice is inconsistent with Citi's Sustainable Progress Strategy goals to advance environmental and social progress and promote sustainable, pro-biodiversity investment. It is also in direct conflict with Citi's core values of sustainability and innovation as outlined in Citi's 'Citizenship Approach' and the commitments set out in the Environmental Social Policy Framework for Areas of High Caution and Special Focus, including areas of high value for conservation, cultural heritage, and Indigenous Peoples.

Nussir's copper mine is opposed by Saami Indigenous people due to the threat it poses to their traditional reindeer herding and fishing practices. The Saami Parliament has rejected the mine twice.⁴ In 2016, the Saami Parliament wrote Citigroup to express concern about the Nussir mine and to request it withdraw its investment.⁵

Nordic's Engebø mine would dump 250 million tonnes of toxic waste into the Førdefjord, a 'National Salmon Fjord,' connecting the open sea with a permanently-protected river and important spawning grounds for salmon, cod, halibut, and herring.⁶ The Union for Norwegian Coastal Fishermen⁷ and the Norwegian Fishermen's Association⁸ oppose mine waste dumping in the Førdefjord, and the local tourism board has called it a "catastrophe for modern business."⁹

Highlands Pacific's Ramu nickel mine is opposed by local people who have experienced contamination of coastal waters critical to cultural practice and traditional livelihoods.¹⁰ St Barbara's Simberi mine also has a long track record of dumping in the South Pacific Ocean.¹¹

So far, 36 groups have joined the call for an end to the financing of mines that would use submarine tailings disposal.¹² Continuing this harmful practice presents grave risks to people, ecosystems and the clean water we all depend on. We urge Citigroup and its global subsidiaries to sever ties to companies that dump waste into the ocean.

⁴Saami Parliament. "Mining in Nussir and Gumpjenjuni." March 2016.

http://innsyn.e-kommune.no/innsyn_sametinget_norsk/wfdocument.ashx?journalpostid=2016002404&dokid=628953&version=6&variant=P&

⁵ See Appendix A for the 2016 letter to Citigroup from the Saami Parliament.

⁶ Friends of the Earth Europe, "Fact Sheet: Fjorde Fjord - a dumping ground for Norway's mining industry?" 2016.

<https://www.foeeurope.org/sites/.../foee-factsheet-fjord-dumping-ground170216.pdf>

⁷ Friends of the Earth Norway, "Complaint against the Norwegian Government - violation of the Mining Waste Directive."

March 2017. <http://bit.ly/2mzrSwm>

⁸ See Appendix B for the 2015 support letter from the Norwegian Fishermen's Association.

⁹ The Telegraph, "Fight to keep fjord waste free." December 2014.

<http://www.telegraph.co.uk/travel/destinations/europe/norway/articles/Norway-Fight-to-keep-fjord-waste-free/>

¹⁰The National, "Mine tailings threaten bay." May 2014. <https://www.thenational.com.pg/mine-tailings-threaten-bay/>

"The National," "Villagers fear mud harming marine life." May 2014.

<https://www.thenational.com.pg/villagers-fear-mud-harming-marine-life/>

¹¹ ABC Radio Australia, "PNG island inhabitants angry at alleged waste spill." March 2011.

<http://www.minesandcommunities.org/article.php?a=10769>

¹² See Appendix C for Ditch Ocean Dumping Declaration and signatories.

We look forward to hearing from you and are available to meet at your convenience. Please contact Ellen Moore, Earthworks International Mining Program Coordinator, at emoore@earthworksaction.org or by phone at 202-887-1972 x 202.

Respectfully,

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Executive Director
Earthworks

John Chitoa
Director
Bismarck Ramu Group, Papua New Guinea

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