

Open letter to the president of the World Bank in defense of El Salvador

Source: [Stopesmining.org](http://stopesmining.org)

El Salvador is being sued by Pacific Rim Mining, a Canadian based corporation owned by Australia's OceanaGold, before the International Center for the Settlement of Investments Disputes –ICSID-. The case will enter a critical stage in January 2014. We need your support to urge World Bank President Dr. Jim Yong Kim to review the role of the ICSID through an open process that includes the voices of the communities affected by the decisions of this Tribunal

Two years ago, 264 organizations, among them Unions, NGOs, faith and grassroots groups, signed a letter to former World Bank President Robert Zoellick to express concern about the outrageous lawsuit Pacific Rim Mining had filed against El Salvador before ICSID. The letter supported the right of El Salvador and any other country to set their own standards, laws and regulations to protect their environment, their public health and their labor and human rights.

ICSID denied jurisdiction under the DR-CAFTA but accepted the continuation of the case under a provision of El Salvador's Investment Law. This provision allowed foreign investors to bypass local courts and take their disputes directly to international tribunals. Since then El Salvador has amended that law, but unfortunately it is not retroactive.

ICSID is once again receiving arguments from the parties involved. Given the importance of this case, we are –once again- asking for your support to increase the pressure on the Tribunal to resolve in favor of democratic rights in El Salvador. We can do this by raising the international profile of the case and further denouncing the possible negative impacts of Pacific Rim's operations in the country, including damage to El Salvador's lands and main water supplies; violations of basic Human Rights, violence and social instability.

We are asking World Bank President Dr. Jim Yong Kim to initiate an evaluation of ICSID's role and determine whether the Tribunal's support for corporations undermines national laws and regulations, and it hinders economic development in the Global South.

Please consider adding your organization's name to the letter below and share with other organizations you believe may be interested in signing.

For further information please contact Manuel Perez Rocha at manuel@ips-dc.org or Pedro Cabezas stopesmining@gmail.com.

OPEN LETTER TO THE PRESIDENT OF THE WORLD BANK IN DEFENSE OF EL SALVADOR

December, 2013

Dr. Jim Yong Kim,
President World Bank Group 1818, H Street
NW Washington, DC, 20433, USA T

The signers of this petition are XXX international and national civil society organizations. We are writing out of solidarity with the communities of El Salvador that have been working through the democratic process to prevent a proposed cyanide-leach gold mining project, over well-founded risks that it will poison the local communities' environment as well as the country's most important river and source of water.

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Rather than complying with the environmental permitting process of El Salvador, the Canadian company Pacific Rim launched an attack under the Dominican Republic-Central American Free Trade Agreement (DR-CAFTA). While that approach was rejected for lack of jurisdiction, Pacific Rim was still allowed to continue the arbitration based on an outdated investment law that has since been amended by the Salvadoran General Assembly. On that basis, the case remains before the World Bank's International Centre for Settlement of Investment Disputes (ICSID).

Pacific Rim, now owned by Australian miner OceanaGold, is demanding \$301 million US dollars in compensation from the government of El Salvador or to provide it with an operating permit in spite of the huge risks to the country's water supply.

Pacific Rim is using ICSID to subvert a democratic nationwide debate over mining and environmental health in El Salvador. When it comes to such issues, local democratic institutions should prevail, not foreign corporations seeking to exploit natural resources. These matters should not be decided by the World Bank's investor state arbitration tribunal or any other foreign tribunal. To make things worse, in the course of Pacific Rim's intervention in the political affairs of El Salvador, four anti-mining activists have been murdered in the project area.

We urge you to review the role of the International Center for the Settlement of Investment Disputes (ICSID) and to determine if it supports the Bank's mission of ending poverty and promoting responsible and sustainable economic development. We urge you to undertake this review through an open process with public hearings and the ability for mining affected communities and their allies to present evidence of the harm done by corporations using the investor – state arbitration process to undermine the public interest laws and regulatory structures in countries of the Global South.

We stand with the people of El Salvador in their demand that their domestic governance processes and national sovereignty be respected. The Pacific Rim ICSID arbitration is a direct assault against democratic governance. We stand on the side of democracy.

Sincerely,

CC Meg Kinnear, Secretary-General, ICSID
V.V. Veeder, Tribunal President
Brigitte Stern, Tribunal Member
Guido Santiago Tawil, Tribunal Member

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