

Bogota, September 29 of 2014

VAPC 071.14

Dear

Sebastian Rötters  
Ixent Galpin  
Richard Solly  
Stephan Suhner  
Aviva Chomsky  
Gabriel Chaves  
Emma Lillian Banks

I hope you are doing well.

I appreciate your interest and solidarity with the people of La Guajira and your concern for the welfare of its communities. I also welcome the opportunity to exchange viewpoints with you. I would like to reiterate that Cerrejón has the will, the human team, and the commitment to contribute to ensuring that the communities neighbouring our operation have decent lives in a sustainable department.

As we are aware of the difficulties and impacts caused by resettlements, we follow the best practices to manage them. Today, we honestly believe that the living conditions of resettled people have substantially improved compared to their previous situation and that they have more opportunities to build a better future against the opportunities they once had.

In our opinion, determining the success of a resettlement should involve analysing a whole set of relevant factors such as education and healthcare programs, decent dwellings, access to public services, access to resources to implement production projects, employability, and the business venture ability of family members, among other items. Therefore, we would like to mention the following:

- Everyone that has been resettled has public services they did not have before, including drinking water, aqueduct, sewage mains, and electrical power.
- All of the resettled families have healthcare and education programs that contribute to increasing their potential and their future development. It should be noted that 308 people from the five resettlements benefit from the educational reinforcement program and that 104 students are involved in the higher education program (vocational, technical, and professional). Of these, 19 students are in their first semester at university.

Concerning the productive projects, I would like to share these considerations and information:

- There is no doubt that the productive projects are an important part of family incomes, and we understand that achieving successful business ventures is a huge challenge throughout the world, but especially in a region like La Guajira.
- It is important to bear in mind that, out of the 159 resettled families, there are 127 productive projects in different implementation phases. Only 13% have folded for different reasons.
- In addition, we are aware that around 60% of resettled families complement their income from sources other than their productive project.

- We are continuing to work with all the resettled families for their greater welfare, including the eight Roche families that relocated this year. It is important to keep in mind that these families are still in the initial adaptation stage compared to the other Roche families, which resettled in 2011.

Regarding the issue of access to water, I would like to note the following:

- From June 27 to September 3, five water tankers were supplied every week to the Tamaquito community to cover needs brought about by the drought and the maintenance work on their deep well. To date, the operation of the well and water treatment plant has been normal.
- The other resettlements had no need for water tankers as the wells supplying the water treatment plants had no problems.
- These communities were the only ones in La Guajira whose drinking water supply was unaffected despite the long drought in the department.
- Certain people from the resettled communities have commented that the water is not drinkable. However, they have repeatedly had it explained that, although it may have a different hardness and salinity, the water is treated to make it suitable for human consumption.

On the Las Casitas situation, I should note the following:

- Talks and negotiations with this community's families have been going on for over five years, and Cerrejón is concerned both for the quality of life and the welfare of the resident families in this sector.
- The number of accredited families for the Las Casitas collective relocation corresponds to the permanent residents at the start of the process. This number was taken from the June 2009 census compiled by the Barrancas Municipal Mayor's Office together with the Community Action Committee (Cupuma). According to that census, 22 families were accredited for collective relocation.
- The participatory process for defining the criteria was carried out in four sessions between March 23 and April 22 of 2010. In those meetings, Cerrejón and the community agreed on the criteria for determining the right to compensation for resettlement as being: (1) having been a permanent resident in Las Casitas before June 16 of 2009, (2) owning a house or a property, and (3) being an independent household.
- The community of Las Casitas requested and provided grounds for including nine additional families that they considered to be special cases even though they did not meet the initial criteria. As part of community talks and acknowledgement, Cerrejón accepted to include these nine families, which results in 31 families being accredited for resettlement.
- These 31 families have been offered an indemnification and compensation package in response to the impacts that promotes a better quality of life at the new site, which is ready for the relocation.
- The 20 families accredited for collective relocation that have not yet reached agreements with Cerrejón have been repeatedly invited to assess the indemnification and compensation proposal corresponding to the impacts analysed with each of them.
- The families that have accepted the compensation package have temporarily moved to houses in Barrancas while awaiting the conclusion of construction of their houses. We hope they will soon be able to move to the new settlement. In addition, 10 of the 11 families with which agreements have been reached have begun designing their productive projects, and three are nearly ready to start operations.

- Expropriation through legal channels is a long process, as you know, and we are willing to continue negotiating with the families and seeking means to reach an agreement to avoid expropriation (contemplated in Colombian law and in international standards). We have stated this position to the families.

We highly value your acknowledgement of the suitability of the roundtable, which exists to regulate and put into practice agreements reached in initial negotiations with families. Regarding this roundtable, we have reached agreements on three of the six topics identified in the joint agenda (educational support, a framework for income generation, and employability). Work continues on the other topics. It should be noted that the roundtable has no closure date and that the dialogue will remain open as long as necessary. I invite you to consider that the pace and achievements of this roundtable must take into account the times and processes of the communities.

I appreciate the constructive spirit in contributing to Cerrejón's response to the impacts it causes as well as ideas on how to better contribute to the welfare of La Guajira. However, it is also very important to consider the responsibility of the State institutions at the national, regional, and local levels.

I also appreciate the opportunity to be able to continue with this exchange and, in the case of Las Casitas, I invite you to contribute in identifying mechanisms allowing us to advance towards an agreement to achieve the aim of a satisfactory resettlement of benefit to all those involved.

Yours sincerely,



**Juan Carlos Restrepo**  
Vice President of Public Affairs and Communications