

Bogotá, 27 August 2019

## CERREJÓN'S COMMENTS ON LONDON MINING NETWORK'S ARTICLE ON THE STATUS OF THE TABACO COMMUNITY

We want to thank the Business and Human Rights Resource Center (BHRRC) for allowing us to comment on the concerns expressed by the British NGO London Mining Network in their August 9 article entitled **Tabaco, Colombia: still no justice after 18 years**. We acknowledge LMN's role in contributing to the wellbeing of local communities and helping to ensure that their rights are respected. We share their concern, as well as that of the community, of recovering their social cohesion by finally living as a community. We maintain permanent engagement with the Tabaco community and we are committed to complying with our responsibilities, many of them already fulfilled, and make efforts so other parties, local authorities, comply with their own, as defined by the 2002 ruling from the Supreme Court of Justice and the 2008 agreements between the community, the local municipality and Cerrejón.

We understand the community's frustration over the lack of relocation after 18 years, which we genuinely share, and regarding the community's statement on their demand for comprehensive reparations and land for productive projects, would like to clarify the following:

- Between 1997 and 1999 successful land negotiations went ahead with 96% of the community of Tabaco. As recognized by legislation and standards at the time, land acquisitions were carried out based on good faith and paying over the market prices for the land. Despite continued negotiations it was not possible to reach agreements with 9 families. This led to the expropriation of these 9 families in 2001.
- In May 2002, the Supreme Court of Colombia ruled a legal protection act (Tutela), requesting that the Municipality of Hatonuevo rebuild the community of Tabaco.
- In 2008, Cerrejón and its shareholders commissioned an independent panel (Third Party Review- TPR) to revise Cerrejón's social performance, in particular the case of Tabaco and other communities. The panel made up of Dr. John Harker, President of Cape Breton University in Canada; Salomón Kalmanovitz, Dean of Economics and Business Administration at Jorge Tadeo Lozano University in Colombia; Nick Killick of the NGO International Alert; and Elena Serrano of the Chilean NGO Casa de la Paz, made several recommendations that led to an enhanced alignment with international standards in the management of impacts as well as suggestions on how to have better engagement and higher positive impact in the region.
- After the TPR, in 2008 Cerrejón, the Tabaco Pro Relocation Board and the Municipality of Hatonuevo reached an agreement that established that Cerrejón should buy a plot of land selected by the community. The land was bought and donated to the municipality for the reconstruction of the town.
- In this agreement we agreed to building the Community Center (symbolic site) and have made progress in terms of jointly with the community defining its purpose and design, now aimed to be an income generation opportunity for the community. We are ready to begin construction but understand that the community has decided to impede any advance in this regard until the local authority begins the construction of the houses once the community and the municipality reach an agreement over eligible families, project design and resources are available.
- As per the agreement mentioned, Cerrejón provided additional monetary compensation to the Tabaco families (in addition to the purchase of their land) that included the recognition of material and immaterial damages.
- We are committed and participate actively in the roundtable between the community Board and the municipality of Hatonuevo in the progress of their own responsibilities which start by together defining the number of eligible families. Cerrejón has offered to help them set up a detailed project that would allow the municipality to find the funds required to build the town.
- Cerrejón allocated over COP 2.3 billion to the Tabaco Endogenous Development Network (Tabaco Network) that would be managed by members of the Tabaco community to promote social and educational programs. The

network provided credits dedicated for micro credits for income generation projects, tuition loans for higher education, and also programs for elder citizens, health, and recreation, culture and sports.

You can read the details of the progress we have made in relation to our commitments with the Tabaco community here:

<https://www.cerrejon.com/index.php/desarrollo-sostenible/standards/comite-independiente-de-revision-de-programas-sociales/?lang=en>