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Chair

Mr. Scott Reid

Subcommittee on International Human Rights of the Standing Committee on Foreign Affairs and International Development

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•(1300)

[*Translation*]

The Chair (Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC)): Fellow members, as chair of the Subcommittee on International Human Rights of the Standing Committee on Foreign Affairs and International Development, I now call the meeting to order.

Today, June 5, 2014, marks the committee's 32nd meeting, which is being televised.

We are continuing our study on the human rights situation in Eritrea.

[*English*]

We have two witnesses today. The first is Lloyd Lipsett, who is here as an individual but is appearing as an expert and as the author of the “Human Rights Impact Assessment of the Bisha Mine in Eritrea” report. Also with us is Todd Romaine, who is the vice-president for corporate social responsibility with Nevsun.

We did consult with members of the committee and it seemed okay to have the two of them appear side by side, but I assume if it's the case, Mr. Lipsett, that you will be the lead commenter.

Mr. Lloyd Lipsett (As an Individual): That's correct.

The Chair: Perfect, why don't we begin then.

What we'll do is you'll do your opening statement, and then members will ask questions. The amount of time allocated for each question and answer round will be dictated by how much time remains before we wrap up. I'll figure out how much to allocate once you've completed your work.

Mr. Lloyd Lipsett: If I could just clarify something, I had shortened my remarks to give Mr. Romaine a very brief moment at the end of my allotted 10 minutes. Is that okay?

The Chair: That's fine. Yes, you can do that.

Of course, I'm hoping that both of you will be willing to answer questions.

Mr. Lloyd Lipsett: Absolutely.

The Chair: I don't know who they'll go to; it's up to the members to decide.

Mr. Lloyd Lipsett: It's most appropriate that Mr. Romaine speak to the follow-up rather than me.

The Chair: That's not a problem.

Why don't you begin then, please.

Mr. Lloyd Lipsett: Good afternoon. I'd like to thank the chair and the members of the subcommittee for their invitation to present my recent work in Eritrea to conduct a human rights impact assessment of the Bisha mine.

As I know the subcommittee has deliberated about the human rights situation in Eritrea, I look forward to the question period to dialogue with you about the findings and recommendations of the report, which Nevsun has published and shared with the subcommittee.

In terms of my presentation, I would like to briefly cover the following topics: what human rights impact assessments are, my background in conducting such studies, the approach and methodology used for the Bisha assessment, and a few personal observations related to this study.

Given the limited time for the presentation, I propose to leave the detailed findings of my report for the question period, and I think it's most appropriate to let Mr. Romaine address Nevsun's plans to follow up on the recommendations included in the report.

What are human rights impact assessments? These HRIAs are the younger sibling of environment and social impact assessments. They are new tools that measure the potential and actual impacts of business operations on human rights. In particular, they explicitly reference human rights standards and principles and put an emphasis on the risks to affected stakeholders, such as workers and community members, rather than on the risks to a company.

In the past decade a number of HRIA methodologies have been developed by international organizations, and there are a growing number of examples of HRIAs in the public and private sectors. It is difficult to guess exactly how many HRIAs have been conducted since many are conducted confidentially on behalf of companies. This confidentiality is sometimes criticized as running counter to rights-based principles of transparency and accountability. In this regard, Nevsun's approach to publishing the assessments and engaging with various stakeholders about its findings and recommendations is commendable, and I hope it represents a good precedent for responsible business conduct by the Canadian extractive industry.

While there is a growing interest in HRIAs, I acknowledge that they are sometimes controversial and challenging. Nonetheless, the adoption of UN Guiding Principles on Business and Human Rights has provided a strong impetus for impact assessments as part of a broader process for human rights due diligence required for companies to demonstrate their respect for human rights.

In terms of my background in conducting these studies, I've had the opportunity to work on human rights impact assessments over the past decade from the very early days of this field. Initially I participated in the development of the methodology for community-based human rights impact assessments at Rights and Democracy and oversaw five initial case studies in an in-house counsel role. Since then I have worked on HRIAs of mining, oil and gas projects, in Peru, Guatemala, Bolivia, the Philippines, the Democratic Republic of Congo, the United States, British Columbia, Saskatchewan, Northwest Territories, and Nunavut. I've also worked with the United Nations with a team of experts to prepare a publication about human rights impact assessments of trade agreements in the Pacific region. I am currently working for the World Bank on a project to gather case studies and lessons learned about impact assessments and human rights due diligence for public and private sector projects.

I've collaborated on human rights impact assessments with companies, investors, governments, multilateral organizations, NGOs, and indigenous peoples, and I've seen the opportunities and challenges of using these tools for capacity building, monitoring, evaluation, and building dialogue about human rights from different sides of the complex dynamics that surround large-scale extractive projects.

In terms of the approach and methodology for the Bisha assessment, the approach taken was to do a comprehensive assessment of potential human rights impacts. In other words, the full spectrum of human rights was screened and reviewed rather than concentrating on a limited number of human rights issues that had been raised in past allegations. Furthermore, in the research and information-gathering stages, I adopted a capacity-building approach to explain the relevance of human rights standards to affected stakeholders in Eritrea while I was engaging with them. In other words, I didn't approach my work exclusively as an auditor but felt that it was also important to help build a foundation for dialogue about human rights on the ground.

• (1305)

In terms of the tools used for the assessment, I primarily used the elements from the Danish Institute for Human Rights and Rights and Democracy's tools to structure the different steps of the assessment and to develop customized questions and indicators about specific categories of human rights issues.

Most importantly, I was able to undertake two field missions to Eritrea. I know that it has been rare for human rights observers to have direct access to Eritrea. This access has therefore given me a heightened sense of responsibility to ensure that the assessment contributes to constructive dialogue and positive actions about human rights at the Bisha mine. On both my visits, this past September and in January, I spent approximately 10 days divided between Asmara and the Bisha mine site and undertook the following activities.

I conducted interviews with Eritrean stakeholders, including workers, community leaders, managers, government officials, national-level unions, lawyers, and labour tribunal judges. The interviews with workers included confidential individual interviews and focus groups with male and female employees.

I conducted site visits to various areas of the Bisha mine, the Bisha camp, and the camp of the subcontractor, Segen Construction. I conducted formal and informal interviews with workers during those site visits.

I conducted a review of all the relevant policies, management systems, and internal reports and records at Bisha and in the Bisha Mining Share Company headquarters in Asmara.

I reviewed the contracts that BMSC has entered into with the Eritrean government and various contractors and subcontractors. I interviewed relevant managers about the compliance procedures in place to respect these contractual provisions.

Given the past allegations about the Bisha mine, I paid particular attention to reviewing and spot-checking the screening procedures in place to safeguard against the use of national service program workers. I also conducted interviews and reviewed documents in employment files at Segen's headquarters in Asmara.

Throughout the assessment, I experienced cooperation from senior management at Nevsun, BMSC, and ENAMCO, the Eritrean National Mining Corporation, as well as from various Eritrean government officials and judges in the Eritrean labour tribunals. At the same time, I felt that I was at liberty to plan my site visits and conduct private and confidential interviews without interference.

While my investigation was focused on the Bisha mine, of course I extensively reviewed the international reports about the human rights situation in Eritrea, including reports with respect to the recent universal periodic review in February 2014, when Eritrea's national human rights record was examined by the UN Human Rights Council.

Finally, as you will see from my report, I have extensively relied upon the UN's Guiding Principles on Business and Human Rights for framing the assessment. Obviously, these UN guiding principles are the relevant global standard for business and human rights; however, I find them particularly useful because they emphasize a procedural approach to ongoing human rights due diligence. Whereas my assessment represents a snapshot of various human rights issues in time, it is intended to contribute to the development of the policies, management systems, and grievance mechanisms that are needed for Nevsun to respect human rights on an ongoing basis and in accordance with the UN guiding principles.

As I mentioned before, I will leave the specific findings in the report to the question period. I'd like to give a few concluding observations about this particular assessment.

First, there are some differences between external reports and what I was able to observe on the ground. Frankly, I expected a more militarized and overtly repressive environment than I witnessed in Asmara and at the mine site. I acknowledge that my investigation did not delve into some of the complex civil and political rights issues that are reported about Eritrea. But my first and second impressions of the country, and particularly the mine site, do not concord with the characterization of Eritrea as the North Korea of Africa.

Second, an overarching theme of my conversations with all Eritrean stakeholders is that the Bisha mine is serving as an important precedent for mining in Eritrea. Even in casual conversations on the streets of Asmara, people are aware of and interested in Bisha's activities.

●(1310)

Furthermore, the development of the overall mining sector in Eritrea is well reported. Also, I had the opportunity to attend the Asmara Mining Conference during my first visit and was able to see the domestic and international interest in developing the country's resource wealth. This broader context reinforced in my mind the importance of using a capacity-building approach to increase the awareness of Eritrean officials, managers, and workers of business and human rights and to identify opportunities for leverage and dialogue for the development of the overall mining sector.

Third, there were clearly sensitivities on the part of the Eritrean government about framing the assessment in terms of international human rights standards that they believe have been politicized. Without detracting from the importance of those standards, it was often much more productive and constructive to have conversations about underlying principles, such as respect, equality, freedom, and fairness. Moreover, in my report I have tried to link these international standards to national legislation and the policies in place at the Bisha mine in order to provide reference points for local actors.

Fourth, as in many backwards-facing assessments, there is always the challenge of adequately assessing allegations from the past. To put it bluntly, I don't have a time machine, nor do I have the powers of a judicial inquiry to compel witnesses and evidence. The inability to make a definitive finding about some of the past allegations about the Bisha mine emphasized for me the importance of ongoing work by Nevsun and its business partners to strengthen credible and effective grievance mechanisms. These mechanisms can play a vital complementary role to a human rights impact assessment and can provide a channel for concerns that I wasn't able to uncover to come forward.

Finally, as I mentioned at the beginning, I think that Nevsun's approach to transparency about the assessment and its engagement with stakeholders about the report's recommendations and a follow-up action plan should be commended. Many Canadian mining companies do not conduct human rights assessments and there is no legal requirement for them to do so. Of those that have done so, many have not published their reports for various reasons. Nevsun's voluntary transparency is therefore a positive example and provides the context for my appearance today and for our ability to have a conversation about human rights at the Bisha mine.

With your permission, I will turn the floor over to Mr. Romaine.

●(1315)

Mr. Todd Romaine (Vice President, Corporate Social Responsibility, Nevsun Resources Ltd.): Good afternoon. My name is Todd Romaine. I'm the vice-president for corporate social responsibility for Nevsun Resources, which is a Vancouver-based Canadian mining company.

As part of our evolving CSR program, Nevsun Resources decided it was important to undertake an extensive external assessment on how the Bisha mine compares both in a national and international context with respect to human rights of our workforce. This was primarily precipitated by our company's broader understanding of how human rights fits into our expanding CSR program, as well as to address historic stakeholder concerns. The idea behind this specific human rights impact assessment was that of Nevsun Resources, but we received full cooperation and support from the Government of Eritrea. To our understanding, this is the first human rights impact assessment ever undertaken in Eritrea.

Both Nevsun Resources and the Government of Eritrea decided early on, before the release of the report and its findings, that we were committed to transparency with our stakeholders. This was based on both the idea of putting everything on the table and addressing any outstanding issues, as well as our confidence back then that everything that we had done to date would meet positive standards.

To date, we have met with various stakeholders face to face to discuss the findings of this report and to gather input and suggested next steps to ensure that the Bisha mine and its governance model continue to evolve. These meetings have included numerous NGOs, including MiningWatch, Amnesty International, UNICEF, as well as a planned meeting with Human Rights Watch in New York in July. We've also met with the Government of Canada, institutional investors, ethical investor funds, human rights lawyers, as well as a planned meeting with the UN in July.

Some if not all of the suggestions made by our stakeholders in addition to what is being recommended in the report will be discussed internally at Nevsun and with the Government of Eritrea for implementation.

We are, as a company, committed to ongoing transparency with respect to the implementation of these various selected measures. We will be in constant dialogue with our stakeholder population by providing written updates of the progress that we make in these, on our website and through our CSR reporting exercise. Nevsun Resources inherently believes that CSR is a key corporate strategy that is critical in maintaining our social licence to operate in Eritrea. Our success as a Canadian mining company relies on the value-added contribution we provide to the people of Eritrea throughout the life of the project. Our business model is relatively unique to Africa. It is one in which a local national government owns a considerable stake in the business as a mechanism to ensure its citizens are direct beneficial recipients of the extractive industry in terms of local employment, training, supply chain, taxation, and royalties.

The decisions affecting the Bisha mine are that of collaborative consensus, of which our Canadian mining company has had influence to pursue numerous CSR objectives that adhere to the national laws of the country, as well as meet evolving international standards that the Government of Canada recognizes and endorses. The resulting outcome of our partnership has been a successful template which the Eritreans can apply to other mining companies down the road or to other sectors in their expanding economy.

Nevsun Resources is committed to ongoing constructive dialogue with our various stakeholders to ensure that the ongoing development of one of the highest grade mineral deposits on the planet is done so in a way that maximizes local capacity, job opportunities, and various benefits, while minimizing externalities and contributing in a positive holistic manner to Eritrean society.

Thank you.

The Chair: Thank you very much.

Colleagues, we're going to have six-minute question and answer rounds.

We will begin with Mrs. Grewal.

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Thank you, witnesses, for your time and your presentations.

My question is for Mr. Romaine.

Mr. Romaine, Nevsun's willingness to investigate their corporate social responsibility is undoubtedly an important step that should really be commended. Given Nevsun's important economic role in that region, how do you believe Nevsun can use their commitment to social responsibility and human rights to make a positive impact on the communities around them?

• (1320)

Mr. Todd Romaine: Nevsun Resources believes that we have a very expansive CSR program. We provide jobs. We provide training for local people. We have a robust environmental management program. We have an unbelievable record for our health and safety program. Yesterday we reached 1,000 days at the mine site without a lost-time injury, which is commendable considering that this is the first industrial-type mine site in the country. We have good relationships with our stakeholders. We have numerous grievance mechanisms in place there to allow the public to come forward and air their grievances for quick resolution.

We believe we have committed ourselves to an effective template for how to run an extractive industry collaboratively with the Government of Eritrea, and we believe this will be used as a precedent for future activities in the country.

Mrs. Nina Grewal: Nevsun ensures that its workers are discharged from Eritrea's national service program. However, what about the workers' family members? Are these family members safe from retaliation or punishment from the Eritrean government as well?

Mr. Todd Romaine: I can't comment on that specific question, but what I can say is that we have a very robust and evolving screening process. We believe it is effective in maintaining that all workers at our Bisha mine site, whether they be contractors or subcontractors, are free of military service.

There is an extensive screening process that ensures that all prospective employers must prove that they are in fact cleared from military service. This information is then verified with the government in Asmara. Part of Lloyd Lipsett's research was undertaken to double-check the authenticity of the process to ensure that all workers there are free at their own will.

The Chair: Sorry, when you said all prospective employers, I think you meant all prospective employees.

Mr. Todd Romaine: Sorry, Scott, can you clarify that?

The Chair: Yes. Did you mean all prospective employees are cleared? You said all prospective employers.

Mr. Todd Romaine: All prospective employees are cleared of military service.

Mrs. Nina Grewal: The issue of human rights in Eritrea is of course a very delicate issue. The Government of Canada, the UN, and other various human rights organizations are deeply concerned about the testimony and findings that have emerged. What do you believe is the most effective manner in which Canada can engage with the Eritrean government on this matter?

Mr. Todd Romaine: We believe that the Bisha mine and Canadian mining companies such as Nevsun are making a positive impact on the country. We cannot speak on the comments made by others with respect to the state of Eritrea, but our experience since the late 1990s has been very positive.

We have seen a world-class operation being developed in partnership with the Government of Eritrea. We see high levels of local employment. We see considerable taxation revenue being provided to the government which in turn uses it for community infrastructure and development of the country. We see that the mine site is positively received by the population. We do believe from a Canadian context that we're adding value with respect to relationships between Canada and Eritrea.

Mrs. Nina Grewal: Mr. Lipsett, in your presentation you mentioned that there appeared to be some sort of differences between the external reports and what you observed in Eritrea. Could you please expand on what these differences are?

Mr. Lloyd Lipsett: As I mentioned, I'd read many of these reports before going to Eritrea, and I expected to see more overt repression as you see in other one-party states. I didn't see that. As for the people whom I spoke to both formally and informally, I did not observe traits of people who were fearful.

However, I will acknowledge that I've only been there twice and I was very focused on the issues pertaining to the Bisha mine. For example, I wasn't doing investigations of prison conditions or places where some of the allegations that are quite serious are made, so I have to admit that my view of Eritrea is partial. They were a significant backdrop, all of these important reports that have been made by various organizations and the United Nations.

I left after the first time with a sense of perplexity. Had the wool been pulled over my eyes? Had I been asking the wrong questions? Had I been talking to the wrong people? It was important for me to go back a second time and approach these issues from different angles to deepen conversations with certain individuals or groups and to try to expand my understanding of the situation. I came away again with a sense that the level of openness of people to speak with me about issues.... They have a nuance on their understanding of the political situation there that maybe is not in some of the reports, and so I came away with something. There are two stories and there's a middle narrative. Once again, I do stress that my investigation was focused on the issues pertaining directly to Bisha, not on the broader human rights issues that are sometimes raised.

• (1325)

Mrs. Nina Grewal: Chair, do we have some more time?

The Chair: I'm afraid not. You're exactly at six minutes and ten seconds.

Mrs. Nina Grewal: Thank you.

The Chair: Mr. Marston, please.

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Gentlemen, I wasn't expecting to be surprised here today. When Cliff Davis, the CEO from Nevsun, spoke to us by teleconference, I came away from that particular testimony believing he had no familiarity at all with UN responsibilities. He couldn't state clearly whether the company had never used forced labour. It might be perhaps we didn't ask the right questions. Irrespective of that, this is a significant move forward, and the company deserves to be commended publicly for that.

As the critic for international human rights for the official opposition, I have people from many different nations come before me, indigenous people who talk about the pressures that are put on them by their own government and the complicity they see, whether it's there or not, by Canadian companies. Saying that Nevsun is functioning within the context of its workplace in reasonable conformity is exceptionally good news to hear, but the obvious question is, what's next?

I think your second trip was probably well worthwhile, because there's a disparity here in the kinds of testimony we hear about life on the ground in this country. What we as Canadians would always want from our companies, the corporate social responsibility that we expect here, we expect in any country. There has been a resistance to that before.

Mr. Romaine, I'm pleased that you're working with this company as well. If in the end there's a message passed on to this government, because we're still hearing some pretty horrendous things about this....

The surprising part for me is the access to people that you talked about. Obviously the first time you were resistant to that. Have you come away from that actually feeling that was relatively wide open?

Mr. Lloyd Lipsett: I do. I really was able on both occasions to say that these are the groups of people I wanted to speak with and that included government officials. Obviously in the mine site it's easy to have access through the company to their managers but also in terms of dealing with employees, I was able to pick whom to

speak to. In some cases, for focus groups, I did that at random. I would take a roster and choose person A, person B, and so on.

The thorny issue that has come up before is with the subcontractors. I was able to have access to Segen Construction workers at their camp. I was able to freely visit the living quarters and so on and examine those. A relatively small workforce was at the site at the time I was there. They were working on finishing some sort of industrial processes for the copper phase. I went in and inspected their working conditions. There have been issues raised about personal protective equipment, etc. I was able to speak with them both formally and informally.

Using the information that I gathered from them, I went back to the headquarters in Asmara, interviewed the managers, the general managers of Segen, and then I did spot checks of those employees' files in Asmara to make sure the paperwork was in order in accordance with the screening procedure that has been put in place.

I felt in those meetings that I had a good constructive, open dialogue. Because the issue of national service workers was raised squarely with the construction company, however, there are other contractors that engage with the Bisha mine. Currently my estimation was that now that the construction phase for the copper phase...there's a limited role for Segen Construction until the future when they might undertake other construction activities.

The main thing is, with copper they have a big truck hauling of the concentrate to the port, so there's the company called Transhorn Transport which will be having.... Again, it's a state-owned enterprise. I met with those people and again, the same sort of screening process is being put into place, and so on and so forth.

Your question was about access. I felt I had reasonable access with people and it was not controlled.

• (1330)

Mr. Wayne Marston: I have a simple question for Mr. Romaine.

Nevsun voluntarily discloses payments that it makes to this government. Of course, with some other Canadian companies—and we won't point fingers here—there have always been accusations of bribery in that. I'll give you the opportunity to respond. Is this full disclosure that there were no other payments made to this government that were not disclosed?

Mr. Todd Romaine: We provide full disclosure through our CSR reporting exercise, which is an annual exercise, on all the payments that we make to the Government of Eritrea.

Mr. Wayne Marston: On this human rights assessment that you've done, I suppose it's going to take some time for the company to absorb your recommendations. Do you feel at this point that you have a good ear, that they're actually taking it into account and that they're...? Again, it is so hard sitting here with the tremendous accusations of other abuses. Hopefully, all of the Canadian companies will function as they should do, but in those areas you found that were lacking, do you believe the company is taking it to heart?

Mr. Lloyd Lipsett: I do. Also, at the end of my last mission, I had a chance to speak with Government of Eritrea people and in very general broad strokes painted out some of the areas I intended to address and they seemed open. Obviously, Mr. Romaine can speak more to their intention around the follow-up, but I've been very encouraged. This trip to Ottawa is one part, but we've been in London together.

I know that these are contested issues, that there are different perspectives on it. I don't want to wave this report and say I have some magic bullet, but here is my best estimation of a good—

Mr. Wayne Marston: I'm very glad, sir, that this occurred.

The Chair: Your time is up.

Mr. Wayne Marston: It's very important.

Mr. Lloyd Lipsett: Just to complete my thought, the engagement with stakeholders around the recommendations gets to validate from different perspectives whether these are hitting the mark and can they be supplemented. I think the commitment that Nevsun has made to dialogue and also to publicly disclose a follow-up plan gives a measure of accountability on these issues.

The Chair: You had an extra minute and a half there.

Mr. Sweet.

Mr. David Sweet (Ancaster—Dundas—Flamborough—Westdale, CPC): Thank you very much, gentlemen, for being here.

Mr. Romaine, as the vice-president of corporate social responsibility, how often do you visit the Bisha site and what is the duration of your visits?

Mr. Todd Romaine: On average, I would say I go to Eritrea five times a year, 10 days at a time.

Mr. David Sweet: Do you have a direct reporter who's there on the ground, a manager of corporate social responsibility who reports directly to you?

Mr. Todd Romaine: I deal with various different departmental managers, for example, the environment manager, the health and safety manager, the security manager, the general manager, and so on.

Mr. David Sweet: Mr. Lipsett, you mentioned in your remarks that these assessments are an emerging item. To protect your own reputation, what kind of contractual arrangements do you have when you enter into an agreement like the one with Nevsun that your human rights report is going to be totally objective? Obviously, there's an exchange of consideration here. Is there something in the contractual arrangement at the outset whereby you make them aware that what you see is what you're going to report?

•(1335)

Mr. Lloyd Lipsett: Yes.

I have two remarks on that. It is a very valid question. In the absence of some sort of global mechanism that would fund this work so it could be completely independent and neutral, you come up against this. I get the same sorts of questions when I work with community groups or indigenous people. There's always the tendency to think if you're paid for by one side or the other, you will be—I used to be a litigation lawyer—kind of their pit bull.

Mr. David Sweet: So you ask those questions.

Mr. Lloyd Lipsett: There are two things you can do to try to preserve your independence, and as you mentioned, your reputation.

One is by using internationally recognized methodologies. In the contractual arrangement and discussion we had it was very clear I would follow this methodology and I expected to be able to go to the country and have free access, etc. The second element is around the transparency of the report. That allows the public at large or interested stakeholders to make their own assessment of the assessment. In the absence of an independent body that will fund these, I think that's about the best you can do.

Mr. David Sweet: That may emerge in the days ahead as these become more popular.

Mr. Lloyd Lipsett: Yes.

Mr. David Sweet: You made a very powerful statement in respect to the large binder I have here with testimony that is substantially different. You've alluded to that, about what you expected to see on the ground. On page 27 you said:

The right to freedom of association and collective bargaining are protected by the Eritrean Labour Proclamation and these rights can and have been exercised—as is evidenced by the collective agreements in place for a number of BMSC's suppliers, contractors and subcontractors.

Did you see evidence that unionized activity was happening there and respected? Were these collective agreements actually supported by legislation of the Eritrean government?

Mr. Lloyd Lipsett: Indeed, I did. I actually obtained a copy of the Segen Construction company's collective agreement. It was in the local language. I had it translated and read through the 60-odd articles of that collective agreement. I had extensive conversations with Segen management, about how they're implementing that collective agreement, as well as with labour tribunal officials to whom sometimes, if an issue cannot be resolved within the collective agreement framework, issues come to the labour tribunal.

Most important, with regard to the legislative framework, I had extensive conversations with the ministry of labour and human welfare about their view on collective agreements in the Eritrean economy.

Mr. David Sweet: I think the sands of time are running out on me.

Can you share with us—I think it's important because you mentioned these one-on-one interviews that you had, the nature of them, particularly with those people who are front line? These would be the people who, in the reports, would most likely be subject to conscription, forced labour, and of course extension of their conscription. Can you give us an idea about how those conversations went and why you thought, and are testifying here today, that they're authentic?

Mr. Lloyd Lipsett: There are a couple of elements to it. One is the nature of the questions that you pose. In an interview, you will pose similar questions in a number of different ways at different times to ensure there's consistency within it.

I tried to ask open questions to get someone to explain a story, a narrative, and then would follow up with some detailed questions to see if it held together.

When dealing with the front-line people, I don't try to come off as cross-examining someone. I want to try and build a relationship of confidence. In that sense, it's very important to make assurances around the confidentiality, to explain what my role is in terms of providing recommendations to the company and to the government to improve the situation, to try to create a safe environment and context for them to open up.

Obviously, a lot of it is about observing the body language and the demeanour of someone, and whether they appear to be shifty, scared, or so on.

There are some other techniques that are used. You follow up the second time and try to meet with the same person to see if their story holds together three months later. A big part of it is getting enough of a sample size, to talk with enough of the people to see if the aggregate story kind of adds up or doesn't.

The one thing that I will say, and it's an ongoing matter of discussion, is that we know there are people that have made allegations about Bisha mine that are likely outside of Eritrea. I think they've been in contact with some of the NGOs.

I did not have access to these people in my report, but it is a subject of our ongoing discussions. Mr. Romaine mentioned we'll be meeting with Human Rights Watch in New York later.

There is, I believe, a sincere attempt to reach out to these organizations to see if there are people that I was not able to have access to, and to facilitate some manner of bringing their concerns forward.

• (1340)

The Chair: Mr. Romaine, you were going to say something.

Mr. Todd Romaine: I just wanted to add that we do have an expanded whistle-blower policy that we developed last year which will enable all stakeholders, past, present and future, to bring forward any kind of confidential non-financial or financial code of ethic violations. That would be reviewed confidentially by our Vancouver office.

Mr. David Sweet: Thank you, Chair.

The Chair: Before we go to Professor Cotler, I want to ask a question.

You explained you have a system for randomizing the list of employees. When you meet with somebody, typically how long would you be meeting with or interviewing them?

Mr. Lloyd Lipsett: An average interview would be somewhere between half an hour and an hour. Group interviews are another thing. They are less likely to get at very specific individual issues, but they're good at getting a broad understanding of how different groups feel and sort of more to the collective issues.

I always try to have focus groups for female employees, in particular, who are often in the minority in a mining context. That's a good way for women to try to surface issues. Those tend to last a bit longer, an hour and a half.

Interviews with managers can be quite long, two to three hours, because I will actually go through their policies, procedures and so

on. It's often with managers that I will go and inspect different areas of the work site and so on.

Interviews with government officials tend to be about an hour and a half. With the government, particularly the ministry of labour and human welfare, I had several at increasingly high levels.

The Chair: When you're dealing with somebody at the mine site itself, someone who's not in a management position but who is an employee, and you're meeting with them individually, who's in the room: yourself, that person, and I'm guessing a translator?

Mr. Lloyd Lipsett: In most cases it was just myself and the individual or the group. There were some with the more, let's say, low-level or local workers where a translator was present. That was one of the community liaison officers. Sometimes, in order to explain context, I would have their manager come and give an introduction of why Mr. Lipsett was there and what he's doing, but then that person would leave the room and I would conduct it with no management or governmental presence.

The Chair: Thank you.

Professor Cotler, please.

Hon. Irwin Cotler (Mount Royal, Lib.): Thank you, Mr. Chairman.

Mr. Lipsett, my colleague Mr. Marston mentioned the appearance before our committee of Mr. Cliff Davis, on November 1, 2012. At one point, in the course of his appearance, I put to him the question that we have heard witness testimony, and references made to this, about the widespread and systematic human rights violations in Eritrea, UN reports, indeed our own government reports, and those that you are familiar with.

I then went on to ask him if he had "any concerns about these human rights violations. Have they been reported to you? Have any of the villagers, any groups, reported to you about any human rights violations?" He answered, "No." I then said, "So you have received no reports of any human rights violations while you have been in Eritrea." He said, "No."

I'm pleased, as I think Mr. Marston indicated, and all of us here, about the field missions that you have undertaken and the human rights impact assessment. Indeed, in your testimony today you made reference to your own acknowledgement of the international reports that we have referenced in the testimony. You also said that there are these reports, and then there are what you have heard. True, these are narratives, and the truth is somehow in the middle. I'm rather not responsive to narratives. I'm usually more responsive to facts.

Do you think that all of these international reports, of which you are aware and have read and even referenced in your testimony today, are just narratives, or would you regard them as corroborative statements of witness testimony?

• (1345)

Mr. Lloyd Lipsett: I can't comment on those because I wasn't part of the methodology, but I tend to give the UN and such organizations a great deal of deference in terms of their reporting and their methodologies. So I would not, sort of a priori, dismiss those in any sense.

What I also note in the UN reports is that the treatment is mostly about the conduct of the state. The treatment of business responsibility is quite thin in those reports. I think that will, with future reports, evolve and there will be more analysis by UN agencies of these now that the UN guiding principles have been adopted and there is more attention on these issues.

Certainly the one report that everyone here will be familiar with is the Human Rights Watch report about the mining sector in Eritrea. I have respect for Human Rights Watch as an organization and certainly read the report attentively and used some of the concerns there to frame my own areas of inquiry. Because their specific allegations dated back to 2009, I was not able to corroborate them or not. I think I'm quite open about that in the report and say that for those past factual issues there need to be grievance mechanisms that are credible and effective, and that those can be addressed in an appropriate manner.

Hon. Irwin Cotler: Those with whom you met, villagers or groups and the like, did any of them report to you about human rights violations, or their acknowledgement of the violations that you shared with them in these reports?

Mr. Lloyd Lipsett: I met with national-level stakeholders—and I'll be vague about who they were—who did talk about concerns in some cases around the national service program.

People I spoke with in a general sense about that, their concern didn't seem to be about the existence of a national service program per se, but they wanted to have the government respect the 18-month limit on that.

In discussions with local workers and villagers and village elders, the issues were very much around the positive aspects. The workers really appreciate the jobs, the much higher-paying job than what is available in other sectors, as well as the skill formation that they're getting. They appear to be quite proud to be part of something kind of new and modern that maybe represents a bit of an opening of the economy.

The village elders did make specific requests that they would like to have further dialogue with the company, that they appreciated the engagement through the community liaison officers. They said they expect to have this ongoing dialogue about potential negative things, such as dust from trucks on the road, or positive things, such as having further jobs or programs in their communities.

• (1350)

Hon. Irwin Cotler: I probably have time for only one more question and it could be answered by you or by Mr. Romaine, as by his own acknowledgement he's made a number of regular visits to Eritrea.

From your own experience and your own encounters there, do you have any specific recommendations regarding what might be our own particular governmental or parliamentary role or responsibility regarding these issues?

Mr. Lloyd Lipsett: I have a couple of ideas.

I think what Nevsun has done is responsive to some of the suggestions that have been made by this committee previously. Mr. Romaine has talked about ongoing reporting on these, so I think that

keeping a dialogue with Nevsun about how they follow up on these recommendations would be good.

There are also other Canadian companies that are operating in Eritrea. Maybe there is a conversation to be had with them about their approach.

Finally, I know that the government's CSR policy for the extractor sector is currently under review. In the initial version five years ago they made some passing references to the work of John Ruggie, and the protect, respect and remedy framework. Now that those have been adopted in the UN guiding principles, Canada might consider making more formally those standards as one of the international standards that extractive companies should abide by, which would provide a similar framework that Nevsun's work on this project has been framed by.

Hon. Irwin Cotler: Thank you.

Mr. Romaine.

Mr. Todd Romaine: To add, we see CSR as a key strategic objective for Nevsun Resources, and we will continue to work with the Eritrean government, inch by inch, on expanding our CSR portfolio at the Bisha mine.

Hon. Irwin Cotler: Thank you.

The Chair: We'll go to Mr. Schellenberger now.

Mr. Gary Schellenberger (Perth—Wellington, CPC): Thank you very much for your presentation today.

I'm from southwestern Ontario, and right now we have a big problem. We have a company named Samsung and we have wind turbine farms that are going in all over the place. The company has a great relationship with the provincial government, but the local governments have been stripped of all of their rights to say whether they would like this to come into their community or not.

My thing is with Nevsun... You talk about having a great relationship with the Eritrean government, and the workers at the mine are quite pleased, and some of those people who have some of that work are quite pleased. But I can tell you right here in Canada, some of the recourse that comes from that. These wind farms get put into place, and people have to leave their homes because they get sick and various things happen.

Could you identify some of the programs that describe a positive impact on the Eritrean community? Were some of the groups that you talked to kind of chosen groups? Were you free to go to pretty well anyone, or were there some that were off base?

Mr. Lloyd Lipsett: In terms of the local communities, in my initial trip, I had a meeting with all of the leaders from the five or six villages. Their traditional leader came, and we had a very long and interesting conversation. They talked a lot about the positives, the fact that members of their villages have employment and how that's a very positive thing for them. They spoke a bit—these were male traditional leaders—about the changing roles of women who are now employed in the wage workforce at Bisha.

They talked about, as I mentioned before, their expectation for ongoing dialogue. I think this gets to your point that these people would represent some sort of local governance. They want to feel that they're in dialogue. They said they felt that to date there has been an open and back and forth dialogue that has been able to address issues informally. They want to ensure that proceeds. There were certain requests—I reflected a few of them in my report—around literacy, training for adults, older members of the community being able to take advantage of job opportunities, and so on. That's the traditional leadership at the village level.

There was also something that I noted in the most recent report from the Government of Eritrea to the UN Human Rights Council. They listed some recent reforms that are going to decentralize decision-making on some regional development activities to what's called the zoba level. That would be kind of a—I don't know if province is the right analogy—subdivision level. I recommended to Nevsun to continue its dialogue with the government and the sub-regional level about implementation of what they call the community assistance program. Then through a process of dialogue with these people, they could target programs that may provide further benefits to the communities.

• (1355)

Mr. Gary Schellenberger: Mr. Romaine.

Mr. Todd Romaine: It's one of the challenges of operating in Eritrea. The Government of Eritrea has a very different view on CSR. They believe that CSR is the responsibility of the state, not of a corporation. They believe that the benefits of resource extraction should be applied equitably across the country. Therefore, it has been a challenge for us to provide more direct benefits to the communities.

That being said, though, we are confident that through ongoing negotiation with the government, we will be able to decentralize our CAP, community assistance plan, funding to the communities. In addition, with more mines operating in the country, many of them coming from G-8 countries, there will be expectations from shareholders with those companies operating in Eritrea to decentralize some of the benefits to the nearby communities.

Mr. Gary Schellenberger: Thank you.

I'll pass the next question to my colleague.

Mr. David Sweet: How much time do I have?

The Chair: You have a minute.

Mr. David Sweet: Mr. Lipsett, please entertain me. You mentioned a political nuance that was brought up. It sounded like you met on several occasions, and we've had some other testimony before the committee, most specifically the day before yesterday, that political nuance was to give the Eritrean government a lot of space as far as human rights are concerned because they live in a state of alert, in constant threat of attack.

Is that the kind of nuance that most of them were giving space to the government regarding?

Mr. Lloyd Lipsett: I found in discussions that if I led with, say the Universal Declaration of Human Rights or something, I would get a reaction about how the UN and the agencies that have created these international human rights standards were politicized and how

they're dominated by certain great powers that are active in the region, and so on and so forth, so I quickly found an approach where I started from the ground up rather than the top down. I would start with looking at the policies of the Bisha mine, which are quite extensive, and have actually quite pragmatic and operational focus on the principles that you would find in the international covenants and the international labour declarations. I talked about that because that is something that had been negotiated between the government and Nevsun. We could really get into a meaty conversation and not get into abstract conversations about the politics of the UN.

The next level up would be to talk about the national legal framework. In some cases we know that the constitution has been suspended, so that's not really on point, but for instance, on many issues the labour proclamation in Eritrea has things that you could cut and paste from an international labour declaration. You could have a very good conversation about that.

It's not to dismiss the importance of the international declarations as the overall framing of my work, but to have a constructive conversation, I found it easier to start at the references that people were familiar with and accepted at the ground. Then we're not into existential or political conversations, but rather something focused and pragmatic.

• (1400)

Mr. David Sweet: Thank you.

Thank you, Chair.

The Chair: Mr. Benskin, you'll be our final questioner.

Mr. Tyrone Benskin (Jeanne-Le Ber, NDP): Thank you both for being here.

I would like to join my colleague in commending the efforts of Nevsun in taking steps forward into a more transparent atmosphere in corporate social responsibility.

The burning question I have kind of follows on the heels of my colleague, Mr. Sweet, in terms of testimony that I've heard in the last little while and how terms like “nuance”, “politicization”, and so forth keep creeping back into the discussion. I have to be honest. It does cause me concern because when we start talking that way, for me it's not a clear answer. Yes, not all of life's answers can be clear, but when we're dealing with people's rights, clarity is something that is paramount.

I would like your opinion on why there's such a discrepancy, for lack of a better way of putting it, between what you experienced on the ground in your visits and the various reports from other outside agencies. Part B of that question would be, why do they have such difficulty in getting the kind of access that you got that would, if those statements are true, go a long way to changing the view of these outside agencies?

Mr. Lloyd Lipsett: As a matter of personal opinion, I think that giving more access to some of these other groups that have credibility and so on would probably do the country of Eritrea—not necessarily the government, but the country—a service in the sense that additional people seeing with their own eyes would create perhaps a less contested view of what the situation is on the ground. I hope that the precedent that has been set through this will in some way open the door and maybe create a bit of comfort that the sky is not going to fall if you let a human rights expert into the country.

From my general understanding, this hasn't been pursued, but the UN agencies have been encouraged by a step made by the Government of Eritrea to re-enter into negotiations with the Office of the High Commissioner for Human Rights on human rights capacity building, which would probably give access to them. They would be, obviously, a very credible organization to work with the government and to do monitoring activities. I hope that goes forward.

In terms of my own personal view and trying to ensure that, as I said before, I didn't have the wool pulled over my eyes, it's continuing the engagement with some of the NGO groups that do claim to be in contact with some people who may have escaped the country or left the country voluntarily.

You said it's important on matters of rights to have clarity. What I'm dealing with is issues in a fairly broad span. I wasn't dealing with any specific cases. Those would be most appropriately dealt with through some forum for access to remedy, whether it be the company's own grievance mechanisms or some other external mechanism here in Canada. We have a number of outward-facing mechanisms for complaints to be brought forward about Canadian companies. That's where I think it would be most appropriate to get to clarity and truth around specific allegations or concerns.

Finally, I just hope that there is more access, and either I will be confirmed or contradicted in what I was able to observe.

• (1405)

Mr. Tyrone Benskin: I hope the chair will give me a little latitude.

Mr. Romaine, you were talking about the decentralization of some of the activities or decision-making processes, to be able to have a more direct effect on the communities around your area.

I'm sorry, but I can't remember which one of you spoke to things like literacy projects and that type of thing. What kind of work, if any, is being done by Nevsun to bring up, educate, and train the next generation of Eritreans to participate at a higher level in the functioning of Nevsun so that the work that's being done benefits them in more than just a worker aspect but a decision-making aspect as well?

Mr. Todd Romaine: We have ongoing dialogue with the Government of Eritrea on that of localization. It's a key objective for the government. It's a key objective of Nevsun to ensure that we maximize local employment opportunities as well as provide pertinent training to give skill sets so Eritreans can receive greater levels of responsibility and pay in the mining sector.

On site at the Bisha mine, we have an extensive training centre there. We put through hundreds of Eritreans annually through

various different training programs there. Many of these individuals don't even have CVs or any practical vocational experience, so we actually train them on site there, and provide them with letters of authenticity to say that they have completed program A or program B. That enables them to grow within the Bisha mine or to work in other sectors within the mining industry in Eritrea.

Currently, as it stands, nearly 91% of our workforce is Eritrean, which is quite a considerable feat considering this is the first modern mining industry in the country. Now 42% of our senior management team is Eritrean. We will continue to increase those numbers.

We see training as a key component of the benefit that Nevsun Resources and the Government of Eritrea can bring to the country.

Mr. Tyrone Benskin: Thank you.

There was—

The Chair: Thank you. You're out of, and actually over, time.

We're going to have to turn in a second to another matter of a few motions, but before we do that, I have one final question.

Mr. Lipsett, you used the phrase “capacity-building approach”. Could you define that for us?

Mr. Lloyd Lipsett: In the emerging literature around human rights impact assessments, there is a growing discussion around what are some of the objectives or benefits of these particular tools. One that is recurring is about the ability of these processes to inform the rights holders, the workers or the community members, about what their rights are and what they mean.

In my report, I recommend further human rights training for employees and so on. I try to do a bit of that as I approach it, just to give people a sense of what that framework is and a sense that in addition to these local policies that are in place, these reflect standards. Also, I think, educating people around the quite new UN Guiding Principles on Business and Human Rights, and about how the government has a certain set of obligations, and companies have a certain set of responsibilities is to give them a context for my work.

As I think I mentioned, it's in the hope that if there's going to be a follow-up to this, relevant managers and employees will be able to contextualize their roles as environment managers or security department people and how it is fitting into a bigger picture of human rights respect and protection.

• (1410)

The Chair: Thank you.

To our witnesses, you don't have to leave, but we're going to excuse you. We're going to move on to some other items of business. You have our thanks for having come here and for providing us with your testimony.

Colleagues and committee members, we have three motions that were put before us. There has been some discussion. I'll just ask the question. Are there any of them that do not have consensus at this point?

Mr. David Sweet: Yes. There's one, Chair.

The Chair: Can we deal with this quickly, then?

Mr. David Sweet: Yes. On Mr. Marston's motion regarding Vietnam, I think we have agreement all the way through.

The Chair: He's saying that we have consensus on your motion, Mr. Marston.

Mr. Wayne Marston: Yes. The only issue is that I added the Viet Tan. He's aware of that.

The Chair: Okay, but the version the clerk needs.... Can you read the version you have there, Mr. Marston?

Mr. Wayne Marston: It is that the Subcommittee on International Human Rights invite back those witnesses from the May 29, 2014, meeting studying the human rights situation in Vietnam so they can complete their testimony. I added the Viet Tan. Mr. Sweet was in agreement with that.

The Chair: Everybody else is too?

An hon. member: Agreed.

The Chair: Okay. That one is done.

Let's go to the other ones.

Professor Cotler, one of yours has consensus. Let's deal with that one.

Hon. Irwin Cotler: Yes, we have consent for one of the motions. That is the one regarding the third annual Iran accountability week on the deteriorating human rights situation in Iran. On that one, there is consensus.

The Chair: Okay. We have consensus, so that's adopted.

Now let's turn to the other one.

Hon. Irwin Cotler: On the second one, with regard to Camp Liberty, there is mostly but not yet complete consensus, and we will take it up at the meeting next Tuesday.

The Chair: That's perfect.

Thank you very much, colleagues. Thanks for being so patient with this. Thanks for being gracious about the fact that I had to cut some of you off when you had productive lines of questioning. There's a certain unfairness to the way that works, but I appreciate your generosity of spirit, as always.

The meeting is adjourned.

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