

Canadian Aid Money Supports Mining Companies in Developing Countries

By [Global Research News](#)

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(Ottawa, November 8, 2012) Mining critics are calling yesterday's parliamentary committee report on the use of Canadian aid money to support mining companies' interests in developing countries "a wholesale handover of CIDA to the private sector."

The report, by the Conservative majority House of Commons Standing Committee on Foreign Affairs and International Development, proposes to reconfigure CIDA to better serve Canadian corporations as they go abroad, starting with the mining sector.

The report prioritizes public-private partnerships, such as controversial projects with multi-million dollar mining companies that are already being piloted in countries such as Ghana, Burkina Faso, and Peru, as an "important tool of [CIDA's] development programming."

"This committee report doesn't just tie Canadian aid to mining interests, it would actually restructure CIDA to better serve the interests of the corporate sector," says MiningWatch spokesperson Catherine Coumans. "Aid money is meant to address poverty, not to promote the commercial interests of Canadian mining companies. Nor should it subsidize the obligations of mining companies to provide benefits to affected residents and rehabilitate damaged environments."

In addition to CIDA partnerships with mining companies, the committee recommends:

- that CIDA consider offering loans and utilizing "other financial instruments" to support corporations,
- the promotion of revolving door exchanges between CIDA and the private sector to enhance the agency's ability to serve Canadian corporate interests, and
- that CIDA engage in changing institutions, regulations, policies, and democratic oversight in developing countries to foster Canadian investment, particularly "in developing countries with significant natural resource sectors."

Where CIDA has already been providing technical support on mining law and administrative reforms in other countries, its track record has been to weaken state controls, privatize state industry, and reduce royalties, taxes, and other measures to capture economic benefits in order to attract foreign investment.

"Rather than directing resources and political pressure towards stripping down the legal framework in other countries, the Canadian government should oblige Canadian mining companies operating overseas to meet strong environmental and human rights standards, including respect for free prior and informed consent," says Coumans. "The government should also ensure that people who have been harmed through the

activities of a Canadian company have access to justice in Canadian courts.”

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