

Joint Statement by Parties

21 July 2021

Following several months of constructive discussions facilitated by the Australian OECD National Contact Point (AusNCP), Rio Tinto and 156 Bougainville community residents, represented by the Human Rights Law Centre (together, the Parties), have reached an agreement to identify and assess legacy impacts of the Panguna mine on Bougainville.

The Bougainville residents, who come from a number of communities living downstream of the mine, filed a complaint against Rio Tinto with the AusNCP in September 2020, alleging serious adverse environmental and human rights impacts linked to ongoing pollution from the mine, which was formerly operated by Bougainville Copper Limited (BCL), then majority-owned by Rio Tinto.

The Panguna Mine Legacy Impact Assessment (Assessment) will identify and assess actual and potential environmental and human rights impacts and develop recommendations for what needs to be done to address them.

The Assessment will be carried out by an independent third-party company (or consortium), unrelated to Rio Tinto or BCL, with strong environmental and human rights expertise and will involve local and international experts.

The Assessment will be overseen by a multi-stakeholder committee, to be established by the Autonomous Bougainville Government (ABG) and the Parties (Committee). In order to ensure all relevant stakeholders are involved, representatives will be invited to join the Committee from the Independent State of Papua New Guinea (PNG), and BCL, as well as several other landowner and community representatives from the mine-affected areas. The Committee will be chaired by an independent facilitator.

A draft scope for the Assessment and Terms of Reference for the Committee has been prepared by the Parties.

The Assessment will be predominantly funded by Rio Tinto with BCL separately contributing, provided that: broader stakeholders on the Committee endorse the process and proposed methodology of the Assessment; the Assessment can be safely completed; and an appropriate funding mechanism can be agreed. The ABG has confirmed its support for the process.

The Assessment is one of three commitments from Rio Tinto sought by the communities under the complaint to the AusNCP. The complaint also seeks commitments from Rio Tinto to:

- Engage with Panguna mine-affected communities to help find solutions and undertake formal reconciliation as per Bougainvillean custom;
- Contribute to a substantial, independently managed fund, to help address the harms caused by the mine and assist long-term rehabilitation efforts.

Following the conclusion of the Assessment, the Parties and other stakeholders will engage in further discussions in relation to the recommendations made by the Assessment and the remaining commitments sought by the communities.

By independently identifying and assessing environmental and human rights impacts of the Panguna mine, the Parties hope the Assessment will lay the foundation for long-term solutions and would like to express their appreciation to the AusNCP for facilitating the discussions that led to this agreement.