

What is the Third Party Review?

In August 2007, Cerrejón and its shareholders, Anglo American plc, BHP Billiton and Xstrata Coal, commissioned an independent panel to review the company's corporate social responsibility practices and its relation with the neighbouring communities of La Guajira.

Since then, Cerrejón has provided detailed updates twice a year on its progress in implementing the review's recommendations. Full progress reports are available here.

Who was on the panel?

The independent panel is chaired by Dr. John Harker, President of Cape Breton University in Canada. Other members of the panel are: Nick Killick from International Alert, Salomón Kalmanovitz, Dean of Economics and Business Administration at the University of Jorge Tadeo Lozano in Colombia and Elena Serrano from the Foundation Casa de la Paz, an NGO in Chile.

Which issues does the review cover?

The independent panel made 24 recommendations on the subjects of human rights, social engagement, resettlement, royalties, and topics regarding healthcare, culture, employment, and the environment. The Cerrejón Foundations System was also included in the panel's recommendations. Click here for a full list of topics covered.

Which actions have still to be completed?

This is a summary of our latest progress in responding to the recommendations of the Third Party Review Process.

Table of Pending: Third Panel Review (TPR) Recommendations and Activities April 2011

Each action item is color-coded.

- Blue = Finished
- Yellow = There are risks to completing the task on time but there is an on-going project that will allow to fulfill this goal
- Green = we are progressing well
- Red = we are delayed

INITIAL RECOMMENDATION	ACTIONS TAKEN	NEXT STEPS
Action 4.2	<ul style="list-style-type: none"> As part of the Expansion Project's engagement process, Cerrejón began in March 2011 a consultation process with non indigenous communities following IFC standards. These standards include Prior Consultation requirements established in Colombian law for indigenous populations, Afro Colombians and ROM (gipsy) communities as well as public consultation of non indigenous communities (neighbouring land owners and inhabitants, local authorities and civil society groups). To date, we have held 6 preconsultation workshops with 135 traditional authorities from 38 communities and owners of 27 plots. We expect to begin the formal meetings facilitated by the Ministry of Interior and Justice in May 2011. For the broader public consultation process we have done 5 meetings with local authorities from Barrancas, Hatonuevo, Albania, Maicao, and Manaure with a participation of approximately 120 officials and 2 meetings with owners of the land where the proposed dam would be located with the participation of 53 land owners. In these meetings we have presented the potential impacts of the Expansion Project and the mitigation measures. These meetings have been all accompanied by representatives from local institutions including the Regional Prosecutor's Office and the regional local and Ombudsman's Offices. Cerrejón also begun implementing a new engagement and communication strategy for resettlement communities. This strategy is based on improved analyses on social impacts and seeks to follow International Finance Corporation (IFC) Social Performance Standards. 	<ul style="list-style-type: none"> Systematize these efforts so that engagement sessions occur periodically and feedback informs company policies and social impact management
Action 6.1	<ul style="list-style-type: none"> In March 2011, La Cruz was delivered to Cerrejón. Currently notarial processes are under way to underwrite the respective public deeds. Corpoguajira finalized the review of environmental requirements and, together with the Hatonuevo municipality, modified the land classification, which was approved in 2010 through the Municipal Council of Hatonuevo. The Relocation Committee and the Endogenous Network are working together towards reconciliation through a work committee for the physical and social reconstruction of Tabaco. A major challenge is the distribution of the land and identifying how many members of the community want to live in the new town. So far there are 442 households that have been presented as potential beneficiaries. The symbolic site that Cerrejón made a commitment to build will have to be defined by the community through a participatory process. The exact date of completion of the reconstruction of Tabaco and therefore the construction of the symbolic depends on several factors. 	<ul style="list-style-type: none"> Define a process to distribute land Obtain all necessary permits for the reconstruction of the new Tabaco town Provide assistance to communities involved in new socio-economic projects Select and build the Tabaco symbolic site following community participatory process
Action 7.2	<ul style="list-style-type: none"> During 2010 Cerrejón made important advances in aligning the resettlement practices with IFC standards that included specific actions such as the creation of Resettlement Actions Plans for (RAPs), updating the social baselines and presenting and consulting them with the five communities to be resettled. The support provided by the Colombian NGO Indepaz to the communities of Roche and Tamaquito since April 2010 has been valuable in terms of making specific recommendations on compensations in regards to income generation issues, use of land, and other topics linked to the communities' sustainability. Cerrejón consulted the impact assessments of the resettlement to the communities of Roche and Patilla. In the second semester of 2011 Cerrejón will consult the impact assessments with the communities of Chancleta, Tamaquito, and Las Casitas. The first agreements to relocate some of Roche's resident families were signed in January 2011. Ten (10) agreements have been signed up to date (8 families are now living on the new Roche site and two more families are waiting to be moved) and we expect to reach agreements with 5 other families. However, there are important differences with 10 resident families who have concerns over the use of land for cattle ranching. We recognize the challenges that a segmented relocation represents and are working to address the specific issues. We are keeping all communication channels open and promoting dialogue with all the members of Roche, their representative groups, and the accompanying institutions in order to reach agreements that will lead to the signing of the accords to move the families as soon as possible and minimize the effects of a temporary division among residents, and achieving the goal of having a unified group at the new site. Roche's school was inaugurated in February 2011 and Cerrejón has begun to implement programs aimed at developing educational skills of children and youngsters in this community. In July 2010, Cerrejón signed the promissory purchase and sale agreement for Tamaquito. Currently, Cerrejón has control and ownership of the land. The next stage involves its transfer to the indigenous authorities of Tamaquito, considered an essential step towards the constitution of their indigenous reservation. In addition, the consulting firm Gómez Cajiao has completed the environmental study of the 300 hectares that constitute La Liga lot -Tamaquito's new site-. Between November 2010 and March 2011, the community, Cerrejón, the local administration, and the local Ombudsman's office, with the support of an independent constructing firm, have participated in consultations to reach an agreement on the basic design concept for community areas and housing at the new Tamaquito site. The construction of housing and infrastructure for Patilla and Chancleta began in January 2011. Cerrejón plans to have completed this process by the end of 2011. Meanwhile, negotiations on the relocation and its impacts are progressing, as well as the preparation of each community to define their income-generating projects. The housing and infrastructure works for Las Casitas' community have not yet started due to delays to review and approve the Land Organization Plans by local authorities. This is a legal requirement to license the works that were designed on the third quarter of 2010. 	<ul style="list-style-type: none"> Consult social impact assessments with Chancleta, Tamaquito and Las Casitas Agree on compensation based on impact assessments Build new towns Implement relocation Follow up on sustainable livelihoods projects
Action 8.1	<ul style="list-style-type: none"> Socio-economic indicators of the standard of living, the capacity for self-administration, and equity capital, were developed with the support of the technical consultancy Asicom, which developed these indicators over a three-month period. After the identification and definition of the indicators, an initial measurement was carried out across the five communities in the process of resettlement. Analysis shows that the next assessment should be undertaken when each community has been moved in order to identify significant variations in standards of living resulting from the relocation. These measurements will be carried out using the indicators developed by the consultant. Subsequently, once each community is moved, it will be periodically monitored at appropriate intervals for establishing improvements in the standard of living for each community at its new site. 	<ul style="list-style-type: none"> Validation of indicators with the community Incorporate baseline in RAPS (Resettlement Action Plans) in 2011 with Chancleta and Las Casitas
Action 9	<ul style="list-style-type: none"> We understand that the information on the resettlement processes in our web page is not enough. We hope to have updated information on the relocation processes in our upcoming website, which will be presented by mid 2011. 	<ul style="list-style-type: none"> Promote the development of an Action Plan
Action 18.1	<ul style="list-style-type: none"> In early 2010 Cerrejón proposed a housing improvement plan to the communities of Malla Norte (Kamusuchiwo>o) and Malla Sur (Pioule Piula). The consultancy firm Yalmar Vargas y Asociados was selected to undertake the design of housing in Pioule Piula. In April 2011, the community and traditional authorities approved the design proposal for 21 houses. Construction will start in the second half of 2011. Regarding Kamusuchiwo>o and its territorial claim, a meeting took place on 16 of March gathering community representatives, national State authorities and Cerrejón to clarify the legal status related to the industrial land reserve where Puerto Bolívar is located. Current boundaries of the reserve were confirmed and will inform engagement plans in the zone. Cerrejón will once again share its social programs with the community of Kamusuchiwo>o over the course of this month. 	<ul style="list-style-type: none"> Set construction dates based on conversations with the community of Pioule Piula Consult social programmes with the community of Kamusuchiwo
Action 21.2	<ul style="list-style-type: none"> In October 2010, Cerrejón hired the Conflict Analysis Resources Center (CERAC in Spanish) to design a set of indicators that would allow measurement of the impact of the training undertaken in human rights. The final version of the indicators was delivered in March 2011. Subsequently, terms of reference will be put together for the development of a set of pilot indicators. 	<ul style="list-style-type: none"> Development of the indicators in the second half of 2011