

GUATEMALA: Canadian INCO mining company and the rights and community development needs of local Maya-Q'eqchi' communities.

Below, is a letter from AEPDI, a community development organization in Guatemala, to the chairman of the Canadian INCO nickel company.

Please consider writing your own letters to INCO. There is a real conflict between the business needs of the INCO mining company (responding to international market prices and the desires of northern investors and shareholders) and the serious community development needs of countless communities in the area where INCO has operated in the past, and hopes to soon begin operations again.

If you want on/ off this elist: info@rightsaction.org <<mailto:info@rightsaction.org>>. Please redistribute this information.

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El Estor, Guatemala, May 3, 2004

Mr. Scott Hand, Chairman of the Board
INCO Ltd.
145 King St W., #1500
Toronto, ON, Canada, M5H-4B7

Dear Mr. Hand:

I am writing today as a follow up to our interchange at the INCO Annual General Meeting on April 21. I was appalled by your angry and offensive public response to the statement that I read, saying that I could have only said what I had because I "have never been to Guatemala" and that I "do not know El Estor." So, I write now to elaborate upon Inco's relationship to the larger El Estor community based on my 17 years of living in that Guatemalan community.

As you know, I came to Toronto to participate in the annual INCO meeting and exercise my rights as an INCO shareholder to speak on behalf of 30 Q'eqchi' Mayan communities affected by INCO mining operations in Guatemala.

These
are communities I know personally through my years of work in the
area.

In the document I read out, at the INCO meeting, the leaders of more
than 30
Q'eqchi' Mayan communities stated that they do not want INCO to
reactivate
mining activities in their lands and in the area, first, because those
activities threaten their lands and culture, and, second, because of
INCO's
record as a polluter and abuser of human rights in Guatemala.
Although
INCO, through its Exmibal subsidiary in Guatemala, has been closed
lipped
about its plans, it is public knowledge that the Exmibal concession
and
properties are for sale, and that Skye Resources, Inc. of Vancouver is
the
potential buyer. The communities are fearful that the mothballed INCO
mine
and smelting facility will be reactivated should this sale proceed,
and more
so fear that lands that they have paid for and for which they have
titles
will be destroyed by new strip mining.

Further, it is simply not true what you say that the whole Exmibal
project
has been beneficial for the majority of El Estor's population. In the
1999
United Nations sponsored "Truth Commission" Report on Historical
Clarification (that investigated Guatemala's conflict, that killed and
disappeared over 200,000 mainly Mayan people), INCO's Exmibal project
is
given as an example of how private business collaborated with the
Guatemalan
military in repressive acts during the long civil war that ended in
1996.
Various examples of INCO's responsibility, be it through direct
participation, complicity or negligence, in acts of intimidation,
kidnapping
and murder of community leaders, politicians, academics and activists
are
documented in the UN Truth Commission report.

Since, Exmibal's shut down in 1982, no clean up of the mine site or
processing facilities has been done. INCO has always claimed that
there is
no need to do so given that there was the possibility of continued

mining
and that there are no harmful contaminants. However, the company's
claims
relating to the plant's industrial wastes and their effects on the
air,
water and environment as a whole are not substantiated in any impact
study,
independent or not. There exists a high incidence of lung disease,
cancer
and skin problems among the El Estor population. With the studies
done in
Canadian towns where INCO has operated, its mines and processing
plants are
shown to have contributed to the contamination of the soil, air and
water
that is linked to serious health problems. Also, local fishermen
attest to
the dramatic diminishment of fish in Lake Izabal during the mine and
processing plant's operation and even point to the extinction of the
freshwater sawfish in that same period.

In INCO publications distributed at the AGM as well as in your speech,
you
have stated that INCO is a "good neighbour". However, you never
mentioned
Guatemala then, nor have you publicly in a long time. As an El Estor
resident and as an INCO shareholder, I challenge INCO to be a "good
neighbour" in El Estor. How could INCO do that?

1. Fund and support a fully independent investigation of the
human rights
abuses occurred while INCO was operating in Guatemala (1960-1982), and
compensate the victims of that abuse, as revealed by that study.
2. Fund and support a fully independent investigation of the
health and
environmental damage caused during the El Estor mine and plant
operation as
well as in its abandoned state, and make the necessary reparations and
clean
up.
3. Publicly adhere to the Guatemalan and international laws
including, not
exclusively, Covenant 169 of the International Labour Organization,
that
protect the rights of the indigenous peoples who live on lands that
have
been licenced to INCO for mining, and therefore respect the rights of
those
communities which are threatened by renewed mining.
4. Assure broad based community participation in decision-making

processes
such as approval of the aforementioned investigations and plans for
development.

These are urgent matters that should be undertaken and completed
before the
August 2005 expiration of the current mining licences. Ultimately,
such
steps would favour INCO's position in its negotiation with the
Guatemalan
government and the indigenous communities who must approve any new
mining
plans and activities.

Since the first time we conversed in 1993 and in correspondence in the
ensuing years, I have insisted that INCO should do much more to assure
the
goodwill of the El Estor communities. That recommendation was not
heeded as
the years have passed, and now Inco will have to deal with Q'eqchi'
communities that mistrust the company and actively reclaim their
violated
rights.

Sincerely yours,

Daniel J. Vogt
Director of the Asociacin Estorea Para el Desarrollo Integral AEPDI
INCO Shareholder

cc: INCO Board of Directors
INCO Shareholders

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If you write a letter to INCO, please 'cc' it to:

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RIGHTS ACTION, with its main office in Guatemala, is a development and human rights NGO that supports community development work in Chiapas, Guatemala, Honduras, Peru, Nicaragua, and engages in north-south education and activism related to global development and human rights issues.

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- to come to Guatemala on a fact-finding educational delegation
- to be a human rights accompanier in Guatemala

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