



ACCOUNTABILITY
COUNSEL

INTERNATIONAL
ACCOUNTABILITYPROJECT



November 17, 2009

Via Electronic Mail

Lars H. Thunell
International Finance Corporation
2121 Pennsylvania Avenue NW
Room F11K-232
Washington, DC 20433 USA
lthunell@ifc.org

Re: Request for Action to Address Harm Caused By Maple Energy in Nuevo Sucre and Canaan de Cachiyacu, Peru

Dear Mr. Thunell:

We write to request that the International Finance Corporation (“IFC”) take immediate action to address the severe health, safety, and environmental problems currently being suffered by the indigenous Shipibo community of Nuevo Sucre, Peru, as a result of three separate oil spills in 2009 caused by an IFC-financed oil pipeline constructed and maintained by Maple Energy.¹ We also call the IFC’s attention to a September 2009 spill from the same pipeline in the neighboring Shipibo community of Canaan de Cachiyacu.

Nuevo Sucre is located along the Ucayali River in the Peruvian state of Loreto. The closest town to Nuevo Sucre is Contamana. Due to the remoteness of the affected communities – no direct phone or other type of communication is possible at present – we are writing based on first-hand information that Emily Joiner of International Accountability Project (“IAP”) received in Nuevo Sucre in July 2009, and periodic, indirect reports from the community since that time. We write as concerned organizations **requesting that the IFC immediately investigate and address the human rights violations and unacceptable human health and environmental impacts caused by this IFC investment in Maple Energy.**

Nuevo Sucre Spills

Between January and March of 2009, three oil spills from the IFC-financed Maple Energy pipeline contaminated the rivers upon which the people of Nuevo Sucre depend for food and drinking water. While some community members are now walking thirty minutes to find

¹ The IFC investment in Maple Energy Plc consists of “an equity investment of up to \$10 million and/or debt investment(s) of up to \$30 million for IFC’s own account.” Project No. 26110, Approved July 19, 2007, Category B (Oil, Gas and Mining). See IFC Summary of Proposed Investment.

fresh water and fish, the spills have caused, and continue to cause, unacceptable and dangerous health problems for many of the community's residents who continue to use contaminated river water because it remains their only readily available water source.

After the first spill in January 2009, community leaders addressed a letter to OSINERGMIN, the Peruvian regulator for extractive industries, requesting that they investigate the situation and sanction Maple Energy. The community is unaware of any follow-up by OSINERGMIN as a result of this January 2009 incident.

The worst of the three incidents occurred in March 2009, when approximately 30 barrels of oil leaked from the damaged Maple Energy pipeline and washed down into the Yarina and Arenilla rivers. These rivers converge a short distance from the village and supply the community their source of fish and drinking water. Oil stagnated in these river beds, and a four-day clean-up effort directed by the Maple Energy – but using community labor – ensued. Nevertheless, oil residues are still present in the riverbed and water and continue to contaminate the village's food and water supplies.

According to community members, officials from Maple Energy arrived three days after the March 2009 spill and, **in violation of the human rights of community members and clear violation of IFC Policy, required that all community members remain in the community until clean-up was complete.** Residents of Nuevo Sucre worked on the clean-up team with a daily wage of S./40 or approximately \$13.00 USD. Officials from Maple rented out all of the community's boats to insure that no one left, even knowing that the population was now forced to look further afield to find both water and fish for their families' consumption. As one Nuevo Sucre resident reported to Ms. Joiner, "they came to camp on our territory without payment and brought in their own drinking water supply that we were not allowed to consume." OSINERGMIN visited the community with Maple officials following this spill; however, the community has not been informed of any action taken against the company as a result.

The community has requested that Maple Energy supply them with an elevated water tank that will provide clean drinking water now and will insure future drinking water supplies against further problems. They have also asked OSINERGMIN to take punitive measures against Maple Energy. Neither of these community requests have received a response from either OSINERGMIN or Maple Energy.

Canaan de Cachiyacu Spill

We were informed indirectly that an additional spill took place along the Maple Energy pipeline during the week of September 21, 2009 in the village of Canaan de Cachiyacu (neighboring Nuevo Sucre). We request that the IFC immediately investigate and address issues related to this spill as well.

We reiterate the urgency of this situation given that human health and environmental impacts of these spills are still being felt and are causing suffering in these communities. The urgency is heightened due to the impending rainy season when many, if not all, of the roads to these communities will be impassable and rainwater will carry all effluents directly into the river.

Based on the information we have received, it appears that these spills, and the way they were addressed, violate IFC policy and deserve immediate attention and action by IFC staff. We look forward to your prompt response.

Sincerely,

Natalie L. Bridgeman, Esq.
Executive Director
Accountability Counsel
468 Jackson Street, 3rd Floor
San Francisco, CA 94111 USA
P: 415.412.6704
natalie@accountabilitycounsel.org

Jennifer Kalafut, Co-Director
Emily Joiner, Research Fellow
International Accountability Project
221 Pine Street, 6th Floor
San Francisco, CA 94104 USA
P: 415.659.0555
jen@accountabilityproject.org
emily@accountabilityproject.org

Lily La Torre, Director
Racimos de Ungurahui
Libertad 246 Barranco, Lima 4
Lima, Peru
P: 011.511.251-2062 and 511.266.6455
lilylatorre@ungurahui.com

Gregor MacLennan, Southern Amazon Program Coordinator
Amazon Watch
221 Pine Street, 4th Floor
San Francisco, CA 94101 USA
P: 415.487.9600
gregor@amazonwatch.org

cc: Patricia Miller, Manager, Environmental and
Social Development Department (pmiller@ifc.org)

Meg Taylor, CAO Vice President (mtaylor@ifc.org)