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**Nominated for the Public Eye Swiss Award 2008  
by Arbeitsgruppe Schweiz-Kolumbien and Multiwatch**

## **Glencore International AG**

Based in:	Baar, Canton Zug, Switzerland
Industry:	Producer and trader of commodities and raw materials
Turnover / Profit:	\$ 116,5 billion / \$ 5,3 billion (2006)
CEO:	Ivan Glasenberg
Owned by:	450 top managers
Employees:	2000 in 40 countries / 50'000 in industrial and mining subsidiaries of Glencore (2006)

### **In Brief**

*Glencore is quite literally impenetrable, not just because of the coal dust rising from its mines in Colombia but also because it is very secretive about its business practices. Glencore (Global Energy Commodity Resources) is a little known giant of the Swiss economy. Based in Zug it has the highest turnover of all companies in Switzerland. Until a few years ago, trading commodities was its core business. Then, in the 1990s, Glencore moved into the coal and oil business and it now owns subsidiaries in 40 countries. Glencore has no scruples when it comes to mining raw materials. Colombia is the best example. Here, Glencore's coalmines are causing massive pollution that represents a serious health hazard for the local population. True to form, the commodities multinational is very anti-union and fires workers when they try to organize themselves.*

### **A corporation behaving badly**

In the northern Colombian province of Cesar Glencore subsidiaries operate three open pit mines that yield 10 million tons of coal annually. Through a company called Prodeco Glencore also operates a coal port near Santa Marta. Until 2006 the silent giant owned approximately one third of El Cerrejón, probably the world's largest open pit coal mining operation. Since 2006 Glencore holds 51 percent of a previously state owned petroleum refinery in Cartagena. With these holdings Glencore is one of the big players in Colombian raw materials – a player, however that does not honor its obligations toward its workers, the local population and the environment. On the territory of the village La Jagua Glencore operates three coalmines. The company does pay a concession fee but otherwise mercilessly exploits the state's weak presence. The health of local people suffers from the mining operation but few villagers have a job at the mine. Glencore environmental record is hardly better and the company is far behind on renaturation. Layer after layer of sediment, as deep as 600 feet, is loosed by means of explosions and then removed. The flow of rivers that used to

provide drinking water for the surrounding villages is interrupted. The water is used in the mines to wash the coal. The unfiltered water is eventually returned to the streams and goes on to contaminate the pastures. At the entrance to the mine hundreds of trucks are waiting to take the coal to port 180 kilometers away. Neither the truck beds nor the mountains of transport-ready coal are covered and coal dust fills the air. Many local people suffer from respiratory diseases that have been shown to result from coal dust.

Since March 2006 the labor union ‚Sintramienergetica‘ is locked in a labor dispute with Glencore over the selective dismissal of unionized workers at Glencore subsidiaries in the mines and at the port of Santa Marta. At the port negotiations for the renewal of the collective labor contract have been in a deadlock for almost two years.

### **Consequences**

The impact of Glencore’s coal-related activities on the local population is dramatic (the profits are sent abroad). Many of the effects are life threatening: the drinking water disappears and the mines with their enormous appetite for land literally devour the villagers’ livelihood, i.e. their fields and pastures, and the rivers where they fish. But Glencore offers no jobs in return.

With its anti-union attitude the largest Swiss company exposes its workers to all manner of abuse. Union activity is still very often fatal in Colombia. Glencore exploits this situation and offers its workers miserable working conditions.

### **Current situation and demands**

In February 2007, the frustrated people of La Jagua took to the streets in protest. Police and military units violently beat down the protest, killing one person and injuring at least 50 others. Finally the government intervened and an agreement was negotiated. Yet so far nothing has happened. In August laid-off workers occupied a mine but again the protests were violently suppressed.

The Arbeitsgruppe Schweiz-Kolumbien (workgroup Switzerland-Colombia) and Multiwatch, who sent a delegation last summer on a visit to the mines, are urging Glencore to employ its workers directly and offer them unlimited contracts. They are also asking Glencore to respect union rights, accept a new collective employment contract, and honor their obligations toward the local population and the environment.

### **For more information:**

- [http://www.kolumbien-aktuell.ch/themen/dokumenten/Situation\\_BergbauKolumbien\\_150807\\_Fotos.pdf](http://www.kolumbien-aktuell.ch/themen/dokumenten/Situation_BergbauKolumbien_150807_Fotos.pdf)
- <http://www.labournet.de/internationales/co/elcerrejon6.html>
- <http://www.woz.ch/artikel/2007/nr34/international/15309.html>
- Article from the *Basler Zeitung* about Glencore 28.10.2005: „Rohstoffhändler stehen am Pranger“ [Commodities traders in the pillory]