

## One Year Later

# From Dreams to Dust:

### Examining the Impact of Mining on Herder Communities in Mongolia

#### Introduction

In October 2022, the Asian Forum for Human Rights and Development (FORUM-ASIA) and the Centre for Human Rights and Development (CHRD) undertook field research to examine the impact of mining operations on both communities and the environment in Dalanjargalan, Ulaanbadrakh, and Khatanbulag soums (districts) of Dornogovi aimag (province) in Mongolia. This research aimed to highlight the lived but often forgotten realities of communities impacted by mining operations.

Over a span of two weeks, the field team interviewed herders, local government officials, community members, non-governmental organisation (NGO) representatives, human rights defenders (HRDs), and mining company representatives to get a holistic understanding of the consequences of mining on both the environment and human rights.

The research report—launched in Ulaanbaatar, Mongolia in April 2023—provided practical recommendations on the way forward to ensure a more human rights-based approach to mineral exploration and extraction in

Mongolia, a country endowed with vast mineral wealth.

Since then, there have been developments within the research sites and in Mongolia itself with regards to the issue of mining and human rights. To capture these developments, impacted community members, civil society organisations (CSOs), and government officials were asked to participate in a survey, which intended to better understand the changes (if any) in their surrounding areas. Likewise, the survey was used to document efforts to capacitate communities to understand and advocate for their rights more effectively. This forms the basis of this ‘one year later brief,’ which summarises relevant developments following the field research.

The developments cover both positive and negative changes since October 2022, including legal reforms; media coverage; official statements from the government and mining companies; capacity building initiatives; the establishment of collaborative groups; and advocacy efforts at local, national, and international levels to name a few.

This brief aims to further highlight the severity of the crisis faced by herder communities affected by mining operations in Mongolia. We hope that the human rights community and wider civil society urgently act to prevent the crisis from further wreaking havoc on the lifeblood of the Mongolian population: the nomadic herder community.

## Survey Findings

### Developments in the National Context

Mongolia's mineral wealth—combined with its strategic location between Russia and China—has always placed the country in a complex geopolitical situation. Over the years, the extractives industry has taken on a more important role in the country's economic growth.

Mongolia's largely untapped mineral deposits—as it moved from a Soviet structure to a more neo-liberal model of economic development—has created the perfect opportunity for greater foreign investment in the country's resources. In addition, Mongolia aims to act as a bridge between Europe and Asia by increasing its trade and mining relationships beyond China and Russia. This is evidenced by the fact that Emmanuel Macron became the first ever French President to visit Mongolia in May 2023. During his visit, Macron highlighted that France will be strengthening its strategic partnership with Mongolia in the coming years—spanning the areas of politics, defense, economy, trade, investment, energy, agriculture, communications, technology, industrialisation, education, science, culture, and sports.<sup>1</sup> Most notably, Macron highlighted that Mongolia will become a key supplier of critical minerals, primarily uranium, to France through the accelerated development of two uranium deposits sites.<sup>2</sup> This is despite the widespread disapproval and criticisms from local communities that continue to experience gross human rights and environmental rights violations as a result of existing mining projects in Mongolia. Macron's visit was followed by a reciprocal visit by Mongolian President Ukhnaagiin Khürelsükh to France in October 2023, resulting in a deal of 400,000 euros (USD 422,120) to explore a potentially lithium-rich basin in Mongolia. This visit also served as an opportunity for Badrakh Energy—which is jointly owned by the French company AREVA Mongol LLC and the Mongolian Government-owned Mon-Atom LLC—to make progress in developing more uranium mines, which could eventually account for 4 per cent of global supplies<sup>3</sup>. Without proper interventions, this partnership between France and Mongolia can have devastating consequences for the human rights situation in the country and set Mongolia back on its inclusive development indicators by decades.

Following the launch of FORUM-ASIA and CHRDR's research report—titled 'From Dreams to Dust: Examining the Impact of Mining on Herder Communities in Mongolia'—in April 2023, Badrakh Energy filed a complaint with the National Human Rights Commission of Mongolia (NHRM) against the above-mentioned organisations. Badrakh Energy accused FORUM-ASIA and CHRDR of creating discord amongst the community and intentionally spreading false information in an effort to damage the company's reputation. Soon after, the NHRM issued a response to Badrakh Energy, supporting the research findings and requesting the company to take steps to reduce the harmful impacts of their mining operations.

In a promising move in June 2023, Mongolia became the fourth country in the Asia Pacific to adopt a National Action Plan (NAP) on Business and Human Rights (2023-2027).<sup>4</sup> The NAP lists specific provisions on creating a better legal framework for corporate compliance,

1 <https://thediomat.com/2023/05/french-president-emmanuel-macron-makes-a-historic-visit-to-mongolia/>  
2 [https://uk.news.yahoo.com/mongolia-emmanuel-macron-supports-controversial-133656983.html?guce\\_referrer=aHR0cHM6Ly9sLmZhY2Vib29rLmNvbS8&guce\\_sig=AQAAAB4\\_teSdbihWpB0cYyZF2aas7GVZb8vkNejkrEdX2LUa\\_kd0HbMhR5rBoLBYeW9eRIRe8Qv54QPvSspkv7HJ](https://uk.news.yahoo.com/mongolia-emmanuel-macron-supports-controversial-133656983.html?guce_referrer=aHR0cHM6Ly9sLmZhY2Vib29rLmNvbS8&guce_sig=AQAAAB4_teSdbihWpB0cYyZF2aas7GVZb8vkNejkrEdX2LUa_kd0HbMhR5rBoLBYeW9eRIRe8Qv54QPvSspkv7HJ)  
3 <https://www.reuters.com/markets/commodities/lithium-hungry-france-strikes-mongolian-exploration-deal-2023-10-12/>  
4 <https://globalnaps.org/country/mongolia/>



providing practical guidelines through a human rights due diligence tool, enhancing stakeholder capacity, and strengthening access to remedy systems. While the adoption of the NAP underscores the country's commitment to promote responsible business practices at the national level, actualising its provisions at the most local level would be the real litmus test for businesses and the government.

Although the adoption of the NAP is a positive step forward, it also alludes to a dichotomy in government priorities when looked at in the context of increased investment in the extractives sector. With scaled up mining operations in the coming years, the ground level implementation of the NAP would be vital for upholding the rights of the people and the environment. Otherwise, the NAP runs the risk of becoming just another policy document created as a checkbox exercise.

### Dalanjargalan Soum

At the time of the research, the residents of Dalanjargalan soum—located in north Dornogovi aimag—were facing critical challenges related to their health, livelihoods, and surrounding environment. This was attributed to the fact that almost 20 per cent of the land at that time was occupied by mining operations.

Herders and community members expressed discontent over the shrinking of their pastureland, reduction in water sources, increased air and dust pollution, deterioration in the quality of their livestock, subsequent reduction in herders' income, and decline in the community's health. Community members also voiced their disappointment at the lack of inclusion in decision-making processes that affect them. They are often excluded from any communications regarding mining permits issued by the government.

This trend has been ongoing since the research.

In addition, herders highlighted how the organs of livestock continue to experience problems as a result of pollution caused by mining operations. In some cases, livestock suffer from weight loss and sudden death. Herders also alluded to the continued reduction in their overall income and the prices fetched for their livestock. Such sentiments were echoed by government officials who mentioned that the dust from the mines and the heavy use of contaminated groundwater affect livestock health, ultimately destroying their lungs.

In some bags (sub-districts), heavy duty trucks transporting materials caused an increase in environmental harm. In another instance, when the mining company used up all the water from the well, it was forced to dig a new well when community members complained.

Some herders and government officials mentioned that efforts have been made regarding the reclamation and rehabilitation of land in the past year. In fact, some dug up mining sites were already being filled. Survey respondents shared that environment inspectors were assigned to oversee the reclamation process and that citizen groups were established to protect the environment. However, as expressed by some community members, these efforts were 'not very satisfactory.' Some respondents also stated that licences were still being granted on herders' pastureland.

In an effort to ease the negative impacts of mining, respondents highlighted how some mining companies provided grass and coal to impacted communities, hired community members in their mines, and purchased livestock from impacted herders. However, respondents expressed that such actions were done in a problematic and unsystematic way.

Overall, survey responses indicated business as usual in the soum. While there is monitoring of and increased awareness on the harmful impact of mining operations, follow through actions remain weak with little options for recourse for the community.

### Ulaanbadrakh Soum

Located in the east of Dornogovi-aimag, citizens of Ulaanbadrakh soum continue to suffer from Badrakh Energy's uranium mines.<sup>5</sup> In 2022, FORUM-ASIA and CHRDR's research revealed how the soum's geographical proximity to China made it a strategically significant soum for the country's gross domestic product (GDP).

Community members expressed their frustration with Badrakh Energy as well as Mongolia's justice system, highlighting how their efforts to gather and present evidence were always dismissed. Such dismissals were based on their alleged inability to prove a direct correlation between the mining operations and its negative impacts on their community, livelihoods, and environment. The toxic nature of uranium also shed light on women's reproductive health issues in the soum, with women alleging miscarriages and birth abnormalities in their children resulting from the harmful chemicals in the air from the mine. The report findings also pointed to the alleged deceptive tactics used by Badrakh Energy to continue operating in the area. An example of this was highlighted during the Environmental Impact Assessment (EIA) process. While community members are supposed to be consulted prior to approval of the EIA, in reality, Badrakh Energy was said to have used the attendance sheet from the meeting as approval without actually consulting with the community.

5 Badrakh Energy is jointly owned by the French company, AREVA Mongol LLC, which owns 66 per cent, and Mon-Atom LLC, on behalf of the Government of Mongolia, which owns 34 per cent



One year later, the situation remains the same. Survey respondents mentioned that there have been no positive developments regarding the community's rights. On the contrary, they mentioned that as a result of groundwater contamination from the uranium mines, the water in the community was declared unfit for consumption by the province centre. Additionally, they said that the government has remained absent, highlighting that no measures had been taken to protect communities from the impact of the uranium mines. Apart from government inaction, the respondents also pointed out that no restoration and rehabilitation work had been initiated by Badrakh Energy for the damage its operations may have caused.

The unchecked operations of the uranium mines—combined with the French government's recent commitment to boost economic ties with Mongolia by investing more in the latter's 'critical minerals'—have the potential to lead to disastrous consequences for the communities forced to bear the brunt of both countries' quest for 'energy sovereignty.'

### Khatanbulag Soum

Khatanbulag soum—given its proximity to China from the south—has always borne the burden and pressure to increase its contribution to Mongolia's GDP. The soum's permanently functioning border facility for easier movement of trucks across the border is testament to that.

FORUM-ASIA and CHRDR's research revealed the pressure from the national government on the soum government to increase revenues from mining. Additionally, the soum's location as a central transportation hub—through unpaved or partially paved roads—resulted in intolerably high levels of dust and air pollution, making it difficult for community members to even breathe. The research also revealed the flawed nature of the Engagement Agreements (EAs)—signed between transportation and mining companies and impacted communities—which resulted in unfair compensation, fracturing of community relationships, and suppression of free speech.

The situation now remains relatively unchanged.

Small efforts made by the local government were merely meant to pacify community members. However, such efforts have no meaningful impact. This includes the planting of 10,000 trees in an effort to reduce desertification, a citizen-led patrolling of special protected areas to ensure that no mining operations occur, and a temporary two-month halt on the use of transportation trucks in an effort to reduce dust pollution. However, the overall picture remains bleak.

CSO representatives mentioned how the soum was now in its seventh year without an environment inspector, effectively leading to the abandonment of all environmental protection work. Community members also stressed the continued deterioration in the quality of livestock, leading to reduced income. A year on, road constructions remain unfinished, with no end in sight for the struggling communities. Respondents also flagged the lack of transparency and access to information regarding mining and road construction contracts.

Similar to Ulaanbadrakh soum, Khatanbulag soum's geographical proximity to China and its prioritisation of economic growth over people's welfare could be detrimental not only to the rights of community members but also the environment.



## Situation of HRDs

In October 2022, the field team met with a number of HRDs and local NGO staff from the three soums to discuss their activities as well as the challenges they face. For many years, herders, villagers, and community representatives have been engaging with mining companies and government offices, urging them to respect the environment and uphold the rights of communities. Around half of these defenders are women. The HRDs filed petitions to halt harmful mining operations, held peaceful gatherings, and conducted research on the impact of mining operations. As a result of their invaluable work, HRDs reported experiencing judicial harassment, intimidation, surveillance, and at least one case of physical violence. In April 2021, Mongolia became the first Asian country to adopt a national law for the protection of HRDs. Nevertheless, many HRDs in the country continue to experience harassment.

The Law of Mongolia on the Legal Status of Human Rights Defenders, commonly referred to as the 'HRD Protection Law,' came after a legislative process that saw the participation of civil society and United Nations bodies. Despite the presence of two controversial provisions that could potentially hinder HRDs and their work, the law is considered a key tool for supporting and protecting HRDs.

The law assigned a pivotal role to the NHRM through the creation of a dedicated 'Committee on Human Rights Defenders' within the commission. The Committee's tasks include receiving complaints and investigating violations committed against HRDs.

At the time of the field research, the Committee was not yet operative and the appointment of its members was still ongoing. But by March 2023, the Committee was expected to begin its work, especially since all of its representatives have already been nominated.

According to an NHRM Commissioner who met the field team in 2022, the Commission was planning to organise a training for communities and state officials—including law enforcement agencies and justice operators—to enhance their knowledge on the HRD Protection Law.

A large majority of the defenders met by the field team were unaware of the HRD Protection Law. And only a few showed interest to learn more about the said law. The definition of 'a human rights defender' was also unknown to many HRDs. Likewise, there was a very limited understanding of the NHRM's role, and defenders' engagement with the commission was also minimal.

A year later, there have been no drastic changes to the situation of HRDs in the three soums. However, some positive developments were reported.

In Ulaanbadrakh soum, an HRD organised a protest against a mining licence granted in a protected area, followed by a press conference in the capital. As a result, mining operations were reportedly halted.

Meanwhile, in Khantabulag soum, HRDs organised three tri-party meetings with representatives from the mining sector and local governments. However, no progress was recorded after such meetings.

The overall low participation of HRDs to their community issues reflects a feeling of hopelessness, which was similarly expressed by defenders in 2022. A year later,



HRDs still experience the same types of harassment in Ulaanbadrakh soum.<sup>6</sup>

On a more positive note, HRDs reported having an improved awareness about the existence and role of the HRD Protection Law. As evidenced by the survey, community members in Dalanjargalan soum enhanced their knowledge and understanding of the law, as well as on the concepts of rights and responsibilities. Likewise, herders, NGO staff, and local government officials reported more familiarity with the HRD Protection law, mostly as a result of ad hoc trainings held on the issue.

On the contrary, the engagement of defenders and communities from the three soums with the NHRM remained low even after one year. After the formation of the Committee provided by the HRD Protection Law, defenders and community representatives stated that there were no instances where the NHRM reached out to them. The Commission's plan to disseminate information regarding the HRD Protection Law has not proven particularly successful either. Only in Khatanbulag soum did NGO staff and local government officials attend such a training organised by the Commission's representatives.

## Capacity Building and Advocacy Initiatives

Among the research report's key recommendations was to provide capacity building to community members on their rights and entitlements in order to increase their legal awareness and participation in policy-making processes.

<sup>6</sup> It has to be noted that this finding is solely based on the survey results, while it does not necessarily mean that violations against defenders did not occur in the other two soums.

One year later, there have been some promising developments in this area.

In Dalanjargalan soum, survey respondents mentioned that the government started providing more information about human rights as well as ways to protect the community's environmental rights. In addition, FORUM-ASIA and CHRD carried out capacity strengthening initiatives, with the goal of empowering communities to provide inputs to draft laws using the official D-Parliament website.<sup>7</sup> Such initiatives also trained communities on human rights research and documentation, the Sustainable Development Goals (SDGs), and the need to promote the safety and well-being of HRDs. Meanwhile in Khatanbulag soum, respondents conveyed an improved understanding of human rights, environmental rights, and the SDGs.

Another remarkable achievement was the increased understanding of the HRD Protection Law among herders from all three soums.

NGO staff from Khatanbulag soum also expressed more confidence in speaking up about their community's issues. In Ulaanbadrakh soum, local government officials expressed gaining greater ability to protect human rights. Meanwhile, local government officials from Khatanbulag soum said that they have not observed any human rights violations in the past year, despite conflicting claims made by community members.

Overall, such outcomes are valuable and give room for further improvement, taking into consideration the communities' and local governments' very limited awareness of the HRD Protection Law and the very concept of HRDs a year ago.

<sup>7</sup> <https://d.parliament.mn/>

In addition to capacity building, community members were also given more opportunities to voice their concerns and discuss potential ways forward through different advocacy spaces. CHRD conducted consultations with impacted communities regarding SDGs and the latest draft of the Law on Land and the Minerals Law of Mongolia. CHRD also held a forum wherein communities discussed issues surrounding mining and business and human rights, shared good practices on community development, and crafted action plans for individual and collective advocacies.

## Conclusion

While there have been some positive changes in the past year, there is still a long way to go in ensuring that communities impacted by mining are truly supported and protected.

To integrate a human rights-based framework into every step of their operations, businesses need to adhere to a much higher set of standards in both their policies and practices.

In addition, the Government of Mongolia must proactively hold businesses accountable for violations committed by them in keeping with national and international laws.

More needs to be done in terms of raising awareness about the HRD Protection Law. Lastly, the NHRM must continue to take steps to better protect the fundamental rights and freedoms of all HRDs in Mongolia.