PRESS RELEASE: Is Rio Tinto misleading its investors over QMM dam failures?



Civil society demands independent audits as lack of independent investigation into Madagascar mine tailings dam failures is exposed, and more local conflict erupts.

Key Points

- Rio Tinto's QMM mine in Madagascar experienced two dam failures in 2022, resulting in fish deaths & months of conflict.
- Over a year later, a promised independent investigation has not been carried out. Only an internal review with remote support from an external industry provider.
- A petition started by global consumer group Ekō with more than 77,000 signatures calling for independent audits has been delivered to Rio Tinto's London Head Office on 6 September.
- Rio Tinto has faced scrutiny after it destroyed ancient Aboriginal heritage sites at Juukan Gorge in Australia, including accusations from Traditional Owners that they were misled by Rio Tinto.
- The company is also having to fund an independent assessment of its legacy issues at Bougainville, where local people have lived with toxic tailings from Rio Tinto's Panguna mine for more than two decades.

77K signatures have been delivered in a petition to Rio Tinto demanding **independent audits** of Rio Tinto's QMM mine in Madagascar. The Ekō petition follows two tailings dam failures at the QMM mine in 2022, which resulted in fish deaths, a fishing ban, and months of conflict. The tailings dam failures occurred after a series of cyclones and heavy rains last February and March.

Amongst other frustration for civil society, and investors, has been the lack of a promised independent expert's report into the root cause of the dam failures. After waiting over a year for such a report, civil society activists have now determined that Rio Tinto never carried out an independent investigation of QMM's tailings dam failures.

A letter from the company's service provider shows that no site visit was ever made and only remote "support" given to a Rio Tinto internal review of the incidents. Having been promised the report by QMM from the said provider, Intersafe, and asking Rio Tinto/QMM for it repeatedly since April 2022, the Andrew Lees Trust and Publish What You Pay Madagascar are flagging to investors that QMM's reporting is inadequate and misleading.

Rio Tinto claims a significant role in helping UNEP and the Church of England Pensions Fund establish new Global Industry Standards for Tailings Management (GISTM). Rio Tinto's August 2023 status report on their mine tailings claims QMM had an "independent expert review"

in March 2022, - the same time that QMM said Intersafe would carry out its study. Investors are unlikely to agree that a Rio Tinto interval review, even if remotely supported by Intersafe, qualifies as "independent" and meets GISTM.

Perhaps more worrying for investors is the company's multiple opportunities to explain and state that there was never an independently conducted study and there would be no report from Intersafe, as expected – including during two AGMs following the events, one of which included a question on the subject from the floor. Hard to see how repeated obfuscation of this kind, and for well over a year, can meet investor expectations or stakeholders' needs.

It is now too late to inspect and discover what made the QMM tailings dam fail. Previous correspondence from the company suggests emergency and severe weather plans were in place so, what went wrong? QMM's Briefing papers on this subject - the only reporting on the incidents shared to date, state only that the root cause was lack of monitoring and risk analysis. The lack of credible explanation, and equally baffling delay in reporting the truth about the internal review, suggests multiple layers of negligence, if not deception, emerging in this story.

The Ekō petition echoes the demand for **independent audits of QMM** made at the AGM in 2023 by Andrew Lees Trust (ALT UK) and Publish What You Pay Madagascar (PWYP MG). The NGOs, with support from London Mining Network, have been pressing the company to resolve multiple issues with QMM over the last six years including: water contamination from elevated uranium and lead and human rights violations around compensation processes. Rio Tinto declined to agree to independent audits in April. Since then, the region has seen renewed civil unrest – the fourth outbreak of protests and conflict around QMM in less than two years, once again over water contamination and compensation issues. Civil society believes it may be time for Rio Tinto to learn its lessons from Bougainville and Juukan Gorge, listen, and allow independent audits.

NOTES AND CONTACT

QMM TIMELINE: https://earthworks.org/blog/timeline-of-events-at-the-qmm-mine-in-madagascar/

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PHOTOS
Credit: 3 Billboards outside Rio Tinto, London - Sennen Powell/London Mining Network
More images available, please contact press@londonminingnetwork.org