



## 23 September 2022

Mr. Jim Wormington Human Rights Watch

Subject: Human Rights Watch - Simandou OpEd

## Dear Jim,

Thank you for the opportunity to respond to your emails of 13 September 2022 regarding your upcoming opinion piece on the Simandou project. We deeply value your perspective and expertise and welcome the opportunity to create an ongoing dialogue between HRW, your Guinean partners, and ourselves as Simandou project partners to help inform and shape the future of this critical project for the benefit of Guinea and its people.

As you may be aware, Rio Tinto Simfer, Winning Consortium Simandou (WCS) and the Government of Guinea have incorporated a joint venture company to facilitate investment for the co-financing and co-development of the Simandou infrastructure (rail and port). Negotiations with respect to definitive joint venture arrangements enabling the partners to participate in the construction, ownership and operation of the multi-user infrastructure are ongoing. The Simandou infrastructure project involves the construction of the over 600-kilometre Transguinean railway connecting to a transhipment shuttle vessel and barging port in the Morebaya River estuary. Based on current discussions, WCS will lead the construction of phase one of the port and the mainline rail connecting the port to its holdings, Blocks 1 and 2, and Rio Tinto Simfer will construct the rail spur line connecting its holdings, Blocks 3 and 4, to the mainline rail and phase two of the port.

The development of the Simandou project provides Guinea with a unique opportunity to harness economic drivers which will enable sustainable development and growth. The infrastructure system offers a significant catalyst for economic development, creating a southern growth corridor with the potential to enable development in primary non-mining sectors such as agriculture, forestry, horticulture and aquaculture, contributing significantly to Guinea's GDP and transforming this region into one of the most prosperous and productive parts of the country.

That said, Rio Tinto Simfer and WCS are acutely aware that alongside these opportunities, the project will be constructed and operated in a unique environment that presents significant challenges. In recognition of these environmental and social impacts, Rio Tinto Simfer and WCS are seeking to create a collaborative approach to solving complex environmental, social and governance challenges and managing critical risks across the infrastructure scope.

Ensuring we have an approach that delivers the right outcomes for all project partners is front and centre: from ensuring transparency on issues like taxes and royalties, to building a local content strategy and leveraging regional economic development. This includes the Government of Guinea, which has set out the requirement to meet international environmental and social standards in the agreements that underpin the infrastructure project.

Discussions are ongoing to finalise project agreements with the Government of Guinea, and all partners are committed to developing the project in accordance with Guinea's national laws and regulations as well as international environmental and social performance standards, including the Voluntary Principles on Security and Human Rights. Furthermore, we are committed to respecting internationally recognised human rights as set out in the United Nations' (UN) Universal Declaration of Human Rights, and to implementing the UN Guiding Principles on Business and Human Rights.

A considerable amount of work has already been undertaken to support effective environmental and social impact management, including the safeguarding of rights:

• We have completed the initial phase of an independent human rights risk assessment which will form the basis for a cross-functional human rights due diligence for the project. It also provides a road map for establishing a robust system of governance and will inform environmental and social management plans to ensure human rights are adequately safeguarded.





- Environmental and social impact assessments have been completed by WCS for the mainline rail and phase one of the port, and Rio Tinto Simfer is currently updating the impact assessment for the mine and rail spur line, as well as completing an impact assessment for future port expansion. These are expected to be finalised in 2023. WCS and Rio Tinto Simfer are committed to publishing this information once these assessments are complete.
- In addition to the internal assurance and governance regimes of the respective entities, discussions are underway regarding an independent audit regime which would monitor project delivery against agreed international environment and social performance standards. Finalising discussions with the Government of Guinea will enable us to complete environmental and social management planning and progress implementation.
- Both Rio Tinto Simfer and WCS have established grievance and complaints procedures and, consistent with your suggestion, discussions have commenced with regards to aligning these mechanisms.
- We are also exchanging best practice on the management of risks pertaining to the implementation of the Voluntary Principles on Security and Human Rights (VPSHR) and a joint approach will be adopted with the Government of Guinea as to how we meet our commitments to these Principles.
- Rio Tinto Simfer and WCS are adding considerable capability and resourcing to the respective Environment and Social Management teams including botanists, ecologists, archaeologists and social expertise in project-induced migration, land access, resettlement and human rights across the project footprint.
- A number of training and development workshops have already been held between Rio Tinto Simfer and WCS on critical environmental and social risk areas. Even as we speak, Rio Tinto's Global Human Rights team is currently in Guinea conducting a number of human rights workshops and will be initiating human rights training for our Guinea-based teams. This will be the first step in our ongoing effort to enhance capability within the venture, across our supply chain and among key external stakeholders.

We recognise that building a productive relationship between the partners and developing a joint problem-solving approach will be one of the most effective measures to help ensure adverse impacts are managed and rights are safeguarded. This requires the Government of Guinea, Rio Tinto Simfer and WCS to work collaboratively to establish appropriate governance frameworks which allow for risks and issues to be managed in a timely, transparent and appropriate manner. These matters are under consideration as part of ongoing negotiations, and we are committed to sharing additional details in due course.

We recognise that partnership, particularly with experts such as yourselves, is critical to the long-term success of the Simandou project. We look forward to building on this dialogue with yourselves and your Guinean partners, and particularly seeking your insights into how we can ensure appropriate safeguards are in place as Simandou is developed. With your permission, we would like to schedule a briefing at a mutually convenient time to further discuss these matters.

**Gerard Rheinberger** 

Managing Director – Simandou, Rio Tinto

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CEO - Winning Consortium Simandou SAU