Friends of the Earth - U.S. and Friends of the Earth - Canada submitted an amicus brief last week in the NAFTA Chapter 11 case brought against the U.S. by Glamis Gold, a "Canadian" gold mining company.

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U.S. and Canadian Environmental Groups File Amicus Brief in \$50 Million NAFTA Suit

Groups Oppose Controversial Challenge by "Canadian" Gold Mining Company

Washington and Ottawa ---- Friends of the Earth-Canada and Friends of the Earth-United States today joined in submitting an amicus brief opposing the controversial NAFTA suit brought against the United States by Glamis Gold, a gold mining company with corporate headquarters in Reno, Nev., and incorporated status in British Columbia, Canada.

The Glamis claim uses investor rights provisions in the North America Free Trade Agreement (NAFTA) to demand \$50 million compensation from the United States. The suit concerns a California law that requires mining companies operating near Native American sacred sites to comply with more stringent environmental standards.

The brief filed by the Friends of the Earth groups argues that Glamis Gold should be barred from bringing the NAFTA case because the company has its headquarters and main operations in the U.S. and only a tenuous connection to Canada. Investors can only seek compensation under NAFTA for the regulatory actions of foreign governments. While Glamis is incorporated in Canada, it has no operations, or offices, in the country.

"As a company that looks, smells and feels like a U.S. company, it's unacceptable for Glamis to try to use NAFTA rules to challenge our country's environmental and public interest laws," said David Waskow, International Program Director at Friends of the Earth - U.S.

"Glamis is clearly attempting an end-run around the U.S. legal system."

Graham Saul, International Program Director at Friends of the Earth Canada adds, "Although there are more mining companies incorporated in Canada than in any other country in the world, many of these companies don't have mining operations in Canada. Their physical presence consists of little more than a post office box at their lawyer's office in Vancouver. Mining companies shouldn't be allowed to wrap themselves in the Canadian flag for the purposes of undermining environmental policy." Glamis has sought to operate an open-pit gold mine in California using cyanide-heap leaching technology. The company filed its NAFTA suit in 2003 after California took legislative action requiring clean-up operations that the company claims would make its planned mine in southeastern California "uneconomic." California acted after the Bush administration overturned an extensively reviewed decision by the Interior Department under President Clinton that denied mining permits to Glamis because of likely impacts on the environment and Native American religious sites.

To view the Amicus Application from Friends of the Earth - Canada and Friends of the Earth - U.S. see: <u>http://foecanada.org/Amicus_Application.pdf</u>

To view the Amicus Submission from Friends of the Earth - Canada and Friends of the Earth - U.S. see: <u>http://foecanada.org/Amicus_Submission.pdf</u>

The Quechan Indian Nation, whose sacred sites would be impacted by the mine, has also filed an amicus brief with the NAFTA panel.