



## **Destruction contravenes financiers principles**

By Andrew MacLeod

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In the concluding remarks of a letter we mentioned last week to Tsartlip chief Chris Tom about the sacred cave on Spaet—or Skirt—Mountain, cave specialist Paul Griffiths offers some suggestions that get well into the realm of politics. He points out HSBC Bank Canada is a principal lender to the project. It is unclear how much money HSBC has put behind the development, but documents filed with the City of Langford confirm the bank holds a mortgage on it. HSBC proclaims, Griffiths says, “to be one of the world’s most progressive and proactive banking organizations.”

HSBC has pledged to follow the Equator Principles, which set ethical targets for financial institutions. A website about the principles says, “Negative impacts on project-affected ecosystems and communities should be avoided where possible, and if these impacts are unavoidable, they should be reduced, mitigated and/or compensated for appropriately.”

It continues, “We believe that adoption of and adherence to these Principles offers significant benefits to ourselves, our borrowers and local stakeholders through our borrowers’ engagement with locally affected communities. We therefore recognise that our role as financiers affords us opportunities to promote responsible environmental stewardship and socially responsible development.”

A spokesperson for HSBC in Toronto, Sharon Wilks, says in an e-mail that the Equator Principles “apply to major infrastructure financing which is usually for large, complex and expensive installations that might include, for example, power plants.”

For reasons of client confidentiality, she says, she can’t comment on a specific customer, such as Bear Mountain. Nor can she say how the institution’s credit guidelines are applied in Canada since the bank considers that confidential competitive information.

In his letter to chief Tom, Griffiths writes, “HSBC may have already judged that the development project activities to date did not exactly match with its avowed lending principles and policies related to safeguarding natural and cultural heritage values.” He suggests HSBC is “acutely conscious” of the additional impacts development may have on the cave and “may be predisposed to working to protect the cave and rehabilitate the cave site.”

Griffiths has also, by the way, written premier Gordon Campbell asking him to intervene to prevent the destruction of the Spaet cave.

Nor is the cave the only feature HSBC may be hearing about. Songhees land manager Cheryl Brice says she’s provided her chief and council with a list of other significant sites on Bear Mountain property. And a 2005 report by Enkon Environmental Ltd. found the Florence Lake North Subdivision, proposed for an area next to Spaet Mountain, would impact 27.45 hectares of sensitive ecosystems.

That includes over 20 hectares of Garry oak meadow which contain numerous red-listed species considered to be at high risk of extinction or extirpation.

But then, what are a few red-listed species or ethical principles worth to HSBC when there’s a buck to be made?