

OE CD Conference on Foreign Direct Investment
and The Environment

Lessons from the Mining Sector:
Sustainable Development and Voluntary
Approaches to Enhanced Performance

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Introduction

- Legacy Issues: Rhetoric, Reality & Reputation
- Mining, Minerals and Metals Industrial Sector at Historic "Tipping Point"
- First Industrial Sector to Undertake Comprehensive Evaluation of its Contribution to Sustainable Development
- Good Things are Happening: Global Mining Initiative

Global Mining Initiative

- Mining, Minerals & Sustainable Development Project (MMS D)
- Toronto GMI Multi-Stakeholder Engagement Conference (May 12-15)
- Established International Council on Mining & Metals (ICMM)

Voluntary Mining Initiatives

STRENGTHS :

- “Agreed” Global Best Practice Norms
- Informs Development of Corporate Sustainable Development Policies
- Initial Differentiation of Leaders from Laggards
- First step towards Independent Certification

Voluntary Mining Initiatives

WEAKNESSES:

- “Enron Shadow” (Accountability)
- Lack Independent Verification
- Lack Stakeholder & Public Confidence
- Not Uniformly Accepted or Applied
- Not Rewarded in the Marketplace
- Growing Voluntary Initiative “Fatigue”

CYANIDE CODE

- First performance based voluntary code for mining sector
- Launched by gold producers, UNEP, ICME to address urgent cyanide mgt. needs
- Not perfect but important first step
- Cradle to grave management of cyanide including producers & users
- Developed via multi-stakeholder process
- Requires independent 3rd party audits every 3 years
- Public report of results
- Independent organization to oversight

Voluntary Performance Codes: Principles

- Science Based
- Timely
- Accountable
- Rigorous
- Transparent

Multi-Stakeholder Engagement

PRINCIPLES :

- Inclusive of all relevant stakeholder groups
- Equitable opportunities for participation
- Participant performance expectations clear
- Desired outcomes agreed early in process
- Informed and sensitive to diverse views
- Informed and science/analytically-based
- Transparent and open process

ICMM Supports Sustainable Development that:

- Promotes economic progress
- Products & services improve quality of life
- Builds enduring institutional capacity
- Responsible management of mineral wealth
- Alleviates poverty
- Creates sustainable livelihoods
- Operations safe, environmentally & socially responsible
- Decreases environmental footprint along the value chain (integrated materials management system)
- Transparent & verifiable performance

The Way Forward:

- Mining & Metals Leadership committed to change
- **E n o r m o u s** challenges -- as well as opportunities
- Capacity building to enforce performance is key
- Time to move from rhetoric to reality
- Informed and responsible multi-stakeholder engagement essential
- Although the way forward will be difficult.....

“Far better to light one candle than to stand
around and curse the darkness”

International Council on Mining and Metals

“Dedicated to economic progress,
environmental protection
and social responsibility”

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