

Report of the Initial Scoping Meeting on the European Regional Process

Brussels, 5 December 2000

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Background

The Mining, Minerals and Sustainable Development project is an independent process of participatory analysis aimed at identifying how mining and minerals can best contribute to the global transition to sustainable development. Central to the project is a series of regional processes in the world's main mineral producing and consuming regions. These processes involve partnerships with local institutions who will carry out a range of activities, including research, stakeholder engagement, communications and planning for outcomes. The meeting held in Brussels on 5 December 2000 was designed as an initial forum for exploring how MMSD might work at the regional level in Europe.

Rather than representing a formal multistakeholder consultation exercise, the meeting was an attempt to seek the advice of leading individuals knowledgeable of some of the critical dimensions of the minerals cycle in Europe. Experts or representatives from certain key stakeholder groups were unable to attend the Brussels meeting, notably metals processors, recycling industry, labour unions, manufacturers and consumers. MMSD appreciates that these absences mean this initial discussion could not be fully representative and recognises that a priority for follow-up is to involve these and other groups.

The MMSD team would like to thank Corina Hebestreit, Executive Director of Euromines, for providing logistical support and the location for the event, as well as Raymond Van Ermen, Executive Director of European Partners for the Environment, who chaired the meeting. The team is also grateful for the input from all the participants.

I Introduction

The objectives of the Brussels meeting were five-fold:

- To present MMSD to European specialists
- To identify where MMSD might add value
- To consider the scope of a European process
- To discuss practical mechanisms for implementation
- To agree how to move forward

Following a brief presentation on the MMSD project (see 0 for the full presentation), participants sought clarification on a number of points:

- Assurance Group: The Assurance Group has the mandate of ensuring the quality, integrity and independence of the MMSD initiative; members of the Group participate in their individual capacity.
- Links to Other Initiatives: MMSD is aware of the World Bank's pledge to establish a commission on mining, oil and gas industries and expects that many of the outcomes of the MMSD project will feed into this work, which is likely to take place after the

completion of MMSD. MMSD is also committed to working with existing institutions and associations working on these issues and maintains on-going contact with the Mining and Energy Research Network, the International Council for Metals and the Environment and others, to identify synergies and possible areas of collaboration.

1.1 Scoping a European Regional Process

Defining a possible regional process in Europe involves four main dimensions (see 0 for the full presentation):

1. Geographical: How to respond to the diversity and extent of Europe, East and West?
2. Issues: How to identify the priority issues facing minerals production and consumption in Europe?
3. Stakeholders: Which stakeholders need to be involved and how?
4. Existing Initiatives: Where can MMSD add value to the many existing initiatives?

In the subsequent discussion, a number of common themes emerged:

- *Making Integration Work*: Underlying the goal of sustainable development is the need to integrate social, economic and environmental factors in decision-making. A number of participants highlighted how difficult it still is to “synchronise” economic and environmental decision-making in government, particularly in countries where environmental authorities are weak and fragmented.
- *Dealing with Diversity*: Questions of sustainable development differ markedly across Europe. For example, many important issues relating to sustainable development in the mining and minerals sector are the responsibility of national governments, and priorities differ markedly within and between countries. It is critical for MMSD to link up with existing efforts at the local and national levels, and recognise the different approaches, experience and capacity for stakeholder dialogue across the continent. Substantial differences exist between EU non-member states (e.g. Central and Eastern Europe; Balkans; former Soviet Union; Turkey). A focus on the EU and Accession countries was recommended.
- *Taking a Strategic Life Cycle Approach*: There was strong support for taking a life cycle approach to minerals and sustainable development, looking at the dynamics between the different issues along the chain. Thus, the critical issue becomes how to generate value from minerals in a sustainable way – not how to promote ‘sustainable mining’. Clearly, the particular issues are very different for each mineral. Overall, envisioning the future patterns of supply and demand for key minerals in the context of sustainable development is a crucial dimension currently missing from many on-going projects.
- *Improving the Information Base*: The need to improve information was generally recognised: for producers, investors, designers, consumers, regulators and citizens. High quality accessible information is the basis for better decision-making and industrial innovation. An important aspect of this is the development of indicators for different aspects of sustainable development, as a means of measuring performance.

- *Critical Issues:* Participants pointed to a number of critical issues:
 - Measuring flows of minerals through the European economy
 - Tackling the sustainable development dimension of Europe’s mineral imports and international ‘footprints’
 - Developing tools to help SMEs improve performance, such as a set of sustainable development indicators appropriate to SMEs and the development of standardised evaluative criteria for SMEs, corresponding to the ISO14001
 - Rehabilitating old and abandoned mines
 - Introducing financial bonding for mine operations
 - Exploring an industry-wide fund for clean-up
 - Developing industry-wide disaster response mechanisms
 - Dealing with the consequences of mine closure
 - Addressing liability for environmental damage
 - Utilising residues from mining and processing
 - Devising methods to control ‘cowboy’ operators
 - Helping citizens to gain access to decision-making processes
 - Looking at questions of land access for mining
 - Assessing the role of voluntary measures
 - Responding to continuing policy incoherence

- *Existing Initiatives:* A number of existing initiatives were cited (see box), and the challenge is to see how MMSD at a regional level could work creatively with these and others.

2 Some Existing Initiatives

- Commission Communication and Council Resolution on the Non-Energy Extractive Industry and Sustainable Development – Working Group on Indicators
- Fifth Framework Programme on Research and Technological Development, including the Environmental Regulation of Mine Waters in the European Union (ERMITE), and the European Thematic Network on Extractive Industries (EUROTHIEN)
- Proposed EU Strategy on Sustainable Development (Göteborg, June 2001)
- Proposed EU Sixth Environmental Action Plan
- The International Study Groups’ Non-Ferrous Metals Consultative Forum on Sustainable Development
- Aarhus Business and Environment Initiative’s eco-efficiency programmes in Central and Eastern Europe
- EPE/WBCSD indicators for EU convergence towards sustainable development
- The Report of the Baia Mare Task Force
- EuroGeoSurvey’s Survey of Mining Waste

2.1 Building the European Process

MMSD has been developing a common model for the regional processes in different parts of the world. (For the presentation on 'Building the European Process', see 0) Key characteristics include

- Being acceptable to all stakeholders
- Credibility in sustainable development
- Credibility in mining and minerals
- Commitment to high quality work
- On-going institutional existence
- A role in education/research

Given the early stage of the process in Europe, it is important to consider interim arrangements to get activities underway – particularly, an organisation that can work with MMSD in moving towards the next stage of the process, along with a number of key individuals willing to help advise and steer this process. MMSD would welcome nominations for individuals and institutions willing to be considered for these tasks.

In conclusion, a provisional list of five key issues were proposed that could be further elaborated by the European regional process:

1. Strategy: Developing a long-term vision for the mineral value chain in Europe
2. Accession: Exploring a 'minerals and sustainable development' dimension to the Accession process
3. Information: Better understanding of the information needs of different stakeholders, considering appropriate internal corporate management and initiatives such as the Aarhus Convention
4. SMEs: Focus on practical management tools for mining SMEs
5. Tools & Instruments: Addressing regulatory gaps (e.g. liability)

In addition, European perspectives and research could also be integrated into comparative work that MMSD is doing at the international level on

- Land access
- Abandoned mines
- Corporate responsibility

The next step is to identify an interim regional partner who will be responsible for

- prioritising critical issues
- widening the scope of consultation
- developing a specific proposal that can be put before a wider stakeholder group

3 Appendices – Presentations

Appendix I-Overview of the MMSD Process

The Mining, Minerals and Sustainable Development Project

- 2-year global project ending with the Earth Summit in 2002
- Objective to “identify how mining and minerals can best contribute to the global transition to sustainable development”

Where did MMSD come from?

- Idea originated with CEOs of 7 global mining companies who recognised that
 - conditions in which the industry operates were changing dramatically
 - the industry was facing increasing pressure to improve its social, environmental & economic performance
 - companies alone could not resolve these issues

1998 Scoping Report

- Set out the global challenge of SD facing the mining and minerals industry
- Proposed
 - an independent process of analysis and stakeholder engagement
 - an integrated approach tackling social, economic and environmental dimensions
 - a comprehensive view addressing life cycle issues of minerals production and consumption

MMSD is formed

- December 1999 – CEOs accepted recommendations of Scoping Report
- April 2000 – MMSD launched with IIED under contract to WBCSD
- December 2001 – Deadline for draft report

What does the process involve?

- At global and regional level a multitude of activities all involving
 - Research and analysis
 - Stakeholder engagement
 - Planning for outcomes
 - Information, communication & dissemination

These elements work together to produce...

- A strategic agenda for change
- Based on a foundation of careful analysis
- Understood and supported by stakeholders

- With clear and accepted processes for ongoing implementation

Who is involved in MMSD?

- At global level, MMSD comprises 3 groups
 - Work Group
 - Assurance Group
 - Sponsoring Group

MMSD Work Group

- Headquarters at the International Institute for Environment and Development in London
- Responsible for executing the Work Plan at a global level and coordinating regional activities

MMSD Assurance Group

- Responsible for assuring the independence, quality and integrity of MMSD
 - Will eventually have 24 members
 - Members stand as individuals and are selected for their diverse backgrounds and knowledge

MMSD Sponsoring Group

- Convened by WBCSD
- Industry and non-industry
- Industry sponsors include about 30 of the largest mining companies & contribute about 60% of costs
- Non-industry sponsors include international organisations (UN agencies, World Bank); governments; NGOs

MMSD Regional Processes

- Partnerships with existing organisations to carry forward MMSD work at regional level
- 6-7 of the principal mineral producing and consuming regions
- High degree of autonomy
- Developed through consultation with regional stakeholders
- Contribute to research, engagement, outcomes and communication
- Continue after the life of MMSD

The Importance of Regional Processes

- Maximise benefit of existing research & initiatives
- Priority issues differ between regions

- Accomplish broad stakeholder engagement
- Provide the basis for ongoing networking, dialogue and research

MMSD's Package of Outcomes

- Global and regional reports
- Continuing regional processes
- Trusted platforms for engagement & dialogue
- Agreement on agenda for change

European Meeting Objectives

- Present MMSD to European stakeholders
- Identify where MMSD might add value
- Consider the scope of a European process
- Discuss practical mechanisms for implementation
- Agree how to move forward

Appendix 2-Defining the Regional Process in Europe

Defining the Scope

- Geography
- Issues
- Stakeholders
- Existing Initiatives

Geographical Scope

- Recognise extent and diversity of "Europe"
 - European Union 15
 - Accession Candidates
- A single process for East and West?
- A suite of national processes?

Issues – Current MMSD Dilemmas

Dilemma 1: Market Failure

Dilemma 2: Industry Dynamics

Dilemma 3: Equity

Dilemma 4: Governance

Dilemma 5: Information

Dilemma 1: Market Failures

- Assessing, minimising and paying for social, health and environmental impacts:
 - Who pays for the past?
 - Preventing accidents and damage?
 - Dealing with risk?
 - Planning for future generations?

Dilemma 2: Industry Dynamics

- Envisioning sustainable futures for current minerals extraction, processing, consuming industries:
 - Balancing new inputs, efficient use and recycling?
 - Supply chain pressures?
 - Delivering “minerals services”?
 - Effective paths for change?

Dilemma 3: Equity

- Designing a more equitable and durable distribution of benefits:
 - Capturing value in mining regions?
 - Location of value-added processing?
 - Overcoming corruption?
 - Jobs and livelihoods in the transition?

Dilemma 4: Governance

- Boundaries of responsibility of governments, business and civil society:
 - Renewing public institutions?
 - Changing corporate culture?
 - Strengthening capacity?
 - Building real partnerships?

Dilemma 5: Information

- Adequate information for stakeholders to make informed decisions:
 - Analytical priorities?
 - Credible data?
 - Reporting: who and how?
 - Right to know?

Involving Stakeholders

- Identifying key regional stakeholders:
 - Government (local, national, regional)
 - Business (mining, processing, consuming, re-use)
 - Labour
 - Finance (public, private)

- Civil Society (environment, health, human rights)
- Research
- Who is missing and how to engage?

Building on Existing Initiatives

- Examples:
 - Government policy (e.g. EC, Study Groups)
 - Industry association (e.g. EHS, risk assessments)
 - Research community (e.g. mine site, material flows)
 - NGO campaigns (e.g. mine spills, ‘footprints’)
- Where are the gaps and opportunities?
- Where can MMSD add value?

Recap

- Geographical scope?
- Critical issues?
- Stakeholder involvement?
- Existing initiatives?

Appendix 3-Building the European Process

Regional Activities

For regional, global and specialised topics:

- Research & Analysis
- Stakeholder Engagement
- Planning for Outcomes
- Communication & information dissemination

Project Structure

- Needs to be regionally appropriate and acceptable to principal stakeholder groups
- Should comprise
 - Steering Committee
 - Regional Coordinator
 - Partner organisations
 - Regional Sponsors

Steering Committee

- Should comprise 10-15 individuals representative of principal stakeholder groups
- Key responsibilities:
 - Provide advice & support to 'Work Group'
 - Peer review and approve Work Plan & outputs
 - Engage with stakeholders in their constituencies

Regional Partners

- Responsible for executing & administering work, including fund raising
- Which organisation(s) might form the Regional Partnership?

Regional Partner Characteristics

- Acceptable to all stakeholders
- Credibility in SD
- Credibility in mining and minerals
- Commitment to high quality work
- On-going institutional existence
- Highly desirable – some role in education/research

Other Roles

- Partnership in global and/or regional research

- Sponsorship
- Contracted research
- Involvement in workshops/other engagement activities
- Communication & stakeholder engagement
- Implementation of outcomes

Where from here?

- Identify a Regional Coordinator & Work Group
- Identify Regional Partner Organisation/s
- Develop a Steering Committee
- Develop a Regional Sponsors Group
- Prepare a work plan of activities for next 13 months

Appendix 4-List of Participants

Ross Bartley	Bureau of International Recycling
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