



## Mining, Minerals and Sustainable Development Project

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# PROJECT NEWS BULLETIN

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## DRAFT REPORT COMMENT PERIOD UNDERWAY

Since the release of the Draft Project Report on 4 March, MMSD has been encouraging the general public to provide comment on this document. This seven-week comment period (running up to 17 April 2002) is intended to provide interested individuals or organisations an opportunity to respond to, criticise, or point to gaps in the Report's analysis, or suggest where there is any lack of balance in its findings and recommendations.

Comments received will help improve the Report to maximize its value for everyone in the sector. They will also assist in ensuring that the proposed ways forward are as realistic as possible. This period is not intended to build consensus among stakeholder groups on the views presented in the Report; the objective is to present

an opportunity for receiving – and providing – feedback on the Project’s conclusions to date.

This process is now well underway with just one week of the comment period remaining. The level of participation has been very encouraging and MMSD has received comments from a wide range of individuals and organisations. To date, over 800 copies of the Report have been distributed – electronically or in hard copy – to interested groups or individuals targeted by MMSD, or to those who specifically asked for copies. MMSD’s Regional Partners and the MMSD Assurance Group have also been instrumental in disseminating the Report more widely to their own constituencies.

Comments have been received at the Regional Forums and other external events (see articles below), and so far over 50% of comments received have been via email, with the most commented on chapters being Chapters 8 (Minerals and Economic Development) and 13 (Artisanal and Small-scale Mining). Chapter 16, the Agenda For Change, has also received a significant number of comments.

The response so far has been very good, but MMSD is keen to elicit more. There are a number of ways in which to comment: through the form on the MMSD website at <http://www.iied.org/mmsd/draftreport/comments.html>, by sending an email to [mmsddraftreport@iied.org](mailto:mmsddraftreport@iied.org), fax to +44 20 7831 6189, or post to 1a Doughty Street, London WC1N 2PH, UK.

You can view comments received on the Draft Report on our website, at [http://www.iied.org/mmsd/draftreport/rcv\\_comments.html](http://www.iied.org/mmsd/draftreport/rcv_comments.html).

*\*To have your say on the Draft Report, be sure to get comments to us by 17 April.\**

## ‘BREAKING NEW GROUND’

The MMSD Final Report will be entitled **Breaking New Ground: Mining, Minerals and Sustainable Development**. It will be available as a final print version in late June and is being published by Earthscan. The Report will be available in pre-press format prior to the Global Mining Initiative Conference scheduled for 12-15 May 2002 in Toronto. For more information, contact [mmsd@iied.org](mailto:mmsd@iied.org).

## SECOND WORKSHOP ON INDIGENOUS PEOPLES AND THE MINERALS SECTOR

MMSD finished its cycle of 23 global workshops and experts meetings with a second workshop on Indigenous Peoples Issues and the Mining and Minerals Sector. This event was a follow-up to an indigenous peoples-only meeting held in Quito in September 2001. The workshop – taking place on 4-6 February 2002 in Perth, Western Australia – was organised in partnership with the Australian Minerals and Energy Environment Foundation (AMEEF), MMSD’s regional partner in Australia. 67 participants attended the event, arriving from twelve countries and representing

various constituencies in Australia, Canada, Ecuador, Indonesia, Kyrgyzstan, Panama, Papua New Guinea, Peru, the USA and Zambia. Stakeholder groups included indigenous people and individuals from community organisations, governments, companies, universities, research institutions and consultancy firms.

The first two days of the workshop focused on indigenous peoples' rights in relation to minerals exploration and mining on indigenous territories. A later session expanded on the need to develop industry, government and communities' capacity for engagement with one another. The second day concentrated on the issues related to the development of lasting positive relations among mining companies, governments and indigenous communities. The workshop was organized around panel, plenary and small group discussions.

A session reserved for indigenous participants took place on the third day. One of the key recommendations to emerge from the Quito workshop was the need for an international indigenous organisation to monitor the performance of the mining sector with regard to relationships with indigenous peoples – including government, industry and civil society – on issues affecting indigenous peoples.

Participants noted that such an organisation could:

- strengthen communication and improve dialogue among indigenous peoples and between indigenous peoples and other stakeholder groups, which was believed to be key for developing their capacity to actively participate most effectively in the decision-making process;
- help to bridge the cultural divide separating indigenous peoples from other stakeholders by raising awareness and understanding of indigenous peoples' issues;
- make business sense, since it could – in the absence of international standards or a set of coherent principles – educate companies about the concerns of indigenous peoples;
- institutionalise, at the international level, a consultation process that would enable indigenous peoples to have a greater say and control over decision-making processes affecting them;
- enable indigenous peoples to strategically determine their own development priorities;
- act as a repository of knowledge with regard to best practice in indigenous peoples' interaction with the sector.

A full report on this workshop will be posted on the Project's website shortly. For more information, contact Andrea Steel at [andrea.steel@iied.org](mailto:andrea.steel@iied.org).

## REGIONAL FORUMS AND EVENTS

The four MMSD regional processes have now held their regional forums to discuss the global Draft Report, their individual regional reports and the way in which regional findings can best be integrated into the global Report.

The **MMSD North America** discussion of the global Report was hosted by the Mackay School of Mines at the University of Nevada, Reno on 18-20 March. MMSD

North America arranged a diverse group to provide feedback to the London team as they revise the Report for publication. Each chapter of the Report was reviewed by at least one individual, who made a short presentation, followed by a round-table discussion. Much of the debate focused on the Agenda For Change and how to tighten the recommendations and draw out the key messages of the Report to ensure the broadest readership.

**MMSD Australia's** regional forum was held on 22 March in Melbourne. MMSD's regional partner in Australia, the Australian Minerals and Energy Environment Foundation (AMEEF), hosted the Forum which provided an opportunity for members of the regional reference group and others to meet and discuss both the MMSD Australia and MMSD global Draft Reports. Presentations and panel sessions were followed by open discussions which raised questions on the content of the Reports and the process forward after the Project ends in May.

On 21 March, members of the Project team from both London and Australia met with representatives of several Australian government departments, including Industry Trade and Tourism and the Department of the Environment, to provide an overview of the MMSD Draft Report, to solicit comments and to discuss the post-Report schedule and events. Other meetings were held with representatives of industry associations and from the Aboriginal and Torres Straits Islanders Commission (ATSIC). ATSIC were asked to provide commentary on the Report and to offer advice with respect to best practice relationships between companies and indigenous peoples.

The **MMSD South American** forum was held on 3-4 April in Lima. The meeting was organised by the Project's partner institutions in South America and hosted by the Grupo de Análisis para el Desarrollo, national partner in Peru. Regional and national coordinators, the regional Advisory Group, and other individuals who have actively participated in the South American process, discussed the Project's Agenda for Change and its implications for South American countries. The region's contribution to the Project's global Report was also debated.

The **MMSD Southern African** forum completed the series yesterday in Johannesburg. Further reports on this and the other forums will follow in the next bulletin.

*For further information on MMSD's Regional Processes see the relevant page of our website, <http://www.iied.org/mmsd/aroundworld.html>.*

## **WORLD MINES MINISTRIES FORUM**

MMSD co-sponsored the recent World Mines Ministries Forum (WMMF) in Toronto. On 14 March, MMSD Project Director Luke Danielson made a keynote speech on Governance Issues in the Mining Sector, in which some of the principal conclusions from the Project's Draft Report were outlined.

The Project also hosted a workshop entitled 'MMSD: An Agenda for Change in the Minerals Sector.' This workshop provided an opportunity for attendees to comment

on, debate and contribute to the MMSD Draft Report and specifically on two proposals contained in the Agenda For Change. There were over 100 attendees at the workshop.

The first half of the workshop discussed whether the minerals industry was ready for a Sustainable Development Code, and was chaired by Luke Danielson. Three speakers – Jay Hair of ICMM, Doug Fraser, DJ Fraser Consultants Ltd, and Marcos Orellana from the Environmental Law Institute – introduced the discussions. Issues which they emphasized included: the need to demonstrate the business case for sustainable development; building on MMSD findings and other existing initiatives; and strengthening the international and national legal framework. In breakout discussions, attention was focused around this question: *What are the conditions for the successful implementation of a sustainable development code for the minerals industry?*

Key conclusions from the breakout session were:

- different countries have different perceptions of sustainable development;
- the importance of national legal framework needs to be emphasized; the code must not conflict with national legislation;
- the sustainable development code (of conduct) should be voluntary, and should be part of an inclusive and long-term multi-stakeholder engagement strategy; it should be developed with other key stakeholders; it should be reviewed periodically to reflect progress; it should apply to the full minerals cycle, not just mining; it should include sanctions against non-compliance and involve third party, independent and professional verification;
- the code at the global level could be supplemented by national and regional level efforts;
- there are concerns about liability and legal implications;
- there is a general agreement that the industry needs to step forward to demonstrate its willingness to improve its performance.

The second session, chaired by Craig Andrews of the World Bank, was subtitled ‘Transparency and Governance in the Management of Mineral Wealth’ and featured presentations from John Stewart, consultant with the South African Chamber of Mines, Daniel Meilan, independent consultant from Argentina, and Miguel Schloss, Executive Director of Transparency International. Meilan gave a case study on the institutional framework for managing minerals development in Argentina, whilst Stewart emphasized the need for governance and transparency policies to ensure that competition to attract investment will not lead to a race to the bottom. Schloss discussed the need to encourage transparency and anti-corruption practices in the minerals sector through collaboration between industry and civil society. At the breakout session, the following questions were posed: *What policies on revenue distribution and transparency should be in place to attract investment and ensure development? What, therefore, is the key message for the Monterrey Conference on Financing for Development [held in March 2002]?*

Key findings from the second set of breakout discussions were:

- ‘one size does not fit all’ – each country has to set its own policy framework;
- capacity building for all actors is essential;

- there should be a system of structured revenue-sharing within a well-defined legal system, which allows a portion of the revenue to stay with the communities;
- there is a need for clear understanding of the impacts of all kinds of benefits, not only cash, and integrated closure planning;
- corruption is destructive and hinders development – the discretionary power of authorities should be reduced;
- public disclosure is needed, including company payments to governments at all levels.

The key message that emerged from this session was that mining and minerals investment can play an important role as a catalyst for development and reducing poverty, provided that good governance is in place and transparency exists.

*For presentations made at the World Mines Ministries Forum, see the WMMF page of our website at <http://www.iied.org/mmsd/events/wmmf.html#presentations>. Please contact [bernice.lee@iied.org](mailto:bernice.lee@iied.org) for more on MMSD's involvement with the World Mines Ministries Forum.*

## **MMSD HOLDS SIDE EVENT AT WSSD PREPCOM**

MMSD organised a side event at the recent World Summit for Sustainable Development PrepCom III in New York. This event, one of the key preparatory meetings before the Johannesburg summit, gave MMSD a chance to set out some of the preliminary findings of the Draft Report and gave the audience a chance to question the MMSD participants about these findings and the MMSD process in general.

MMSD convened a panel for the side event that included Wanda Hoskin from UNEP, Peter Eggleston from the Global Mining Initiative, MMSD regional partner Daniel Limpitlaw from the University of the Witwatersrand, and MMSD Assurance Group members Namakau Kaingu (SADC Women in Mining Trust) and Manuel Pulgar-Vidal (Sociedad Peruana de Derecho Ambiental).

One of the key issues surfaced at this event was that – although the Draft Report recognizes social, environmental and economic issues – the MMSD process of research and consultation has proved the necessity of integrating a governance component into the sustainable development equation in this sector. Other themes and concerns highlighted by the panel included the mining industry reception of the Draft Report; poverty alleviation and capacity-building within the sector, and a UNEP proposal for a Global Forum on Mining, Minerals and Metals to act as a vehicle for furthering debate and facilitating the implementation of proposals.

*For more on MMSD's involvement with the preparations for the World Summit for Sustainable Development, contact [bernice.lee@iied.org](mailto:bernice.lee@iied.org), or see the WSSD website <http://www.johannesburgsummit.org> for more on the Summit itself.*

## **OTHER EXTERNAL EVENTS**

### **Sustainable Minerals Roundtable Meeting**

MMSD attended the Sustainable Minerals Roundtable (SMR) meeting on 5-6 March in Washington DC. The vision of the Roundtable is a future in which the capacities of mineral and energy systems meet the demands of current and later generations, while maintaining or enhancing environmental, social and economic systems. The SMR is developing national level indicators of sustainability for mineral resources, including areas such as Environmental, Legal and Institutional, Socio-Economic and Mineral Availability. This meeting reviewed these indicators and began to consider others. The Indicators are intended to describe, display or predict statuses and trends of aspects of sustainable development in the sector.

*For further information see <http://www.mackay.unr.edu/smr>.*

### **Lead Industry Association**

MMSD provided the keynote address at this meeting, which was held in Washington DC on 7-8 March. Discussion revolved around a number of topics, including Lead Markets, Government Actions and Environmental Developments.

*For further information, see <http://www.leadinfo.com>.*

### **Prospectors & Developers Association of Canada**

MMSD presented its draft conclusions and findings at the PDAC International Convention and Tradeshow meeting on 10-13 March in Toronto, a meeting that annually attracts not only a wide range of larger companies, but also a very large attendance from smaller enterprises or 'juniors'.

*For further information see <http://www.pdac.ca/pdac/conv>.*

### **Non-Ferrous Metals & Their Contribution to Sustainable Development**

MMSD attended the recent Non-Ferrous Metals & Their Contribution to Sustainable Development (NFMSD) Forum in Toronto on 11-12 March.

*For further information see <http://www.nfmsd.org>.*

### **SPE International Conference on Health, Safety & Environment**

MMSD recently attended the 6th SPE International Conference on Health, Safety & Environment in Oil & Gas Exploration & Production in Kuala Lumpur on March 20-22. In one of the keynote addresses at a Plenary Session on 20 March entitled 'The Next Decade of Challenges and Opportunities,' MMSD presented the lessons learned from the Project and how these might inform similar processes in other sectors.

*For further information see <http://www.spe.org/spe/cda/views/events>.*

## **Mining Association of Canada**

MMSD attended a recent board meeting of the Mining Association of Canada on 13 March in Toronto.

For further information see <http://www.mining.ca>.

## **IN BRIEF**

### **Regional Partners Meeting**

MMSD's Regional Partners came to London on 5-6 March to meet with the MMSD Work Group. Following an update on the progress of the regional processes, discussion focused around regional perspectives and regional action plans, as well as how better to incorporate regional work into Parts 1-3 of the global Report. Also related to the global Draft Report, attention was focused on the Agenda For Change and the comment period during March and April. The meeting closed with a discussion of the implementation and dissemination of global and regional reports, and the various options for the future of the regional networks.

### **MMSD Project Nears End of the Road**

The MMSD Project is nearing the end of its two-year existence. After the Final Project Report becomes available (in early May) the global Work Group will begin to wind down operations from its London headquarters. In effect, the MMSD London office will be closed as of 14 May 2002. Further information will follow in the next (and final) bulletin as to what we will be leaving behind in terms of logistics, contact details and the large information base generated by the MMSD process.

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**MMSD seeks to promote dialogue on issues of sustainable development and the mining and minerals sector. Because of its scope and limited lifespan, the Project would like to have the capacity to forward its participants' contact information to organisations engaging in similar activities with the purpose of continuing this dialogue and knowledge exchange process. Please let us know if you would prefer that we do not pass along your information or if you would like to be taken out of our News Bulletin mailing list by writing to us at [mmsd@iied.org](mailto:mmsd@iied.org). Our mailing list is intended to be shared with MMSD regional and national partner organisations whose activities may also be of interest to you.**

#### ***What is MMSD?***

MMSD is an independent process of participatory analysis aimed at "*identifying how mining and minerals can best contribute to the global transition to sustainable development.*" MMSD is a two-year project managed by the International Institute for Environment and Development under contract to the World Business Council for Sustainable Development. It is designed to produce concrete results during its two-year life, and to create structures capable of being carried forward thereafter. A key product will be the Project's Final Report, which will be presented as a Consultation Draft in March 2002.

#### ***An invitation to participate***

MMSD is an ambitious venture that depends on the active involvement of civil society, companies, government, the research community and many others for its success. If you would like to receive copies of past or future Project Bulletins, or have any other enquiries, please contact us at: [mmsd@iied.org](mailto:mmsd@iied.org)