

Comments on MMSD Draft Report of March 4, 2002

From:
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Global Reporting Initiative (GRI)

Dear Colleague:

It is my pleasure to submit the following comments on "Chapter 12: Access to Information" in the MMSD Draft Report. It has been our pleasure working with MMSD in exploring issues concerning information disclosure in the mining industry. We have selected Chapter 12 as the focus for our comments owing to its direct relevance to GRI and to disclosure issues in general.

In advance, I congratulate MMSD in designing and implementing an impressive process that has dealt with the many complex sustainability issues facing the mining industry.

Should you have any questions on the material below, kindly contact Mr. Iain Watt or me at watt@globalreporting.org

Best wishes,
Allen White

General Comments

The chapter would benefit from a clearer introduction to, and distinction between, the different types of information, reporting and disclosure discussed within. "Reporting" is used to describe everything from how a company interacts with local communities with regard to a specific project, to the document resulting from a specific EIA, to a corporate-level environmental and/or sustainability report. While its use is qualified in places, it is not in others. This causes confusion - it is not always clear which type of information, reporting, and/or disclosure are being referred to or commented on.

The Section entitled "The Way Forward," by focusing on each stakeholder group in turn, neglects to stress the fundamental importance of multi-stakeholder initiatives as the new modus operandi for addressing pressing sustainability issues in the 21st century. . We would suggest that the first sub-section in this section be entitled "Multi-stakeholder efforts," and contain a bold, early statement that real achievements in the field of information disclosure will only happen when all stakeholders are given voice. The

MMSD itself embraced this model, as has the Global Reporting Initiative (GRI). Certainly GRI's experience demonstrates the power and progress possible through such multistakeholder approaches.

Specific comments

Page 12-3: The reference to Amartya Sen as evidence for the intrinsic Value of information seems somewhat random and misplaced. Given that the causal mechanisms of famine are subject to much debate, a better example of the importance of information as a determinant and catalyst for positive change surely can be found.

Page 12-13; "Voluntary Initiatives", first paragraph. While progress is indeed needed in order to develop harmonized and standardized set of reporting guidelines for the mining sector, the launch and success of the GRI also offers, in our view, the best opportunity to advance on this front. Emphasizing the distance remaining, rather than the promising opportunity currently available for continued GRI-mining sector collaboration, seems unnecessarily negative.

Page 12-13; "Voluntary Initiatives"; 2nd paragraph, first sentence. Please specify that it was the United Nations Environment Program that partnered with the GRI after its conception by CERES. Please also include the acronym CERES in parentheses at the end of "Coalition for Environmentally Responsible Economies."

Page 12-13; "Voluntary Initiatives"; 2nd paragraph, second sentence. Change "GRI guidelines suggest reportsŠ" to "The June 2000 GRI Sustainability Reporting Guidelines suggest reports should includeŠ" Also, we suggest a footnote indicating the availability of the GRI DRAFT 2002 Guidelines on www.globalreporting.org.

Page 12-14; "Voluntary Initiatives"; 2nd paragraph, final sentence. The Meaning of this sentence is unclear. The two initiatives are complementary in the sense that ISO addresses internal environmental management systems, while GRI includes (but is not limited to) external environmental reporting. However, the two programs diverge in some fundamental ways.

First, the scope of ISO 14000 is very different from that of the GRI. The ISO 14000 series of standards address internal environmental management systems and practices, while the GRI is related to economic, environmental, and social reporting principles and indicators.

Second, certain of the ISO 14000 series of standards (14001, 14004, 14031) refer in general terms to external communications as part of an organization's environmental

management systems. But it is inaccurate to describe both ISO and GRI as voluntary reporting initiatives."

Third, business, consultancies and national standards bodies dominate the ISO process. GRI, in contrast, is built on a multi-party foundation—business, government, civil society and labor.

For all these reasons, ISO is best described in a separate paragraph from the GRI and described in more precise terms to distinguish it from GRI and to avoid reader confusion..

Page 12-25; "Companies." This section should suggest a role for the ICMM, and to encourage companies, in conjunction with the ICMM, to work with the GRI to develop sustainability reporting guidelines for the mining sector. Discussions already are underway with Dr. Jay Hair, including a draft MOU, with the likely start-up of a sequel to the GRI-MMSD collaboration to develop a "mining sector supplement" to the core GRI Guidelines.