MMSD SOUTHERN AFRICA

Mining, Minerals and Society and the Transition to Sustainable Development in Southern Africa

Multi-Stakeholder Meeting

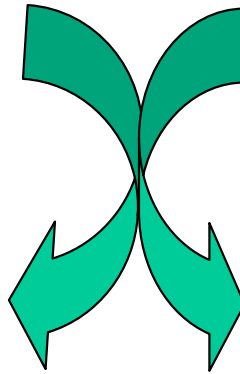*18 September 2001, Johannesburg*

African Institute of Corporate Citizenship

Terms of Reference

- Privatisation & Social Management

- Local Development

- Involuntary Resettlement

- Gender & the Workplace

- Gender & the Community

Specific recommendations to promote SD

Generic lessons for mine-society relationship

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Mining and Society

- Epic journey
- Pioneering continues but the challenges differ
- Positive and negative impacts
- Changes to the corporate
- Changes to government
- Changes to society
- SD requires *both* a business case and a development case

Research Team

Paul Kapelus: co-ordinator

Sarita Ranchod: Gender and the Workplace

Aleta Musvoto: Gender and Community

Dan Sonnenberg: Involuntary Resettlement

Frauke Münster – Involuntary resettlement

John Kangwa: Privatisation & Social Management
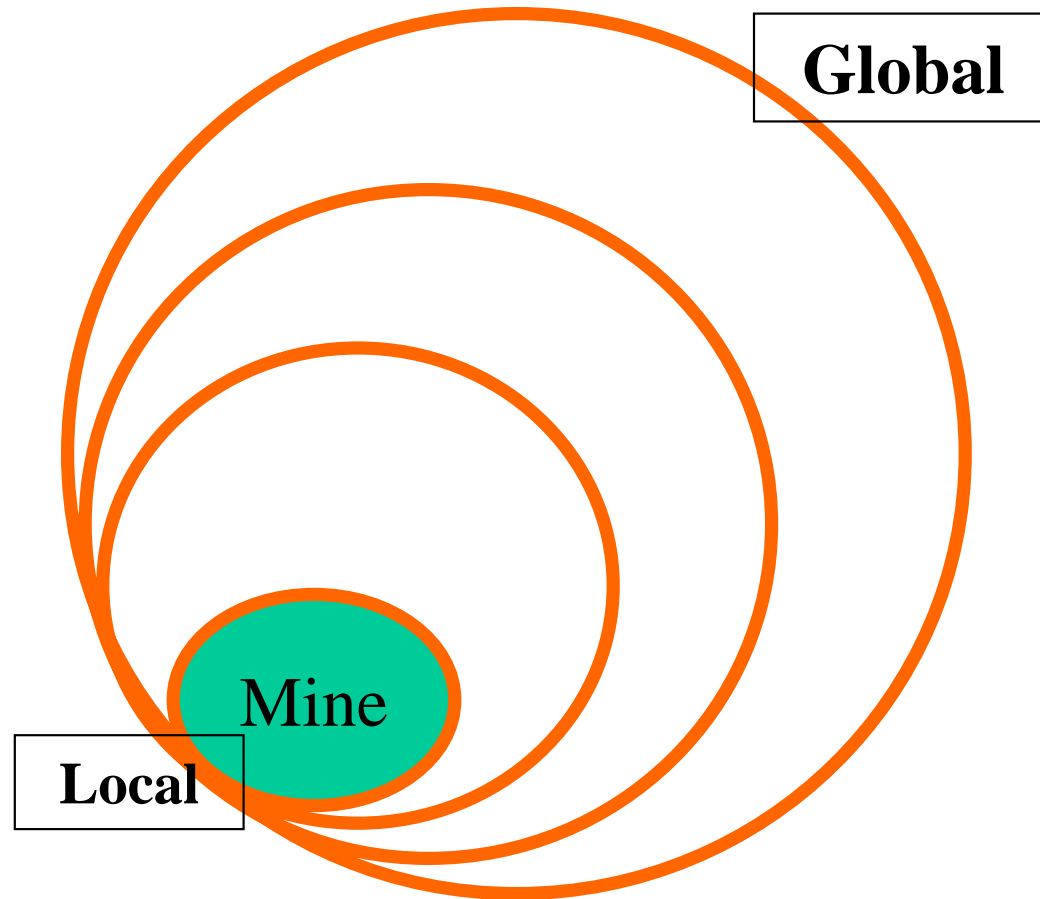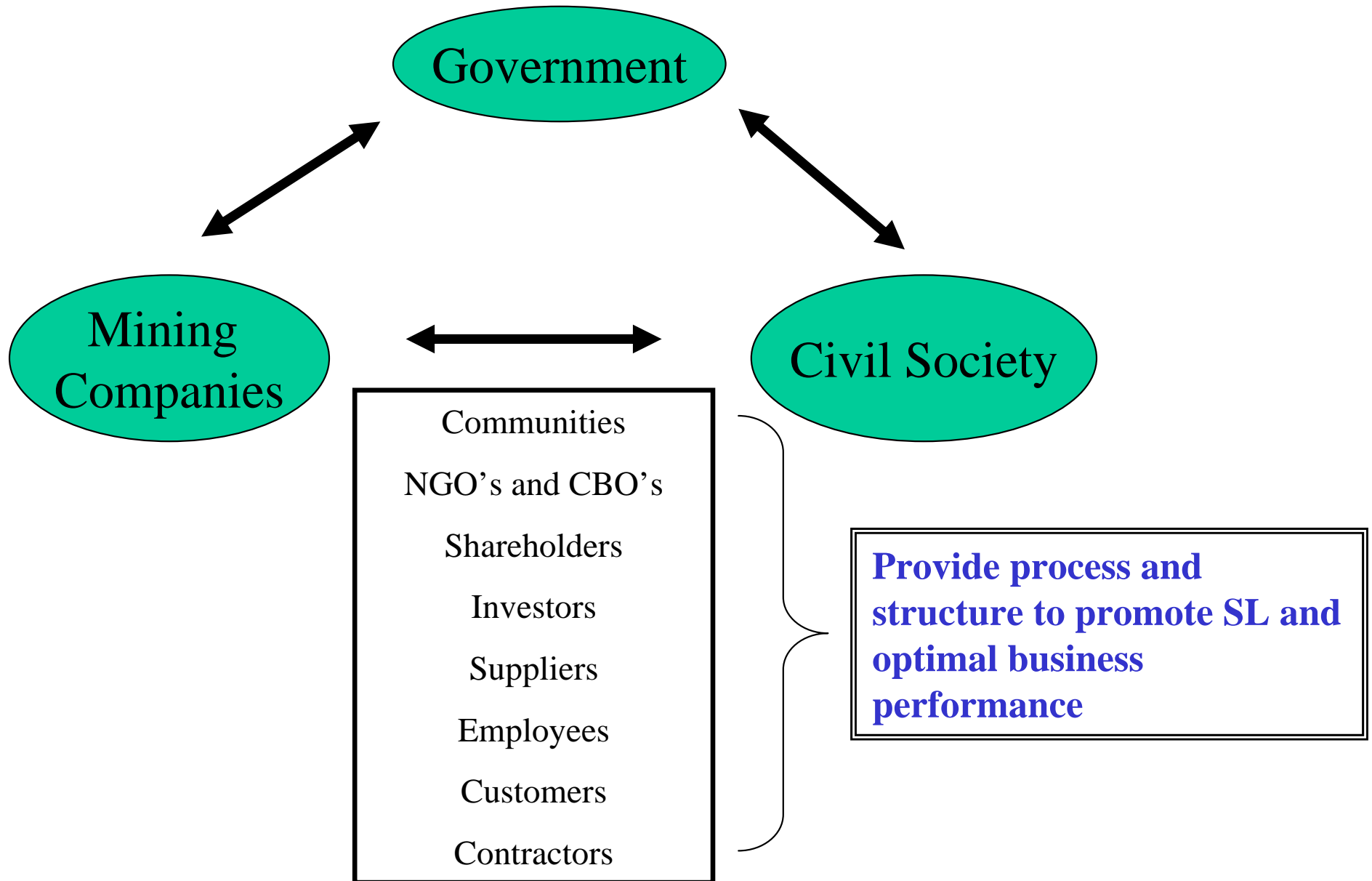
Sam Choshi: Local Development

Acknowledgements

Where is this Society?
How do we define "the community"?

Business and Development

Business, Societal and Government Actors

Government

Mining Companies

Civil Society

Communities

NGO's and CBO's

Shareholders

Investors

Suppliers

Employees

Customers

Contractors

Provide process and structure to promote SL and optimal business performance

Mining & Local Community Development
Overview

- High level of optimism due to liberalisation of SADC economies, but reality suggests increasing levels of poverty.

- Little progress with the evolution of policies to promote community development.

- Isolated interaction between mining companies and communities from broader objectives.

Local Community Development
## *Recommendations – Planning*

- Government integrated community development plan should consider the private sector.

- Business plan of mine – if there is one –should be linked to community development plans.

- Mine social management plan – feasibility to post-closure – required.

- Development competencies of the mine must be analysed and promoted.

Local Community Development

Organisation of Development Opportunities

- Internal mine environment - structure, resources, culture to be aligned with development context.

- External environment - political, ideological, social, economic, institutional should engage mine.

- Organisational: managing tension over control and access to opportunities; legitimacy; diverging interests and agendas; lack of capacity; corruption.

- Short-term gains – enclaves - become liabilities.

- Promote partnerships for long-term sustainability.

From ZCCM to Private Mines: Responsibility for Development

Government & Civil Society

ZCCM

Private

Government & Civil Society
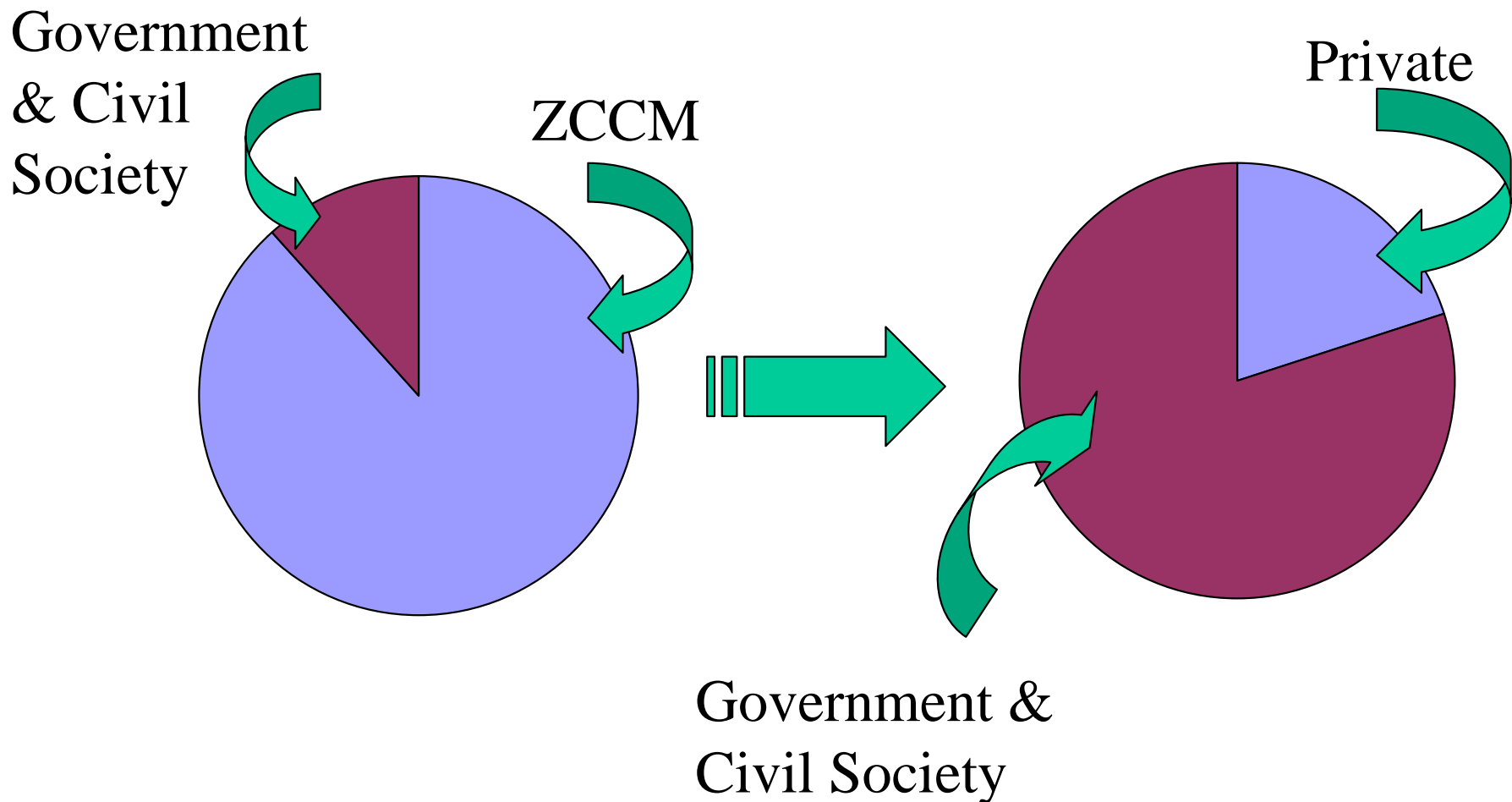
Privatisation & Social Management
Issues

- Companies do not want to be seen as ZCCM replacements.

- Government does not have the capacity to provide development – World Bank has stepped in.

- Current social investment policies cover employees and immediate communities. Will they promote SD?

- Access for non-employees at nominal cost recovery levels for education & health care.

- Partnerships with NGOs and authorities in delivering development (e.g. primary health care programmes).

Privatisation & Social Management
Recommendations

- Transparency is critical
- Governments need to provide structures and processes that support sustainable development.
- Companies need to engage development without creating dependency
- Civil society must foster conditions that promote participation via awareness campaigns.
- The impacts of privatisation must be investigated and monitored by govt and corporate.

Gender & the Workplace

Findings

- SADC mining industries remain male-dominated – integration slow.
- Discriminatory laws forbidding repealed in SA, but very few women are working underground.
- Women's employment on mines has brought positive benefits to the entire mining community, contributing to social normalisation.
- The costs of integrating women into mining are low, but the benefits are high.

Gender & the Workplace
Recommendations

- Focus on growth areas within the mining sector is key to women's participation.
- Translating policy into practice is a key challenge – requires political will.
- In order to promote SD, there is a need to rapidly upscale the integration of women into mining at all levels.
- Measurable indicators - reported.
- Information and research
- Non-core business – subcontracting opportunities

Gender & the Community

Case Study Findings

- The relationship between mine management and the women is unhealthy.

- Women have few job opportunities (2.63%).

- Few opportunities to engage in income generating activities. Dependency on husband salary.

- Have access to good housing and other social services but SD is a concern.

Gender & the Community

Recommendations

- Mine social management plans must account for gender issues both internally and externally.
- Social Assessments must include gender
- Women must participate in decisions that affect their lives – construction to closure
- Women's roles and strategies in reducing poverty must be recognised and strengthened.
- Promote entrepreneurship and mine employment.
- Implement programmes to support alternative livelihoods for sex workers.

Mining & Involuntary Resettlement
Findings

- Displacement - causes people to lose land, other assets, or access to resources, potentially leading to impoverishment.

- Resettlement - assistance to improve, or at least restore, income and standards of living.

- Incorrect assumptions and perceptions surrounding resettlement e.g. the housing project attitude.

- Lack of enabling guidelines, policies and national legislation to facilitate resettlement.

Mining & Involuntary Resettlement

Recommendations

- World Bank Operational Directive 4.30 to be considered as a minimum framework for all IRs.

- RAPs and SDPs must be given adequate resources for planning, implementation & monitoring.

- Clear definition of responsibilities between mining companies, authorities & communities.

- National resettlement guidelines should be developed in SADC.

- Compliance with UN Human Rights Charter

Governance

- Transparency – move to social reporting is increasing for companies but not the sector.
- Assessments are taking place but insufficient social criteria for judging the impacts.
- Industry leadership around social performance is improving but within governance vacuum.
- Taking a back seat – leading from behind.

Participation

- Participation methodologies have improved over last 10 years but restricted to large companies.
- Developers control participation.
- Participation is ill-defined and if token does more damage.
- Participation is controlled by financial and engineering time frames.
- Participation often collapses when compliance is achieved.

Equity

- **An enabling environment is in the making.**
- **Gender – still far behind.**
- **Inter-generation – mostly a failure. Short term gains have led to ling term liabilities.**
- **Mergers and takeovers disrupt equity.**
- **Intra-generation – continues to be weak and conflicts have been high. Resettlement has increased vulnerabilities.**
- **Access to resources – local level mostly loses out. The national interest is normally the winner.**
- **Social planning is improving but capacity is severely restrictive.**

Mining - Society Relationship

- Role of actors is being re-defined
- Local development links with mine are possible but require co-ordination and political will.
- Government social evaluation systems are weak and lack co-ordination.
- Social management is seen as public relations and securing the license to operate.

Mining-Society Relationship

- Social performance should start from exploration – before the legal impact assessments even begin.

- Labour – defining the role of labour in managing the relationship between mining and society.

- Southern Africa stakeholder forum – continuity beyond MMSD

- Compliance, self-regulation, accreditation for social responsibility.

Integration of Social Issues into Mining

Tools & Methods through the Life Cycle

- Assessments: Social, ethical, human rights
- Stakeholder mapping and analysis.
- Partnership audits and institutional development
- Stakeholder consultation
- Social Management Plans – internal & external
- Monitoring and Evaluation – Participatory methods
- Social Reporting – Builds trust through accountability.

Co-ordination of Social Responsibility

Challenges

- Leadership – promoting the development & the business case.

- Leading from behind – building sustainable solutions. What are the existing development competencies?

- Communication with and participation of all stakeholders – communit – *ies*.

- Building knowledge management systems and learning organisations - beyond the "*core business syndrome*"

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