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## **Experience with the Global Mining Initiative: An Interim Self -Assessment of the Process to Date**

**By Richard Sandbrook (Project Coordinator, MMSD)**

The Global Mining Initiative (GMI) owes its origins to a group of nine mining chief executives. In October of 1998 they decided to embark on three activity “tracks” to address critical issues facing their sector. These three tracks consisted of an examination of the various trade associations they support and their utility in addressing difficult issues, an independent analysis of the issues that the sector faces and the ways forward, and an event that would bring interested parties together in time to consolidate progress before the planned “Rio plus ten” event in 2002.

Whilst the issues were not and have not been written down by the executives they all concerned the “license to operate” that the mining and mineral sector does, or perhaps does not, enjoy. Thus, from the start, the GMI process as a whole set out to create the “space” in which different constituencies who formally/informally determine this “license” could be variously engaged with the “sector” so as to progress.

This paper is concerned with only one track of the three – the independent analysis. This has come to be known as the Mining, Minerals and Sustainable Development (MMSD) Project. The MMSD project now enjoys an independence from the other two tracks, as will become apparent, but all three interweave at times and so they too will be referred to. However the author does not claim any direct experience of the other two tracks of the GMI.

Throughout this paper you will find references to “laws” of stakeholder processes. These are not a referenced set of *dos* and *don'ts* but a construct for this paper alone.<sup>1</sup>

### ***The Starting Dilemma – How to begin***

Mining is an important sector that we often take for granted. It provides a host of everyday products and is crucial to the economies of many developing countries. Yet in the context of sustainable development it is highly controversial. Its environmental impacts are huge and its relations with local communities have been fraught with conflict. Indeed the very notion of a sustainable mine is a contradiction in terms.

Just a few examples of the problems that surround the industry illustrate the point:

- The alleged deforestation and damage to indigenous peoples’ rights linked to the Grande Carajas iron and steel project in Brazil;
- The violence that erupted at the Bougainville copper mine in the 1980s;
- Human rights abuses associated with the Freeport McMoran Grasberg mine in Indonesia in the 1990s;

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<sup>1</sup> For an excellent review of the current state of the art so called “multistakeholder processes”, see the web site of UNED Forum at [www.earthsummit2002.org/msp](http://www.earthsummit2002.org/msp).

## **DRAFT: Not for Circulation**

- The Marcopper tailings spill in the Philippines (1996);
- The Omai tailings breach in Guyana (1995);
- The Los Frailes dyke failure in at Aznalcollar, Spain (1998);
- The environmental costs reported at Ok Tedi in Papua New Guinea (1999);
- And the Romanian spill of 1999.

Mining and the product chains that arise from mined products are at the heart of many debates about the social responsibility of business in a rapidly globalising world economy. The relationships between trade, investment and sustainable development are also included in that debate.

Despite years of controversy, research, campaigning by NGOs, and improvements in practice in some parts of the industry, when the MMSD project began there was little consensus among companies and interested parties on how to address these issues. There were no places where all the stakeholders concerned could meet let alone work together to resolve issues – economic, environmental and social. This is not least because the levels of trust were very low indeed. In addition, the boundary conditions for responsibility were often confused and disputed right up and down the product chain.

Thus the chief executives<sup>2</sup> who had come together to launch this project had strong incentives for doing so. Despite the industry's obvious economic importance the high-profile incidents of poor planning and management listed above, and many other cases, had contributed to giving the industry a negative image in the eyes of the environmental, human rights and developmental communities and the public at large. Rightly or wrongly, it is frequently seen as a “dirty”, “corrupt”, “inflexible” and “arrogant” sector and a sunset industry that belonged to a previous era.

The controversy did not end with the environmental and social issues. The economic literature is rich in the analysis of the so-called “Dutch disease” whereby mineral rich economies apparently enjoy slower economic growth rates than those in less well-endowed places. Alongside this thesis is the evidence that mineral rich economies suffer from high levels of corruption and civil strife. Conflict (as in diamonds) – and historically even apartheid have been laid at the doors of the sector.

It is clear that our economic use of minerals will always involve some trade-offs with respect to the environment and social groups. It is impossible for it to be otherwise if the starting point is a pristine environment. The issue was and is to define the standards and the responsibilities that should apply when those trade-offs are to be made and when some think the price is too high for any exploitation to begin at all just how the issues should be resolved. It is also about the kind of process that should be in place for decisions on these issues to be made.

Thus the rationale for the industry in establishing an independent assessment of the issues that it faced was clear. It needs to be able to answer to its critics and

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<sup>2</sup> The companies involved were Placer Dome, Noranda, Phelps Dodge, RioTinto, WMC, BHP, Coldelco, Anglo-American and Newmont.

“stakeholders”, and to point towards progress against a set of best practice norms. It needs to know where and how it could improve in carrying out its responsibilities to society and, in particular, communities whilst running viable commercial enterprises. It needs to operate in a “governance framework” that is equitable and democratic and to know how to behave when there is a “democratic deficit”. In short the sector as a whole needs to know what the *terms and conditions* are for its *license* to operate and then to meet them!

### ***How to begin?***

In 1998 the executives were advised by the World Business Council for Sustainable Development (WBCSD) that a similar problem had faced the paper and pulp sector. A leadership group had turned to the International Institute for Environment and Development (IIED) in London for an independent assessment of that sector from “cradle to grave”.<sup>3</sup> The result of that process had been mixed but showed progress on some fronts not least in setting out in a coherent way the systematic issues that the pulp and paper industry faced and how it could collectively address them. IIED was thus asked to prepare a scoping study for the MMSD project in early 1999.

**By beginning in this way it could be argued that the first law of multi-stakeholder processes had been broken – namely to involve all those you want to get involved to help design the process – including how to begin!** The critics of the process to this day complain that they had not been involved with the design of the process from the start and therefore that it is invalid. There are real dilemmas here for any scheme that is designed to bring parties together around contested issues. As it is not easy to identify who speaks for “stakeholders” at international, national and community levels this is a perennial catch twenty-two. IIED consulted some 150 plus critics of the industry drawn from labour, the NGO community, governments and agencies. It attempted to construct a model for the MMSD process that would meet their demands and concerns. For some it clearly did not go far enough. However, it also has to be said that argument around process can be a cover for other concerns such as a lack of capacity, trust and differing ideology.

IIED reported in September of 1999 and its recommendations were adopted with no alteration by the nine CEOs in October of that year.

### ***What was the Original Design?***

The IIED scoping study proposed the following objectives to the MMSD project

- First, to assess global mining and minerals use in terms of the transition to sustainable development. (This would cover the current contribution - both positive and negative - to economic prosperity, human well-being, ecosystem health and accountable decision-making, and the track record of past practice);
- Second, to identify how the services provided by the minerals’ system can be better delivered in accordance with sustainable development in the future. (This

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<sup>3</sup> *Towards a Sustainable Paper Cycle*, (London: International Institute for Environment and Development, 1996)

## DRAFT: Not for Circulation

was to cover not only the sector itself but all the players in the system including Governments, agencies and key civil society organisations);

- Third, to propose key elements for follow-up to the project on how to improve the minerals system; and
- Fourth - and crucial to long-term impact - to build a platform of analysis and engagement for on-going cooperation and networking between all stakeholders.

In effect then the project is tantamount to an extensive feasibility study about the issues it faces and how over time they can be addressed. It is not set up to arbitrate or decide on issues but to illuminate contested items and design ways forward. Gaps in the analysis should be (and will be) openly acknowledged. But all this was to be done by the end of 2001 – a two-year period (now extended to March 2002) – and in time for the result to be carried to the Rio plus ten event. **It can be argued that rule number two of stakeholder processes was broken namely in setting a time frame that was not agreed by one and all in advance** (and could be construed as unrealistic depending on the level of consultation one thinks appropriate to the goals). The time constraint has been recognised from the start and the declared solution to it is that the project should not attempt to do anything at a pace that is likely to prejudice a long-term solution.

### *The Structure*

The structure that was proposed (and adopted) was based around three units that work in an interrelated way. The MMSD project is implemented by a **Work Group** that plans, budgets and executes the project. The work content and methods are drawn up with the assistance of an **Assurance Group** and all sponsors of the project sit in a **Sponsor Group** that behaves in a manner akin to a foundation. The rules of the game for each are set out in three charters that were negotiated by each of the three groups and commented on and amended by external actors.<sup>4</sup> There was no closure on the charters as being satisfactory to all groups save those who agreed to operate within them.

The essence of the structure is that the Work Group must carry out its work objectively and independently. The intellectual property of the project belongs to the Work Group (but in a fully referenced way). It is contracted by the WBCSD and providing that it meets the test of satisfying the Assurance group as to its methods and integrity and the Sponsors group as to its financial probity and sense of balance it can publish whatsoever it likes.

The role of the **Sponsor Group** is to:

- Assist in realising the objectives of the MMSD by way of advice, information, contacts and ultimately change;
- Provide the funding for the MMSD project through its appointed convenor, the World Business Council for Sustainable Development;

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<sup>4</sup> For Charters for the MMSD Work Group, the Assurance Group and the Sponsors Group, please see <http://www.iied.org/mmsd/>.

## DRAFT: Not for Circulation

- Review and endorse the Work Plan, budgets and on-going activities after they have been reviewed and amended by the assurance group;
- Provide overall guidance to the Work Group and contribute to ensuring that the Project maintains the highest standards of professionalism, integrity and accountability;
- Receive and endorse MMSD's final report in whole or in part or not at all;
- Take part in the dissemination and follow-up of the Project's findings.

Members of the Sponsor Group are the organisations providing funding and in-kind support to the Project. These include companies, governments and intergovernmental organisations, non-governmental organisations, research institutes and others. To ensure independence the project a funding target was set of raising at least 40%, and preferably more, from non-business sources. **This met the third law of multistakeholder processes namely that no one group should own the process.** But this ambition has not been realised in terms of resources raised set against the target.<sup>5</sup> It has become apparent that the rhetoric of the development triad (governments, civil society and the private sector) is far ahead of a willingness to pay – see below.

The **Assurance Group** is made up of distinguished individuals from key stakeholder groups and is responsible for peer review. Its key responsibility is project assurance - guaranteeing the quality and integrity of the work by way of peer review. It oversees the content, conduct and design of the project, provides regular advice to the Work Group, and has to approve work plans. We hope they will endorse the final report but they may not. The Assurance Group reports to no one in a formal way. **The fourth law was aimed at: namely that a group that was representative of the various constituencies (the Assurance Group) should steer the process and should meet the tests of balance of opinion, of geography, knowledge and much more.** But in reality it is impossible to get the diversity of opinion and experience around this sector into a manageable group. The 25 people involved are broadly representative of the diversity of opinion (but NOT in any formal way) but there are gaps. Certain groups such as the indigenous peoples who are affected by mining have decided to remain outside. Not all approve of the way the group was convened. An initial group of 15 were selected and invited by the author and the project director – and then they added to the group themselves.

It can be seen that great care was taken to ensure that the ultimate decisions on the work programme and the project's outputs are made by the **Work Group** but within defined limits. The Work Group has to endeavour to take account of the views of the Assurance Group and the Sponsor Group but the Work Group, in the end, makes the decisions. Members of the Assurance Group and the Sponsor Group are free to express dissenting opinions. In practice there has been no untoward interference by any group. The only constraint has been the budget. This began at \$5million – rose to a needed \$10million – but was unfundable beyond circa \$7 (dependant on how you value help in kind). This has in turn reduced certain activities that in a perfect world it would have been good to have.

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<sup>5</sup> Please see Annex 3 for a list of MMSD sponsors.

### ***The Local Dimension***

It became apparent as the early stages of this project progressed that there were regional and national perspectives that had to be brought into play. This was clear from many groups, including companies that have a “multinational” designation. They were not happy to have no regional perspective brought to bear. A tour early in the project of the key regions indicated that it would be possible to build a set of parallel regional processes alongside the global project and with a similar design. Thus in Latin America, Southern Africa, Australia and North America there are regional processes that involve multistakeholder groups and a spread of sponsors in addition to the support from MMSD’s central budget. We had hoped to do the same in Southeast Asia and Europe but for different reasons that has not been possible, and we always knew that China and Russia were beyond our capacity.

The on-going regional processes are surfacing critical regional issues that face the sector and are beginning to design ways forward in a manner that will be consistent with their needs and the overall project objectives. The Work Group has been extended to include a set of regional coordinators and partner institutions to execute the work. **In effect we have done all we can to meet the fifth law of stakeholder engagement – namely to decentralise the process as far as we can go to the affected groups and communities. The subsidiarity concept is our operating principle and guide.** But again it has to be admitted that we have not attempted to tackle all mine site issues – such an exercise would be futile!

### ***Does it all work?***

Despite the tremendous effort put in to establish the MMSD project as an open process designed to elicit the differences of opinion and to suggest ways forward it has its strong critics. The following passage about MMSD appeared recently in a journal:<sup>6</sup>

Looking first at this mission statement, we have identified the following problems:

- No process is independent that relies on \$5 million or more from the very companies whose activities it is trying to analyse. This is the ultimate case of co-optation for those of us trying to tackle the industry meaningfully.
- No analysis is participatory that tries to take in the scope of issues created by mining, in terms of its sustainability or otherwise, in two years or less without considering the case of many of the world’s most mine-impacted communities.
- The space for indigenous participation on various levels of the multimillion-dollar bureaucracy created by the IIED has been tokenistic at best; and ignorant and insulting at worst.
- A large-scale boycott of the process (because it appears to have a pre-determined outcome) by mining-related environmental and human rights non-government organizations discredits the IIED’s MMSD even amongst the public policy elite.

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<sup>6</sup>Vicki Tauli-Corpuz & Danny Kennedy, ‘Native Reluctance to Join Mining Industry Initiatives: An Activist Perspective on the Mining, Minerals and Sustainable Development Initiative’, *Cultural Survival Quarterly*, Spring 2001.

## **DRAFT: Not for Circulation**

(I would add that there are statements in this text that I disagree with in a number of respects.)

### ***What is the scope of the discourse?***

The general aspirations in terms of the topics that the project could address are very wide indeed. A major challenge has been to crystallise the host of specific issues in the social, environmental and economic spheres into a limited set of manageable strategic questions. This process began with an open scoping meeting that brought together some 150 people from various constituencies to set out their perspectives. These stretched from the site-specific concerns to country-wide issues, even to global trade and economic issues. A sample, all cast within in the overall aspiration of working toward sustainable development, would include:

### **Social**

#### *Human Rights, Indigenous People and Ethnic Minorities*

What is the contribution that minerals' development can make to the promotion of human rights in the workplace and the local community? Are there examples of good practice that enable traditional, aboriginal, and indigenous communities to assert their culture and interests in the face of minerals development and the globalisation that it brings? What are the legal, economic and political preconditions at the local, national and international levels?

#### *Community Empowerment*

What are the critical factors that enable communities to play an effective role in mining developments that affect them so that livelihoods become sustainable, particularly after closure?

#### *Artisanal/Small-Scale Mining*

A very large number of people depend on small-scale mining as a livelihood. The environmental, health and safety concerns in the sector are of great importance. What are the critical concerns of small-scale miners? How can the relationship between multinational companies and small-scale miners be improved?

### **Environmental**

#### *Waste Disposal*

What are the overall environmental impacts of mining wastes? What are the disposal options for waste?

#### *Material Flows*

How could potential improvements in eco-efficiency and resource productivity – driven by policy, markets and technology – affect mining and minerals use in the future? How will projected patterns of consumption affect sustainability?

#### *End-Use*

What processes are available for resolving controversial end-uses of minerals, such as coal, lead, uranium, and for improving efficiency in consumption?

### **Economic**

#### *Wealth Generation and Distribution*

## **DRAFT: Not for Circulation**

What is the ‘total value added’ of minerals developments; how is financial, human and social capital affected by the transformation of natural capital stocks of minerals into economic value? Who wins, who loses and who captures the rents? How should mineral revenue best be managed at national and regulatory levels?

### *Financial Drivers*

How are mineral exploration and development projects financed, and what opportunities or constraints do these financial realities place on a transition to a more sustainable industry? To what extent do current practices in financing represent either barriers to adoption of best practice, or potential incentives for its implementation?

### *Mineral Market Cycles*

How can the understanding of mineral cycles be improved to minimise rapid and unexpected shocks to local communities, regional and national governments, and other actors? What techniques are required for managing the cycle in tune with sustainable development?

All these issues and more have had to be condensed down to a manageable scope for the project. Intertwined in each are cross cutting concerns about “power”, “rights”, “responsibilities”, “incentives”, “instruments” etc. **Law six of multistakeholder process would hold that the agenda has to be agreed by all the participants.** But that is clearly impossible in a discourse this ambitious and wide. We have had to make choices. Now the project has distilled the many points raised down to eight strategic challenges. These are not aimed at the industry alone but at all the actors who have a role to play into the future (including governments and governmental institutions, civil society interests and the industry, including labour). The current organisation of the challenges can be summarised as follows:

### **1. Can the sector move towards a more viable structure that will contribute more effectively to sustainable development?**

This discussion will focus on the internal structure of the industry, the forces that shape it and whether it is adequate – in its current form – to the task of maximising the industry’s role in the transition to sustainable development. It will look at the principal external and internal forces expected to change the context in which the minerals industries operate over the next 25 years and the actions that could be taken in a transformed setting.

### **2. How Can the Minerals Sector Support the Development of National Economies, Especially in the Poorest Countries?**

This topic will look at how mineral wealth can be best managed to strengthen developing countries’ national economies in the long-term. The tension between the desire to create “investor friendly” conditions of investment, and the desire to ensure that the host country benefits from this investment will be the focus. Macro-economic issues, minerals price volatility and the capacity needed to ensure effective policy design and implementation will also be included in this analysis.

### **3. How Can the Sector Best Contribute to Sustained Improvements in Livelihoods and well being at the Community Level?**

This section will aim to provide an overview of impacts – both positive and negative – of the mining life cycle at the community level, including their influence on

livelihoods, social systems, cultures and health, and the boundaries of responsibility of industry, local and national governments. Small-scale mining and company-community relations will be examined as well.

**4. How Can the Minerals Industries Become Leaders in Environmental Management?**

This topic will look at the way in which the industry conducts its operations from the perspective of environmental management and will concentrate on where progress can be achieved. Recommendations on the management of large volume waste, dealing with abandoned mines remediation and mine closure policy will be developed.

**5. What are the Ground Rules for Land: its Management, Access, Control and Use?**

As world population grows so does the demand for land. Some of its uses including conservation of bio-diversity, recreation, farming and watershed can be seen as contradictory to minerals development. This discussion will focus on the mechanisms for adopting the principle of subsidiarity in situations involving land and mining activities as well as best practice legal regimes, with the aim of establishing the basis of minimum usable criteria for land access. Case studies of land rights and tenure for industry, the state and individuals, and a review of compensation regimes will also be included.

**6. How Can We Ensure that Future Markets and Consumption Patterns are Compatible with a Sustainable World?**

This topic will deal with new models of how to produce, process, use, recycle and dispose of metals and minerals. It will look at current patterns of metals consumption through minerals life cycle analyses and case studies of base metals, gold and diamonds. Possible industry certification schemes responding to consumer concerns will be examined. Trade and market access issues will also be analysed in this context.

**7. How Can We Ensure Meaningful Access To Information For All Stakeholders?**

Building a shared understanding of the role of information in creating a solid basis for sustainable development is needed. This section will seek to shed light on how the generation of information and the process by which it is communicated play a role in building or undermining trust and the ability to negotiate effectively in the sector.

**8. What Should Be the Administrative Relationships, Role, Responsibilities and Performance Standards of the Key Actors in a More Sustainable Future?**

This section will examine the implementation mechanisms available, describe their purposes and look at the extent they are used and are appropriate at different levels in the sector. Implementation mechanisms are divided into three categories: norms and instruments, processes and institutional responses. This categorisation can be used to examine each of these challenges integrating their potential for implementation throughout.

***What is the Culture of the Project?***

The project team under Luke Danielson (himself a very experienced individual from the sector who has facilitated research and dialogue around the issues for years) attempts to live by a certain set of rules. These involve openness, accountability, rigour of analysis, modesty and so on. It is fair to suggest that the work is being conducted in the best tradition of the Anglo-Saxon public interest, not-for-profit organisation. In addition a set of “Principles of Engagement” have been drawn up that embody mutually agreed values and principles held by the team. These govern the way MMSD approaches engaging stakeholders in its activities. (See Annex 2.)

At the global level these principles feed into all we do in terms of:

- **Global stakeholder dialogues** which explore a small number of key issues with a very wide group of actors (e.g. management of waste, or managing mineral wealth, or mining and biodiversity issues)
- Specialist **Task Groups** which examine specific areas in a focused way (e.g. mining in conflict zones, mining and corruption, mining and recycling and recovery)

Each regional process has determined its own ways of working; but these are broadly analogous to the global approach.

***Conclusion***

The MMSD project is work in progress. It is too early to make judgements. If there is to be a lasting benefit it will flow from the way the MMSD project has been set up and the manner in which it will be carried forward. It is a novel, independent and open process. Nearly 30 major companies and their chief executives have committed themselves to it. The project involves some of the best analysts in the sustainable development arena.

But while the design of the venture gives all the players– governments, civil society and companies– a real opportunity to express their concerns about the mining industry and to get involved in constructive dialogue on issues, not all want to be involved. There are reasons for this. First, many feel that the issues are quite clear and it is time for the mining sector to act rather than talk. Similarly there are commercial actors who so distrust the motives and the intents of some NGOs that they feel the whole exercise to be a waste of time. In effect there is a high degree of distrust on all sides. But there is also another basic constraint that applies. This relates to the capacity of the various actors to get involved. Even the largest company has little or no capacity to understand the international system in the detail needed to partner it. The non-governmental sector often assumes that the commercial player has more flexibility than is the case. And governments, most particularly in mineral-rich developing countries are hard pressed to cope day by day let alone engage in challenging long-term debates.

Thus MMSD has tried to observe some basic “laws” related to partnership building and multistakeholder processes. It has a mixed score card in applying them. But in so

**DRAFT: Not for Circulation**

far as it is found wanting two external issues are the principle cause:- a lack of trust between the constituencies, and a lack of capacity to engage.

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**ANNEX 1– MINING, MINERALS AND SUSTAINABLE DEVELOPMENT: KEY FACTS**

<b>Common Uses of Minerals and Metals</b>	
Aluminium	Aircraft parts, wire and cable, window frames, engines, cans
Antimony	Metal hardening
Arsenic	Glass production, semi-conductors and wood preservative
Cadmium	Paints and batteries.
Chromium	Metal plating, corrosion resistance, alloys and ceramics.
Clays	Ceramics, nutritional additives, concrete, mortar
Coal	Energy
Copper	Wire and cable, coins, bronzes and cookware
Dolomite	Nutritional additives, building stone
Gold	Ornamental, electronics, jewellery and glass colouring, store of value
Gypsum	Prefabricated wall board, plaster, cement and agriculture
Iron	Steel production
Lead	Car batteries, cable sheathing, lead crystal, solder & radiation protection
Limestone	Aggregate, cement, fertiliser, soil conditioner, iron flux, paints, plastics, livestock feed
Lithium	Grease, batteries, glass and treatment of manic depression
Manganese	Hardened steel, soil and food supplements
Mercury	Chlorine and sodium hydroxide manufacture, plant treatments, lighting, & electronics
Molybdenum	Alloys, catalysts, electrodes and lubricants
Nickel	Gas turbines, rocket engines, stainless steel, plating and coins
Platinum	Anti-cancer drugs, chemical catalyst, catalytic converters, corrosion resistance, jewellery
Plutonium	Nuclear fuel and weapons
Sand & Gravel	Concrete, bricks, roads, building materials
Silica	Glass (bottles and jars)
Silver	Industrial, photographic, jewellery and tableware.
Sulphur	Sulphuric acid production
Tin	Coatings, solder, pewter, chemicals
Titanium	Production of light weight alloys, aircraft components, replacement joints & paints
Tungsten	Light bulbs and high strength alloys.
Uranium	Nuclear weapons
Zinc	Galvanising, alloys, batteries, rubber and plastics

**Source: Alyson Warhurst, MERN, 1999**

<b>The importance of mining in the economies of developing countries</b>			
<i>Country/Region</i>	<i>Key Mineral/Metals Produced</i>	<i>% of GDP</i>	<i>Contribution to Foreign Exchange</i>
<b>SE ASIA</b>			
Indonesia	Coal, Gold, Copper, Silver, Tin	11.9	>40%
Papua New	Gold, Copper, Silver	25.0	>40%

**DRAFT: Not for Circulation**

Guinea			
Philippines	Copper, Gold, Silver, Lead, Chromium, Manganese	1.5	> 5%
<b>S AMERICA</b>			
Bolivia	Tin, Gold, Copper, Silver, Lead, Zinc	8.1	>43%
Chile	Copper, Gold, Silver	45.0	>50%
Guyana	Gold, Bauxite, Diamonds	35.0	>35%
Peru	Zinc, Copper, Gold, Lead, Manganese, Silver, Arsenic	n/a	>50%
Venezuela	Gold, Diamonds, Coal, Emeralds	1.0	> 5%
<b>AFRICA</b>			
Ghana	Gold, Diamonds, Bauxite, Manganese	10.0	>40%
Namibia	Diamonds, Gold, Silver, Uranium	13.0	>50%
South Africa	Gold, Coal, Diamonds, Chromium, Manganese, Lead, Zinc, Platinum, Titanium	8.1	>37%
Zambia	Copper, Cobalt	20.0	>90%
<b>Source: Nia Hughes, MERN, 1999</b>			

## **ANNEX 2 THE BASIS OF PARTICIPATION**

Those involved in an MMSD activity do so with the assurance that the MMSD project is committed to providing the opportunity for participants to interact, with these expectations:

1. MMSD provides an opportunity for people both to inform each other within the context of a project, which seeks to describe the global mineral cycle, and also to offer advice and guidance to the Project.

2. We hope to identify and understand the diversity of perspectives, values and interests that can help build the foundation for positive change. Views have to be freely expressed and the risks of such expression reduced. *This is a forum in which individuals or groups can investigate ideas.*

3. There is a need for a place where views can be exchanged frankly and openly. *MMSD has no authority to impose solutions on anyone.*

4. The Project should strive to identify where it can best help to guide the flow of discussion. *The objective should be to help develop areas of common ground, understand where differences exist, and the underlying reasons for them.*

5. Wherever possible, we should widen the networks of connections and identify ways of addressing challenges, within and beyond the life of the Project.

6. Participating in, or contributing to workshops or other events, commenting on documents produced, suggesting participants for meetings, and other interactions with the Project are not and will not be portrayed as an endorsement of MMSD. These basic understandings on the basis of participation will be included in any meeting reports prepared by MMSD. *It is important that the basis for participation be widely understood.*

7. Notes or minutes prepared by MMSD will report important comments and points of view but will not attribute them to specific participants unless this is requested by the person making the statement. *Exchange of ideas is freer when unknown consequences can be minimised.*

8. The notes from workshops should be reviewed by a representative group of attendees, agreed at the meeting, prior to finalisation. Notes will typically be of a summary nature and will include a list of participants. *There should be an opportunity to discuss the contents of the notes and ensure that everyone is comfortable with them prior to their wider circulation.*

9. There should be an opportunity to discuss this Basis for Participation at the outset of any activity to ensure that participants are comfortable with it and that it is appropriate for the purpose. *It is in no way a constraint on the participants to develop further or additional understandings as are appropriate in the circumstances.*

**MMSD recognizes an affirmative responsibility to ensure that this Basis for Participation is as widely known as possible within and among the different communities with which the Project is involved.**

**ANNEX 3: MMSD'S SPONSOR GROUP MEMBERS**

**Commercial Sponsors:**

Alcan  
Alcoa  
Anglo-American  
Anglovaal  
Barrick  
BHP  
Billiton  
Codelco  
Cominco  
De Beers  
Freeport- McMoran  
Gold Fields  
Lonmin  
M.I.M. Holdings  
Mitsubishi Materials/ Mitsubishi Corporation  
Mitsui Mining and Smelting  
Newmont  
Nippon Mining & Metals  
Noranda  
Normandy Mining  
Norsk Hydro ASA  
Pasminco  
Phelps Dodge  
Placer Dome  
Rio Tinto  
Sibirsky Aluminium Group  
Somincor  
Sumitomo Metal Mining  
Teck Corporation  
Western Mining

**Non-Commercial Sponsors**

Chilean Copper Commission  
Colorado School of Mines  
Conservation International  
DFID, government of UK  
Global Reporting Initiative  
Government of Australia  
IUCN The World Conservation Union  
Mackay School of Mines  
PriceWaterhouseCoopers  
The Rockefeller Foundation  
United Nations Environment Programme  
The World Bank Group

We are also in discussions with:

DETR, Government of UK;  
EBRD  
ECLAC  
European Commission  
FCO, government of UK  
Government of Canada  
Government of Sweden  
ICEM  
ILO  
UNCTAD  
UNDP  
UN Foundation  
UN Secretary-General's office