



MEDIA STATEMENT BY BENCH MARKS FOUNDATION

Differing expectations due to mining fragmentation

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For immediate release

The high level of fragmentation within the mining industry is a contributing factor to the continued discontent of miners and mining communities which ultimately ends in strike action such as that experienced in the sector throughout South Africa over the past two months, says the Bench Marks Foundation.

According to research conducted by the organisation into the corporate social responsibility (CSR) programmes throughout the sector over the past five years, South Africa's mining environment is characterised by a fragmentation of responsibilities to the extent that it inhibits the benefits or effectiveness of any kind of Corporate Social Responsibility and efforts made towards sustainable development.

John Capel, Executive Director of the Bench Marks Foundation, says that the level of fragmentation in the mining environment has exposed the impact of poor integration among the various institutions providing services and the needs of the service recipients.

"The effects of the fragmentation of developmental activities in the mining communities have resulted in differing expectations at all levels and raises issues of disempowerment as well as capacity concerns.

"There are vast differences between expectations, perceptions and needs of the different role-players in the mining environment.

"The gap between community's experiences and expectations and that of the mining companies is so wide that begs the question: why are mines allowed to operate without any real sanctions?

"We must remember that mines are privately owned benefitting a few, but at the cost to the people who make way for mining. This cannot go on. Mines will lose their social license to operate," says Capel.

"The only way to start an alignment process of these expectations, perceptions and needs is to embark on a community engagement process with legitimate community organisations aimed at mutual understanding and improved community relations."

Capel says that its research unveiled a lack of trust and vast differences in what people perceive and expect from mining companies to what is actually delivered.

"Serious efforts have to be made to start establishing common ground among the role-players and to address this lack of trust. We strongly believe that this is essential considering the bloodshed and violence we've seen recently.

"Mining corporations need to adhere to their own international standards, by building long-term relations with communities" and show meaningful material change in the lives of communities.

The organisation believes that community engagement initiatives, through participative communication programmes, linked to the mining companies' communication strategies are one of the vehicles that should be used to address the issue. However for this to succeed an independent fund overseen by a neutral third party to capacitate community's knowledge is needed and all the mining houses should at least commit to this in principle.

“Such a fund could address the power imbalances within and among communities and miners, implementing institutions and government. Communities need to be informed properly especially on technical issues, tunnels underground, and should have knowledge of the potential impacts, as one example.

“In addition, mine management plus key employees require training with regard to community engagement, communication and dealing with communities and traditional leaders at different levels.”

Capel says that mines should look at putting into place ethical standards that govern their relations with communities and to ensure measurable local economic development indicators.

“Mines must accept that the impact of their operations stretches well beyond the site of their operations”.

The Bench Marks Foundation asserts that corporations have a responsibility towards sustainable development that empowers local communities by promoting:

- The quality of life and enhancing the environment;
- Productive employment on a broad scale;
- Meeting fundamental human needs;
- Gender sensitivity particularly at leadership level;
- Care for those infected with and affected by the HIV/AIDS pandemic; and
- Pollution-free production.

“For the mining industry, CSR should be about balancing the diverse demands of communities and the imperative to protect the environment, with the ever-present need to make a profit.

“CSR calls for a company to respond not only to its shareholders, but also to other stakeholders; including employees, customers, affected communities and the general public on issues such as human rights, employee welfare and climate change.”

To view or download Bench Mark’s research into the mining industry, please go to www.bench-marks.org.za.

Notes to editors:

Bench Marks Foundation is an independent non-governmental organisation mandated by churches to monitor the practices of multi-national corporations to

- ensure they respect human rights;
- protect the environment;
- ensure that profit-making is not done at the expense of other interest groups; and
- ensure that those most negatively impacted upon are heard, protected and accommodated within the business plans of the corporations.

Archbishop Desmond Tutu launched the Foundation in 2001 and the Rt Rev Dr Jo Seoka chairs the organisation.