



MEDIA STATEMENT BY BENCH MARKS FOUNDATION

Mines still have a long way to go, says watchdog organisation

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Failure by mining companies to include in its cost accounting, the environmental, economic and social costs to the communities in which it operates, will push more people into absolute desperation and poverty and will thrust our planet towards extinction.

According to the Bench Marks Foundation, studies conducted by the organisation over the past five years show that corporations, in particular those involved in mining, still have a long way to go before they can be considered good corporate citizens.

“Profits are still put above everything else,” said John Capel, Executive Director for the Bench Marks Foundation.

Speaking at the organisation's annual general meeting in Johannesburg yesterday, Capel added: “Material self-greed and shareholder returns continue to dominate the way business is conducted. Sustainable development is very rarely considered. Communities’ voices are still ignored.

“We recognise that for companies to really comply, their net income will be affected. But for the communities involved, a lot more is on the line. Children are becoming ill, people are dying. We need to come up with ways in which to make it beneficial for all, not just for the shareholders.”

Capel said that among the many lessons that the organisation has learnt while conducting research into mining in the SADC region over the period, the most noteworthy are

- That employment is crucial as it is the determinant of all other factors that influence well being, empowerment, independence, dignity and self-actualisation.
- Clear and transparent policies and procedures throughout the sector are essential if trust, commitment and development is to be achieved within the mining communities.
- Poor capacity at all levels (government, companies, communities and civil society) has been the catalyst of major problems within the mining sector.
- Ineffective monitoring of mining operations, policy implementation, and environmental factors has opened the door for corruption, abuse and oppressive behaviour that goes to the core of international and national governments, to the extent that it has rendered the benefits from mineral resources a curse for the SADC region.
- Corruption, abuse of power and poverty in SADC mining communities has become the norm in the mining sector.
- HIV/AIDS has devastated the mining industry, and continued to do so. The failure by governments and mining companies to see the link between HIV and AIDS and the entire mining supply chain, and to extend ARV programmes to cover this supply chain, is a major problem.

“Air and water quality is another grave concern,” added Capel. “In South Africa, the commissioning of old coal-fired power stations and the building of new coal-fired power

stations will result in an increase in pollution. The targets set by the government for new renewable energy sources such as wind, solar and geo-thermal power sources are too low.”

In its Policy Gap research reports, the Bench Marks Foundation has repeatedly warned of the threats of acid mine drainage and the problems associated with mine closure and mine completion to the water system.

“We know that with abandoned mines and water pumping systems that are not functioning, un-drained aquifers are refilling with acidic water. This eats away at the softer dolomitic rock,” said Capel.

“Much of the mine waste left in tailings also contains heavy metals. Radio-active waste washes off these dumps into streams which flow through heavily populated areas such as Soweto. The air is also filled with dust containing silica and radio-active waste.”

Capel also said that many of the predictions found in the Policy Gap research documents have come true. These include the threat of acid mine draining in Gauteng; the pollution of water - in particular the threats to the Oliphants river and to the Cradle of Human Kind, and the implosion in Botswana due to the unhealthy dependency of the country and its government on a single commodity, namely diamonds.

“Our research is based on good foundational research. We utilise the academic field, experts in the industry as well as the communities. We also engage with governments and the corporations we are researching.

“Going forward, it is our hope that governments, mining companies and local community stakeholders will utilise our research, which always provides critical information and CSR benchmarks, to guide and enhance sound corporate social responsibility practices and sustainable development in the industry.”

Themed *Corporate Social Responsibility (CSR) – ‘the Truth’*, the meeting was attended by representatives of the government, mining houses, businesses, churches, embassies and civil society. It also offered communities in and around mining areas the opportunity to speak out about what they are seeing and experiencing on the ground with regard to corporate social responsibility.

The Bench Marks Foundation was launched in 2001 by Archbishop Desmond Tutu in response to the churches’ call in 1993 to monitor and hold businesses accountable in the new South Africa and in Southern Africa. It is chaired by Bishop Jo Seoka.

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Bench Marks Foundation is an independent organisation monitoring corporate performance in the field of Corporate Social Responsibility (CSR) with the focus on social sustainability and economic empowerment. The organisation encourages CSR that goes beyond reporting mechanisms and focuses on the gap between policy and practice, thereby assisting civil society groups and corporations to move beyond philanthropy to more strategic interventions that benefit both the corporations and society. Central to Bench Marks’ agenda is how CSR is integrated into companies’ operations and ensuring that it is at the core of every decision making process.

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