Getting to Acceptance

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At a glance

Bringing together the world’s leading mining and metals companies to address the sustainable development challenges faced by the industry.

Representing 900+ sites in 58 countries
The social contract in 1960/70

Mining companies gain:
- Profit for owners/shareholders

Mining provides in return:
- Jobs at the mine
- Resources for the world
- Royalties/taxes to government

Social contract 1990s

Mining Companies Gain:
Profit for owners/shareholders

Mining Offers In Return
- Minimal harm to the environment
- Jobs and benefits to local populations
- Resources for the world
- Royalties/taxes to government
Mining-community conflicts increasing – ICMM

Key driving issues (in-depth analysis of 2012 findings): (1) Economic; (2) Environmental, often related to water.

Analysis of Incidents (2002 – 2012)

But activity has increased too
What we know about social acceptance

We compared the findings of public attitude survey results from:

• Australia
• Chile
• Zambia
• USA
• Peru

Findings:

1. Trust is a key driver of public acceptance of mining

2. Three factors
   – distributional fairness, procedural fairness and confidence in governance - affect the public’s acceptance of mining.
Good relationships at the local level are not enough to insulate a company from problems with overall societal acceptance; there is interplay between the national and local levels.

Some degree of trust in the mining industry is crucial for mining activities to be accepted.
Distributional fairness, procedural fairness, and confidence in governance arrangements affect the public’s acceptance of mining mediated by trust in the mining industry.

While environmental performance is almost always rated the most negative impact of mining by local communities, it is rarely itself a significant predictor of trust. This has more to do with the relationship between the community and company.
Direct drivers of acceptance include perceptions of the industry’s contribution to community development/infrastructure, employment and macro-economic development/wealth creation.

Distributional fairness and procedural fairness act as enablers, that is, they serve to strengthen or weaken the links between trust and acceptance.
Companies need to tailor their relationship building approaches to the national and local contexts very deliberately.

A predictive model for acceptance of mining and metals
Context: Expectations of social value are rising

The private sector is expected to do well and also to ‘do good’

Contribution to the SDGs
Role in post-COP21 climate agenda

Growing inequality and Und(der) employment
Gender inequality of impacts/benefits
Concerns over workplace air quality

Context: Citizens are demanding greater engagement

More effective citizen activism
Influence on social licence to operate
Demand to participate in decision-making
And are demanding more accountability and transparency

- Transparency and accountability
- Increasing shareholder activist discourse
- Rise of a rights-based rights discourse

If companies cannot navigate through this context

They risk losing social licence, with a very real cost

One study estimated the cost of conflict:

- up to Au$10,000 (£4,900) a day during exploration
- up to Au$50,000 (£24,507) a day during advanced exploration
- up to Au $20 million (£9.8 million) a week during operations
ICMM’s plans for 2017 include the following

Citizen voices in mining – a partnership

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