

The LOGBOOK of CSP²

The CENTER for SCIENCE in PUBLIC PARTICIPATION

"Technical Support for Grassroots Public Interest Groups"

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A FRAMEWORK FOR RESPONSIBLE MINING

A number of movements to promote corporate social responsibility – as evidenced by efforts to certify sustainably managed forests, end the trade in conflict diamonds, and institute fair labor practices in the apparel industry – demonstrate the public's desire for companies to operate in an environmentally and socially responsible manner. Mining results in environmental and social change no matter where the mine is located. However, by implementing the best possible standards, many negative impacts can be avoided. To date, existing frameworks have not been adequate to address the negative environmental and social impacts associated with mining.

The Framework for Responsible Mining – a research report co-authored by Dave Chambers, CSP², Marta Miranda, WWF, and Catherine Coumans, MineWatch Canada – is the result of a call by NGOs, retailers, investors, insurers, and technical experts working in the minerals sector to create a basis for developing responsible sourcing and investing policies. The Framework evolved out of dialogue in 2003 between NGOs, such as the Center for Science in Public Participation, Earthworks, World Wildlife Fund, and companies that use mineral products, such as Tiffany & Co. Those at the table recognized that sourcing from or investing in environmentally and socially responsible mines could help companies avoid the risks to brand associated with the negative impacts from environmentally and socially destructive mining-related investments.

The Framework outlines environmental, human rights, and social issues associated with mining and mined products, and explores state-of-the-art social and environmental improvements, providing recommendations for retailers and others seeking to source or invest responsibly, as well as those charged with regulating and encouraging responsible mining practices.

The Framework is organized according to four main themes: 1) identifying areas where mining may not be appropriate land use (i.e., resulting in a “no go” decision); 2) ensuring environmentally responsible mine development; 3) ensuring socially responsible mine development; and 4) ensuring that appropriate governance structures are in place and implemented at national and corporate scales.

Major findings of the Framework include:

- Mining should not occur in protected areas designated for conservation purposes, such as national parks, wildlife refuges, or marine protection zones.
- The public should be notified of and able to participate in all aspects of mining, from exploration planning to mine closure. Environmental analysis should be accurate, complete, and include worst-case scenarios and analyses of off-site impacts.
- A qualified professional should certify that water treatment, or groundwater pumping, will not be required in perpetuity to meet surface or groundwater quality standards beyond the boundary of the mine. Monitoring and discharge reports, including contamination of surface and ground water, should be made publicly available in a timely manner.
- Tailings impoundments and waste rock dumps should be designed, constructed, and monitored to minimize threats of release to the public, workers, and the environment.
- Environmentally responsible mining should not include riverine or shallow-water submarine waste disposal.
- Companies should monitor and publicly report hazardous emissions to workers, air, and water.
- Reclamation plans and post-mine planning should be developed before operations begin, and should include reasonable cost estimates and financial assurances, all of which should be reviewed and regularly updated.

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- Companies should obtain the free, prior, and informed consent of indigenous peoples before exploration begins and prior to each subsequent phase of mining and post-mining operations.
- Companies should enter into binding contracts with communities, specifying the terms for each mine activity and phase, and the consequences if either party fails to abide by the agreement.
- Mines should recognize the rights of workers to organize labor unions and should compensate employees based on job performance; compensation should not be influenced by gender, race, religion, or creed.
- Resettlement should be avoided and should not occur without the free, prior, and informed consent of affected individuals set out in a binding Consent Agreement. Where resettlement does occur, planning and execution should include community participation, fair compensation, and mechanisms for equitable dispute resolution.
- Financial institutions should report the environmental and social risks associated with their lending in the mining sector and companies should report money paid to political parties and governments.
- Companies should avoid investing in areas where the risk of violent conflict is high (e.g., in areas of civil war or armed conflict).

CSP² is now working with Earthworks, Oxfam, World Wildlife Fund, and other NGOs in preliminary negotiations with jewelers, private and government banks, and mining industry representatives to discuss how the Framework for Responsible Mining, and other sources for guidelines for responsible mining, might be used to develop standards that would lead to a certification process for individual mines worldwide.

The Framework is available online at:
www.frameworkforresponsiblemining.org.

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From the Executive Director

Mining is booming across North America – and the world. Gold is presently selling for over \$500 an ounce, the highest price seen since the early 1980's when gold reached an all time high of over \$800 an ounce. The prices for other metals (e.g. platinum, silver, copper, zinc, molybdenum) are seeing similar highs.



*Dave Chambers is the
Executive Director of CSP²*

Proposals for new mines abound, particularly in Alaska, British Columbia (both areas where **CSP²** exerts its technical support efforts), Nevada, and Latin America. Interestingly enough, one of the things that is slowing the opening of a number of mines is a lack of availability of mining equipment, tires for large trucks in particular.

Regulation is not slowing mining development in North America. In Alaska, the State legislature passed a law allowing companies to use corporate guarantees (i.e. promissory letter not backed up by real assets) as a financial guarantee for mine reclamation. British Columbia legislatures have cut the budget of the Provincial mine regulatory agency, and many of the regulatory staff has been laid off.

At federal level in the US, the Corps of Engineers and EPA signed a letter of agreement which for the first time since the passage of the Clean Water Act allows the dumping of tailings in lakes

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(and even streams) at the discretion of the Corps. This legality of this issue is presently being tested in Alaska at proposed Kensington mine near Juneau. If the courts rule this dumping is legal under the Clean Water Act, then the disposal of mine waste into lakes (and streams and rivers) could be allowed anywhere in the US.

As most of you know, the Congress came perilously close to allowing miners to buy (patent) federal mining claims after a 10-year prohibition on these land sales. Hard rock mining is still the only resource extraction activity on federal lands where land can be purchased from the federal government, and where no royalty is paid for the extraction of minerals. If you mine coal, sand & gravel, drill for oil & gas, or cut timber on federal lands, you pay for the resource removed – but with hardrock minerals you not only don't have to pay for the minerals, you can also have the land. Such is the Mining Act of 1872 – still going strong.

Staff

Stu Levit has joined the **CSP²** in Bozeman. Stu brings an interesting mix of skills and experience to the Center. Stu has a Master of Science in Land Reclamation degree from Montana State University, and worked as a Land Reclamation Specialist for the Montana Abandoned Mine Reclamation Bureau in Helena. In addition to his regulatory experience and technical training, Stu also has a Doctor of Jurisprudence degree from the University of Montana, clerked for the Montana Supreme Court, and worked with both the Coeur d'Alene Tribe and Confederated Salish and Kootenai Tribes as both an attorney and a water quality specialist.

Stu will be helping **CSP²** with implementation of the Framework for Responsible Mining (see the main article in this issue of The Logbook), in addition to providing technical assistance on behalf of **CSP²** on international mining projects.

I also want to again thank those who donated to **CSP²** in the past year. Several of our donors were particularly generous, and their generosity helps us in our work to try to maintain a balance between the environment and the money that drives mineral development.

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MIDWEST “SULFIDE” MINING

High metals prices have also led to metals mining in areas that have not seen “sulfide” mining in many years.

The Kennecott Eagle Project, a proposed nickel-copper-cobalt-gold mine on Michigan's Upper Peninsula, would be an underground mine beneath the Salmon Trout River.



Salmon Trout River

The Salmon Trout flows through an area known as the Yellow Dog Plains, an expanse of largely undeveloped woods and wetlands that provide habitat for deer, bear, moose, wolves and birds. The Coaster Brook Trout, one of two trout species native to Lake Superior, spawns in the Salmon Trout River downstream of the proposed mine.

CSP² has been working with the Yellow Dog Watershed Preserve and the National Wildlife Federation of Michigan to accurately describe the risks of acid mine drainage, and to evaluate the technical aspects of this project.

Similar advanced exploration projects and mining proposals are active for polymetallic orebodies in Minnesota and Wisconsin.

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