



Media Statement by Bench Marks Foundation

For Immediate Release [27 July 2009]

West Coast diamond mining fraught with social problems

Research released today by the Bench Marks Foundation paints a picture of poor infrastructure, unacceptable levels of unemployment, and pathological social problems such as high suicide rates and mental disorders in the West Coast, the diamond-mining hub of South Africa.

This contradicts sharply with suggestions by the mining houses that they have impeccable Corporate Social Responsibility (CSR) programmes in place, according to Bench Marks Foundation.

The study, titled *Corporate Social Responsibility in the diamond mining industry on the West Coast of South Africa*, was released today in Johannesburg.

The study points to the worst affected communities in the towns of Port Nolloth, Hondeklip Bay, and Kleinsee, all of which are plagued by unemployment, substance abuse, and high level of suicide rates. In addition the communities also show high levels of domestic violence mental disorders and alcoholism.

“Except for the Richtersveld community and to a lesser extent the people of Steinkopf, most communities on the West Coast do not benefit much from the mining companies’ CSR programmes.

“The implementation and monitoring of mining policies also seem to be problematic. As a result, serious environmental and social problems exist throughout the region,” the study says.

The situation is exacerbated by the fact that most towns in the area suffer from acute water shortages, interrupted electricity supply and a sand road infrastructure. These issues should form an integral part of companies social responsibility programmes said John Capel, Chief Executive of the Foundation.

The Bench Marks Foundation recommends that a good working relationship and partnership between all the parties (mining companies, national and local government, NGOs, traditional leaders and communities) is crucial to resolving local economic development problems in the area.

“The government, together with other stakeholders in the mining communities, should set up strategies for effective community engagement as an important part of the sustainable development process of CSR and sustainable development,” the study recommends.

This research on the diamond industry of the South African West Coast is a continuation of the Bench Marks Foundation’s broader SADC research initiative into the extractive industry. The main focus of the research is the CSR practice of mining companies regarding the three basic dimensions of sustainable development – economic, social and environmental – in the areas in which they operate.

Diamond mining companies that form part of the research study are De Beers, Alexkor, and Trans Hex. They operate in the west coast towns Port Nolloth, Alexander Bay, Richtersveld, Kleinzee and Hondeklip Bay.

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Issued by Quo Vadis Communications on behalf of Bench Marks Foundation

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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