



Media Statement by Bench Marks Foundation

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West Coast diamond mining area in shambles

South Africa's West Coast, which is the hub of the country's diamond mining, is characterised by unemployment, substance abuse, high level of suicide rates and lack of infrastructure development, a new research study by the Bench Marks Foundation has shown.

Bench Marks is an independent organisation monitoring corporate performance in the field of Corporate Social Responsibility (CSR) with the focus on sustainability, development and economic empowerment.

The study, titled *Corporate Social Responsibility in the diamond mining industry on the West Coast of South Africa*, released in Johannesburg today says that the worst affected communities are the towns of Port Nolloth, Hondeklip Bay, and Kleinsee. 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.

"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," the study says.

Speaking at the launch, the chief executive of Bench Marks Foundation, John Capel said that the study illustrates that mining activities over the years have severely altered the communities' landscape as water supplies, marine and plant life as well as the landscape has all been compromised.

"Community members across the board are very upset on environmental degradation in the area caused by the mines. The study points out that the poor monitoring capacity of the Department of Minerals Affairs and the huge gap between policies and practise of the mining companies are to blame for this ruin," said Capel.

"What is called for in the diamond mining industry on the West Coast is at the very least responsible mining by the mining companies when they extract the minerals and precious stones from the area."

The in-depth study also found out that there is no unity amongst most communities on the West Coast, save for the Richtersveld community which has been described in the study as having a clear desire to

uplift and develop their communities, in contrast to the communities of Port Nolloth and Hondeklip Bay.

Another contentious issue highlighted the study is the involvement of the state as a director producer and a marketing agency in the diamond mining sector.

“This type of interference and conflicting interests in the mining sector in South Africa is becoming quite common now. The proposed state mining company, African Exploration, Mining and Finance Corporation (AEMFC) wants to simultaneously play the role of regulator as well as mining house and is severely criticised by concerned role players,” Capel noted.

The Bench Marks Foundation recommends that West Coast mining companies and the South African government must work towards achieving the Principles, Criteria and Bench Marks of CSR, as outlined in the framework (*Principles for Global Corporate Responsibility: Bench Marks for measuring Business Performance*) of the Bench Marks Foundation (2003).

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

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Issued by Quo Vadis Communications on behalf of Bench Marks Foundation

For more detailed media releases and the study itself contact Quo Vadis Communications on 011 487 0026.

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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