

MINING COMPANIES NEGLECTING SOCIAL RESPONSIBILITY

Media Statement by Bench Marks Foundation of Southern Africa

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Zambia's new mining companies have been accused of neglecting their Corporate Social Responsibilities (CSR) towards miners and their families who, in contrast to the past, now no longer have access to adequate health care and educational facilities, according to research published by Bench Marks Foundation.

This is one of the findings to be discussed at the Foundation's launch of the Policy Gap 3 at Pamodzi Hotel in Lusaka Tomorrow. Policy Gap 3 is an in-depth study of Corporate Social Responsibility in the Zambian mining industry.

The study shows that CSR in the mining communities is relatively ineffective in terms of facilitating sustainable development; in most areas CSR is either negligible or non-existent.

The Bench Marks Foundation's research notes that Zambia Consolidated Copper Mines Investment Holding (ZCCM -IH), which took over Zambia Consolidated Mines Limited (ZCCM Ltd) after its privatisation in 2000, has interests in 10 companies spread across Zambia's mining regions.

Members of communities who were interviewed for the study say that before privatisation, ZCCM provided health care facilities for everyone. Now, however, these benefits are only enjoyed by those employed by the mines and afterwards for a period of only five years.

The report further notes that during the ZCCM era, communities also enjoyed free education, water, housing and clubs; not all new investors are, however, providing these services.

According to the research, it thus appears as if companies are not yet living up to the Foundation's expectations in terms of its health and education criteria.

According to Bench Marks' criteria, the companies subscribe to the principle that every person has the right to access to health care, including access to affordable therapies and medicines. Bench Marks also expects companies to provide adequate health coverage for its employees and their dependants.

In the light of the perceived neglect by companies of their CSR, communities in the Zambian Copperbelt have taken the initiative and formed HIV/Aids awareness and support groups. The report notes that all these communities ask for is support from mining companies operating in their areas.

According to the report, education has also been neglected; according to a school teacher, the high levels of unemployment mean that there are well-educated people who can't find work. "This takes away the motivation for children to study when they

see that there are people here that studied at the University of Zambia, but can't find work," the teacher comments.

The intensive research by the Foundation quotes members of communities as saying they are not impressed by the lack of development of infrastructure such as roads and buildings, which they say, were built by colonialists; nothing has changed -The buildings are just the same, they say.

This practice is not consistent with Bench Marks' criteria, which stipulates that companies need to develop a policy statement that measures its social, environment and economical impact on local communities affected by its operations. The company is also expected to evaluate all its operations in the light of community sustainability.

The Chamber of Mines of Zambia (CMZ), however, maintains that companies do practice CSR and the Chamber of Mines has evidence of figures and statistics of projects to support its assertion.

CMZ adds that differences in perceptions between communities and companies are attributable to the poor consultation processes between the parties. The report quotes the CMZ as admitting that there is a need for better consultation: "Communication has not been well, that is why communities have the perception that nothing is being done, there is a need for information from the communities, certain mines don't seem to have a link with the communities".

In terms of Bench Marks' best practices, the company should recognise various stakeholder groups and establish an effective consultation process with them. It should also see to it that all socially responsible initiatives are decided upon and agreed by all stakeholders.

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