



Media statement by the Bench Marks Foundation

Steel giant still resisting transparency

28 November 2013

A report released today by the Bench Marks Foundation says that steel giant, ArcelorMittal shows little respect for the health and wellbeing of communities surrounding its operations, nor for its current and former workers.

The report, titled “Steel at any cost – a community voice perspective on the impacts of ArcelorMittal’s operations in Vanderbijlpark”, was released during an event in Johannesburg today.

The research for the report was done in collaboration with the Vaal Environmental Justice Alliance (VEJA), an alliance consisting of environmental organisations, various groups, institutions, agencies and individuals operating in the Vaal Triangle.

“As we explored ArcelorMittal’s operations, spoke to VEJA and interviewed residents, employees, ex-employees and other civil society organisations for this report, it became clear that the company performs poorly with regard to transparency and engagement,” says John Capel, Executive Director for the Bench Marks Foundation.

“For instance, the company has ignored a court order to hand over its environmental master plan as well as details pertaining to its Vaal disposal site situated in Vereeniging, where it illegally dumped hazardous waste in 2007. This is in spite of ArcelorMittal’s stated commitment to support the promotion of access to information act (PAIA).

“The judgment was handed down on 10 September 2013 and the company was given two weeks to hand over all the requested documentation. To date, VEJA have not received anything and the company is challenging the court order.

According to Caroline Ntaopane, project coordinator for VEJA, the alliance has repeatedly requested this information from ArcelorMittal, but to no avail.

“We have been asking for this information since 2011 and when the judgment went in our favour in September this year, we were overjoyed,” says Ntaopane.

“We thought that we would finally be able to go through the documentation and assess what they planned to do and what they have done environmentally and to what extent the company is responsible for the pollution in Vereeniging.

“Our plan, as VEJA, is to use the documentation as a means to monitor the company and ensure that it adheres to legislation.

“We are entitled to this information, which has been confirmed by the court, and yet ArcelorMittal continues to blindside us”.

Capel says the company would not meet with Bench Marks Foundation's researchers or complete the questionnaire relating to the research report or allow interviews.

"Our researchers tried to engage with ArcelorMittal to get their response to the concerns raised by the community and a meeting was agreed to by the company's CSR Manager, Mrs Maggie Mopeli, for October 2012,

"She then cancelled the meeting and was not forthcoming with another date. We also tried meeting with the company's Health and Safety manager, without success.

"I wrote to both the CEO of ArcelorMittal at the London headquarters and to ArcelorMittal in South Africa requesting that they complete the questionnaire, but the forms were never returned and only their London head office acknowledged the correspondence. Their local South African office kept quiet.

"The company's lack of respect for the court order as it has ignored it, together with its refusal to cooperate with us or VEJA shows its dearth of concern for its various stakeholders," says Capel.

The report also says that the silence of the company itself on this issue and lack of participation could be an indication that the working conditions inside the company could be worse than is currently imagined.

Capel said that the discussion with the company was important for the research to determine the extent to which the company abides by the standards set by the World Health Organisation and the International Labour Organisation.

"These standards prescribe that the company is obliged to adhere to the relevant codes of these two institutions and cover amongst others, the health of young and women workers, the use of chemicals, preventing occupational diseases and compensation for occupational injury," he said.

Amongst the many observances made by the community regarding the company is the following:

A young worker at ArcelorMittal said that "it seems as if ArcelorMittal does not have the skill to deal with our safety. Many people working here are too scared to expose the company because they fear losing their jobs".

The report shows that the company is continuously in direct contradiction to several criterions of the Bench Marks Principles which was used as the basis for the research and which calls for a sustainable system of production, preservation of the broader social environment for present and future generations, a more equitable system for the distribution of economic benefits, stakeholder participation, especially those most affected and exploited by the company's operations and the promotion of life and freedom for all humanity.

In terms of the Bench Marks Principles, ArcelorMittal scores poorly on transparency and community engagement.

The research also indicates that the community voices presented in the research speaks of clear evidence that the interface of employees with the company at all levels is kept at very minimum levels.

The employees have limited bargaining power at all nor have access to any information that could help them in obtaining proper medical assistance. This extends to the community as well.

In addition, the report says that in denying access to civil society groups to discuss matters that affect the sustainability of the community in Vanderbijlpark, ArcelorMittal appears to have failed in terms of basic benchmarking principles in this regard as well.

Capel said that it was not just the company that was uncooperative; the local municipality was too.

“Despite repeated efforts, relevant officials from both Emfuleni Municipality, and officials for ArcelorMittal were unavailable to us.

“This confirmed the sentiments that were raised by members of the community that local authorities do not care much about the communities that they serve and will not take action against ArcelorMittal because it pays their bills.

“South Africa has laws that are meant to protect the environment and communities, but we are seeing little evidence of this being implemented.

“ArcelorMittal has clearly been allowed to disregard the court order and has consistently been able to sweep its indiscretions under the proverbial carpet”.

To access the report mentioned as well as Bench Marks Foundation’s other research documents, go to www.bench-marks.org.za or contact the organisation on 011 832 1743.

Notes to editors:

Bench Marks Foundation is an independent non-governmental organisation mandated by churches to monitor the practices of multi-national corporations to

- ensure they respect human rights;
- protect the environment;
- ensure that profit-making is not done at the expense of other interest groups; and
- ensure that those most negatively impacted upon are heard, protected and accommodated within the business plans of the corporations.

Archbishop Desmond Tutu launched the Foundation in 2001 and the Rt Rev Dr Jo Seoka chairs the organisation.

Bench Marks Foundation Contact:
Mr John Capel, Executive Director 011 832 1743 or 082 870 8861 Email: jcapel@eject.co.za