

## Mining Dialogues: From Troubles to Transformation

### *Episode 7 overview*

#### **The Evolution of Global Mining Standards: A Journey Through MMSD**

The conversation will delve into the impacts and consequences of the Mining, Minerals, and Sustainable Development (MMSD) project, highlighting its role in laying the groundwork for numerous global standards in the mining industry. Before MMSD, the mining industry will lack cohesive global standards. While some mining professionals will seek clear rules to alleviate external pressures, it will be unrealistic to expect a global project to produce a definitive set of guidelines quickly. However, MMSD will contribute significantly to developing various sectoral standards such as IRMA, Copper Mark, and the gold standard.

The conversation will emphasize that effective standards must emerge from broad consultation, acknowledging the difficulties of achieving global consensus. Before MMSD, significant steps like the IFC performance standards will be taken, although they will not be sector-specific. The early 2000s will see the rise of various initiatives, including the Extractive Industries Transparency Initiative and the Voluntary Principles on Security of Human Rights, indicating a burgeoning focus on industry standards and corporate accountability.

Financial institutions, driven by reputational risks and the cumbersome nature of varied due diligence processes, will push for unified standards like the Equator Principles. Mining companies will also advocate for standards to level the playing field, ensuring competitors face similar costs and reputational risks.

The conversation will highlight the growing empowerment of local communities and indigenous groups, shifting the dynamic from a two-way to a three-way engagement involving governments, companies, and local interests. The rise of powerful environmental advocacy organizations globally will further amplify the call for stringent standards and corporate accountability.

Corporate Social Responsibility (CSR) policies, such as those initiated by the Canadian government, will aim to oversee corporate behavior, reflecting the increasing pressure on companies to adhere to responsible practices. However, issues of international jurisdiction and the complexities of enforcement will pose significant challenges.

Consumer pressure, particularly from companies like Ford and Tesla, will drive the push for transparent certification systems. The conversation will touch on the complexities of tracing minerals from their source to the end consumer, emphasizing the need for robust traceability systems to ensure accountability and maintain consumer trust.

The dialogue will acknowledge the changing global economy, with emerging economies like China, Russia, India, and Brazil playing more significant roles. These countries, initially marginalized in the development of global standards, will now establish parallel institutions and develop their own standards, often aligning with existing ones over time.



#### **Mining Dialogues**

The discussion will conclude with reflections on the future of mining standards, predicting a convergence of industry-led and multi-stakeholder governance models. The role of consumers, the need for traceability, and the importance of authentic engagement will be highlighted as critical factors driving the evolution of global mining standards.