

Position statement

Mineral Resources and Economic Development

ICMM is sponsoring a substantial research project, the 'Resource Endowment' project, which aims to enhance the economic outcomes from investments in mineral resource development. This project commenced in August 2004 and is scheduled for completion in mid 2005. Upon completion, it will guide ICMM's policy position and the relevant business practices of its members. In the interim, the following is our position statement.

ICMM members:

- believe that mineral resources have the potential to promote economic development and contribute to poverty reduction;
- acknowledge that the experience of countries and communities endowed with mineral resources is mixed: some have experienced significant development while others have not;
- consider that the key policy issue is where and how mineral resources should be developed to realise their potential to contribute to sustainable economic development and poverty reduction at both community and national levels;
- consider that alternative restrictive policy approaches, such as blanket bans on investment loans are unconstructive;
- appreciate that the process of national and community economic development is complex, the range of country circumstances is diverse, and thus that no single national model or project approach can be universally effective;
- endorse the emerging consensus that the overall governance framework, both sovereign and corporate, within which mineral resource exploitation takes place is a major determinant of its contribution to sustainable economic development;
- will support research to learn how countries and projects have successfully contributed to economic development and poverty reduction at national and community levels;
- expect to develop (in partnership with organisations such as the World Bank Group, the UN and national governments) practical solutions to the dilemmas faced by mineral-rich countries and communities. This research will identify the policy actions, operational practices and partnership arrangements that deliver results on the ground; and
- agree to report on corporate performance using the GRI 2002 Sustainability Reporting Guidelines and the recently prepared pilot Mining and Metals Sector Supplement.