

Yvan Maillard Ardent
Program Officer Business & Human Rights
Bread for All
Switzerland

State-owned and private companies

BFA welcomes the facts that RMI is assessing also state-owned, and private companies and not only quoted companies (like every ESG rating agency).

Use of the RMI results

RMI states the following: “The RMI report will aid decision-making and policy-making, provide shared learning, and support the social discourse around accountability and responsible mining”. And Figure 1 highlights some of the main stakeholder groups who will have a direct interest in the Index results.

Feedback from BFA: it is not clear enough for us how investors, governments and NGOs will be able to use the RMI report for decision-making and policy-making. We recommend RMI to provide more details on this.

Comments on mine-site indicators

RMI has the following mine site indicators:

MS 1: Assessments of impacts: The operating company actively and inclusively engages affected communities in regular assessments of its impacts and in sharing the results, throughout the life of the mine.

MS 2: Local employment: The operating company has measures in place to support local employment opportunities, particularly for women and youth.

MS 3: Grievance: The operating company can demonstrate implementation of a grievance mechanism and claimants’ effective access to remedy.

MS 4: Water: The operating company actively and inclusively engages local communities in decisions on water management and in implementing and sharing the results of water quality monitoring activities.

MS 5: Emergency preparedness: The operating company engages local authorities, workers and communities in developing, communicating and testing its emergency preparedness and response plans.

General comment on mine-site indicators:

In our view, these indicators too much focus on the fact that companies have to demonstrate they have some procedures in place rather than focusing on the fact that the company is able to coexist in a harmonious manner with communities regarding water management and other impacts (like dust, traffic, water, air and soil pollution). To take an example: a company would certainly be able to demonstrate it organized meetings with local communities on water management (and this would get the best rating in RMI’s system) but in the same time farmers around the mine-site complain that they can’t get enough water for irrigation (this second information will be captured with such questions).

Proposition for new mine-site indicators

BFA would welcome a mine-site indicator on environmental impacts: what is the environmental impact of the mine site? (air, soil and water pollution)

BFA would welcome a mine-site indicator on land use: what is the impact of the mine site on land use? E.g. direct destruction of agricultural land, indirect impact on agriculture (through dust and air and water pollution), impact on tourism (through landscape destruction), etc.

Feedback on addressing methodological challenges at mine-site level

BFA recommends to ensure collaboration with organisations collecting information at community level such as EJOLT (Environmental Justice Organizations, Liabilities and Trade) (www.ejatlas.org), BenchMarks Foundation (<https://communitymonitors.crowdmap.com/>), and other similar organisations.

Specific comment on one indicator

D.9.2

The company publicly reports on human rights management and performance, in line with the UN Guiding Principles on Business and Human Rights.

Suggestion of BFA: “in line with the UNGP Reporting Framework”, because the UNGP does not provide detailed guidance on how to report.

The issue of coal companies

- RMI should not include and rate coal mining companies. Coal is a “climate killer” and coal mining companies are part of the problem and can be considered as “climate destroyers”. 80% of coal reserves should be kept in the ground if the global community wants to achieve the 2 degrees goal agreed at COP21 in Paris in December 2015 (cf. Campaign “Keep it in the ground”). Moreover, coal is responsible for an estimated 1 million deaths through massive air pollution. In our view, coal mining companies cannot be considered as “responsible mining companies”. This is why Bread for all advises to exclude coal mining companies.
- Another problem we see with keeping coal mining companies is the following: if you want to convince SRI investors to use your ratings, they will very likely not be interested in the ratings of coal mining houses, as SRI investors tend to exclude or at least reduce investments in coal mining companies.
- If RMI does want to keep coal mining companies, then the impact of the product (in this case coal) should be seriously taken into account (the huge climate impact of coal and the huge health impact, see above). Coal mining companies will get a bad product impact rating (opposite to platinum mining companies for instance, where the end product (platinum) can be used in catalyst to reduce the exhaust pollution of cars). If this impact is not taken into account, the assessment of the companies’ sustainability is not comprehensive and not credible.