

Report Highlights Sustainable Ways for Countries to Tap Resources

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- New report identifies six key steps to help lift countries out of poverty by harnessing their mineral wealth, drawing on authority of 400 experts
- Practical recommendations include publishing mining-related tax and royalty payments and creating local development councils
- Read the [Report](#)

Geneva, Switzerland, 6 February 2012 – Six building blocks are needed to help lift some of the world's least developed countries out of poverty by harnessing their mineral wealth, according to a joint publication from the World Economic Forum and The Boston Consulting Group (BCG).

[A Framework for Advancing Responsible Mineral Development](#) draws on the expertise of 400 experts from NGOs, governments and mining companies to provide practical advice aimed at enabling developing countries to develop their mineral resources in a socially and economically sustainable manner.

Examples of good practices highlighted in the report include the world's largest bauxite mining company, Alcoa, setting up a local development council in Juruti, Brazil, which led to 21 projects, among them the construction of a district police station and school, as well as Rio Tinto deciding to publish all tax and royalty payments in the 28 main countries in which it operates.

"This report offers intelligent, relevant responses, drawn upon real-life experience, on how to create a climate of trust, transparency and understanding, which can bring benefits to all of the various stakeholders in mining development," says Richard O'Brien, President and Chief Executive Officer of Newmont Mining Corporation, and Chair of the World Economic Forum's Mining & Metals Steering Board.

The building blocks identified are: training programmes and sharing knowledge; making sure people are informed about the benefits and costs of mineral development; a collaborative process for stakeholder involvement throughout mining projects; transparency; commonly agreed compliance and monitoring combined with the enforcement of commitments; and effective mechanisms to resolve disputes.

Huguette Labelle, Chair of Transparency International and a Member of the World Economic Forum Global Agenda Council on the Future of Mining & Metals, endorsed the report, saying: "Transparency is essential to ensure prosperity for resource-rich countries, building the trust necessary for effective collaboration among stakeholders."

All six building blocks aim to increase trust between different parties and create a stable long-term environment for mining projects. The report highlights 22 examples of existing projects and initiatives that show what can be done in a number of countries, including Mongolia, Liberia, Ghana and Chile.

Underlying the proposals is an analysis of leading mining countries, which shows that some combine

huge untouched mineral resources with lower levels of development. These countries, such as Guinea, Mongolia, Peru and South Africa, could transform their socioeconomic prospects by using the six building blocks to tap their resources.

"Having co-hosted the launch of the Forum's Responsible Mineral Development Initiative in Mongolia in June 2010, we fully support the release of this year's Report," says Elbegdorj Tsakhia, President of Mongolia. "The case studies and recommendations will help countries such as ours develop our mineral resources in a fair and responsible manner for all stakeholders. Socially as well as environmentally responsible mining is not merely a challenge for the host countries, but it is the prerequisite for sustainable global development."

Practical recommendations, in keeping with the six building blocks, include encouraging companies and governments to publish mining-related tax and royalty payments, creating local development councils and the establishment of capacity development programmes.

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Notes to Editors

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