Mainstay Development Consultants
E M P O W E R I N G   C H A N G E

CSR – Sustainability and Stakeholder Engagement for Mining Industry

Prelude – This paper presents overview of emerging, potential business challenges for Mining Sector and mitigation plan to imbed sustainability

The Indian mining sector now ranks 3rd amongst the coal producing countries in the world and growing over 12% per annum. On the other hand sector is dealing with range of community - social, environmental and institutional issues. Both India and regions around the world are faced with serious social and environmental consequences of industrial mining. The mining operations primarily in the developing world, often work directly with the most vulnerable populations, dramatically altering the natural surroundings in the places they work, and have the potential to make volatile economies even more unstable depending on the stand point of perceived social licenses to operate. As a result, mining companies often comes under public institutional scrutiny. Hence, companies need to assess such challenges and develop mitigating process with appropriate stakeholder engagement plan and execute strategies to have positive net outcomes that are sustainable in the long-term. Otherwise, such situations may often result in equating with rights, thereby posing serious threat to long-term business sustainability. Figure 1.1 explains the process of engagement.

Figure 1.1
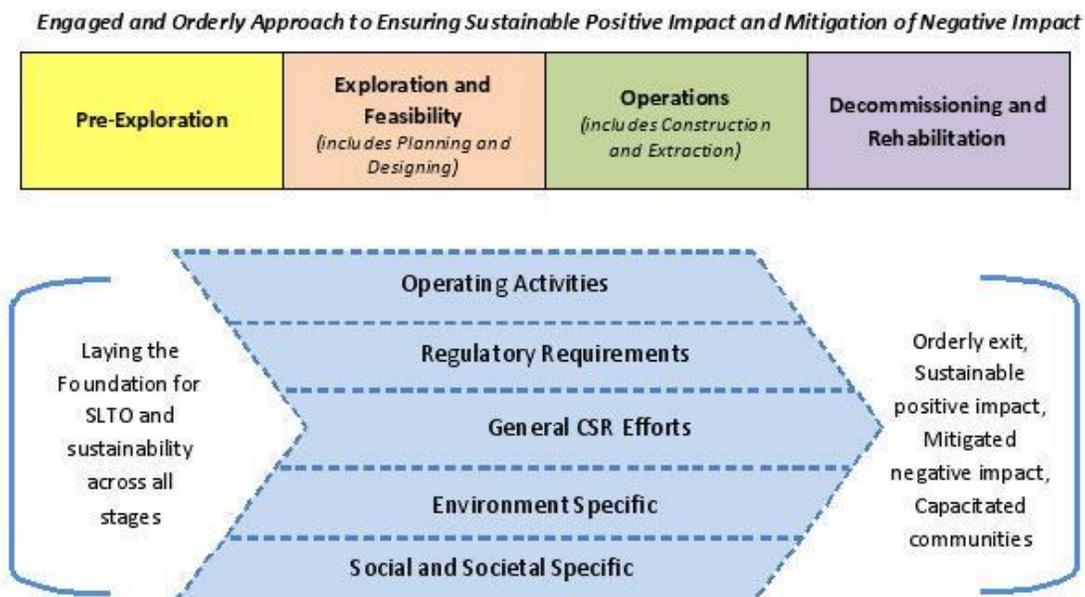
The social environment may hamper business goals and growth potentials in long-run, unless strategically aligned and engaged with the community, and key stakeholders. The effective engagement process in place will manage perception, visibility by imparting equitable and sustainable social benefits.

Therefore, it becomes inevitable for business houses to assess their social vulnerabilities mitigate such vulnerabilities through effective social risks management in place will ensure social branding leading to added competitive advantage. Figure 1.2 depicts overall consequences and their influence.

Figure 1.2
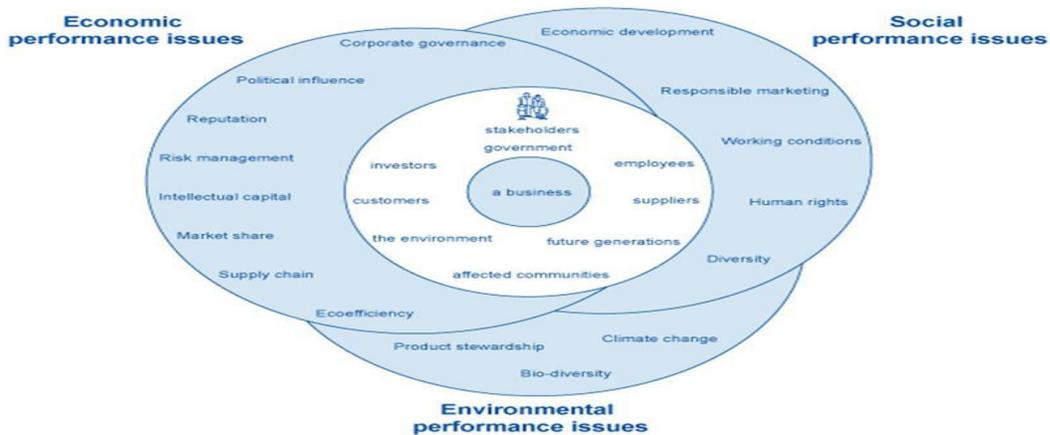
One would agree that the contemporary business is equating its performance on tangible social attributes that are contributing throughout its business cycle, as never before. These processes appraise critically on social brand equity, corporate image on sustainability of business performance. The social accountability, ethical business strategies and sustainable development are very important subject matters for business today. The social deliverables are seen as an internal process of governance, strategically aligned with core values, vision in demonstrating business sustainability. The social performances of the company are critically equated by clients, stakeholders, governments and communities - makes it more relevant for mining industry. Figure 1.3 depicts the process framework in driving operations sustainability.

Figure 1.3
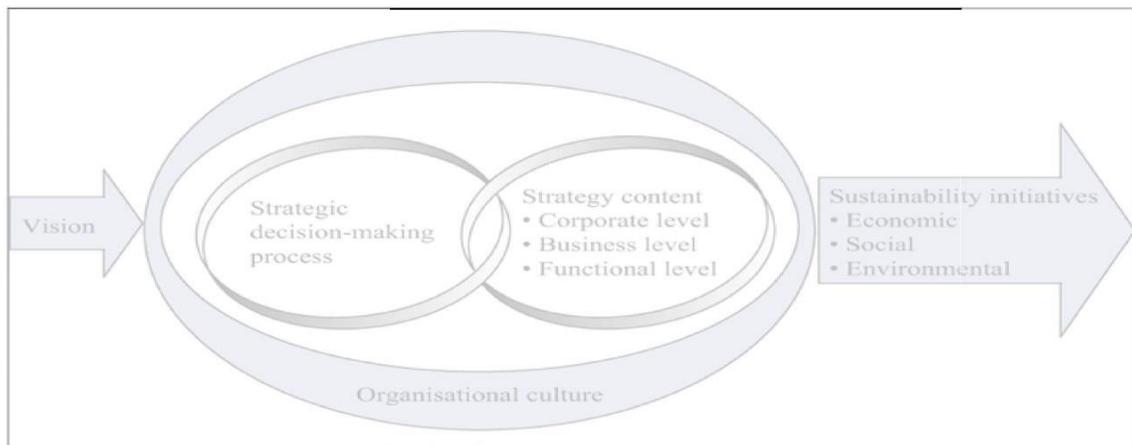
Mainstay offers diverse social, environmental expertise and demonstrated models in aligning communities and sustainability concerns of business and institutions. Mainstay social team members have over fifteen yea0sr of working experiences with proven multi–faceted deliverables in varied contextual situations. Figure 1.4 provides an overview of sustainable integrated solutions offered to meet the contextual challenges.

Figure 1.4

Strategic CSR – Sustainability Services

- Develop strategic and effective CSR goals and objectives – aligning with specific challenges of community and stakeholder towards mining sustainability
- Align community and key stakeholder engagement plan – building convergence and linkages
- Develop strategic CSR/Social interventions to mitigate vulnerabilities (SROI) a process to develop monitoring & evaluation process in place to assess social performance/benefits

Social Risk Management

- Develop baseline on key social issues and challenges (Participatory Analysis)
- Develop effective Social Risk Management plan
- Rehabilitation & Resettlement (R&R)
- Disaster Risk Reduction Management (DRRM)
- Water Resources Management
- Sustainable Supply chain

Social Benefits and Returns Evaluation

- Measurement – Develop monitoring & Evaluation system – social performance & measuring social benefits
- Resource sustainability (process based) – footprint analysis
- Sustainable waste water management

Social and Environmental Assessments

- Provide appropriate perception management- IEC
- Environmental & Social Assessment (ESA)

Sustainability Reporting

- Social Audits
- Social Reporting - Corporate Accountability
- Sustainability reporting GMI/Global Mining Imitative

For further information on the subject please contact us.