ARCHITECTURE FOR CHANGE: AN ACCOUNT OF THE MINING, MINERALS AND SUSTAINABLE DEVELOPMENT PROJECT
History

Luke Danielson

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FOREWORD

In the Autumn of 2005, Richard Sandbrook, former project coordinator of the Mining, Minerals and Sustainable Development (MMSD) Project Work Group, and Luke Danielson, project director of MMSD, started to develop plans for writing and publishing a personal account (in the broadest sense) of the MMSD project. The paper would capture some of the hard won insights they had gained during this extraordinary undertaking in order to pass them on to managers and participants in future multi-stakeholder processes and the broader research community. A workshop hosted by the International Institute for Environment and Development (IIED) in London helped develop an outline for this personal history based on the topics that the attendees from different stakeholder groups found important.

On the basis of this outline, Sandbrook and Danielson started looking for an institution to help publish it. On the one hand, this institution could not have a direct stake in the mining industry, but on the other hand, it had to understand the intricacies and difficulties of a multi-stakeholder initiative such as the MMSD process. On the advice of Achim Steiner, who had been the Secretary General of the World Commission on Dams but was at that point the Director General of IUCN, Sandbrook approached the Global Public Policy Institute to be that independent host institution. GPPi was selected because it is a non-profit think tank with expertise in multi-stakeholder ventures—having done extensive research on the World Commission on Dams and the Kimberley Process among others—and Sandbrook and Danielson saw it as an impartial third party who could talk to all actors.

GPPi was excited to take on this challenge, because its team believes that capturing practitioners´ experience with multi-stakeholder processes is crucial to furthering our knowledge of how they work and how they can be improved. We believe this paper has successfully achieved this, and that it will serve as a valuable tool and source of insight to future practitioners. It contains a wealth of empirical material along with a unique insider insight into the project. Because this paper is aimed at several audiences, and because it is a personal narrative combined with empirical material, it is longer than it would be if it were to appear as just a policy paper, academic article, or assessment. We believe that this format should facilitate those interested in only a few aspects of MMSD, and also those who wish to gain a thorough knowledge of process and related insights from one of the project's leaders.

Though this paper is not an evaluation of the MMSD project, as Danielson emphasises in his foreward, GPPi believes that it will provide useful material for an independent analysis of the MMSD project. Moreover, papers such as these help to build the basis for a more analytical and comparative review of multi-stakeholder processes in extractive industries—something that GPPi hopes to pursue in the coming months and years.

Tragically, before the real writing of the paper had begun, Richard Sandbrook died, and thus this paper is primarily the work of Luke Danielson, with a notable written contribution from Caroline Digby, research manager of the MMSD Work Group, and with input from both her and the late Richard Sandbrook. Richard was very excited about this endeavour, and he considered it critical to ensure that the »lessons learned« from the MMSD Project were written up and shared with future generations of policymakers, industry leaders and activists who will shape debate around issues in the extractives industries in the coming years.

In developing this personal history of the MMSD Project, GPPi primarily served as a facilitator. One of the roles GPPi took on itself was to set up a structure to give the authors feedback from stakeholders involved with the MMSD Project. In order to do this, GPPi set up a small conference of diverse stakeholders in Berlin in November 2005 to discuss the first draft. The meeting turned out to be an intense exchange of ideas and suggestions for improvement. (The agenda of this workshop and the list of attendees are included in an appendix.)

On the basis of those suggestions and comments, Luke Danielson created a revised draft. GPPi circulated this new version in April and May of 2006 to a wider group of experts and former stakeholders in the MMSD process. Danielson and Digby suggested names, and GPPi emailed the draft to dozens of stakeholders representing business, civil society, academia, and international organizations. They were given the opportunity to read and respond to the paper in a series of telephone interviews. (The list of interviewees is also included in an appendix.) GPPi not only conducted all of the telephone interviews, but it offered all participants the option to give a written response. In particular, GPPi would like to thank all those who committed their time for interviews and providing comments to drafts of the paper. This includes Saleem Ali (University of Vermont), Ben Ayree (Ghana Minerals Commission), Hernan Blanco (RIDES—Chile), Tom Burke (Rio Tinto), Chris Burnup (formerly AMEEF), John Carrington (Barrick Gold), Patricio Cartagena (Cochilco), David Chambers, (Center for Science and Public Participation, US), Stephen D'Esposito (EarthWorks), Klaus Dingwerth (University of Bremen), Gabriel Ducca-Rivas (Amigos de la Tierra), Cristina Echaverria (Asociación por la Minería Responsible), Reg Green (ICEM), John Groom (AngloAmerican), Petr Hlobil (CEE Bankwatch), Tony Hodge (IISD), Gerard Holden (Barclays Capital), Wanda Hoskin, (formerly UNEP), Rashad Kaldany (IFC), Rachel Kyte (IFC), Bruce Jenks (UNDP), David Limpitlaw (University of Witwatersrand), Isabel Marshall (Codelco), Kathryn McPhail (ICMM), Glenn Miller (University of Nevada/Earthworks), Phumzile Mlambo-Ngcuka (Deputy President of South Africa), Gary Nash (Natural Resources Canada), Chalid Muhammad (WALHI), Geoff Nettleton (Philippine Indigenous Peoples Links/Survival), Ligia Noronha (TERI, India), Manuel Pulgar-Vidal (Peruvian Society for Environmental Law), Malcom Scoble (University of British Columbia), Charles Secrett (formerly Friends of the Earth), Peter Smith (formerly DFID), Achim Steiner (IUCN), John Tilton (Escuela de Ingenieria), Camilla Toulmin (IIED), Dirk van Zyl (Mackay School of Mines), Halina Ward (IIED), Sebastian Wienges (University of Potsdam) and Ian Wood (BHP Billiton).

On the basis of this feedback, Luke Danielson wrote the final draft, which we are now happy to publish. We would like to acknowledge the financial support GPPi received from both the International Institute for Environment and Development (IIED) and the International Council on Mining and Metals (ICMM) to make this project happen. GPPi would also like to acknowledge the role of Michael Okrob and David Beffert (both former Research Associates at GPPi) who were instrumental in pushing this project forward. Finally, and most importantly, GPPi would like to thank both Caroline Digby and Luke Danielson for their excellent work and their enthusiasm for this important project. Working with them both was a real pleasure.

Berlin, June 2006

Jan Martin Witte

Associate Director, GPPi

ACKNOWLEDGEMENTS

The Mining Minerals and Sustainable Development Project was one of the most difficult, taxing, and rewarding experiences of my professional life. Whatever positive results flow to the mining and minerals sector or anyone else from these efforts, the personal rewards have been very real and very much appreciated.

One of these was the opportunity to work closely with one of the outstanding leaders of my generation, Richard Sandbrook. I want to express my gratitude to Richard for the chance to learn from his deep insights, for several years of patient collaboration, and for giving me the chance to be involved in this project.

Richard and I intended to write this paper together. Unfortunately, illness prevented him from contributing more than some key observations before his death. While I had these helpful comments from Richard, it is not fair to saddle him with the burden of all of my opinions and conclusions, or the various defects that time and knowledgeable criticism of this paper will expose. The conclusions, observations and defects are thus very much my own.

Some of the best conversations I had with Richard focussed on knotty but important problems which we were never able to »solve«. One of my objectives in this paper is to pass on the essence of some of these dilemmas in the hope that they may help others in their thinking, as they have helped me.

I gained very much from my opportunity to serve as Director of this remarkable project and to work with Richard, as well as some other exceptional people, many of whom were, like I was, recruited by Richard to participate. With his passing I feel a profound sense of loss, both of a colleague who was dear to me, and of a great leader in the struggle to bring hope, decency and a better future to this deeply troubled world.

In a very real sense this was Richard Sandbrook's project. He was the person with the breadth of contacts, the experience, and the ability to bring so many differing people together. He was the creative mind who envisioned a structure for doing it. And he was the persuader who persuaded so many to go forward.

I also want to mention the help of some others. Achim Steiner, who took considerable time to share with us his experience with the World Commission on Dams, as MMSD was starting up and in need of advice. His encouragement and insight at this early and lonely stage was very helpful.

The talented staff of this project worked as diligently and with as much passion and focus as any group of people of which I have had the privilege to be part. I know from working with them that better ways of people working together in groups are achievable. There are exceptional people in this group, too, and their achievement is sometimes overlooked in the focus on some of the prominent and able figures who guided the way, but their contribution is very real. We all join in thanking the International Institute for Environment and Development for having been our host in these hectic and demanding years.

The leaders and participants of the regional MMSD projects worked just as hard and overcame many obstacles. They deserve recognition and thanks from everyone who is concerned with our trajectory toward sustainable development, and the future of the mining industry.

The support, understanding and patience of a number of outstanding leaders who took considerable risks to make this project happen—including but only starting with Sir Robert Wilson of Rio Tinto, Yolanda Kakabadse, President of the International Union for the Conservation of Nature (IUCN), and Bjørn Stigson of the World Business Council for Sustainable Development—created the space in which

this work could be done. The skills of Robert Court and Peter Eggleston, who acted as special liaisons with the Sponsors Group, were greatly appreciated.

The support, understanding and help of the members of our Assurance Group were absolutely necessary, and deeply appreciated. It was there in full measure, even in very trying times. While there were many members of this remarkable group whose dedication and assistance inspired the project team, I must mention by name another late friend, Dr. Jay Hair, the first Chair of this group, and Duma Nkosi, another remarkable leader who did much to keep us on track after Jay left the project to become the first Secretary General of the newly formed International Council on Mining and Metals. MMSD proved to be the last of a number of very fruitful collaborations I had with Jay in his career.

Leadership of the calibre of Richard Sandbrook and those he helped attract into the MMSD orbit is rare, as is the willingness to work in the middle of controversy. I will never denigrate the importance of passionate and eloquent leadership that calls attention to injustice and suffering, and polarizes opinion for progress. But there is another kind of leadership that is also important: the willingness to take the risk to get in the centre, and to try to bridge deep and bitter divides.

The fact that Richard, with his history of successful advocacy, was willing to take the risk to ›work in the middle‹, and to lead so many others to follow him there, was one of MMSD's great strengths. It also poses to us this challenge: if MMSD was the fortunate beneficiary of this much experience and talent, the onus is on us to show that we achieved something worthy of the support we received.

Finally, the scale, pace and complexity of the project meant that no one individual in the project team was aware of all of the progress or problems which were unleashed during the two years of the project. It has therefore been necessary to draw on the assistance of many others. Among these, the first I must mention is Caroline Digby, former Research Manager of the MMSD Project, who drafted section I and provided considerable input on the rest of this paper, discussing it with Richard Sandbrook when he reached the point where he could no longer participate as envisioned in writing. She has been a great support through many a tempest, and is a wonderful source of insight.

In the initial draft of this paper, I was reluctant to write in detail about the regional processes as they were independent, found their own way, and spoke for themselves directly, rather than through a filter of the central project management in London. In this revised draft, I have solicited help from some of the people who managed the regional MMSD efforts. Their contributions have been incorporated into Appendix 1 with minimal editing, and with this thanks and acknowledgement, but on the understanding that none of these kind contributors bears a responsibility for the ideas and conclusions in this paper, which are mine.

In closing, I note this paper has been repeatedly, thoroughly and thoughtfully reviewed by a quite considerable number of reviewers. This is tremendously helpful in ensuring that the result is factual, balanced, and avoids intellectual sloppiness. I thank them, and the patient and highly skilled organisers and editors at the Global Public Policy Institute, particularly Jan Martin Witte and David Beffert.

INTRODUCTION

This paper is a personal history of the MMSD project and has several purposes.[1] First, it is intended as an administrative history of a major global public policy process, designed to be helpful to people who are thinking about developing, managing, or participating in such projects in the future, especially those who believe, as I do, in the fundamental importance of such processes at this stage of evolution of global institutions. It is intended as a learning tool. It focuses on questions of architecture, administration, and the practical decisions that had to be taken.

Second, it is intended to inform: to provide some raw material for the growing body of scholars who are examining global public policy processes, their potential, and how to improve them.

Third, it is intended, in at least in some respects, as an agenda of what is to be done: to be helpful to stakeholders in the mineral sector, who are deeply engaged in efforts to improve performance of the minerals industries so that they can contribute to a better life for the 6 billion people who use their products.

Finally, it is intended to help with assessment: to be one input into some future evaluation of the MMSD project, should that be undertaken.

Thus, this paper itself is not an evaluation of the results of MMSD. A real evaluation would involve many variables, most of which have yet to be identified. There is no accepted metric for evaluating a policy process such as this one. And evaluation simply cannot be done in the absence of some broadly accepted criteria against which the process can be judged.

There are many suggestions as to the appropriate metric for this kind of evaluation: What percentage of the project's recommendations has been adopted? Has the project improved social, environmental and economic performance of the minerals industry worldwide? Did it meet the objectives stated in the Scoping Study from which it originated? Has it facilitated better dialogue among actors who are in conflict? Has its research led to key new intellectual insights? Is there a greater degree of trust? Has it accelerated the process of convergence among the key actors on a set of clearly understood norms or standards for the minerals industry?

Who decides which of these or other suggested ways of measurement is most important, or how to rank them? To be credible, an evaluation would need to be independent of the people who managed the project. Since I am the project's former Director, this paper does not pretend to be an independent evaluation.

These four purposes are very different from each other. This suggests that this story should be told in several different papers, or perhaps that this paper should be divided into separate compartments, each designed to address a single purpose.

I have chosen not to do that. It would require a tremendous amount of repetition of some basic background information. There are a number of these observations that may be useful for several purposes. A long paper on an abstract subject needs some life, and I am concerned that this kind of division would rob the story of what vitality it might have.

In order to best serve these purposes, this paper follows a set of ground rules. In a productive dialogue, a considerable number of things need to be said in confidence. That confidence has to be respected. It would be a very serious disservice to the cause of building dialogue if—in the interest of *post facto* research, or just telling a good story—those confidences were breached. There have to be some ground rules about what can be said and what cannot be said in a paper like this.

This paper is written subject to at least three sets of rules, which were largely discussed, agreed, and understood as the basis for conduct of the project:

i.   The MMSD Principles of Engagement.[2]

ii.   The Chatham House Rule.

iii. Keeping promises. When in the course of the project people said things under either an explicit or implicit pledge of confidentiality, that pledge will be honoured. At times, revealing statements without revealing their source may be consistent with that pledge. In other cases, it may be that the promise can only be kept by continued silence.

Following such rules may cheat the reader of some titillating stories, but in my view does not detract much from the purpose of this paper, because with care the issues and principles may be laid bare consistent with the rules under which we chose to work, and to which we continue to adhere.

The paper is divided into six sections. The first four are a more or less chronological account of the project from what I refer to as Stage 1, its conception, through the development of the concept, the establishment of the project, and the full operational phase. There is then Section V, which is a conceptual exploration of issues of process, and finally Section VI, which focuses on some key problems and issues.

That final section contains a much more detailed distillation of some of the most important lessons from the project. In the »big picture« it seems that some of the more difficult questions for global public policy processes include: (i) the extent to which we need global processes; (ii) why we need broad representation of different stakeholders; (iii) how we solve the linked issues of the lack of capacity of some important stakeholders to engage effectively at the global level, and (iv) the quite closely related question of representation and who speaks for whom.

1. Where do we need global processes? We who are concerned with these issues should not think that we need to deal with everything at the global level. Indeed, our presumption should be quite the opposite: that we should deal with as much as possible at levels short of the global. MMSD tried to operate on the basis of the principle of subsidiarity: that decisions should be taken at the lowest level at which the interested parties can be brought together to participate in the decision.

There are several powerful reasons for this. They include the fact that global processes are expensive, ponderous, and quite imperfect. They also include the natural human instinct for autonomy and freedom: people want to make decisions as individuals, and, to the extent we cannot, we prefer making them in small groups in which we can actively participate. They extend to our preference for knowledge-based decision-making and experience that teaches that those closest to the problem know most about it: the idea of using ›local knowledge‹ in environmental impact assessment is an example. And they extend to a basic principle of biology and of sustainable development: diverse systems are both more interesting and more robust.[3]

We all must focus on and understand the reasons why some problems cannot be solved without dealing with them on a global basis. What are those problems and what are their characteristics?

2. Why We Need Broad Stakeholder Representation. Early in the MMSD process, a spokesman for a campaigning environmental NGO with a significant record of success said to us: »The big companies don't need us to do the right thing, and don't need to create all these problems by trying to get us into some kind of dialogue with them. They know perfectly well what needs to be done. They should go ahead and do it, and leave us alone.«

By the time MMSD got well underway, there was a significant process of introspection and mobilisation among the larger multinational companies in the sector. The comment made us stop and think again: why do we need to have multi-stakeholder approaches? When are they necessary? What can we do *without* all the stakeholders and all the process? And when is having multi-stakeholder involvement absolutely necessary to get things done?

I think we all have to understand what it is that multi-stakeholder dialogue and participation can achieve that cannot be achieved otherwise, so that this relatively ponderous tool is used only when it is the best one for the job. My answer is that for certain kinds of problems there simply is no substitute

for a multi-stakeholder approach. Without it, either the problems are solved very poorly, or they are not solved at all.

This is because there are issues—the role of multinational mining companies in the developing world is certainly one of them—where the division of opinion is so deep that there is a presumption of partisanship on the part of almost anyone who says something about them. The discussion tends therefore not to start with the ideas, but with questions about the *bona fides*, or even the integrity of the author. Discussing ideas in a constructive way therefore requires building a ›platform‹ on which this can occur.

3. Stakeholder capacity to engage. As will be discussed at length below, not all stakeholders are organized to participate effectively on a global level. Where we feel that a global level process involving multiple stakeholders is the best way to solve a problem, we have to face the question of what to do about groups whose interests are deeply affected by the proposals being mooted, but who do not have the capacity to engage effectively at the global level. This is particularly true when talking about sustainable development, because it is so often the poor, who need to be at the centre of our concerns, who struggle to make their voices heard.[4] It is obvious that many development problems result from trying to impose solutions without consulting the poor, who are intended as the ultimate beneficiaries.

In the absence of capacity is it even possible to have an effective multi-stakeholder dialogue? What capacity is needed for effective engagement? Are there ways to help build that capacity? What do we do in the meantime while that capacity is being built?

We need a very clear conception of how we deal with stakeholders' different levels of capacity to engage in the process. While capacity issues can occur in dialogue on any scale, they are probably greatest in global dialogue. Proceeding only with those who can get to the table without help, then pretending that the resulting process speaks for everyone is not an option. Tout le monde is a fascinating expression precisely because it is used to refer not to us all, but to an elite, and to imply that those not present do not exist, or don't count.

4. Legitimacy and representation. There is a long history at diplomatic conferences of obsession with credentials. There are fine distinctions observed among ambassadors, nuncios, and envoys, and a good deal of attention paid to terms such as »extraordinary and plenipotentiary,« and there is even a Vienna Convention on Diplomatic Relations to help sort it all out. There are reasons for this: these representatives are doing profoundly serious business. The consequences of misunderstandings over the extent to which they can speak for the people they represent can be enormous, and where there are competing ambassadors, both seeking recognition, the choice as to which to recognize has significant consequences.

Global policy processes need to aim high. We all want them to produce important results and the participants to be doing profoundly serious business. This is certainly the spirit in which we approached MMSD. The process cannot reach the necessary level of seriousness if no one has to provide evidence for his claim to be »the sole legitimate representative« of one or another interest group.

Richard Sandbrook pointed out—and I quite agree—that if we want global public policy processes to achieve increasingly significant results, to which greater importance is attached and which have greater potential for good, we all are going to have to start developing more clearly understood mechanisms for verifying the delegates' credentials. This does not mean keeping anyone from the table. In a process like MMSD, there is no one who does not have a legitimate stake in the outcome, and no one who is not entitled to speak. The idea of keeping ›troublemakers‹ away from the debate is both ethically wrong and practically counterproductive: people who are excluded will surely make more trouble than people who are at the table. And of course, who is a ›troublemaker‹ depends profoundly on the perspective. It should be a goal to ensure that those who feel passionately, and are unafraid to stand up for their views have an honoured place at the table.

Similarly, the question came up repeatedly whether there should not be a ›deadline‹ for engaging with the process—that is that doubters should be told that the train was leaving the station and they had to get on board, or the process would proceed without them. I think this is also a misconception: if someone has an interest in the conversation, the process will benefit from his or her participation whether that starts early or late: when toward the end of the MMSD process, a group of NGOs who had

previously kept their distance decided to come in to a closer engagement, this benefited the result considerably. I see no rationale for forgoing these benefits because they did not do this sooner.

The issue arises where people come to the table claiming to represent others, or insist that if they are not at the table as individuals or organizations, there is no way that the broad interests they claim to speak for can be represented. Multi-stakeholder dialogue has arisen in part from more local experience, where the actors are more likely to know each other and have a good sense of who represents whom; the ›field‹ of dialogue studies is new and there is much to work out. In the world of multi-stakeholder initiatives, we do not have an agreed group of protocols for deciding whose presence, or absence, should be considered representative of a broader constituency. And where we are seeking consensus it is usually important to have a sense of with whom we are seeking consensus. If we get somewhere with the people at the table, can their commitments deliver the cooperation of others who are not at the table? And to what extent?

Dealing with these issues of representation and legitimacy caused MMSD to develop some terminology (gatekeepers, surrogates, and informants) and definitions explored later in Stage V under »Representation and Credentials«.

In the end, to deal with the frustrating question of representation of stakeholders, we (the MMSD work group) concluded that:

⊙   Limiting participation in some way to those who clearly had formal indication that they were democratically chosen fully empowered representatives of a constituency is impractical and biases the participant group in favour of the rich, the powerful, the connected, and the North.

⊙   Neither can the process accept without question any claim by anyone to represent some constituency, without any verification.

⊙   Indeed, this is perhaps the most important issue that limits the participation of some important stakeholders in a process such as MMSD.

There was perhaps no more frequently heard objection to participation in MMSD by governments than the ›credentials question‹. Where government is elected in a democratic framework, most governments feel that they should be the instruments of choice for solving public policy problems. Where they do acknowledge the value of sitting down with other actors, they feel that the endorsement of millions of voters entitles them to a first class credential. And they—for reasons of sovereign dignity, out of a sense of fair play, or simply out of antipathy for some civil society organisations—resist sitting down on a basis of perceived equality with people or organisations whose credentials are harder to understand or verify—the apocryphal *»jovenes con un sitio web«* [»youths with a website«] we heard a good deal about during the course of the project. This problem is not limited to governments. It was also expressed in the course of our project by labour unions, trade associations, and, on a couple of occasions, leaders of indigenous nations, who felt they should be recognized as representative of their constituents and respected in that capacity.

Three observations may be appropriate. One has to do with what a global public policy process is. The second has to do with north-south equity. The third has to do with increasing the effectiveness of global policy processes.

Admittedly, there is floating around a concept of global public policy processes as an ›end run‹ around government. The idea is that government is not delivering sustainable development and is not addressing poverty, social equity, environmental, and other concerns effectively. Some think governments' defects are magnified when they form groups: trying to get governments to work together on a global level exposes all of their weaknesses and inadequacy. The survival of the planet, a better life for the poor, in short sustainable development depend on creating global mechanisms that can establish and enforce rules in a way that national government will be forced to follow. Since government is in this view a great part of the problem, the objective is to keep government away from policy processes, which are really the property of civil society. We were told fairly bluntly by more than one interested party that it had been discovered in the process of establishing the Forest Stewardship Council[5] that government had no role in such processes, that the issue had been ›decided‹, and that we simply needed to accept that, and quit trying to damage our process by involving government.[6]

This view (that a global policy process is and should be a »world congress of NGOs,« as one government official called it) is profoundly disturbing especially to developing country governments. They view it as quite possible, for example, that in such processes, groups of NGOs, dominated by NGOs from the rich countries,[7] and funded by donors from the rich countries with a very perceptible ›slant‹ to their views, will develop rules with a decidedly northern bias. In this view, they will then—through the weighted voting system of World Bank Directors, their access to private boardrooms in New York and London, or otherwise—find ways to impose these rules on developing country governments. Corporate interests from the OECD countries may join in supporting this kind of rule making because it will give them competitive advantage over companies from Brazil, India, or Russia. Through such a mechanism, a chokehold could be placed on desperately needed investment and credits and used to enforce a system of rules that democratically elected Southern governments have had no say in developing and which disadvantage their own companies in favour of companies from the OECD, which they perceive as doing quite well enough as it is. The only safe route, some in Southern governments say, is to stay far away in order to avoid lending credibility to processes which may tend to marginalise southern governments, southern civil society, and southern business interests.

The World Commission on Dams (WCD) has been profoundly influential and path-breaking. It is an exercise worthy of much deeper examination. But it has had problems getting as much uptake of its excellent ideas as it deserves, in my view partly because of this kind of concern. Much of the resistance to its recommendations is said to come precisely from developing country governments, and that despite some very considerable efforts to involve them during the active life of the project. The phenomenon is even clearer in the case of the Extractive Industries Review (EIR).[8]

Richard Sandbrook believed that global policy dialogue needed to be about supporting and improving government, not creating some kind of alternative to government. We have learned in the mining and minerals sector that global market forces constrain the policy choices that individual governments can make. There does not seem to be any alternative to developing some ›floor‹ of global rules that frees governments to adopt broader ranges of choices: These include choices aimed at providing better environmental and social performance for the minerals industries. But *freeing* governments to adopt better policies is quite different from *replacing* government as a locus for making those choices.[9]

Richard also believed—as I do—that one key to attaining deeper government engagement in global policy processes is to require some evidence of representative capacity in the process for those who want to speak for broader constituencies. He believed that government as well as other actors would be more willing to come to the table if it became clearer how their neighbours at the table were selected and for whom they spoke: in short, the presentation and examination of credentials.[10]

There are at least three important questions: (1) Could it be made to work? That is, could this attract government to be a more engaged participant? (2) What part of government? The problem of lack of cohesiveness among different ministries, each of which claims some ownership of the problem, and the lack of mechanisms to promote »joined up government« is notorious. And (3) could greater engagement of government be achieved without driving civil society out of the process? Again, the idea is not to send anyone away from the table. It is simply to ensure that the person, for example, who claims to be speaking for all mining research institutes in Australia has some basis for saying that. Richard called this the »on behalf of problem.« It is real.

But the fear is that the brunt of this kind of effort would fall most heavily on civil society and the poor. It could be another burden to those who are already finding it difficult to get to the table: the poor, the unorganized, local communities and others whose interests are vital but simply have not yet marshalled the resources to form national groups with elected leadership, much less to go beyond that to form international congresses to represent them in the halls of power in London and New York. Many NGOs and advocates for the poor are profoundly suspicious of people who talk about the validity of their credentials, without scrutinizing the credentials of others with equal care. And they ask under what right someone else claims to evaluate their credentials: who has authorized, for example, the MMSD Work Group to rule on what claims they can make to represent others?[11]

A recognition that someone at the table is not there in a broadly representative capacity but more or less on his own has profound consequences for the dialogue at the table. It also has profound consequences at home, among the constituents. Sometimes status within the constituency group exists

because the individual is recognized abroad. Withdraw that recognition and status within the constituency group also falls. This is one powerful reason why some may resist a closer look at credentials. And it suggests one prophylactic measure: to ensure that the represented are aware of what claims are being made to represent them, on the idea that they can be counted on to object if they disagree.

All this aside, I do think that MMSD—as might have been expected—created a deeper engagement with industry than most of the comparable policy processes.[12] Some of these had very fruitful dialogue with civil society organizations, and greater success in engaging them from the outset. But they may have had difficulty getting the deep participation of the private sector.

Having serious and committed private sector participation had some real advantages. One is that governments may have felt more comfortable at this table than at some others. This may also account for the success of MMSD in involving some of the key financial institutions that have such a pervasive role in the sector. But it of course raised a very difficult question: given these origins of the project, would civil society organisations participate? The answer to that question turned out to be both yes and no. Throughout the MMSD process there were, roughly speaking, three groups of NGOs who reacted to the project: those wiling to work with the MMSD project, those who kept their distance because they were genuinely sceptical, and those completely opposed who tried to undermine, or »delegitimise« it where they could.

These questions of process and who represents whom were all important to MMSD project and are part of the reason I have decided to write this paper. I hope that it will contribute in a small way to this discussion and help others interested in these questions.

[1] I want to thank Wolfgang Reinicke (Director of GPPi), whose insightful comments have done much to clarify these objectives.

[2] http://www.iied.org/mmsd/mmsd_pdfs/principles_of_engagement.pdf.

[3] A great illustration is Darwin's experiments with the relationship between the number of grass species on a given plot and total biomass. See Charles Darwin, Origin of Species. (New York: Gramercy Books, 1995), pp.156-157.

[4] While the incidence of the capacity problem is clearly greater on the poor, it is hardly limited to them. There are some relatively large and well-resourced groups that for a variety of reasons have difficulty engaging. The US government is an example in the minerals sector. One problem is that anything having to do with mining is viewed as so conflictive that engagement is always a »no win« prospect politically. It is often said that unlike Canada, Australia, Chile, South Africa, Belgium, South Korea, etc., where the economic importance of mining and minerals is a compelling rationale for engagement in the minerals debate, »mining is less than 1% of the U.S. economy.« Since the abolition of the Bureau of Mines a decade ago, U.S. authority over mines and minerals is fragmented and dispersed throughout government. So while Chile reliably appears in international processes through a Mines Ministry, the U.S. sometimes comes through the Bureau of Land Management, sometimes the Department of Commerce, sometimes the Environmental Protection Agency, or the Department of Interior, and sometimes not at all. It has no central minerals policy organisation, and a very low level of capacity to engage internationally in the minerals sector, despite the efforts of some outstanding individuals to do something.

[5] See http://www.fsc.org/en/. The Forest Stewardship Council had its origins in a multi-stakeholder policy discussion. See http://www.fsc.org/en/about/about_fsc/history

[6] One of the rationales advanced was that if government were involved, any certification scheme or code of conduct coming out of the MMSD process could be attacked before the WTO or in other trade fora as state sponsored protectionist measures. We devoted some considerable effort to looking into this concern, and decided that it lacked sufficient substance to discard the many advantages of government participation.

[7] As someone who has worked intensively with many NGOs in the developing world I can say that it is in fact sometimes true that (a) many of them get their funding through NGOs in the global North; (b) many more get their funding from foundations from the North, that are often much better at expounding their views than listening; and (c) that when their funders are not in the room, one of the most prevalent complaints is their inability to steer their own agendas upstream against the current of northern thinking.

[8]   Again, despite efforts to involve government, and the fact that the Review's Eminent Person, Dr. Emil Salim, has a long and distinguished career as an official of Indonesian government, and a spokesman for the interests of developing country governments in international processes. I should disclose in the interest of candour that I worked for a time as a consultant to Dr. Salim during the EIR.

[9]   See P. Evans, et al., Bringing the State Back In (Cambridge University 1985).

[10]   See the discussion of how government and civil society organisations can participate in the same processes in L. Susskind, Environmental Diplomacy: Negotiating more Effective Global Agreements. (Oxford University 1994).

[11]   There are circumstances where it is clearly not the business of outsiders to interfere. For example, it is widely recognised that indigenous organisations have the right to determine their own membership, according to their own processes, free from ›second guessing' by others.

[12]   It would however be a mistake to assume that this was easy or automatic. There were many doubters in the business world who questioned the wisdom of the industry leaders who started the process, and quite a number—in junior companies, in state owned enterprises, and elsewhere who saw the process as dominated by big multinationals and sure to produce results inimical to the interests of the smaller players.

1 STAGE 1: CONCEPTION OF THE PROJECT[13]

1.1 WHERE DID THE IDEA COME FROM?

Private direct investment in mining outside its traditional homes in countries like Canada, Australia, and the U.S. suffered under real limitations in the 1960s and 1970s. The majority of socialist economies were in general not open to private investment. And even in those developing countries where there was private mining investment, there was social turmoil. Many developing country governments, seeking more of a development dividend from the export of their mineral wealth, nationalized foreign mining ventures. Even where mining was not nationalized, there were a host of requirements designed to ensure that host countries benefited from mining investment: requirements to hire workers locally, to procure as many of the material requirements as possible domestically, to form mandatory joint ventures with local companies, to keep profits in the host country, etc.[14]

In the 1980s and 1990s, with the collapse of the Soviet Union and a sea change in the dominant political and economic thinking, many countries and regions began aggressively to court foreign mining investment. The World Bank Group and others started thinking of mining as a key opening wedge in the process of attracting foreign investment,[15] the »spear point« of open trade policies and neo-liberal economic reform. Mining might create attractive opportunities where there were few other investment possibilities, and be enticing enough to cause governments to ›open up‹ in ways that would make other kinds of investment more likely.

But attracting investment did not always mean that there would be robust government regulatory structures capable of managing the industry's environmental impacts; inserting the industry into rural areas where local government did not function well, ethnic conflict boiled just below the surface, fragile ecosystems needed protection, or unresolved indigenous land claims threatened to let loose a whole list of poorly managed conflicts.

What this meant looked quite different to different actors. Because MMSD emerged from discussions among executives of large multinational mining companies, this discussion describes these events as they may have perceived them. Other stakeholders—indigenous communities, mine workers, metals consumers—undoubtedly saw things very differently. By describing these events through a ›mining company‹ lens, it is not to suggest that this is any more important or valid than the other perspectives. It is simply to say that because this initiative originated in industry, it is probably useful to give some flavour of how the originators may have seen these events.

Through the 1990s, rising public expectations, regulatory requirements and market pressures were all putting pressure on the mining industry to reassess its strategic goals and operational practices. In the wealthier countries, the focus was on the environmental issues in what was seen as a massive and often dirty industry.[16] In the developing world, the focus was on the industry's association with authoritarian regimes, and the perception that it was failing to promote economic development that carried any benefits for the broader society.

The industry, North and South, was facing tremendous difficulties: lack of public acceptance, association with practices to which a large part of the public had strong antipathy, and lack of profitability. A series of tailings dam failures in Europe and elsewhere reinforced the view in the OECD countries and elsewhere that the mining industry was populated with irresponsible operators.[17] In the consuming countries, there were concerns with lead, or arsenic, or cadmium, or other metals building up in environmental media, and a growing movement to ban certain uses of minerals (lead in motor fuel and paint, asbestos in home insulation, arsenic in certain fungicides, etc.) or to ban products altogether. Accidents in which considerable numbers of workers lost their lives added to the public's view that poor performance was prevalent in the industry.

Investors and consumers were demanding higher social and environmental performance along the product chain. Governments were rethinking the framework of mining law and environmental regulations for mining and minerals usage. NGOs concerned with the extractive industries were pressing for a better sharing of benefits, greater respect for local communities and their land rights, protection of indigenous cultures, enhanced accountability, improved environmental performance, and a considerable list of other challenges to which the industry was not sure how to respond. And the NGO movement was finding new tools and techniques that made it ever more effective.

Dramatic improvements in communications technology changed the world in which business was done. More than one mining company executive has commented to this or similar effect: »if one of our field people in South America or Africa meets with a local community, the London NGOs and press know what happened before our own London headquarters.«

Even where national governments actively welcomed mining investment, it was sometimes resisted with great energy by local communities, who on occasion created sufficient opposition to stop big projects in their tracks. Increasingly democratic governments were becoming more reluctant to coerce local communities. The colonial »whiff of the grapeshot« was, thank goodness, becoming more a memory than a present reality. The trend away from authoritarian government required finding ways to achieve community approval and consensual relationships. This was quite new to some in industry.

Indeed, one of the problems was that industry was ill prepared for the vast expansion of its field of operations. Companies that had long histories of operation in Canada, the U.S., Australia, and other »first world« environments now found themselves sending executives with no particular preparation or training beyond a degree in geology to manage complex social conflicts in settings quite foreign to them.

At the same time, most mineral prices were going through a sustained downturn. Indeed, it became clear that the industry as a whole was earning less than the cost of borrowing capital. Rather than building value, and building financial capital, many companies were actually consuming capital, living on the seed corn. How could companies so financially stretched begin to meet the long and often undefined list of challenges that were being thrust on them?

Increasingly, the big publicly listed mining companies—who were rapidly becoming bigger as they struggled to survive through accelerated mergers and acquisitions in this era of low profitability—were looking for ways to do better, and to differentiate their performance from those who did not.[18] Some companies were implementing policies for the environment, community development, human rights and, in some cases, sustainable development. Industry associations were introducing charters and codes of best practice. But these were the leaders, and there were others who appeared to move only as fast as they were forced to move. Those who were trying to do much better wanted the public to see some »clear blue water« between themselves and the laggards.

Taken together, however, these actions lacked the critical mass required to achieve the shift in performance that was clearly required. And while there were pockets of progress, people elsewhere often knew little about them; it was extraordinarily difficult to evaluate claims of dramatic improvement when there was nothing independent written about them, and the only information was either very positive corporate publicity or highly critical NGO accounts.[19] To the dismay of many in industry, the public tended to believe the latter more readily than the former.

In some cases, attempts to move forward may have been under-resourced; some initiatives lacked high-level commitment; and very few initiatives had been conducted in a spirit of partnership, bringing together conflicting interests, or acknowledging that other actors have major contributions to make to any solutions. Among other things, there was neither consensus within industry nor among its critics as to what the issue was: was it environmental pollution? Alliances with dictatorships that trampled human rights? Inadequate revenues to government from private mining? Mismanagement of revenues? Corruption? Unintentional spreading of HIV or other infectious diseases? An endless unstructured list of problems?[20] There was a need for some intellectual coherence.[21]

A number of mining executives were deeply concerned by these converging forces. Some of the industry's leaders decided to take the initiative to see what could be done. Among them were Hugh Morgan, the CEO of Australia's WMC Resources, Doug Yearley, the chief executive of Phelps Dodge, and Sir Robert Wilson, the then Chairman of Rio Tinto. The first move to broaden the discussion was taken

in late 1998, during London Metals Exchange week, an event many industry leaders attend. After some advance discussion about how to proceed, Sir Robert Wilson hosted a meeting and luncheon at Rio Tinto to which he, Hugh Morgan, and Doug Yearley jointly invited the CEOs of several leading mining houses. The purpose was to discuss their shared concern about the industry's failure to respond adequately to these issues. They felt that developing trends were exposing them to growing reputational risk, threatening the market acceptance of their products, and jeopardizing their social license to operate in many places they wanted to do business.

WMC Resources had recently published its first Sustainable Development report.[22] The group agreed that the intellectual framework that had been built around the idea of sustainable development agenda could provide a basis on which they could work collaboratively to address these issues in a coherent way. Over the next couple of months, the ideas were developed for an industry-wide initiative to look at the role of the mining industry—past, present and future.

In January 1999, at the Annual Meeting of the World Economic Forum in Davos, nine mining CEOs met and formally agreed to proceed with a three-track process to be known as the Global Mining Initiative (GMI).[23] One of those three »tracks« ultimately became the MMSD project.

The same Annual Meeting also marked the founding of another important initiative: Kofi Annan challenged the global business community to demonstrate their leadership role as world citizens by voluntarily subscribing to a set of universal principles in the fields of labour, human rights and environment—the UN Global Compact.[24] The mining industry hoped that the Global Compact would be the vehicle for giving effect to the GMI. Specifically, it was hoped that United Nations agencies and other organisations—together with many other stakeholders—would play a role in MMSD.

1.2 WHAT WAS THE GLOBAL MINING INITIATIVE?

According to its promoters, the Global Mining Initiative (GMI) was a leadership exercise with the objective of reaching a clearer understanding of the positive role the mining and minerals industries can play in managing the transition to sustainable development.

GMI HAD THREE MAIN COMPONENTS:

1. an independent process of analysis and consultation on the key issues facing the sector—the Mining, Minerals and Sustainable Development (MMSD) project;

2. a global conference on mining, metals and sustainable development to be held in Toronto in May 2002—Resourcing the Future; and

3. an industry association that could focus on sustainable development in the mining, metals and minerals industry and provide a global voice for the industry on these issues—the International Council on Mining and Metals (ICMM);

The first component is the origin of the MMSD project. It was conceived as a process of consultation and evaluation—independent of industry, but with industry participating on the same basis as any other stakeholder—to try to define the role of this industry and how it could contribute to the global goal of sustainable development. There was a desire to have some form of analysis of the problem available to present as a contribution to the planned 2002 World Summit on Sustainable Development in Johannesburg.

The second component was a large international conference, entitled Resourcing the Future, which was convened to bring the key stakeholders together to discuss the outcomes of the MMSD process and to present ICMM's plans going forward.

The third component of the GMI was the effort to create a more effective external representative structure for the mining industry to relate to the wider world. This was perceived as necessary if the lessons to be expected from the MMSD process were effectively to be implemented.

This »track« of the GMI involved an assessment of the industry's many trade associations. The principal industry organisation for dealing with some of these issues on a global level was the International Council on Metals and the Environment (ICME). But ICME's focus was exclusively environmental, and it was not completely receptive to the idea of broadening its agenda to take on social, cultural and community development aspects of the sustainable development agenda. After very consider-

able internal and external discussion, the board of ICME ultimately agreed in May 2001 to broaden the group's mandate and transform itself into the International Council on Mining and Metals (ICMM), a global representative body that could provide leadership in meeting the challenges of sustainable development and act as a focus of engagement with others.

From the outset, the leadership group of CEOs recognized that no project, however designed, would mean much unless companies were willing to change some aspects of the way they operated. There was a formal agreement that a commitment to changing the way industry did business would underlie the whole GMI effort. Those who embraced this idea also were conscious of the benefits of creating a highly visible difference between the companies that were working on better performance and those who were not.

From the beginning, the intention of the leadership group of companies was to encourage more companies to join the initiative—to form a coalition of the willing—and participation from a wider group was actively sought. As in any such effort, it may be that this objective involved some trade-off: Could the circle get wider without starting to include some who were less passionate about the message? A critical element of the GMI was the very visible backing and authority provided by Rio Tinto's Chairman and the other visible industry leaders and the demonstration effect this had for other company CEOs. The idea was to keep this level of direct CEO involvement. Day-to-day planning was orchestrated by a group of »sherpas« from each of the companies. The »sherpa group« was very active, and was a mainstay in keeping the industry participants appropriately engaged in the process.[25] A core group of 3-4 people in London coordinated the GMI. They were housed at Rio Tinto's offices in London.[26]

The use of »initiative« in the title was to indicate that the process was time-limited. It was agreed by the GMI companies that the World Summit on Sustainable Development, scheduled for early 2002, and eventually held in September of that year, was a suitable horizon. This »deadline,« set by one group of stakeholders before broader involvement of other interest groups, was to prove very challenging for the MMSD process, as will appear below.

In general, broad engagement among the differing interests within any sector requires work in several different directions.[27] First, an entity such as a corporation (or an NGO, or a government ministry) cannot engage externally with good results unless it is clear internally what its objectives are, and who is authorized to speak for the organisation. Also critical is how any such authorized spokesperson will stay engaged more broadly within the organisation to make sure that the broader internal constituency is not left behind, and that as a result the representative is not left out on a limb at crucial moments. Second, a similar effort is necessary when a group of companies or other entities with similar interests try to organize as a stakeholder group to engage with other groups. And third, it is axiomatic that no one interest group can define the structure in which all interest groups will engage.

The art of creating successful multi-stakeholder processes is in part to ensure that none of these three processes gets too far ahead of the others. So the organisation's internal preparation for engagement cannot be determined on a blank slate: it must depend in part on who the organisation is engaging with externally and to what end.

Organizing so many divergent companies into a coherent group and getting them moving in the same direction was a tremendous challenge and a notable achievement. Ultimately there were between 25 and 30 companies participating.[28] Getting these companies—who are often intense competitors—together in a relatively short time and selling them on the benefits of agreeing to lend their names and resources to an effort that they did not control, and in which their strongest critics were being invited to participate as coequals, was an enormous task. It required an intense and focused effort on the part of a number of deeply committed CEOs.

In hindsight, it is possible that this very difficult and sometimes intense internal effort developed such focus that it got ahead of some of the other parts of the engagement process. For example, a crisp programme, defined time lines, clear outputs and the like were probably very necessary to convince some of the more sceptical companies to join. But the farther this process of definition went as an internal industry effort, the more other actors were likely to feel that they should have been consulted before things got so far, or even be suspicious that important decisions had been »pre-cooked.«

The nascent MMSD project had a great advantage that has not been enjoyed by several of the other major global public policy processes: a deep commitment by major business interests, who were already organising internally to engage. It is worth looking at critically and carefully precisely because it is one of the few really robust efforts by industry to initiate a multi-stakeholder global public policy dialogue. Initiating such processes in the natural resource world has been much more the province of the World Bank than private industry.[29] But it created an inherent risk that some of the other actors who were deeply estranged from industry might feel that they would be at a disadvantage in engaging too quickly.

Images arose that created some difficulties. All the biggest mining companies in the world getting together at the exclusive Davos forum and developing a joint strategy called the »Global Mining Initiative« might even be in itself a rallying point for those among the anti-globalisation protesters or environmental campaigners who were suspicious of engagement or opposed in principle to talking to powerful perceived adversaries.[30]

From the beginning, however, those involved were quite clear that if the process of analysis and consultation were to be effective and credible the MMSD project would need to have a transparent governance and operational structure that ensured its independence from industry interests.[31] It would need to break new ground in the transparency and clarity of its governance arrangements to have a chance of engaging successfully with those deeply alienated from multinational corporations. Industry needed to be a participant in the project but not a controller. As one small preliminary step to distancing the project from industry sponsorship, industry involvement in the MMSD component was to be conducted through the aegis of the World Business Council on Sustainable Development in Geneva, rather than through direct contact with companies.

It is worth noting that in the run up to the World Summit on Sustainable Development in Johannesburg the World Business Council on Sustainable Development managed a series of industry sector reviews designed to look at how different economic sectors were contributing to sustainable development. While WBCSD wound up as the fiscal agent for MMSD, it was quite different from the Cement Sustainability Initiative, the Sustainable Mobility project, and the other WBCSD processes.[32] These processes do deserve broader attention. But they did differ from MMSD at a minimum in that (a) they originated at WBCSD, while MMSD was already underway when it formed a relationship with WBCSD, and (b) MMSD envisioned a much broader engagement process and much more non-industry participation in governance than did some of these other projects.

If creating a process required finding someone universally agreed to as »objective« to manage it, the search would be endless and one would never know when one arrived at the destination. There is simply no way of measuring whether someone is »objective.« Instead, MMSD employed what we believed to be a much more measurable concept. The institutional manager of the project needed to have three capabilities:

⟳ the ability to communicate effectively with all principal stakeholders;

⟳ being free of control by any stakeholder; and

⟳ the capacity to mobilize research.

1.3 HOW WAS IIED SELECTED TO DO THE SCOPING STUDY?

In preparation for the Davos meeting of the World Economic Forum in January 1999, Richard Sandbrook, at the time executive director of the International Institute for Environment and Development in London, was invited to Rio Tinto to discuss the planned structure and objectives for the GMI. With thirty years experience in environment and development advocacy and policy-making at the highest international level, Richard was extremely well placed to provide strategic advice on the design of the process. Richard had been there at the birth of the modern sustainable development movement, and knew his way well around the corridors of government, international NGOs, the United Nations structure and elsewhere.

Following agreement in principle to proceed with the initiative, the GMI companies, represented by Tom Burke—former director of Friends of the Earth in the United Kingdom and by then an advisor to Rio Tinto and others—commissioned IIED in April 1999 to undertake a six-month scoping study of

how the MMSD component should be designed and implemented and how much it would cost. IIED had no record of work in the mining and minerals sector. But it had been the home of an ambitious precursor to MMSD—a project, funded by the World Business Council for Sustainable Development, examining the pulp and paper cycle. It was also one of the world's pre-eminent centres of thinking, publication, and advocacy on sustainable development generally.

1.4 THE EXPERIENCE OF THE PAPER CYCLE.

IIED had undertaken a two-year project on the pulp and paper sector in 1994-1996, that had deepened the understanding of how that sector needed to adapt to meet growing challenges.[33] This experience taught many valuable lessons that could be drawn on for the development of the MMSD project.

These included:

● More focus on mechanisms for the implementation of recommendations. Though the paper cycle final report was well received as a study, it failed to provide clear guidance on how to deliver concrete action going forward.

● The paper cycle project had underestimated the extent of consultation needed and the resources required (in terms of time and money) of conducting that consultation. It was thought that deeper consultation was one key to getting broader acceptance of and advocacy for an action programme.

● The case for participation needed to be spelt out clearly for all stakeholders.

● Like the paper cycle project, an analysis of the mining sector needed to be based on a lifecycle or systems approach, looking at the impact of the sector from the mining cycle through use, re-use, recycling and disposal of products.

● There were difficult decisions to be made in terms of analysis vis-à-vis new research—what was needed was more a drawing together and analysis of research already completed but not well disseminated rather than commissioning new research.

This experience, together with lessons learned from the World Commission on Dams, which was then in progress, and whose Secretary General and staff were generous with their suggestions and observations, were to be very helpful in getting the MMSD project defined and underway.

1.5 HOW DID IIED GET SELECTED TO EXECUTE THE PROJECT?

The decision to proceed with MMSD at the end of 1999 coincided with a time of intense geopolitical turmoil and the anti-globalisation riots in Seattle. To many observers, the project was as much a response to this broad groundswell of protest as to the specific social and environmental issues relating to metals and mining. Additionally, mining was already a flash point for many NGO interests.[34] There was no obvious neutral forum or organisation with experience in mining where these issues were being discussed, at least at the global level.[35]

IIED was established in 1971 as the International Institute for Environmental Affairs. It was started by the visionary environmentalist Barbara Ward. From the late 1970s on, IIED was one of the intellectual powerhouses in giving content to the concept of sustainable development. It had an international reputation both for independent multidisciplinary research and an advocacy edge that provided the Institute with a powerful ability to turn research into action. IIED placed a strong emphasis on the value of working with partners based in middle and low-income countries; on brokering dialogue across diverse groups; and on linking local and global perspectives—all of which would be critically important in delivering MMSD.

A key reason for IIED's selection was that it had no particular expertise in the mining sector and had no ambition to retain mining expertise in-house after completion of MMSD. It was thought that this lack of vested interest in the sector meant that the Institute had no track record of advocacy on mining issues that might get in the way of its effective relationships with stakeholders, and that IIED could thus bring together more effectively the various experts around the world in a collaborative fashion.

It was felt that existing organisations with a deep involvement in mining were not only often identified with one or another »side« in the debate, but were likely to resist the building of any new institutions that could be an on-going competitor for limited research funds. Most of them had rather limited credentials in sustainable development. Their cooperation was needed to maximize the value of the project. What was not needed was alienating all but one of the traditional mining research centres, and academic knives flashing in the dark.

The decision to give the project to an institution with a strong background in sustainable development but no track record in mining, coupled with the decision not to retain mining expertise at IIED after the project had other implications that are discussed below.

Finally, the scoping study, and the accompanying background study, had been well-received by the leadership group of GMI companies, who felt comfortable that IIED had clearly understood the motivation and had designed a project that successfully captured the issues and proposed an effective methodology. They were also well received by leaders of some other major interest groups with which they were shared.

In November 1999, WBCSD commissioned IIED to undertake the two-year MMSD project. By this time, Richard Sandbrook had decided to resign from his post as IIED's Executive Director—a post he had held for eleven years—to continue his career as an independent consultant. WBCSD approached Richard to be the Project Coordinator. As Project Coordinator, Richard worked as a consultant to WBCSD, in a challenging role of maintaining communication among (1) the sponsoring entities, (2) the Work Group that Luke Danielson headed, and (3) the independent Assurance Group as well as a variety of external actors and institutions.

1.6 HOW WAS THE PROJECT DIRECTOR SELECTED?

Through his extensive global networks, Richard Sandbrook, as Project Coordinator, undertook a thorough search for the suitable candidate. He consulted widely with key institutions—public, private, NGOs and think tanks—on suitability for this role. Many of the influential people involved in the sector had been identified and had provided input and expertise during the consultations around the scoping study. Once candidates had been short-listed, Richard sought a variety of different viewpoints on the suitability and acceptability among key stakeholder groups.

In the initial selection process, the list extended to about a dozen options. The eventual shortlist had three entries—one was institutional and the other two were individuals. The selection group agreed that an individual should be selected and the two front-runners were invited to London for interviews with IIED Executive Director Nigel Cross, Richard Sandbrook and two of the sherpas from the GMI companies. The formal selection process took about three months (after the long list had been drawn up).

Luke Danielson, then Director of the Mining Policy Research Initiative of the International Development Research Centre, in Montevideo, Uruguay was appointed the Project Director in January 2000 and moved to London in March 2000. Luke had a broad background in environmental and social issues in natural resource development, particularly in the Americas. Prior to MPRI, he had been Visiting Professor at the Faculty of Law of the University of Chile, and a regulator of the mining industry in his home state of Colorado. He has had a long career as both a private and public lawyer in the mining sector. Luke also had a deep interest in dispute resolution mechanisms and public policy processes. He brought to the project some understanding of the challenges in the sector and an insightful knowledge of where the key barriers to action lay. His background and experience made him a scrupulous observer of the niceties of process and a firm believer in the necessity of effective engagement.

[13]   Caroline Digby is the author of this Section I, with some contribution from Luke Danielson.

[14]   J. Otto and J. Cordes, The Regulation of Mineral Enterprises: A Global Perspective on Economics, Law and Policy (RMMLF 2002).

[15]   See Mining Unit, Strategy for African Mining, (IBRD 1992) (Executive Summary online at http://www.worldbank.org/html/fpd/mining/m3_files/ienim/ams.htm); J. Strongman, Strategies to Attract New Investment for African Mining, (World Bank, June 2004); Industry and Mining Division, A Mining Strategy for Latin America and Caribbean, (IBRD 1996).

16   Mining does in fact move more material than any other industry. See Breaking New Ground at Chapter 10: Mining, Minerals, and the Environment.

17   Accidents like the tailing dam failure at Los Frailes in Spain on 25 April 1998 were often the only public face of the mining industry. For chronology of major tailings dam failures and similar major accidents that have profoundly affected public attitudes toward mining, see www.wise-uranium.org/mdaf.html.

18   The heterogeneity of the mining industry makes most generalisation impossible. Companies range in size from large multi-nationals with operations worldwide and a wide portfolio of mined products to mid-size companies and national operators, to small-scale and artisanal mining undertaken by individuals. Some companies focus on a single mineral commodity. Others produce a broad suite of minerals. The pressures faced differed from company to company and country to country.

19   This is an important point. There is in fact improvement in some quarters in industry's contribution to sustainable development. But until there is free access to information and independent scholars and journalists are free to write what they will, there is every reason to mistrust rosy reports.

20   »We are learning how to manage environment pretty well,« one executive said. »But now no one cares about environment, the issue is local economic benefits. And we are just getting ourselves organised to deal with that and here comes human rights. The list of problems is growing faster than we can learn to manage them. Does this list have an end?«

21   There were controversies around mining sites in many different regions - some of the higher profile ones included Ok Tedi in Papua New Guinea, Marcopper in the Philippines, Grasberg in Indonesia, Summitville in the United States, Tambogrande in Peru and others.

22   This is a practice that has since become nearly universal among the larger mining companies.

23   Anglo American, BHP Billiton, Codelco, Newmont, Noranda, Phelps Dodge, Placer Dome, Rio Tinto and WMC Resources.

24   See http://www.globalcompact.org.pk/aboutgc.htm.

25   It may not be fair to single out individual members of this group, as it means neglecting others. But I do want to acknowledge the central role of Andy Vickerman of Rio Tinto, who chaired this group, and John Groom of Anglo American, whose constant support and thoughtfulness was deeply appreciated.

26   Tom Burke and Robert Court and Rio Tinto were key people in coordinating GMI in the early days, followed by Peter Eggleston, after Robert returned to the UK Foreign Office.

27   In Section V below, we propose a simple model.

28   The number changed from time to time as the merger and acquisition trend continued through the project life. Ultimately a number of companies decided for various reasons not to continue forward into the membership of the ICMM.

29   The independent review of the Narmada Dam, the independent review of the Pangue hydroelectric project, the Forest Policy Review, the World Commission on Dams, and the Extractive Industries Review were all to some extent Bank initiated.

30   And so it proved to be for some of them. »It is important to remember that the Global Mining Initiative (GMI) was launched by several multinational mining companies, in an attempt to silence the mounting critics over the industry's poor environmental, economic, social and human rights record.« See comments of JATAM on MMSD Draft Report, http://www.iied.org/mmsd/mmsd_pdfs/comments_jatam.pdf

31   Clearly, not all non-industry participants felt they were being treated as »coequals,« perhaps because some of these decisions were being made before their involvement. But whether or not it was fully achieved in practice, I see no basis for questioning that this was the intention of most or all of the early initiators.

32   For more these and other WBCSD Initiatives see http://www.wbcsd.org.

33   The project's report is Towards a Sustainable Paper Cycle IIED (1996)—see publications at www.iied.org.

34   Organisations like Partizans (People Against Rio Tinto and its Subsidiaries) in UK, Project Underground, Mineral Policy Center (now Earthworks) and Mining Watch Canada in North America, Mineral Policy Institute and Community Aid Abroad (Oxfam) in Australia, Labour in Peru and many others were campaigning on a broad

range of mining related issues—including human rights abuses, environmental and biodiversity damage, and imbalance of costs and benefits to local communities.

35 There were a number of national or local level attempts at dialogue, such as the Whitehorse Mining Initiative in Canada, or the post-Summitville multi-stakeholder process in Colorado.

2 STAGE 2: GETTING STARTED[36]

Any project of this magnitude requires both a solid concept and some kind of process to bring a very significant number of people and institutions into some general agreement that the concept is worth pursuing.

The challenge to the designers of the MMSD project was therefore to achieve a sound and knowledge-based understanding of problems, and at the same time ensure that this understanding became widely known, understood and accepted, particularly by the people and organizations most necessary to the future of the project. These included key stakeholders as well as possible sponsors.

The initial design of the project was carried out by a team at the International Institute for Environment and Development under contract to the World Business Council for Sustainable Development.[37] It involved extensive consultation with over 100 individuals and institutions worldwide, representing a wide range of stakeholder interests.

The scoping process began in mid-1999 and culminated in a Scoping Report dated October 26, 1999. This document deserves some detailed discussion because it and the process that led to it established the first clear framework for what became the MMSD project. In building a broad based initiative, timing, leadership and the ability to bring others along are critical. The very real achievement of the scoping group must be seen in this light.

2.1 SCOPING REPORT

The authors of the Scoping Report faced difficult challenges. A large part of their potential audience saw the fundamental task as writing a research report in which the best experts would analyse and propose solutions to the problems identified. But an equally large part of the audience saw the key objective as creating a platform for dialogue in a sector where warring factions often fought, but lacked mechanisms for other kinds of interaction.

When faced with a difficult problem, the instinctive reaction of some is to find the best and most knowledgeable expert, and ask that expert to analyse the problem and propose an answer. Some might call this an »engineering mind set,« which is often thought to be found in mining companies.[38] It emphasizes very deep knowledge in defined specialties. And there were some who perceived of the MMSD Work Group as »experts« who would answer the questions in some definitive way, or at least as the people who would find the experts who would provide answers.

The instinctive approach of others is much more synthetic: to find all of the people who may have some insight into the problem and get them talking to each other to look for a solution. It emphasizes knowledge gained by sharing across disciplinary lines. It is thought by some to be an approach often characteristic of how NGOs seek solutions, or how communities deliberate in traditional cultures. Many of these actors saw the role of the work group as that of a facilitator in dialogue.

One of the most important questions therefore was this: Was the project to be a research project? Or was it an attempt at dialogue? Or if it had elements of both, what was the mix?

Whether this difference in approach is based on personality, on interest groupings, on education or something else, it is very real, and any process that attempts to deal in only one of these dimensions will leave a considerable number of people behind. The insight is to get beyond arguing over whether we prefer research to dialogue or dialogue to research, and design a process in which we gain from the strengths of both.

A second and very serious issue was the legacy of conflict in the minerals sector.

It is hard to identify any industrial sector (with the possible exception of nuclear power) that features such low levels of trust and such a history of division, strife and anger as the extractive industries. As discussed in the previous chapter, there is not one fault line of division, but a set of complex and often poorly understood multiple cleavages: mining capital and mine labour; colonial investor and colony; apartheid; gold seeker and indigenous community. Acknowledging that there are wounds and that something needs to be done to heal them is a start. Healing the wounds any time soon is probably too ambitious. Developing a plan to start doing that, and taking some first steps in that direction might be more realistic.

This was a major issue in project design. Committee consensus rarely produces truly clear reports. This problem is exacerbated when the committee is deeply divided. What was proposed was in essence a very large committee, in a field known for the depth and bitterness of its differences of opinion. How was the goal of producing a first rate analytic product to be reconciled with the goal of building consensus? Was it realistic to think that any meaningful agreement could be reached across these gulfs of distrust in two years?

A third issue was how far to advance the design. To have a realistic chance of attracting the levels of sponsorship necessary for an ambitious project, the Scoping Report had to propose something reasonably concrete. On the other hand, if the Scoping Report answered all possible questions, it would be an obstacle to building dialogue. Key stakeholders[39] rightly felt they needed to have a say in both project design and governance. Despite the fact that the Scoping Report was itself a consultative process, it was not an adequate basis on which to take all the necessary decisions.

The Scoping Report therefore was a careful balance between a detailed engineering drawing that specified every element, and simply saying »until we start talking, we won't know what we need to do.« Instead of choosing between a research report model and a dialogue model, it proposed a project that would be both. It tried to make enough decisions to give potential sponsors something concrete, while keeping most issues open for stakeholders to discuss and modify if they chose to. The Report recognized: » … trust will need to be built before finally deciding on the final process. In particular, it is important that the early stages of the project are as flexible as possible and that decisions are not rushed.«[40]

The Scoping Report had to balance many other tensions. Among these was that many possible participants were focused principally on the problems of the mining project cycle: the economic, social, environmental and cultural impacts of mining projects, especially in developing countries, from mineral exploration through to project closure. An equally vocal and energetic group of potential participants were concerned about the product life cycle: these concerns range from issues of consumption, especially in the rich countries: depletion of non-renewable resources—whether the world is ›running out‹ of minerals, to equity in trade policies, to the impacts of using minerals—greenhouse gas emissions, or slow build-up of metals in the environment, to efficiency of use, over-consumption, recycling, recovery and disposal.

Again, the solution in the Scoping Report was balance: that the scope of the project would extend to both the mining project cycle and the product cycle issues. Narrowing the issues could only be done justly once the consultative mechanisms were set up. But it did create greater challenges down the road, when it came time to try to focus the project.

2.2 PROJECT OBJECTIVES

The clearest statement of the overall project mission was from the Scoping Report: » … we see the exercise as a two-year process to build a trusted platform of participative analysis leading to concrete results by the Earth Summit+10 in 2002 and, hopefully, a set of onward processes thereafter. It will seek to identify where issues can be resolved and point to where irreconcilable differences remain. In effect, the aspiration would be to achieve results in the short term that would have ramifications for 10 to 20 years thereafter through the follow-up of the proposed elements for an action plan.«[41]

There were four specific objectives identified.

⊙ First, to assess global mining and minerals use in terms of the transition to sustainable development. This would cover the current contribution—both positive and negative—to economic

prosperity, human well-being, ecosystem health and accountable decision-making, and the track record of past practice;

- ◓ Second, to identify how the services provided by the minerals system can be delivered in accordance with sustainable development in the future;

- ◓ Third, to propose key elements for follow-up on how to improve the minerals system; and

- ◓ Fourth—and crucial for long-term impact—to build a platform of analysis and engagement for ongoing cooperation and networking between all stakeholders.[42]

2.3 PROJECT GOVERNANCE

The Scoping Report proposed a tripartite governance structure: a Work Group, a Sponsors Group, and an Assurance Group. The Work Group would be the people who managed the project on a day-to- day basis, conducting research, engaging with stakeholders, and contracting with third parties. The Sponsors Group would be the council of organizations that provided the money or the in-kind resources to make the project work. The Assurance Group would be an independent board, selected for diversity of expertise, stakeholder perspectives, and national origin, with the mission of ensuring the independence and integrity of the work. (For Terms of Reference see Appendix 4.)

The plan also contemplated an important role for a Project Coordinator, who would belong to none of these groups. The Coordinator would be selected by, and be accountable to, the World Business Council for Sustainable Development. Richard Sandbrook was chosen for this role.

The Project Coordinator's role was to keep these various groups (and others, including the World Business Council, which was the »convenor« of the Sponsors Group and handled the fiscal arrangements) in communication and working smoothly together. The Project Coordinator also had the major role in fundraising for the project, and in hiring the Project Director. One of the other intended benefits of this role was to create yet one more layer of insulation between the Sponsors Group and the Work Group, as one of a number of measures designed to ensure the independence of the latter.

The Work Group did not report to Richard. Nor could it ignore him. Instead, he and I worked by agreement and consensus seeking. We did have differences, occasionally strong ones. But we never failed to work them out, in large part because of Richard's evident and highly principled commitment to the task at hand. It was a marvellous working relationship with a high minded and lovely person.

One of the most important questions of architecture in any such process is the choice between a consensus-driven model and a deadline-driven model. One of the clearest examples of this dynamic is that of a community facing a potential new mining project.

Some interests (the community in this example) are likely to want a process in which agreement is a prerequisite to any action. That is, they will want a commitment that the dialogue will continue until a consensus satisfactory to them is reached, and that no irrevocable commitments will be made until that happens.

Other interests (the company, in this example) are generally operating in a world driven by conditions in bank loan commitments, deadlines in joint venture agreements, periods for exercising options, or other kinds of commercial documents that present them with deadlines. They are much more likely to want a process that says, in essence, that »we will have all the dialogue that anyone wants, so long as there is an outcome by June 15.«

Many dialogues fail to get any further than this, with one side wanting a commitment that dialogue will continue until a consensus is reached, and the other seeking a commitment that the process—whatever it is—will reach a concrete result by a certain date.[43] The dialogue never starts because this threshold issue cannot be resolved.

MMSD faced this issue on an enormous scale. On one hand, it was explicitly a consensus-seeking process. The Scoping Study clearly warned: »it is important that the early stages of the project are as flexible as possible and that decisions are not rushed.«[44]

On the other hand, seeking a consensus on this enormous scale—on a set of issues that had not yet been fully identified—by the time of the World Summit on Sustainable Development in September

2002 was clearly unrealistic. Yet, it was largely the imminence of the Summit, and the desire to report first results, that were keys to getting sponsors and others to stop talking and start acting. Many of the sponsors would be unlikely to commit to the project if it left open the possibility that after two years of effort and millions of dollars in expenditure, there would be nothing: no report or other product in the absence of a consensus that all involved recognized would be close to impossible to achieve.

This proved perhaps the most complex issue in MMSD, and will be discussed at considerable length below. For the moment, I will only note that the Scoping Report, as it did with other issues, proposed a compromise:

- There would be a report issued by the Work Group in time for presentation at the World Summit;

- The report would not be presented as a consensus, but rather as (i) an identification of the issues; (ii) an assessment of where the principal stakeholders stood; (iii) an identification of the amount (if any) of convergence that had been achieved; and (iv) recommendations as to forward steps to continue that convergence toward an ultimate goal of consensus; and

- The Assurance Group would not be asked to agree to every idea in the report, but instead to certify the independence, the integrity, and the quality of the process. Its members would have the opportunity to present dissenting or additional views to accompany the report. If they were seriously dissatisfied this would clearly detract from the broad level of acceptance the report sought to achieve, so there was considerable pressure toward consensus, but without a formal requirement that it be reached.

I believe that this concept was an example of Richard Sandbrook's creativity at its best. It assured sponsors that they would not be embarrassed at the end by having no output. It created a strong pressure for consensus among the Assurance Group without requiring it. It gave the Project Director freedom to move the project forward, but with enormous incentives to try to meet any requirements developed by the Assurance Group. I think this concept does, and should, have a future, whatever the doubts some expressed later.

2.4 PROJECT BUDGET

In the Scoping Report, IIED estimated that »a total core cost for the project would be in the region of US$ 2,850,000. It is important to note that although the project is anticipated to …[require] two and a half years, … because of phasing and timing differences we have only budgeted the full team for 18 months. The total core cost could therefore be greater.«[45]

In addition to this core cost, the budget anticipated there would be »variable costs to support sub-studies and stakeholder engagement in the regions. These items are the most difficult to predict: first, we do not know how many regional consultation meetings to prepare for; second, until the work plan is properly scoped and agreed the research agenda is unknown.«[46]

The Scoping Report recommended an estimated budget for these variable costs of US$ 2,000,000. This meant a total »funding target in the region of US$ 5,000,000.«[47] IIED recommended »that the ratio of corporate to non-corporate finance be 60:40.«[48] The idea was to balance industry and non-industry funding at 60:40[49], not because there was any magic in those particular numbers, but because they were believed to be achievable, and would create a balance of funding that could be defended as establishing more than just an industry exercise.[50]

The initial sponsors therefore needed to commit US$ 3,000,000. »Raising the US$ 2,000,000 for the variable costs would be a priority for the first phase of the project.«[51] In any case, the project started with a US$ 3 million promise from the World Business Council for Sustainable Development, based on pledges given to it by the group of industry participants. There were also at the outset some pledges from non-industry sources, notably the Rockefeller Foundation.

This meant that the project could be started based on the commitment of the Leadership Group of sponsors—the private sector sponsors—to put up US$ 3,000,000. The rest of the funds could then, it was thought, be sought from other institutions. The Project Coordinator and the World Business Council for Sustainable Development had the principal fund raising responsibility, but it was understood that the International Institute for Environment and Development, the project Sponsors Group, the

Project Director and others would have to pull an oar at times. »Finally, all the budgeting steps would best be approved in stages,«[52] to avoid having costs overrun available resources.

[36] Luke Danielson is the author of the remainder of this paper, with the help and input of a number of leaders of the MMSD regional processes, and review and comments by many helpful colleagues.

[37] The scoping project was carried out by a team at IIED led by Richard Sandbrook, and including Maryanne Grieg-Gran, Sarah Roberts, Nick Robins and Elisabeth Wood. Professor Alyson Warhurst, a founder of the Mining and Environment Research Network (MERN) acted as special adviser to the project. David Runnalls, Executive Director of the International Institute for Sustainable Development (IISD) also contributed substantially. The consultative process is documented in a separate Background Report that accompanied the Scoping Report.

[38] The CEO of one mining company commented in the course of the MMSD project that he had asked all of the top executives in his company to take a version of the »left brain—right brain« intelligence test. On the analytic side, all had scored above the 90th percentile. Their scores were mainly around (or even below the median) on the other half of the test.

[39] I use »key stakeholders« to describe organisations with (i) a track record of interest in the subject matter; (ii) an expectation that their views would be solicited; (iii) some degree of previous prominence in the debate.

[40] Id. At 13.

[41] Id. At 10.

[42] Scoping Report at 7.

[43] UNEP's project to develop a code for the use of cyanide in the mining industry is clearly an example of a process that faced this kind of conflict.

[44] Id. At 13.

[45] Scoping Report at 16.

[46] Scoping Report at 16.

[47] Scoping Report at 16.

[48] Scoping Report at 16.

[49] »[A] ratio of 60:40 is suggested for corporate and other sponsorship … .« Scoping Report at 11.

[50] As noted below, in Section III, the budget, when one was developed, was more than double this figure. This made it hard to hold to the 60:40 ratio.

[51] Scoping Report at 16.

[52] Scoping Report at 16.

3 STAGE 3: BEGINNING OF THE OPERATIONAL PHASE

As the operational phase of the project began, there were some very serious challenges. There was also considerable goodwill in most quarters, coupled with recognition that the project's goals were too expansive, the funds too limited, and the time line too short. I think that most involved understood that it was a bit daunting in April of 2000 to think that the project's two employees, with borrowed computers but without an office, a budget, or a clear work plan, were going to be presenting some kind of deeply insightful and very broadly supported conclusions in April 2002—or sooner if the organizers of the Toronto conference were to have their way.

It was widely recognized that the project was unlikely to bring an instant revolution in worldwide public perceptions or a drastic increase in trust and communication in a matter of months. But it was unacceptable to many to say that because the problems lacked a quick solution nothing should be done.

The fact is that dialogue processes have always been created under the pressure of events and in less than perfect circumstances. »Independent commissions« get appointed in the wake of disasters, under the intense spotlight of public attention. Without the Johannesburg Summit, the convergence that led to the MMSD process might never have happened. At the same time, the Johannesburg Summit put the project under tremendous time pressure from the outset.

3.1 ADMINISTRATIVE CHALLENGES

As of the end of March 2000, Project Director Luke Danielson and Assistant Project Manager Elisabeth Wood were the only full-time employees of the Project. They, together with Richard Sandbrook, the Project Coordinator for WBCSD, faced a set of distinct challenges, among which were:

- Maximizing the opportunities to interact with all kinds of stakeholders in order to get their views on how the Work Plan should be developed;[53]

- Taking the very general guidance of the Scoping Report and turning it into a functional Work Plan;[54]

- Developing a defensible budget based on that Work Plan;

- Raising the money to fund the part of that budget that was not already committed;

- Developing the programme of stakeholder engagement;

- Developing the research programme;

- Establishing means of communicating with the broad audiences who might have an interest in the project;

- Helping to recruit and establish the Assurance Group;

- Developing the project governance structure;

- Hiring the staff necessary to execute the programme of work; and

- Making all administrative arrangements for the project, from office space and office furniture to computers.[55]

It proved somewhat difficult to do all these things as thoroughly and as quickly as was contemplated by the schedule in the Scoping Report. That envisioned that the project would start with one or

two people in early 2000,[56] complete all of the outlined tasks, and then largely go out of business by September 2001.[57]

This presented tremendous challenges for IIED, which had built its reputation as an intellectual centre, and not on rapid execution of complex administrative tasks. For instance, its standard hiring process required nearly six months from the date a position description was developed to a decision to hire. This would have implied that it would take a substantial part of the projected project life just to get staff on board. Information systems, office space, ›real time‹ financial reporting, contracting procedures for what turned out to be over 100 subcontracts, and visa requirements for non-UK staff were all to be challenges.

The Institute was understandably hesitant to make major decisions before the Project Director was available to consult and before the Work Plan defined specific requirements. Further, the project involved sums that were quite large for the Institute to manage. It was not and is not an organisation with enormous cash reserves and some prudence was clearly in order. All this meant that much of the early life of the project was taken up with renting space, obtaining office furniture, setting up communications equipment, wiring the offices, developing procedures, negotiating contracts, and other such tasks that ate quite considerably into the time available for the substance of the project. It was a challenge on all sides.

There was another issue. Senior staff at the Institute, particularly in the years leading up to the 2002 Johannesburg Summit, had many competing demands for their attention. Spending effort on a project that had already committed to go out of business after its report was written implied an opportunity cost: a loss of time that could be devoted to projects that would be an ongoing part of the Institute's activities.[58] A lesson for the future might be to think of a structure where permanent staff have incentives to get involved, rather than have to sacrifice to do so.

3.2 THE CONCEPT DEVELOPED

Over the period from March 2000 to October of that year, the general guidance of the Scoping Report was refined into the specific architecture of the project. While there were certainly some changes later in the project, most of the fundamental elements had been clarified by the beginning of October.

This process was done very publicly, with concepts being discussed with key stakeholders, and drafts of these documents posted on the project website. MMSD developed and observed a policy of near total transparency throughout its life. Almost any information—the principal exceptions being personnel files and information protected under the privacy provisions of the UK's Data Protection Act—was available to anyone who asked on request.

The MMSD web site and data base were developed from the project's inception and used to send the MMSD Project Bulletin to a growing list of stakeholders.

There is a great deal that could be said about this phase, but we will focus on these key issues: Building the project Assurance Group (section 2.1); Project governance (section 2.2); Regional Processes (section 2.3); the Research Fellows Programme (section 2.4); Project Elements (section 2.5); Budget (section 2.6).

3.2.1 PROJECT ASSURANCE GROUP

A crucial element of this project was the independent Assurance Group. Its primary responsibility was to assure balance and integrity in the activities of the project, and it was key to the project's ambition to move beyond being »another study« by a group of researchers with their own biases and perspectives, to being a much more broadly supported statement of shared views. The Scoping Report set this out in general terms but did not resolve some of the fundamental choices. Among these was timing of selection of the Group members.

At one extreme, the Assurance Group could be largely self-selected by stakeholders. This implied reaching some kind of clarity as to who the stakeholders were, a slow and difficult process on a global scale. It also meant answering some difficult questions about how those stakeholders reached decisions. At least ideally, this kind of process would lead to a group with a very high degree of legitimacy. The problems with this kind of »bottom up« selection are several. The two most obvious are trying to develop fair and transparent mechanisms to accomplish it and the time required to do so. This time

would be even greater if we envisioned that a key question—numerical balance of interests—would be settled by stakeholder negotiation, since it was not even clear who all of the parties who should be part of this negotiation might be.

At the other extreme, the Assurance Group would be selected by someone, based on informal consultations with key stakeholders. That someone might be the Project Director, or the Project Coordinator. Or, an acceptable Chair could be identified who would from that point on take charge of the process of forming the rest of the Group.[59] The obvious benefit of this approach was getting an Assurance Group constituted relatively quickly. The obvious problems were trying to ensure that all key stakeholder elements felt adequately represented, and assuring legitimacy of the process.

We were not writing on a blank slate. In the process of consultation leading up to the Scoping Report, all kinds of stakeholders had begun to suggest ideal candidates for the Assurance Group, and in some cases to lobby for them.[60] Being on the Assurance Group was apparently thought to be a way to gain influence within the member's own organization, or to build personal contacts, or to block rivals. In this last sense, some of the most energetic efforts were made by United Nations bodies to block candidates from other United Nations bodies.

Further, the project was getting started, and decisions needed to be made. Making those decisions without the review and approval of some kind of independent body was too much responsibility for the Project Coordinator or the Project Director to assume. If they acted only on their own account, it would be very hard to build and maintain the legitimacy of the process. And if the appearance grew that the Assurance Group would only be invited in at the end to ›certify‹ the results of a process the Group had not shaped, it would undoubtedly become harder to attract the independent persons of broadly recognized stature that the Group needed. A number of candidates said they wanted to be involved in the decision-making from the beginning, or would not be interested in serving.

And if the role of the Assurance Group was in part to insulate the Work Group from potential imposition by the sponsors, this required that the Assurance Group start functioning quickly.

It thus seemed that neither choice offered an adequate solution. Design of an impeccable process of self-selection by stakeholders required identification of the stakeholders. But who could be in charge of this process without being legitimated by the stakeholders? In addition, while some kinds of stakeholders were at a point where they could appear at the global level with a high degree of legitimacy as representatives of their constituencies (e.g. organized labour), there were others who had compelling interests in being at the table but lacked even the beginning of the organisational structures necessary to select representatives. There were also some cases of competing ›representatives‹ who spent considerable energy disparaging their rivals' credentials.

It would take a very long time to sort this out—time during which the project management would be responsible to no one, and would have no political capital beyond personal reputations for independence, which we judged inadequate to float a process this ambitious.[61]

If the dilemma of a »deadline-driven« model vs. a »consensus-seeking« model was the first great dilemma, this perhaps was the second: early selection of the Assurance Group by a less than ideal process, or the creation of a more clear and transparent process, but with a later identification of the Assurance Group.

We therefore determined to do both. Specific steps included:

1. The selection of an initial Assurance Group of fifteen members, by consensus among the Project Coordinator and the Project Director. This was done after very considerable consultation with some of the identifiable stakeholders and opinion leaders;[62]

2. The commissioning of a study that would identify problems of geographical and interest group balance on the group,[63] and establishment of a Nominating Committee designed to find and review candidates for filling additional positions on the Assurance Group;[64]

3. This allowed the Group to be expanded, based on an open process,[65] to what ultimately became 25 members.[66]

The intention was to ensure that from early on in the process, management was subject to strong multi-stakeholder oversight, and at the same time allow for more considered approaches to problems

of balance and self-selection. Just as the Assurance Group started with a core of members, then carefully sought an expanded membership, the Group started with the Terms of Reference in the Scoping Report, then developed these itself, through a Charter Committee, into a much more detailed and authoritative Charter.[67] (For more information on the assurance group members, see Appendix 5).

3.2.2 PROJECT GOVERNANCE

As indicated above, the Scoping Report outlined a three-part structure, in which there were designed roles for a Work Group, a Sponsors Group, and an Assurance Group. These were:

THE SPONSORS GROUP[68]

Membership

Drawn from organisations financing the project in cash or in kind, including corporations, foundations, governments, international institutions and leading non-governmental organisations.

Terms of Reference

To act as a partnership formed to sponsor and guide the project by way of:

1. **Reviewing the terms of reference for each component part;**

2. **Raising the needed finance;**

3. **Endorsing all WBCSD arrangements for contracting the project leadership, the lead work group, and the assurance group;**

4. **Agreeing the project plans, budgets and timetables;**

5. **Overseeing the conduct of the project by way of regular reports and meetings;**

and

Generally ensuring that the project maintains the highest of professional standards, integrity and accountability.

THE ASSURANCE GROUP[69]

Membership

Recognised individuals from key stakeholder groups that can bring a significant input to the project by way of expertise, contacts and/or experience of similar exercises.

Terms of Reference

The group will be charged with ensuring the project maintains a high level of integrity, independence and accountability. It will advise the project work group and sponsors group on:

6. **The objectives, design and methodology;**

7. **The work plan;**

8. **The outputs by way of review and critique;**

9. **The follow-up mechanisms;**

and

10. **Outreach to the various stakeholder groups.**

The Assurance Group will have no right of veto over the work or the content but will always be given an opportunity to state a reserve or minority conclusion. On the other hand, the Work Group will do all it can to satisfy the Assurance Group. In the unlikely event, of the Work Group conflicting with the Assurance Group's collective opinions, the Sponsors Group will be informed.

While it outlined these roles in general terms, these nominal terms of reference had some limitations:

- They left an almost innumerable list of details to the imagination;

- They were announced but never negotiated; and

- They had never been approved by any broadly representative group.

We therefore determined to create a process which would allow the details to be filled in, in a way that would allow a negotiation among stakeholders, and ultimately (we hoped) approval of some kind of definitive statement.

The mechanism for this was the development of three draft Charters, one each for the Assurance Group, Sponsors Group, and Work Group. These would be debated and negotiated in a Charter Working Group (CWG),[71] and ultimately ratified by all three groups. The Charter Working Group had membership from the Assurance Group and also from outside stakeholders. Susan Bass of the Environmental Law Institute served as Special Assistant to the Chair to facilitate the work of the CWG.[72]

Ultimately the CWG produced three negotiated charters, which were adopted. They were not able to reach unanimity, a fact that as will be discussed below limited the participation of some stakeholders in the project.

The key issue was an objection of some nongovernmental organizations to the idea of the Assurance Group's »intermediate« character: that it was neither a Board of Directors, with clear legal authority to take and enforce decisions, nor an Advisory Group, which clearly had no authority beyond rendering advice, but was explicitly intended to be somewhere intermediate between these concepts. Some nongovernmental organizations indicated that they would be willing to accept either of these models, but were uncomfortable with the model proposed.

In part, this was the »deadline-driven« versus »consensus-driven« debate surfacing in a different guise. If it were agreed that the dialogue would continue until the Group reached consensus, the process would have to be consensus-driven. If instead the Assurance Group had the power of a Board of Directors, it could decide by a majority vote to issue a report, even over the objections of a minority. The vote would be on the record, and—depending on how large the minority—it would limit the legitimacy and moral power of the report. The purely advisory group would have the same result: since it did not approve or endorse the result, any report would have a limited impact. Ultimately the

CWG came to consensus on all but this issue. And this issue was enough to limit, at least for a time, the participation of some NGOs in the process.

The virtue of the Assurance Group concept was that it ensured that some kind of result would in fact be issued even if the Assurance Group could not reach an agreement, but created an enormous incentive to seek consensus, since without endorsement, any project outcome would have much diminished impact. The Assurance Group,[73] the Work Group,[74] and the Sponsors Group[75] each formally expressed approval of this set of governing documents, which became the constitution of the project.

3.2.3 REGIONAL PROCESSES

A variety of factors led to the creation of the regional processes, one of the most significant departures from the concepts in the Scoping Report. One of the most fundamental was simply the issue of perception. As one participant put it, »a group of people in an office in London drawing lines on maps and making decisions for people in faraway countries looks too much like the history we want to get away from.«

Among the considerations that led MMSD to commit to decentralization and regional processes were these:

1) **Ability to engage on a global scale.** There is no way meaningfully to discuss the capacity of any interest group to engage in dialogue without deciding what scale we are talking about (see also section V.). Not all stakeholder groups have a developed ability to engage on a global level, even if they are well equipped to engage in a national or local dialogue. This is a major concern for global processes, which as a result tend to be dominated by the stakeholders that do have the ability to engage globally through easily identifiable and legitimate leadership. It also presents enormous problems with groups or individuals asserting that they speak »on behalf of« the otherwise unrepresented. Having robust processes at the regional level would make it easier to engage with some stakeholders whose voice in global processes is very limited.

2) **Costs of engagement.** We in the Process believed that we could get more stakeholders into the process at a lower »cost per stakeholder« having regional consultations as a supplement to the global ones. The cost was presumed to be lower both for the project and for the stakeholders. Bringing people together to a single global meeting is more expensive than a regional meeting. Part of the issue was simply language. Conducting meetings through interpreters is slow and expensive: regional consultations could be held in languages other than English, increasing dramatically the potential for participation.

3) **Balance and control.** One of our strongest observations was that where there are enormous imbalances of power and resources, the good will of the powerful is not enough to keep them from dominating the discussion. The rich, those with easy access to information, those with expertise, and those with the confidence borne of long participation in global processes have the loudest voices. If process participants want to hear other voices, there are times when we have to let them have the agenda. There are several important examples of this in MMSD, but to me none more impressive than the four very distinct, cogent and thoughtful, but very different concepts of what sustainable development means in practice in the context of that region.

4) **Capacity building.** Without any doubt, MMSD provided a first rate education for those of us who had the privilege of being part of it. Decentralizing the process gave that opportunity to a far broader group of people and institutions and thus presumably left a broader reservoir of capacity to participate in future processes.

5) **Diversity of perspectives.** A lesson hardly new with MMSD, but which cannot be reiterated too often is that issues of sustainable development look very difficult depending on which end of the telescope you are looking through. The very different problems, priorities, and concerns of different parts of the globe lose something if homogenized into a single report. There had to be room for expression of this diversity.

6) **Opportunity for further decentralization.** Obviously, some of the same observations that made us want to decentralize a global project apply with nearly the same rigour at the regional level. For one thing, some of the most important stakeholders still struggle to have the capacity to engage at that level. The logic of this model therefore contemplated that the managers of the re-

gional processes could and would decentralize some of their activities to a national level. In turn, national managers could decentralize to a much more local level. Through this kind of model, a number of the voices that generally have trouble being heard in global processes would have a greater chance to be heard. Further, as a general observation, the closer to the »grass roots« one gets, the more obvious it becomes how to deal with problems of representation and legitimacy. The »on behalf of« issues are much reduced.[76]

The concept was that somewhere between two and six such processes could be formed in the principal mineral producing and consuming regions of the world. The idea was that there needed to be some common general guidelines,[77] but that there should be much room for innovation. General principles and issues were:

- Part of the budget would be supplied by the central MMSD project, but part should be raised locally;

- The general structure required some sort of accountability to a multi-stakeholder body akin to the global Assurance Group; and

- Regional organizations needed to manage the process. Their selection had to be based on acceptability to a broad range of stakeholders.

While there were exceptions—notably North America, which had developed its distinct character before the guidelines were articulated—the general way these partnerships were started was the following:

- A general concept of a coherent region was developed in long distance consultation with a variety of local stakeholders. This became an operational hypothesis, subject to review and revision based upon learning;

- Someone from the MMSD project would visit the region for consultation with key stakeholders;

- The initial list of people and institutions to be contacted were selected through the »many doorways« concept used by MMSD in a variety of contexts. That is that no discussions would start with any list of people until we had several different advisors offering suggestions. At its most basic, this meant that we should have a trusted contact in government, one in industry, and one in civil society serving as guides, so that we did not empower any unique »gatekeeper« as our portal of entry into a region, country, or interest group.

- After an initial and follow-up visit, if it became clear that some set of names of possible partner institutions was emerging, we would consult more deeply on the acceptability of an institution or institutions to serve as the managing entity for the regional process.

- This group would then be in charge of the development of its multi-stakeholder advisory committee or steering group.

One of the unanticipated benefits of this process was the extent to which it served as yet another set of checks and balances on the London work group. The four regional partnerships that were established conducted a number of joint meetings, were unafraid to tell the IIED work group where they differed, and offered a long list of valuable insights and ideas. This was very good for the project.

3.2.4 RESEARCH FELLOWS PROGRAMME

One of the other deviations from the Scoping Report was the Research Fellows Programme. It was an answer to the challenge of getting a diversity of viewpoints and skills into the central Work Group in London on the short time schedule imposed by this project.

Under the Research Fellows Programme, outstanding young researchers from a variety of countries came to work on the project in London for defined time periods. This had the advantages of:

- Increasing the variety of language skills in the office dramatically;

- Increasing the deep understanding of regional differences in culture and understanding of development;

- Increasing the in-house professional skill set; and

- Embedding what was learned in the project in a younger generation of researchers capable of applying and disseminating this knowledge in a variety of settings.

The capabilities of the project were much enhanced by a group of bright, energetic workers in disciplines such as geology, chemistry, law, engineering, and economics. People from Peru, Nigeria, South Africa, Mexico, Uganda, Canada, Chile and other countries brought with them very deep understanding of their regions, and a broad set of professional skills.

3.2.5 THE FOUR PART CONCEPT

The concept as developed over the next several months was essentially a four part project. Perhaps the clearest description is in the project's Work Plan, which went through several iterations but was essentially final by October 2000.[78] The first of the public Project Bulletins expressed the concept this way:

> »The project intends to combine high quality analysis and research with stakeholder engagement and will consist of four main elements.
>
> Research and Analysis. A focused programme of research and analysis, at both the global and regional scale, designed to advance understanding of priority issues.
>
> Stakeholder Engagement. An ambitious programme of engagement with stakeholders, both at the global level and regionally.
>
> Information and Communication. An ongoing programme of communication with interested parties regarding goals, processes and key outputs.
>
> Implementation. A consensus-based programme for voluntary implementation by a variety of stakeholders of the project results.
>
> IIED's goal is to combine a fair and transparent process of engagement with high standards of analytical rigour, to produce outcomes acceptable to a wide range of stakeholders.[79]

These elements will be discussed in more depth below.

3.2.6 BUDGET

The more ambitious and articulated project developed in the Work Plan was the result of deep and lengthy discussions among project staff and a growing engagement with reality as we looked at making concrete the general concepts in the Scoping Report. Part of that process came from growing engagement with stakeholders, and a replication of the experience of the Paper Cycle: engagement was even more necessary, more complex, and more expensive than anticipated.[80]

The project as developed by the Work Group in its first operational Work Plans (going back as far as March 2000) was obviously going to be considerably more expensive than envisioned in the Scoping Report. The Work Plan envisioned for example over US$ 2,000,000 in basic operating budgets for the regional centres described in the work plan, on top of what the central office in London would need.

The first real budget, based on the first detailed plans of activities significantly exceeded the notional figure of US$ 5,000,000 in the Scoping Report.[81] The Work Plan required a budget in excess of US$ 9,000,000.

This would put additional burdens on the World Business Council for Sustainable Development, the Project Coordinator, the Sponsors Group, the International Institute for Environment and Development, and the Project Director to identify the funding necessary to make the project work at this expanded level.

[53] The still small project staff in a period of only a few months visited—based on memory rather than travel records—at least Australia, Indonesia, the Philippines, South and Central America, Southern Africa, several European countries, the U.S., Canada and Japan. In each place they met civil society organisations, government officials, industry leaders, researchers and others and mooted a variety of questions, from identifying priority issues, to looking for qualified staff, to identifying possible collaborating institutions, to fine tuning the project

governance structure, asking for suggestions on Assurance Group members and other topics. This process was not rigidly structured, but project staff talked to a great number and variety of people.

54 The Scoping Report contemplated early development of a Work Plan. See Scoping Report at 15.

55 One of the lessons from the project was the need for the hosting institution to put in place the necessary administrative infrastructure and support systems to cope with such a large and time sensitive project. The nature of the MMSD project imposed unexpectedly high demands on the support services of IIED—including IT and other technical support, finance functions, recruitment procedures and support for new employees from overseas. We think that the Institute—despite the rude shocks of the experience—has emerged with a more robust management capacity as a result.

56 We were therefore a couple of months »behind schedule« before we even started work.

57 Though it was difficult to say so out loud, I think that the core of the Assurance Group, the leaders among the Sponsors, the World Business Council, and others knew that they had launched something with great potential and that so long as it had promise of delivering results of value, no one was going to get too worried about literal compliance with every detail of time, budget, and activities. This did not mean that we were not sporadically confronted by individuals who felt they had a mandate to try to bring us into compliance with one of the many conflicting requirements in one or another of our plans. One element of outstanding leadership is to know when literal compliance with budget and deadlines is essential and when people need to be given some space to create. May I at this point again thank Bjørn Stigson, Sir Robert Wilson, Dr. Jay Hair, Richard Sandbrook, and others who showed they understood that?

58 I believe, from a much more limited knowledge base, that this issue was faced also by IISD, which managed the North American MMSD.

59 At one point, there was serious discussion of approaching Dr. Emil Salim and asking him to take on this role. One of the key benefits of doing this would be to deflect the inevitable disappointments or disagreements of some organisations away from the project staff, and to avoid distracting them or the Project Coordinator with the politics of the process. We decided against this model, whether it involved Dr. Salim or any of the several other possible candidates largely because we wanted to look for people with a deep personal experience in the sector and to avoid rounding up the »usual suspects« who tend to participate in global processes.

60 The Assurance Group, at an early meeting, on its own motion voted itself a modest honorarium for each meeting attended, which was later agreed by the Work Group and the Sponsors. It turned out this much facilitated participation of members from low income or developing countries for whom expense reimbursement was not really enough to make participation easy.

61 The Eminent Person model, as employed in the Independent Review of the Pangue Hydroelectric Project (Jay Hair) and the Extractive Industries review (Emil Salim), on the other hand relies principally on the personal reputation of the Eminent Person for its legitimacy.

62 These fifteen members are identified in the minutes of the first meeting of the Assurance Group, held in London 21-23 May, 2000. See http://www.iied.org/mmsd/mmsd_pdfs/36_AG0500_mins2.pdf
The consultation process that identified them was not formal. And great parts of it are not documented as they consisted of telephone conferences, meetings in various localities in at least a dozen countries, and extensive correspondence.

63 George Greene, an external independent consultant with considerable experience in international policy processes, conducted this study.

64 The Committee had seven members of which four came from the initial Assurance Group and the other three were external stakeholders. It was created at the August 2000 Assurance Group meeting. See http://www.iied.org/mmsd/mmsd_pdfs/denver_ag_meeting_minutes_aug_2000.pdf. George Greene, an external consultant, served as staff to this committee.

65 Nominations were solicited publicly through the website and other means. See for example Project Bulletin No. 7, http://www.iied.org/mmsd/mmsd_pdfs/70_Bulletin_7.pdf.

66 See Appendix 2.

67 http://www.iied.org/mmsd/mmsd_pdfs/ag_charter.pdf.

[68]   Scoping Report at 17.

[69]   Scoping Report at 18.

[70]   Scoping Report at 19.

[71]   See http://www.iied.org/mmsd/chartwkgrp.html.

[72]   See Project Bulletin No. 6, http://www.iied.org/mmsd/mmsd_pdfs/69_Bulletin_6.pdf.

[73]   See http://www.iied.org/mmsd/chartwkgrp.html.

[74]   See http://www.iied.org/mmsd/mmsd_pdfs/wg_charter.pdf.

[75]   See http://www.iied.org/mmsd/mmsd_pdfs/sponsors_charter.pdf.

[76]   Ideally, the way to proceed might be to start the engagement at the local level, and build up to the national level, the regional level, and finally a global engagement. However, since MMSD started as a global project, the only available alternative was to work toward the necessary engagement in a »top down« model.

[77]   By October 2000, this had crystallized into Guidelines for Forming Regional Partnerships, http://www.iied.org/mmsd/mmsd_pdfs/65_Guidelines_Forming_Reg.pdf.

[78]   http://www.iied.org/mmsd/mmsd_pdfs/62_Draft_workplan_1_10_00.pdf.

[79]   MMSD Project Bulletin No. 1, May 2000.

[80]   It is worth looking at the almost eerie similarities between the way the budgets developed over time for the MMSD, the Pangue Independent Review, the World Commission on Dams, and the Extractive Industries Review. The lessons seem to be that (a) many people think they can design a cheaper, better faster process; (b) all such processes therefore start out with inadequate budgets; (c) the world public is notoriously resistant to being ›engineered‹; (d) engagement with stakeholders is more necessary, more complex, and more expensive than anticipated and (e) the dynamics of such a process will eventually create a choice between forfeiting legitimacy (a central goal of dialogue) or increasing the budget. The short message: »processes like this cost about US$ 10 million, (in 2002 dollars). Get used to it.«

[81]   The US$ 5,000,000 was never really a budget. It was an estimate of the order of magnitude of a budget.

4 STAGE 4. DEEPER INTO THE OPERATIONAL PHASE

4.1 RESEARCH AND ANALYSIS

There was less than universal agreement that the project should have a research programme. Some suggested that there was no point in doing research until some trust and communication could be built among stakeholders that would result in a broadly acceptable set of issues for study.[82] It was also suggested that there needed to be consensus on who would be selected to do any research and how that selection would take place. Many in the research community felt that a year was too short a period for meaningful results to emerge from any truly novel lines of inquiry. And some stakeholders were concerned that research could undermine our commitment to stakeholder engagement, in that instead of trying to develop consensus approaches, MMSD's final report would essentially empower chosen researchers to »decide« for the project the answers to some extremely controversial issues.

MMSD's research efforts were guided by Research Manager, Caroline Digby,[83] who began work in July 2000. The project was committed to a research and analysis component. But that required answering several key questions, which certainly included these. What research was needed? What kind of research? Who would do the research?

4.1.1 WHAT RESEARCH WAS NEEDED?

Almost every aspect of human life on Earth has something important to do with minerals. »The list of issues to be addressed is potentially limitless and a shared conceptual framework [was] required to help systemize and prioritize specific research tasks«[84] if the project were to avoid becoming »the story of civilization« or »how the world economy works« or something else so hopelessly broad.

The first stage in identifying topics for analysis was the consultation that led to the Scoping Report.[85] The Scoping Report did make the critical decision that the project was both about the mining project cycle and about the product cycle of mineral commodities.[86]

It also included a list, based on the scoping consultation, of 21 critical issues for analysis, ranging from disposal of mineral wastes to providing employment in mining regions after mines close.[87] (For the list please see Appendix 6.) But it cautioned against prematurely limiting or focusing the research programme.

The Scoping Report indicated that »[t]his list is indicative and represents a starting agenda for discussion. The project should be open to amending its issue scope in light of contributions from other key stakeholders. … The danger is that if this is done too soon, the project risks being too narrow. If the choice is made without stakeholder involvement, it could be seen as industry-driven and even irrelevant. IIED is strongly of the opinion that the project should start wide and narrow down as it gains the trust of key stakeholders.«[88]

The only limitation suggested was based on the reality that several other processes were underway that focussed specifically on climate change. Several of these were much larger and better funded than MMSD. Thus, it was thought that the role of coal in climate change, and the suggestion that nuclear power was therefore an option to counter those effects, was simply »a bridge too far.«

But even this suggestion of a limit was quite tentative: »many might agree that addressing the far-reaching issues concerned with the use of uranium or coal is a step too far for the initiative at the outset. But simply to rule them out without a clear set of reasons and discussion would be counterproductive.«[89]

The project took a highly consultative approach to identifying and focusing issues. This was a significant part of the project's initial multi-stakeholder workshop, the May 2000 »Heathrow Meeting.«[90] The project quickly developed a revised list of possible topics and sent it out as broadly as it knew how to send it, with a request for comment.[91] It drew considerable response.

The topics at this stage were quite varied and showed no central theme. This reflected some obvious factors. The OECD participants, quite naturally, focused on consumption-related issues, waste disposal and environmental build-up of wastes. Developing country participants focused on the mining cycle. Environmentalists focused on issues like biodiversity, or disposal of mine wastes in rivers. Human rights activists focused on armed conflict. Developing country governments focused on taxation, or on maximizing benefits from investment. One of the major achievements of the MMSD process may be simply having taken all of the ideas suggested in the broadest consultation ever undertaken in the sector, and boiling them down to a manageable and intelligible set of concepts. I hope that we have also contributed to a vocabulary that allows them to be discussed more easily.

The process was repeated through the first ten or eleven months of operation: preparation of revised approaches to the issues, circulation of these documents, and requests for comment and response.[92] As the Assurance Group was formed and began to meet, it offered opportunities for stakeholders to express ideas. For example, in the August, 2000 Assurance Group meeting in North America, there were three separate meetings, one for industry, one for government, and one for civil society, each designed among other things to solicit comment on the emerging research programme.[93] In December, 2000, the project released four documents for comment.[94] (Please see Appendix 7 for more detail on the four documents.)

Other efforts to solicit ideas for research continued through 2000 and into 2001. These began to crystallize into the outline that eventually became the report. A key milestone in that process was the publication of the »Eight Challenges« document in February 2001.[95] This document provided the organizing framework for both the research and analysis and the stakeholder engagement activities going forward by grouping the key issues into eight broad topic areas.

EIGHT CHALLENGES
1. *Viability:* Can the sector move towards a more viable structure that will contribute more effectively to sustainable development?

2. *National development:* How can the minerals sector support the development of national economies, especially in the poorest countries?

3. *Community development:* How can the sector best contribute to sustained improvements in livelihoods and well-being at the community level?

4. *Environmental management:* How can the minerals industries become leaders in environmental management?

5. *Access to land:* What are the ground rules for land: its management, access, control and use?

6. *Markets:* How can we ensure that future markets and consumption patterns are compatible with a sustainable world?

7. *Access to information:* How can we ensure meaningful access to information for all stakeholders?

8. *Governance:* What should be the administrative relationships, role, responsibilities and performance standards of the key actors in a more sustainable future?

In general, the reaction to the process of selecting issues seems to have been positive. The Project has received both formal and informal communications from a broad range of stakeholders, including some highly sceptical of the project, indicating that we achieved something approaching the »right« list of issues. The biggest gap in retrospect may have been the lack of a more rigorous and sophisticated approach to the macroeconomic impacts of mineral investment in developing countries.[96]

4.1.2 WHAT KIND OF RESEARCH?
It did quickly become clear that the time scale of the project did not permit completely new or path-breaking approaches to research. From research design to data gathering to report of results on a completely new subject simply requires more time than this project had available.

Our judgment was that much of the relevant knowledge was not broadly known, had not been widely disseminated, or had not been synthesized into the kind of conclusions that could guide policy choices. In general, therefore, the project emphasized collation and synthesis of existing results. We

felt it would be very useful (1) to pull together a clear »base line« of what was known from research; (2) to expose that to serious discussion by stakeholders; and (3) to identify ›gaps‹ for future research.

This is one place in which the project did not meet its early objectives. We wanted, by the end of the project, to propose a »Research Agenda« that would focus on identifying issues that needed future research attention. This was done at the regional level by some of the regional projects. It could have been a valuable exercise to do at the global level. It proved to be one task too many for the time, staff, and money available. It could still be a useful exercise.[97]

Another issue was the role of stakeholder participation in research. We decided that the methods had to suit the issues, the stakeholders, and the time available. MMSD therefore developed a range of possibilities, extending from some with very considerable traditional research and relatively little participation, to others with very considerable participation and very little traditional research. In July 2000, the project presented research models. (Please see Appendix 9 for more information.)

One principle developed quite early on in the process was that **all major research products should be reviewed in some sort of multi-stakeholder setting**. In most cases, this was a workshop devoted to a specific set of issues. The project had 23 of these in its brief lifetime.[98] The format of the workshop varied depending on the topic—some focusing on providing input through presentations and others on reviewing background papers. In other cases, the review took other forms. But we were, despite pressure of time, largely able to adhere to this principle.

This gave us much greater flexibility in working with researchers. Instead of concentrating on finding »neutral« or »objective« researchers, we could focus on finding good researchers with a variety of views, since the input into our work was the stakeholder reaction to those results in workshops rather than the raw input of the researchers.

4.1.3 WHO WOULD DO THE RESEARCH?

The question of who would do the research sparked a tremendous amount of concern among virtually all those engaged in reviewing the topics for analysis. In part, a number of research institutions were concerned that there be a transparent process for awarding research grants, and that all have a fair chance to compete. Some proposed a very formal process: that for example all terms of reference for research be approved by the Assurance Group, then be the basis for Requests for Proposals, followed by a bid evaluation process, with all contract awards subject to final approval by the Assurance Group. Others felt strongly that this would bias selection toward the well-resourced researchers of the OECD countries, who could afford to prepare and present elaborate proposals and wait to find out whether they would be funded. Others concluded that an orderly review through a formal process simply could not be accomplished in the limited time available. And the issue was not just time and money: a process like this would take immense amounts of staff time and attention. In part, stakeholders were concerned that some researchers were friendly to some perspectives and unfriendly to others.

It was feared that the result of any research commissioned by the project would be seen as somehow authoritative and carrying the endorsement of MMSD and its Assurance Group, in spite of any disclaimers that could be constructed. This led to intense concern in some quarters about selection of researchers.

Part of the dysfunction of the minerals sector has been that it has often been so polarized that research is all too rarely considered on its merits. The author is identified; the author's affiliations pigeonholed; and the findings applauded or condemned on that basis, without ever being considered on their merits. One of the hopes for MMSD was to create a shared platform from which research could be launched to get past this polarization to a discussion of what we could learn from research and what results meant. But this meant avoiding major criticisms or allegations of bias in the way research was contracted.

The project remained open to unsolicited research proposals and accepted a number of these in its lifetime. I believe this is a necessary adjunct to a truly open process: listening respectfully is all well and good, but it has limited impact if you have spent all the money needed to do anything in response to any ideas that are expressed. In addition to externally commissioned research, the project drew on the in-house expertise of senior IIED staff and had twelve recent graduate research fellows from different parts of the world over the course of the two years.

THE FOLLOWING MAY BE USEFUL OBSERVATIONS:

- **Diversity of authorization:** Allowing research to be authorized through a variety of channels and methods (e.g., by regional partner organizations as well as directly by the MMSD global centre in London) diffused some of the concerns;

- **Value of research diversity:** The search for researchers who are broadly regarded as »neutral« or »objective« is counterproductive, since it excludes many people who can make a tremendous contribution, and agreeing on the identity of the researcher may be at least as hard as reaching a consensus on the solution to the problem she or he is to research. The point is to expose research results to criticism and comment from a variety of perspectives, rather than trying to identify the one »correct« or »neutral« research approach.

- **Necessity to work flexibly:** In a project with such a short timeline, very informal and flexible procedures for authorizing research are absolutely necessary. This view was urged on MMSD strongly by some of the staff of the World Commission on Dams, who were quite generous in sharing their experience with us. It took us a while, but we came to agree with them: as desirable as nicety of an award process may be, a project such as this does not have the time, money and staff attention for a formal process.

- **Advantages of research collaboration:** For a project of this type, a very useful approach is to partner with existing, ongoing research activities. By providing some additional resources to efforts that were already underway, we could at times get extremely useful products, on a schedule that met our needs, for a relatively modest additional investment. One example is the research, since published independently, on open information regimes and natural resource development.[99] There were certainly others.

- **Managing setbacks:** A consequence of doing so much research over such a short period of time with flexible procedures is that not every piece of research authorized will yield useful results. Of the over 100 contracts entered into by MMSD there were a few that were quite disappointing: the Russian research team that simply kept the progress payment and cut off all communication without ever producing anything;[100] a prominent North American research institute, after lengthy delays presented material that failed to address the questions presented to them and turned out to be largely recycled from previous work. But the heartening news is how rare this was in the overall picture.

In part, this may have been because MMSD was such a high visibility project that it was a tremendous opportunity for researchers to showcase their research; it could be thought foolish to produce second-rate results for such a large and critical audience. Indeed, apparently at least some research institutions have formed ongoing relationships as the result of contacts made through the MMSD process. It seems that what creates good contracted research may not be bureaucratic contracting procedures so much as identifying good people whose integrity and concern for their own reputation will be the best guarantee of good results, and giving them a large, diverse and critical audience for their work. For a list of MMSD publications see Appendix 10.

4.2 STAKEHOLDER ENGAGEMENT

The Scoping Report placed a heavy emphasis on stakeholder engagement throughout the project. »Critical to the success of this project would be to secure the early involvement of key stakeholders and to establish a partnership approach to the work programme. Bringing stakeholders inside the project will be critical not only to better define the issues at stake, but also to ensure that the results have credibility and weight.«[101]

One additional concern identified in the Scoping Report was »to ensure that the process does not become dominated by people from industrialized countries who have the resources and contacts to participate in international events. Special efforts will be needed to draw in the experience of developing country stakeholders.«[102]

The project's work in this area was under the general management of Frank McShane, Coordinator of Stakeholder Engagement, who started in August, 2000. But given the importance of the task, virtually every activity of the project was conceived for its impact on the project's ability to engage more effectively. Thus the entire project team was involved in the outreach activities in one way or another.

In retrospect, a considerable shortcoming of the project was its failure to publish and share more widely what was learned about the problems of engagement and dialogue in the minerals sector. The final report, Breaking New Ground, focuses almost exclusively on what we learned about »substance« and says very little indeed about »process,« which is equally important.

Solving the controversial issues in the sector requires communication and dialogue among interests often quite alienated from each other. One of the overarching questions, therefore, is why there is so little trust in the sector, why dialogue has so rarely been possible, and why problem solving is therefore so very difficult.

Breaking New Ground talks about these issues only briefly.[103] While they are discussed in some additional depth in an April 2002 paper posted on the project web site,[104] the project could have done more to ensure their widespread publication and discussion.

4.2.1 PRINCIPLES OF ENGAGEMENT

Early in the project, MMSD developed a set of principles of engagement to guide its relationship with stakeholders. These read:

THE BASIS OF PARTICIPATION[105]

Those involved in an MMSD activity do so with the assurance that the Project is committed to providing the opportunity for participants to interact, with these expectations:

1   MMSD provides an opportunity for people both to inform each other within the context of a project which seeks to describe the global mineral cycle, and also to offer advice and guidance to the Project.

2   We hope to identify and understand the diversity of perspectives, values and interests that can help build the foundation for positive change. Views have to be freely expressed and the risks of such expression reduced. *This is a forum in which individuals or groups can investigate ideas.*

3   There is a need for a place where views can be exchanged frankly and openly. *MMSD has no authority to impose solutions on anyone.*

4   The Project should strive to identify where it can best help to guide the flow of discussion. *The objective should be to help develop areas of common ground, understand where differences exist, and the underlying reasons for them.*

5   Wherever possible, we should widen the networks of connections and identify ways of addressing challenges, within and beyond the life of the Project.

6   Participating in, or contributing to workshops or other events, commenting on documents produced, suggesting participants for meetings, and other interactions with the Project are not and will not be portrayed as an endorsement of MMSD. These basic understandings on the basis of participation will be included in any meeting reports prepared by MMSD. *It is important that the basis for participation be widely understood.*

7   Notes or minutes prepared by MMSD will report important comments and points of view but will not attribute them to specific participants unless this is requested by the person making the statement. *Exchange of ideas is freer when unknown consequences can be minimized.*

8   The notes from workshops should be reviewed by a representative group of attendees, agreed at the meeting, prior to finalization. Notes will typically be of a summary nature and will include a list of participants. *There should be an opportunity to discuss the contents of the notes and ensure that everyone is comfortable with them prior to their wider circulation.*

9   There should be an opportunity to discuss this Basis for Participation at the outset of any activity to ensure that participants are comfortable with it and that it is appropriate for the purpose. *It is in no way a constraint on the participants to develop further or additional understandings as are appropriate in the circumstances.*

MMSD recognizes an affirmative responsibility to ensure that this Basis for Participation is as widely known as possible within and among the different communities with which the Project is involved.

As indicated earlier, one of the questions I wanted to explore through MMSD was the extent that there were universally recognized principles of how to conduct effective and ethical dialogue. My view has changed. While I do think there are some fundamental principles, I have come to realise that there are many and important differences among styles, expectations, and methods from one part of the world to another. Ways of doing dialogue may and do differ considerably, these are a reflection of broader cultural differences, and different styles are each quite effective in their contexts.

I was struck at a meeting in South Africa where we were going through the nine principles above. One of the participants said something very close to this: »Please remember that we are only a few years away from apartheid. Those divisions are still terribly deep. And yet we somehow have kept our country together and functioning. We think it is in part by dialogue. Maybe you should ask us about dialogue.«

4.2.2 CHALLENGES AND ISSUES FOR STAKEHOLDER ENGAGEMENT

MMSD faced a set of considerable challenges and questions in its efforts to engage stakeholders. Among these proved to be the following.

1. EVERYONE A STAKEHOLDER?

There is almost no one in the world who is not a consumer of minerals. Everyone is profoundly impacted by the activities of the minerals sector, and everyone is therefore a stakeholder. Yet a process in which »everyone« participates on a global basis is logistically beyond our grasp. Who is it we were really trying to involve?

2. ABILITY TO ENGAGE ON A GLOBAL LEVEL

Some stakeholder groups are very well organized to participate in global level dialogues. An example in our case was mine labour, through the International Federation of Chemical, Energy, Mine and General Workers' Unions. While ICEM does not represent all mine labour in the world—and we did have contact with both unions who were not ICEM members and some non-union mine workers—the fact is that ICEM does represent millions of mine workers in a long and varied list of countries. Other groups with just as profound an interest in the outcome—for example the world's millions of small-scale and artisanal miners—simply lack any global scale organisations with broad representation. This problem is explored in some depth in Section V. Suffice it to say that the easy way is to engage with those who have to organisation to participate. Frankly, that solution, which has been seen too often in the past, is wrong and ultimately ineffective.

3. GATEKEEPERS

While MMSD was never going to solve this problem on a global scale, it could remain aware of the issue, and employ such means as it had to engage with some groups who did not present us with a definite set of »telephone numbers« to call.

A clear impact of globalization is that our lives are increasingly affected by decisions taken by people far away, whose identity we may not know, and whose thinking we do not understand. A classic example is the chief executive of a mining company in London, and the leader of an Andean community in Peru. They may not even know each others' names, certainly will not speak the same language, and even more certainly will not understand each others' objectives and culture. Yet if the Andean community is at the side of a major mineral deposit owned by the London based company, their fates are closely linked. Decisions as to whether and how the mineral deposit will be developed will decide much of the future of the community—indeed may even determine whether the community still exists. And whether the community protests and impedes mine development may have a significant impact on the company's stock price and thus the future of its executives.

One major issue in getting these people talking to each other is the need for »gatekeepers«—people who have some understanding of both cultures and can facilitate some communication between them. They are in essence »information brokers.« And like brokers everywhere, they tend to charge a percentage for their services. While »gatekeepers« are quite necessary to communication across language and cultural barriers, their use poses a variety of problems for public policy dialogue.

The »gatekeeper« is in a position to put his or her own »spin« on the communication, or to communicate only part of what is said. The role can put the gatekeeper in a position of extraordinary power. One of the principal objectives of some gatekeepers is to maintain and extend their power, which may also increase the price they can charge for their role. The gatekeeper may have his or her

own political ideas, or simply a desire to make money. There is no ›code of ethics‹ defining what is or is not proper for this role.

Dialogue processes can be a significant threat to the gatekeeper. The deeper, more authentic, and more effective the dialogue, and the more channels it develops, the more it threatens the power of the gatekeeper role.

When a global policy process finds itself in contact with someone (1) who claims to be able to »get the attention of the right people« in a United Nations body, (2) who »knows all the players« in Uzbekistan, or (3) a non-indigenous person in, for example in Amsterdam, who claims to be the proper channel for all communication with a group of indigenous communities in a developing country, there needs to be a clear concept of how to react:

- Who, if anyone, does this agent actually represent?

- How far does this agent's authority actually go?

- How much confidence do we have that messages are actually getting received by the principal?

- How much »spin« is the gatekeeper putting on the communications?

- What does the gatekeeper have to demonstrate in order to be invited to the table of dialogue?

Yet asking these questions may be perceived by the gatekeeper as very threatening indeed. And the less the gatekeeper is on solid ground, the more threatening the questions are. Many gatekeepers have therefore developed means of defending their positions when these questions are asked.

4.   BALANCE AND LANGUAGE.

If MMSD really wanted »to ensure that the process does not become dominated by people from industrialized countries who have the resources and contacts to participate in international events,« what did it need to do to make that a commitment a reality? Many organizations talk about doing that but face these dilemmas:

- The cheapest air fares for international meetings are almost always to big international hubs, which are almost all in the OECD (Frankfurt, London, New York, etc.) Yet visa requirements for people from developing countries to come to OECD countries tend to be long, slow and expensive. This repeatedly served as an obstacle to developing country participants attending meetings, especially after the events of September 11, which occurred in mid-project and created considerable disruption of plans.

- Conducting most meetings in any language other than English makes the process much more expensive and time consuming. Yet it also increases considerably the number of people who can participate. Publishing documents in multiple languages takes longer and presents considerable editorial challenges. It costs more. But it results in bringing many more people into the dialogue: even today, most people in the world do not speak English.

- Deciding who the stakeholders were, who to contact, what »gatekeepers« to use, and similar decisions in countries of the world where staff had no direct experience was a formidable challenge.

- The Scoping Report was explicit that »[s]pecial efforts will be needed to draw in the experience of developing country stakeholders.«[106] But it did not say what these were.

5.   THE SHAPE OF THE TABLE.

There are a number of possible concepts of stakeholder consultations. One of these models contemplates a wide range of stakeholders, operating on a basis of equality of rights if not of power.

We felt, given the enormous range and diversity of the stakeholders in this sector, that the table needed to be round, and the agenda a shared agenda, driven by diverse stakeholder interests. This choice was criticized quite robustly by some in campaigning NGOs, who quite frankly told us that the issue was between them and the big companies and the rest were simply in the way of that central negotiation. There was a particular disinclination in some NGO quarters to engage with any process that included governments. It is hard to say precisely how broadly these views were shared. My personal sense is they were clearly minority views within what is a big tent of NGO opinion.

This really deserves greater exploration. There are some in the NGO sector who believe that the fundamental issue is as one put it »what we can get the corporations to do.« In this view, developing country governments are not part of the discussion, because the [spoken or unspoken] assumption is that they respond to corporate wishes. They key issue for dialogue is a negotiation between »the NGOs« and »the companies.«

There are some in the corporate sector who see themselves as caught between the demands of developing countries and the demands of largely northern-based NGOs, who are unwilling to take the poverty reduction agenda on board. In this view, the key issue is somehow to get »the NGOs« talking to developing country governments, so that the burden of bridging this gap does not fall entirely on companies. Our experience with MMSD was that the divide between a large segment of the campaigning NGOs and developing country governments was one of the most bitter and intractable.

Some in developing country governments see it as disparaging their sovereignty to ask them to meet on a basis of equality with (to use one quote) »a group of young people in the North, elected by no one.« They may see dialogue processes as an attempt to marginalize governments, particularly southern governments.[107]

Part of the issue from the NGO side may be the perception that power does not in fact always lie with developing country governments, and that there is therefore limited utility in reaching agreement with them, since the IMF, World Bank, and donor governments really call the tune. We were at the same time told by some—a decided minority—in the NGO movement that there was no point in dealing with developing country governments because (to use another quote) »they are all corrupt,« and in any case the companies are the real masters. Some say they find support for this view in the process of forming the Forest Stewardship Council, where in their view it was determined that »the only way to get anything done was to keep government out of it.«[108] Our conclusion, which I believe was the right one, was to seek a broad multi-polar process that could accommodate all of these sub-strands of dialogue.

6. ›CONSENSUS-DRIVEN‹ VS. ›DEADLINE-DRIVEN‹

As discussed in detail above, there is often a pressure to choose between a consensus-driven model and a deadline-driven model. MMSD attempted to split this difference in a new way, but risked the possibility that instead of that being acceptable to all, it could be acceptable to none.

7. BREADTH OF ENGAGEMENT

Not every stakeholder is interested in every issue in a project as broad as this. Some stakeholders may well want to engage on the »big picture,« but others are focused principally on specific issues—trade, biological diversity, child labour, corruption, build-up of metals in the environment, or macroeconomic impacts, to use a few of many examples. Stakeholders therefore need options for engagement, to participate in the things that are important to them, without having to participate in the things that are not.

8. STARTING POINT

MMSD and IIED wanted to create a neutral platform where all stakeholders felt that their views could be taken into account. We only partially achieved this. A number of reasons have been suggested for this:

⟳ Several key groups felt that the initiative had been initially conceived by industry and was being largely funded by industry and therefore, in their eyes, could never be independent. This concern did measurably diminish with time, but never disappeared entirely.[109]

⟳ Dialogue requires patience and time, and the time available to MMSD was short. I think that with more time and less looming deadlines we could have done more to overcome the concerns that the industry antecedents of the project caused for other potential participants.

⟳ A related issue is that most organisations set agendas, allocate staff time, and develop budgets in advance. A major engagement that is going to require that these be reallocated in a major way takes considerable time to achieve in most organisations. This would suggest that initiators do their best to ›tip off‹ some of the key participants in the discussion as far in advance as possible, so that they can maintain the flexibility they need.

⚪ When toward the end of the MMSD Project there was some direct and frank dialogue between industry leaders and leaders of civil society organisations, there were great strides toward a deeper engagement. That this did not occur earlier may well have been in part a concern on industry's part that they did not want to feed those in the NGO movement, discussed elsewhere, who were saying in essence: »we are willing to talk to industry but we don't need all this MMSD and all these other participants to do it.«[110]

The fact that industry was never given any special favours or control of the process and agreed from the beginning to be participants, not controllers, was not enough for some. And for them, no amount of transparency could completely eliminate the possibility that there were somewhere hidden control wires through which industry had influence that others did not. This is a critical issue for future processes—who is at the table when the initial ideas are committed and who puts funds on the table to proceed undoubtedly affects the positioning of the process with all other parties. I think with a strong commitment to a fair and open process, and a good deal of patience these issues can be overcome given time, and that major strides were made in doing that toward the time the MMSD project was reaching the end of its short life span.

It is worth a note on our experience with transparency. The concept of trying to achieve something like »total transparency« troubled some friends of the project. They predicted that by announcing our willingness to share any information in our possession, with very few exceptions,[111] with anyone who wanted it, we would handicap our internal decision-making processes, expose ourselves to embarrassment, and find ourselves so overwhelmed in responding to information requests that we would be unable to function.

Our experience was quite the contrary. Since we posted such a mass of information on the website,[112] most questions could be answered simply by referring people to information already there. A few people at one time or another asked us for something specific they wanted to see. The burden was minimal.

In general, the benefits of this approach in building confidence in what we were doing were considerable. It also had internal management benefits, in that it avoided most if not all temptation on the part of the project team to express themselves in different ways to different stakeholders. One of the dangers of a policy process its that if there are separate discussions going on with different groups of stakeholders, the project team may find itself saying different things in different language to different people, creating a conflict among the resulting expectations. Knowing that anything we produced would be open to the public was excellent discipline.

4.2.3 CONCEPTS AND PLANS

MMSD's concept of how to engage stakeholders was therefore based on creating a variety of means of engagement. Among these were:

Regional Processes. As noted above, early in the operational phase of the project we decided to put considerable emphasis on building regional programmes in the principal mineral producing and consuming areas of the world. These regional platforms would allow for dialogue among stakeholders on a regional basis with the objectives of (a) creating an engagement with stakeholders who might not have the organization to engage on a global level; (b) allowing distinct regional perspectives to emerge; (c) avoiding domination of the dialogue by the better funded and better connected stakeholders of the OECD; (d) reducing costs of attending events and allowing more people to participate in person; (e) allowing a variety of management approaches to dialogue to emerge, on the hypothesis that the rules of dialogue may vary with culture; (f) allowing a greater variety of working languages; and (g) allowing deep focus on particular issues without the need to engage on questions that are not a regional priority.

Topic Based Workshops. On a global level, MMSD provided a quite considerable variety of workshops on specific issues. The general model was to commission one or more sets of papers to be written, then to convene stakeholders to a workshop at which these (and other issues) could be discussed, followed by a workshop report. This provided specialists with a focused expertise, or stakeholders with a specific concern, to engage deeply on this set of issues. It also allowed this dialogue to occur in regions with high concentrations of stakeholders interested in the specific topic.

Comments on Report. The MMSD report was developed in an extraordinarily open manner, in which drafts were published and circulated, and comments received repeatedly throughout. As actual drafts of the report became available, they were also a principal topic of discussion at the meetings of the multi-stakeholder Assurance Group. (For a chart on the development of the MMSD Report see Appendix 12.)

The project also held regional fora that stakeholders could attend in person to comment on the report. The compilation of how many commented on the report, or attended a forum, is in Appendix 3.

Assurance Group. Many stakeholders found their highest degree of comfort expressing their views directly to members of the project's Assurance Group who they felt would understand their concerns. And the Assurance Group themselves, while they served as individuals, came from a wide variety of backgrounds and perspectives.

MMSD consistently solicited comments in a variety of ways, and received messages, comments, suggestions and threats from a wide range of people in many countries. Among the principal means of communication were:

- Face to face meetings with key individuals;

- Appearance and presentations at a very considerable list of meetings, forums, and other events where there was an opportunity to explain MMSD and interact with audiences;

- The ability to amplify our contacts and our understanding of other countries, cultures, languages and stakeholders through the Junior Research Fellow programme;

- Press releases, interviews, and other press contacts;

- The project web site; and

- Periodic project bulletins sent by e-mail, fax and other means to the MMSD data base which came to number some 5000 organisations in many countries, soliciting response to MMSD's activities.

4.3 COMMUNICATIONS

Any project with ambitions to disseminate information on a global basis and open itself to interaction with such a bewildering set of stakeholders, particularly on such a short time schedule, faced enormous communications challenges. Just letting the relevant stakeholders know that MMSD existed quickly enough that they had a chance to see whether they wanted to participate before the project ended was a daunting goal. The very concept of the project required strong interactive communications. A one-way projection of messages, without the ability to get messages back, would have been fatal.

Yet this caused significant doubt and trepidation in some, who felt it would be better not to get messages than to get them and not have the capability to respond. An example is comments on the draft report: there are processes that have received enormous amount of comment that no one ever read seriously.[113] There was very considerable struggle over getting many of the earlier messages out, on the grounds that »what happens if we generate thousands of inquiries and don't have the staff to respond to them?« Yet there was also a strong view that it was our job to generate that level of interest, that we should consider it a sign of success if we did so, and that if we were fortunate enough to generate high levels of interest, we would deal with it as best we could.

In general, MMSD wanted to encourage wide scale repetition and dissemination of its information. This did occur, with a considerable number of organizations passing the MMSD Bulletins, announcements of meetings, drafts of report, etc. to their own lists. But at the same time, MMSD wanted to avoid empowering communications »gatekeepers,« a number of which did emerge, either trying to gain power with their members by promoting the idea that they had exclusive information about MMSD available through no other channel, or by insisting on some species of control of content as the price of passing this information to their members. This we would not agree to.

The message turned out to be difficult to package for major media interest. In an industry where there seem to be reporters everywhere ready to report even the smallest conflict, and where there are frequent, vivid and large-scale conflicts to distract us, »people sit down to talk« was not an exciting

message. It was seen by some reporters as less interesting than »dog bites man;« more or less as »dogs considering biting less.«

In this, we would have benefited from earlier and deeper engagement of some of the leading campaigning NGOs. These organisations are very skilled indeed at presenting messages in ways that capture media interest, and it would have been quite good to have these skills employed trying to build interest in the process.

Trying to explain what this new kind of process was, in a sector wrought with suspicion and conflict, was even more difficult. This was compounded by the need to deal with some fairly strong, consistent and determined anti-MMSD messages from a number of quarters. These included:

- Some governments, especially in developing countries, that felt the purpose of such initiatives was to usurp their prerogatives. For example, one representative noted: »Whatever you say about involving people from my region, the rules will wind up being written at a table in New York or London, and no one from a developing country will be at the table when the real decisions are made.«

- There were some industry voices that were very negative about the very concept of the project. One industry representative said: »Our job is to make money and pay taxes, which is hard enough, and all of these things you are talking about detract from that.«[114]

- Some environmental organizations, community organizations, and others working on their behalf felt that there could be no legitimate dialogue in the framework of an organization whose initial and primary funding came from industry.[115] There was a belief that there must be some sort of »hidden wires.« There were also those who felt that dialogue itself was a trap. One NGO representative noted: »Every time we sit down to talk, it costs us enormous resources, and in the end we get away from what makes us strong onto a ground where we are weak.« Another said: »We can't afford to be educated out of our position.«

The broadly communicated doubts about MMSD included some highly principled concerns, for example that participating in the MMSD process would not be in the interest of environmental organizations, indigenous groups, or other kinds of stakeholders, because it would lead to their being »captured« by corporate interests. We also experienced some unprincipled »shakedown« attempts where institutions made it clear that they would bash the project, or deny us cooperation until MMSD gave money to them or their protégés.[116] These came from a variety of quarters ranging from small ›research‹ foundations to some public global bodies. I am happy to say that none of the major industry organisations, no national governments, none of the principal advocacy NGOs we dealt with, and no labour organisation ever did anything that I would remotely regard as an improper attempt to influence our process.

MMSD also suffered from the fact that some industry organizations felt (rightly in our opinion) quite proud of having given impulse to such an ambitious and innovative undertaking. As a result, they made various announcements in which they oversold their role, and complicated the task of communicating the project as a multi-stakeholder initiative in which all interests would be given equal respect.[117] »A subsidiary of the Global Mining Initiative« is neither what we were nor how we liked being described.

Trying to find the right people to lead MMSD's communications effort was a challenge. There are few people who have experience communicating on a global level. There are even fewer who can adapt to and be comfortable in a non-profit research environment communicating a fairly complex »do gooder« message. The few people who were suitable tended to be very highly paid and very entrenched where they were. MMSD explored finding external organizations to help with this task, with little success. And there was more internal turnover in this area than anywhere else in the organization.

Gabriela Flores managed this aspect of operations starting when the project was several months old. She quickly built a very strong communications component that was managing interactive, multilingual, and rich communication on a dizzying variety of subjects, with a very high degree of integrity. By the end of the project, there was very little that could be faulted about the communications capa-

bility. The regret is that if we had found our way some months earlier, the project could have achieved more in its limited life span.

THE PRINCIPAL MEANS OF COMMUNICATION DEVELOPED BY THE PROJECT INCLUDED:

- **Website.** There was a strong web presence through the website of the International Institute for Environment and Development, *www.iied.org*. MMSD materials are found at *www.iied.org/mmsd*. The interest in these materials has continued as demonstrated by the continued website activity. (See Appendix 13 for some website statistics.)

- **Bulletins.** The project published periodic Bulletins in English throughout the project life. From shortly after inception through the project end, the Bulletins also appeared in Spanish. They were distributed principally electronically to a data base that grew throughout the life of the project to include 6000 people and organizations, many of which made considerable onward distribution. Most distribution was electronic. There were also on occasion considerable numbers of bulletins printed and distributed at conferences and meetings. (For a chart of MMSD Bulletins see Appendix 14.)

- **Regional partner activities.** MMSD's regional partner organizations developed their own communications functions and had considerable ability to communicate in their own regions of operation.

- **Conferences and events.** MMSD professional staff, Assurance group members and others appeared and gave presentations on the project at an extraordinary number of conferences, seminars and conventions.

- **Media coverage.** There was a concentrated effort to make the existence and nature of the project more widely known through media coverage. This achieved at least modest success, particularly in the trade press and other specialized media.[118] Success was more limited in the general media, as the story was not conflict-based, was complex, and we were unable to develop a short and compelling message.

4.4 PLANNING FOR OUTCOMES

The fourth major element of the project was intended as an innovation. Nearly all prior experience with projects of this type exposed a real weakness in the failure to develop robust mechanisms capable of taking either the analytic insights or the dialogue platform forward once the project issued its final report. This was one of the lessons that MMSD tried to absorb from its review of these previous projects.[119]

- **The Paper Cycle** was a two-year review, managed by IIED, of sustainable development and the pulp and paper industry. The report had many insightful conclusions, but the project ended with the report and without a clear mechanism for following the report's recommendations. IIED's own internal review identified this in retrospect as a missed opportunity to achieve a greater impact.

- **The Pangue Review** was the first external independent review ever commissioned of a World Bank Group private sector investment project. While its report did have an impact, notably in the creation of the Compliance Advisor/Ombudsman function in the International Finance Corporation, the Bank has never allowed the full report to be published. Indeed, today, while it is possible to find on the WBG website a number of lengthy papers on why various offices in the bank structure do not agree with the report's conclusions, there is no easy way to obtain even the redacted version of the report from the Bank.

- **The World Commission on Dams.** As MMSD got started in earnest, the World Commission on Dams was issuing its report. The question of what kind of follow on process there would be to promote understanding and acceptance of the Commission's conclusions was very much under discussion.

There has also been a considerable dissatisfaction with a number of previous policy processes in that results are hard to identify and measure. One example is the Whitehorse Mining Initiative. The Whitehorse Mining Initiative in Canada was one of a number of processes cited as an example of instances in which non-industry stakeholders had supposedly ›lost‹ from engagement. After years of very difficult dialogue, that process did lead to agreement on a set of principles for the industry. But

there was widespread feeling among NGO participants that »very little has happened« as a result. Indeed, some NGOs felt that industry had promoted selective adoption of those parts of the principles that industry liked, while giving short shrift to the parts important to other stakeholders. Thus, in the view of some, stakeholders had made a major investment and achieved little or nothing—or even had negative results.[120]

If there was consensus among stakeholders on anything, it was that there are serious problems in the minerals sector. Even the strongest supporters of the mineral industry had to face the facts of low share prices, lack of profitability, and an increasingly negative public image. Indeed, some polls showed the industry as being held in lower public esteem than the tobacco industry.

The non-industry stakeholders had a much longer list of concerns and problems with the industry. Therefore, if the project was fortunate enough to be able to identify any broadly supported roads forward, it was important to identify how these roads could be taken.

A widely shared view of policy processes both inside and outside the sector was that they tend to »view with alarm« the current problems, and propose sets of recommendations directed to no one in particular (»there should be a … ,« or »the following should be taken into account … .«). All too often, there is no concept of by whom, or how, the recommendations should be acted on. Then the process goes out of business, losing the focus that was created by the conjunction of a management team and active stakeholders during the project life. The dissemination phase is an identifiable weakness. Usually, as in the case of MMSD, budget overruns in the operational phase eat into whatever has been set aside for dissemination. The dissemination of the Extractive Industries Review report appears now largely to have been taken over by the World Bank Group, the very organisation the Review was designed to critique.

MMSD THUS HOPED TO DEVELOP INNOVATIVE APPROACHES TO THIS PROBLEM, FOR AT LEAST THESE REASONS:

1. To encourage stakeholder participation;

2. To maximize the value of results; and

3. To increase the long term impact of the project.

THE PROJECT THEREFORE EARLY ON DEVELOPED A FOCUS ON PLANNING FOR OUTCOMES. MMSD ATTEMPTED:

- To ensure that any discussion of what needed to be done was accompanied by a discussion of how it could be done, throughout its activities; and

- To sponsor, under the direction of Assistant Project Manager Elisabeth Wood, a set of research and stakeholder engagement activities specifically focused on how results of the project should and could be carried forward.[121]

THESE ACTIVITIES INCLUDED:

- Publication of an early paper on planning for project outcomes. This paper was G. Greene, et al., Planning For Outcomes: A Framework For Consideration Of Options.[122]

- A workshop, in Geneva, early in the project life, focusing on what mechanisms might be available to ensure broad uptake of project outcomes.[123] This workshop was entitled Preparing for Implementation, and was held 24-25 July, 2000.

- The project also published G. Greene et al., Industry Codes of Practice and Other Voluntary Initiatives: Their Application to the Mining and Metals Sector;[124]

- MMSD published and widely distributed A Challenge for Those Interested in the Future of the Minerals Industries: Options for Moving Forward.[125]

- MMSD held a workshop entitled Seeking Alternatives: Voluntary Initiatives in the Mining Sector, in Santa Fe, New Mexico in July of 2001.[126]

THE LESSONS LEARNT FROM THESE ACTIVITIES CAN BE SUMMARIZED AS FOLLOWS:

- The concept of planning for outcomes before there were any outcomes proved hard to explain and hard to absorb for many actors. Even some of the people who were loudest in saying »why should I invest my time in this process when we don't know that it will have concrete results?«

were among the first to say »how can you be talking about implementation when we don't even know what we want to implement?«

⊙ There seemed to be a deep suspicion by some participants—NGO, government, and industry alike, that IIED (or the MMSD staff), by talking about outcomes, envisioned a role for themselves in managing and controlling those outcomes. So there was a question of legitimacy—»who selected you to implement these things?«

⊙ Some (again, seemingly randomly distributed among stakeholder groups) felt that by talking about where the process might lead in the long run, IIED (or the MMSD staff) were simply attempting to feather their nest by creating some sort of lucrative long term role for themselves, in derogation of MMSD's commitment to go out of business at the end of the project.

⊙ On the industry side, there was a good deal of sentiment to the effect that the decision about implementation had already been made, and that the answer was ICMM. As one of the »tracks« of the Global Mining Initiative, ICMM was seen as the implementing mechanism, at least for industry. There was a feeling that the issue of ongoing activities needed to await ICMM getting in full operation, since it would be charged with dealing with them.

⊙ There is no denying that there were some who clearly wanted no discussion of post-project implementation because they did not want anything to be implemented. In some cases, this was because some NGO activists feared that anything that might be implemented would be »window dressing« or »greenwash« that would make the industry harder to criticize without actually improving its performance. In other cases this sentiment came from industry people who felt passionately that engaging with other stakeholders had been a mistake and wanted to see the process end as soon and as definitively as possible: »My CEO says we have to do this, but I can't wait for it to be over.« There were also government officials who felt that the whole idea of a global standard setting process impinged on their sovereignty. Most of these were developing country governments worried that MMSD would evolve into a standard setting process run by northern NGOs and that ignored poverty reduction and the southern development agenda.

⊙ There were clearly some in the NGO community who wanted the project to succeed and wanted things to come out of it. Indeed, a number of them have made quite creative use of MMSD work in advancing their agendas. However, given the concern many had about the initiative's »industry origins,« some took a considerable amount of reflection to get comfortable with the idea of engagement at all,[127] and were certainly not ready to talk about implementing outcomes before they had even agreed to deal with the project.

In short, while MMSD may have paid more concentrated attention than some earlier efforts the question of implementation of project results, it hardly developed any magical solution to the problem. There is some significant activity, described later in this paper, in the wake of MMSD, but it is hard to argue in most cases that this is directly the result of MMSD's attempt to break the mould in »planning for outcomes.«

The project tried very hard to advance in this area. It turns out—not surprisingly—to be difficult. I suppose that one lesson is that we all need to give more credit to the managers of some of these earlier processes. The lack of more ongoing results may be less a result of failure to think about the subject than the natural desire of participants in a process like this keeping a foot on the brakes until it is really clear where the process is going. We may have advanced a bit in our consciousness of the issue, if not in inventing some novel mechanism that would solve the problem.

[82] While most stakeholders wanted to spend some time identifying key issues, we did get at least some comment typified by: »we know what the issues are. Everybody does. The question is just what industry is willing to do about them.«

[83] Caroline Digby is the author of Section I of this paper.

[84] Conceptual Topics and Framework For Analysis: A Consultation Document (July 2000).

[85] See Appendix III for a partial list of people and organisations consulted in that phase.

[86] Scoping Report at 5.

87 Scoping Report at 8-9.

88 Id. At 9.

89 Scoping Report at 9, emphasis supplied.

90 This meeting was attended by 53 people

91 Conceptual Topics and Framework For Analysis: A Consultation Document (July 2000).

92 See Project Bulletin 3, July 2000.

93 Project Bulletin No. 4, August 2000.

94 Project Bulletin No. 8, December 8, 2000.

95 Challenges And Opportunities Facing The Minerals Sector In Its Contribution To The Transition To Sustainable Development. (Feb. 11, 2001).

96 We hoped that a good deal of this thinking could be shared with us by the World Bank Group and by UNCTAD. Failure to achieve this kind of sharing with the Bank is probably due in part to the conflict and distraction created by the emergence of the Extractive Industries Review. Failure to achieve this kind of sharing with UNCTAD had several causes, not least among them its reluctance to accept the ground rules of openness under which MMSD operated.

97 I think that it could be attempted by assembling something like 6-10 people for a day or two; the results would clearly justify the investment in such a limited workshop.

98 See Appendix 3.

99 Zillman, Lucas and Pring (eds.) Human Rights in Natural Resource Development (Oxford University Press 2002).

100 We have heard that some sort of report has been circulated in Russia, but have never obtained a copy.

101 Scoping Report at 3.

102 Scoping Report at 13.

103 See Breaking New Ground, Introduction at 2, available at http://www.iied.org/mmsd/finalreport/index.html

104 MMSD: A Process of Consultation.

105 This document was developed in May, 2000. It was refined and improved over time. This version was that distributed as MMSD's Principles of Engagement (14 February 2001). See http://www.iied.org/mmsd/global_act/stakeh.html. Glenn Sigurdson of the Morris J. Wosk Centre for Dialogue at Simon Fraser University (http://www.sfu.ca/dialog/) deserves considerable thanks for helping us develop these concepts.

106 Scoping Report at 13.

107 Many comments we received on our draft report said something about this. For example, »This term [civil society] may be widely used, but it is a euphemism designed to convey respectability and gravitas to a widely disparate group of organisations. Companies, unions and governments are as much a part of civil society as NGOs. Elected governments at all levels embody the will of Civil Society. The NGOs lack democratic legitimacy. From the viewpoint of many countries involved in the mining sector, the phrase Civil Society is a synonym for a form of neo-colonialism. It is for governments and local populations to confer any ›licence to operate‹ not a group of NGOs located mainly in the affluent North.« http://www.iied.org/mmsd/mmsd_pdfs/comments_crowson.pdf

108 It would be interesting to get the views on this subject of the Ford Foundation, which—perhaps without its knowledge—is cited as authority for various versions of this idea. Wherever it came from, the idea is out in the public domain, and in more than a few places.

109 After all, the MMSD structure was the structure on which agreement had been reached, at some considerable cost, among quite divergent industry voices. A dramatic change in this structure might well have required a renegotiation of the internal agreement among the companies, which could have been quite difficult.

110 After all, one of the benefits that many in industry sought was to reduce the divergence they perceived between the »green agenda« and the »poverty reduction agenda,« which they felt were pulling them in different

directions. In my personal view, I think a fear of agreeing to engage on the »green agenda« while putting the development agenda on the ›back burner‹ was a major reason why industry did not »just come talk with us,« as some NGO leaders suggested early in the project.

111 The principal exceptions were (i) personnel files of employees, (ii) anything the laws of the U.K. prohibited us from sharing—e.g. we could not sell our contacts list for commercial solicitations; (iii) drafts of incomplete work in progress; and (iv) where sharing would violate the agreed rules of etiquette among stakeholders, (see the Introduction) or the published MMSD Principles of Stakeholder Engagement, http://www.iied.org/mmsd/global_act/stakeh.html.

112 It is still there: www.iied.org/mmsd.

113 We are very proud of a rigorous internal system that achieved a high degree of confidence that all communications were read, considered and where appropriate acted upon. All comments are posted at http://www.iied.org/mmsd/draftreport/rcv_comments.html, and reading them is interesting and instructive.

114 See the Comments of J.J. Coetzee on the MMSD Draft Report: »It is the responsibility of the government, the community and employees to manage their earning (salaries, royalties, tax etc) form the mining venture prudently. So often one stakeholder squanders its portion of the wealth, then blame the other stakeholder for the consequences! You have to recognise collective and individual responsibilities in creating, managing and enjoying wealth.« See http://www.iied.org/mmsd/mmsd_pdfs/comments_coetzee.pdf

115 See the Comments of the Society of St. Columban on the MMSD Draft Report: » … the GMI saw the MMSD process encapsulating their own agenda. But the choice of the International Institute for Environment and Development (IIED) in London as the project initiator was no accident. It was certainly not just because this NGO knew about development, but almost nothing about mining and could therefore be relied on to be »neutral.« Rio Tinto's hand (or more accurately those of its chair Robert Wilson) can be seen not only throughout the process, but well before its official launch. During the late nineties, Rio Tinto had been the first to attempt to engineer »engagement« with its critics, part of the avowed object being to winnow out those agencies and NGOs with whom the company could work from those they needed to marginalise.« The comments continue: »We therefore find MMSD endorsing some of mining's worst endeavours, while waving the banner of »best practice«. Its report, as it stands, is one which captains of the industry will welcome for what it licenses, disregard for what it challenges in their basic thinking, and hold up—all five hundred pages - as an earnest of their readiness to consider (while not actually implementing) fundamental changes.« See http://www.iied.org/mmsd/mmsd_pdfs/comments_st_columb.pdf.

116 These attempts were varied. They included a demand for significant amounts of money for services of very dubious value as a precondition to cooperation, and an insistence that MMSD agree not to invite a well known Harvard academic to participate in its workshops. Obviously, we decided to endure as much negative publicity or creation of obstacles as necessary to avoid acceding to this sort of tactic. None of this was unique to MMSD, as participants on some other global public policy processes could attest.

117 A prominent Australian mining executive who stated publicly that in his view the purpose of MMSD was »to hose down the NGOs« did not help.

118 A part of the mining trade press carried some fairly hostile coverage and observations. See for example the comments on Mine Web at http://www.iied.org/mmsd/mmsd_pdfs/comments_mining_web.pdf

119 There are many signs that the Extractive Industries Review is facing similar challenges.

120 This is hardly a universal review, and there have been some recent successes that are believed by some to have had their origins in the dialogue of the WHMI.

121 http://www.iied.org/mmsd/global_act/planning.html.

122 See http://www.iied.org/mmsd/mmsd_pdfs/planning_for_outcomes.pdf.

123 http://www.iied.org/mmsd/mmsd_pdfs/54_Geneva_Notes.pdf.

124 http://www.iied.org/mmsd/mmsd_pdfs/voluntary_initiatives.pdf.

125 http://www.iied.org/mmsd/mmsd_pdfs/options_moving_forward.pdf.

126 The workshop report is at http://www.iied.org/mmsd/mmsd_pdfs/vi_workshop.PDF.

127 Indeed, a fair number still are not over this issue. See the »United Outcry Against Mining Greenwash,« http://www.sacredland.org/resources/Greenwash.html

5 STAGE 5: COMPLETION OF PROJECT

The last stages of the project in early 2002 were some of its most difficult moments.

The first issue the Project team faced was what the report would be about: coming to some agreement on the principal topics. As I have explained elsewhere, this was in itself a considerable challenge. It seems easier in retrospect than it was, partly because the organization and framework we developed, together with much work of others, has achieved a degree of clarity and grouping of these issues that now seems natural. At the time, even those of us who had spent years in the field were struggling to bring enough coherence to the vast range of issues to see clearly the connections.

This left us with the question of who should do the writing. We were told early in the process by a wise veteran of the World Commission on Dams that »you will try hiring professional writers. You will try all kinds of things. Ultimately you will wind up writing it yourselves.« And so it came to pass.

We did at various times wind up hiring some very talented journalists and writers to help us. They were able to express themselves in more vivid and interesting prose than we. They worked very hard indeed. But ultimately, they were—at least mostly—not there sitting and listening to long debates at the Assurance Group meetings, or at our workshops, or receiving long telephone calls from stakeholders, or reading comments that came in on our e-mail on a daily basis. While we tried to expose them to these things, they were simply not as steeped in the detail and the nuances that meant so much to our audience.

So we did wind up writing it internally. And we did come up with some rules for how to do it.

First, we agreed to avoid »lobbying« or undue pressure on individual staff members on particular topics. Thus we would not disclose externally who was working on what issue. Second, while we agreed that in general each staff member would do better working on what he or she was specifically knowledgeable about, at least in the first draft, that every section would be assigned both to a primary writer and an initial editor, so that by the time the group considered an individual chapter or chapter session it would already have gone through at least two hands. Third, we agreed that particularly thorny issues where the writer wanted guidance would be brought to my attention or to the attention of one of the other senior staff.

We went through a series of drafts during the writing process. As each draft was completed, we then attempted to rotate responsibility for the next draft. Thus, the great majority of the chapters were entrusted to at least three or even four different people during the evolution of the document.

Opportunity was also given for comment. I have as a researcher, a public official, and a participant in policy processes, been in and around public comment processes for many years. My experience is that without some rigorous requirement that every comment be identified and a record produced of what was done with it, comments get overlooked. Given the enormous volume of comments MMSD received, and the variety of ways they came in, we needed, and developed, an internal accounting system for comments.[128]

Obviously, we were never able to keep a written record of every ›elevator conversation‹, trade press article, or e-mail that came in expressing a view.:

- Not actionable;

- Corrections; and

- Questions of policy.

Comments such as »we love your project and think your report is tremendous,« or »your work is terrible and I hope you go to the devil« are all legitimate. A considerable number of such comments

were received, most but hardly all of them positive. But it is very hard indeed to decide what to do with them in terms of changing anything in the report. This is what we called »not actionable.«

Where people told us »the figure you give for nickel production in Russia is not correct, the real figure is XXX,« we considered this a correction. A researcher was to look at the information and make a decision as to whether the information should be corrected or not. Obviously, particularly sticky points could be discussed by the researcher either with Caroline Digby or another senior staff person.[129]

Finally, comments suggesting that we had failed to be balanced in our presentation, or failed to draw appropriate conclusions, or had overlooked important information we considered policy questions. Our internal policy was to ensure that such questions were discussed by the Work Group, or at least as much of it as could be assembled, before a decision was made how to respond.

We decided for a number of reasons not to take some specific comments on board, sometimes because responding would require years of further research, or the questions were so very difficult that we doubt anyone has been able to answer them.[130] But I think we can say honestly that in the great majority if not all cases the decision of how and whether to change the report in response to a serious comment was (i) made consciously rather than by omission, and (ii) was made only after internal discussion, rather than by one person alone.

The pressure of time was enormous in many dimensions.

First, the »immovable objects:« From the outset, the idea had been that the project's outputs would be available sufficiently ahead of the World Summit on Sustainable Development (WSSD)[131] in September 2002 so they could be discussed and absorbed at that event. But even ahead of that, the Global Mining Initiative planned a major conference, Resourcing the Future, on May 12-15, 2002 in Toronto at which the results of the MMSD effort would be presented. It would certainly upset these plans if there were no final report in advance of this event. And indeed, it was part of the bargain from the beginning that this would be done.[132]

Second, the »irresistible forces:« A large part of the point of this effort would be lost if MMSD could not produce a result that the Assurance Group could endorse. The project from the beginning had promised its various publics that it would make the Draft Report available for public comment and much of the hard won legitimacy would be lost without that. And there was an absolute torrent of information coming in that needed to be synthesized in some sensible way that honoured the efforts of those who had produced it: Reports from two dozen workshops, reports from four regional processes, reports from several dozen research teams, comments from the members of the Assurance Group, suggestions from all kinds of members of the public.[133] Most of the people producing this information were operating on very tight time schedules themselves, and very little of it was coming in early.

For a project that as late as mid-2000 had a two person staff, no clear budget, no approved work-plan and no offices of its own, this was a challenge. All time lines were tight, every step counted, and there were no extra days in contingency to make up for the unexpected or for inefficiencies. The project was several weeks behind schedule when it started, as hiring the Director took longer than expected. Several weeks—or months—were also lost to IIED's decision not to make advance preparation for the project start-up. Our first discussion of an early draft of our report with the Assurance Group was to be September 13, 2001 in London; the freeze on air traffic after September 11 meant this did not happen until December;[134] the Assurance Group decided the report should be redone and not put out for comment until after its February meeting. The members should really speak for themselves as to why they made this decision. But my sense was that the result was at that stage simply not far enough along. They anticipated having to do a lot of explaining and responding to their constituencies and were simply not convinced at this point that the report was polished enough, complete enough, and thought through enough. And they themselves had in this compressed schedule relatively little time to really read the draft and get comfortable with it. They did not want make a mistake because they rushed draft approval, and they wanted a more thorough, more documented, and more readable result.[135]

This left us with eight weeks between the Assurance Group's decision that the draft was ready for public comment and the Toronto conference at which the final report was to be unveiled. We decided to take substance over form, and allocate most of this to a six week period for public comment.[136] This gave us only two weeks to absorb these comments if we were to have the final report ready for the To-

ronto conference, and no time for printing beautiful documents. The participants in Toronto were not going to get the final printed copy of the report, but a text without photographs and colours. While all of this was less than ideal, I think friends of the MMSD project understood that the team did »get the job done,« and accomplished a considerable amount in a remarkably short time. Those less friendly found in this various ways to attack the project.[137]

In any case, this presented the »consensus-driven« versus »deadline-driven« dilemma in a stark light. MMSD could continue working on and improving the report until the Assurance Group was content,[138] even if this stressed the Toronto deadline.[139] Or MMSD could forfeit Assurance Group approval and get a beautifully printed report to Toronto, at the price of the legitimacy it had worked so hard to build. We opted for the former.

By the time of the final Assurance Group meeting in May 2002, the members were sufficiently content to issue a statement, noting that the » … Work Group have conducted themselves in accordance with their Charter, have maintained the independence of their perspective, have sought consultation broadly, have worked openly, and have produced a project report that is respectful of differing views.« And further: »The MMSD project has been a substantial and innovative effort that has thoughtfully considered important issues that must be addressed. The Assurance Group challenges companies, governments, unions, communities, non-governmental organizations, and other stakeholders to take the report's recommendations forward«.[140]

This was a success. However, in the spring of 2002, several kinds of pressure developed to accelerate termination of the project, and that resulted in a somewhat disorderly end, that meant some of the value developed by the project was not fully captured. From conception, the project was designed and promoted on the basis that IIED would not retain any on-going expertise in mining. The rationale, as explained previously, was in part to encourage a more collaborative approach with other research institutions during the project life; it was thought that they would be more willing to work collaboratively if it were clear that IIED was not a long-term competitor for research funding. This is all clear, was agreed and understood, and was part of the framework in which we operated. There was nothing in this that prevented the project termination from being orderly. Yet, there was a set of rumours in industry circles that MMSD was somehow conspiring to extend its life, to »feather the nest« for its staff.[141] One anonymous contributor to a major online mining journal said that what was happening »confirms his worst suspicions about an employment manufacturing scheme.«[142] He was hardly the only one saying this. There were already considerable behind the scenes rumblings about the decision of ICMM to make a career environmentalist, Jay Hair,[143] its first Secretary General; the divergence in industry that was to cause some of the GMI members not to continue as members of ICMM was beginning. My perception is that some who did not feel safe attacking Jay or the industry leaders who had promoted MMSD found that MMSD was an easier target, and that striking at it in its last days was a way of striking indirectly at others.

At the same time, IIED management became quite concerned that the project stop spending money while there was still plenty of money in the budget. Contracts of project staff all terminated by the middle of May 2002, once the report was officially launched (even though it was still not back from the printer). Many of the research fellows were on six month or one-year fellowships and returned to their own countries. The Institute did not secure visas for non-UK staff that allowed them to continue to work, even when their work was clearly needed, and even when the period for which they were needed was very short. With the exception of our exceptional project administrator, Sarah Henson, who was offered a different administrative position within IIED, none of the project staff remained at IIED.

There was therefore an unfortunate sense of haste to end the project and get the staff off the payroll. But this, together with the great time pressure toward the end of the report, meant we had to abandon some tasks maddeningly close to finishing them. This in my view was a mistake. Considerable value that was sitting on the table for the taking was put at risk for the want of a few days or a few pennies.

One very positive development in this phase was that a combination of the generally positive reception of the MMSD report and a major effort by industry to reach out to other stakeholders in advance of the Toronto conference in May 2002 caused a number of people and organisations who had remained at a distance from the MMSD project to agree publicly to attend and participate in that

event. If MMSD was going to go out of existence, it was vital that it no longer be an intermediary on dealings among stakeholders. The decision of many NGOs to come in formally to the dialogue was welcomed and is a clear indicator that the project was successful in building some bridges. Part of the project objective, as explained previously, had been to learn from other projects and have a relatively robust post-project phase, to encourage the dissemination of project outputs and the uptake of recommendations. But there were several issues:

- IIED at a very late moment discovered some accounting issues that meant that remaining funds for the post-project stage were considerably less than had been reported. In fairness to all, IIED did not have a system designed for the demands of a project like MMSD. Managing the finances of a project operating on this accelerated basis in thirty or more countries, with well over 100 subcontracts, is not easy. This aside, the consequence was that the funds available at project end turned out to be more modest than budgeted.

- At project end, a considerable number of stakeholders had their own things they wanted to say about the MMSD process and its results. Some of them saw a strong independent voice for the project itself as competition, and discouraged it. They may have disagreed diametrically on what they wanted to say about this project but shared distaste for anything that conflicted with their chosen ›spin‹. In part, this was a healthy process of transition to a world where the stakeholders would not have MMSD as a channel for communication. In part, it was recoil against a more civil dialogue and a desire to ›start fighting again‹.

- IIED, in part through the Institute's own decisions, were put at the end of the project in the unenviable position of having to respond to any public inquiries or demands for information about the process, while having a very limited budget to do so, and none of the staff who were knowledgeable about the substance of the process still on board. This led the Institute to a precautionary approach, designed to ensure that public interest in the project after it had closed did not exceed the resources available to the Institute to respond. In retrospect, this approach was considerably more cautious than it needed to be. Ideally we would have been trying to build rather than dampen interest in the project and its results.

This decision not to retain the project staff,[144] even for a limited period, had a number of implications:

- An immediate problem was that there had been insufficient planning and provision for all the activities that needed to be completed after May 2002—the supervision of the translation of the whole report into Spanish, the translations of the Executive Summary into Russian, Portuguese and French, the preparation for activities at the World Summit for Sustainable Development in Johannesburg in September 2002, the preparation, editing and production of the follow-up reports based on specific groups of papers commissioned (small-scale mining, voluntary initiatives, biodiversity, and indigenous peoples).

- With the MMSD team disbanded, and inadequate advance planning for anyone else to conduct follow-up, IIED staff were hard-pressed to deal with many of the follow-up activities—marketing and promotion of the report, responding to enquiries that continued to be submitted to the *mmsd@iied.org* email and to phone calls about the report and its follow up. Coordination of these activities was the responsibility of the Director of Corporate Responsibility for Environment and Development (CRED), a newly established programme at IIED. Though she had had some involvement in the final stages of MMSD, Halina Ward's priority was to develop the new programme that she had been hired to lead, rather than personally try to bridge the gap between what was there and what was needed.

- Homes needed to be found for the library of material that had been collected—the general literature on sustainable development and global public policy issues went to the IIED library. Most of the mining-related literature went to University of the Witwatersrand in Johannesburg and the Centre for Energy, Petroleum and Mineral Law & Policy (CELMP) in Dundee. Some corporate literature also went to the International Council on Mining and Metals.

- The survey of priority needs for future research in the field was abandoned.

- In the longer term and more fundamentally, no one was charged with championing the recommendations of the Agenda for Change. MMSD staff acted as advocates on their own behalf or in

their next jobs. But there was no provision made to allow IIED to champion the recommendations or to push the various actors to follow up on commitments made and initial conversations begun during the process. This could easily have been done for a limited time on a modest budget. It was not inconsistent with the project's repeatedly voiced pledge to end rather than becoming an ongoing institutional presence in mining.

○ The clearest manifestation of how important an error this was arose with the controversy around the Extractive Industries Review (EIR) process in late 2002 and through 2003. IIED was not equipped to participate in this process to advocate some of the lessons from the MMSD process.[145] The Institute's silence meant that some of the broad research base and key recommendations of the MMSD failed to have as much uptake as we might have hoped in the EIR.

○ In hindsight, the commitment to no on-going expertise at IIED was a very narrow interpretation of what was essentially a gentlemen's agreement. Naturally IIED continues to field enquiries from sources all over the world about progress on implementing MMSD. Yet neither it nor anyone else has an institutional monitoring or advocacy role to press for the implementation of the Agenda for Change, and while many of its recommendations have been adopted by various organizations, no other organisation has successfully picked up the role of a nonpartisan advocate for the agenda as a whole.[146] And staff changes within IIED have meant that very little institutional memory of the successes and failures of this large and high profile project remains within the organisation.

○ At the design stage, it was expected that as the project drew to a close, other institutions would be charged with picking up the baton to pursue implementation of various components. These included recommendations that clearly were targeted at ICMM and other trade associations, at the financial institutions, at the regional partners, at governments—both north and south—and so on. In some cases, the baton was passed with various degrees of skill, but in others the institutional capacity did not exist or was distracted by other activities. Indeed, given the rush to complete the report on time, there were only limited resources available to ensure the successful transition to other organisations.

○ One of the key recommendations was the need for a multi-stakeholder forum that was not controlled by any particular group where the debate on controversial issues could continue to develop and consensus be sought. Three and half years later, viewpoints in many quarters seem as entrenched as ever and there is still no obvious platform for this kind of broad dialogue to take place.[147]

○ The industry, through ICMM, had a mechanism for adopting some of the recommendations. It has accomplished many things. But it had some early operational challenges. Some members left. ICMM lost its leader, Jay Hair, who died before making as much of a contribution as he might have. ICMM thus went through a period of interim leadership. Its budget was reduced; subsequently its activities were scaled down to a more limited work programme and fewer outreach activities. It does now, a few years later, seem the organisation has overcome many of these setbacks and is becoming a much more robust presence in the debate.

○ The fate of the regional partnerships was also mixed and their ability to pursue follow-up activities limited. They may have fared more successfully if IIED had been able to take the lead in providing coordination and finding follow-up funding. After all, these partnerships were formed in the very brief operational period of MMSD, starting in mid-2000, and activities this ambitious need some time to develop their own funding base. This is particularly true where regional projects in developing countries may not have the access to European, North American or other OECD funding that an institution like IIED has cultivated. Indeed, this has been one of IIED strengths—supporting joint work with developing country partners through IIED contacts with OECD-based funders. Building on this strength was never attempted in any systematic way. However, even this might have not been enough to keep the partners networked as local developments charted them on different courses.

○ The key lesson from all of this is the importance of adequately planning and resourcing follow-up activities. No set of recommendations will be self-executing.

[128] The principal ways that comments and ideas came in included: Discussion at one or another of our many workshops; discussion at our own Assurance Group meetings; discussion with regional partner organiza-

tions; written or oral comments from interested organizations and individuals; informal comments received anywhere from elevators to airports.

129 One of the many sources of pride I have in having been a member of the Work Group is the great rarity with which anyone has identified any errors in the facts on which the report relies.

130 For example, there were several comments suggesting that we consider the extent to which uranium mining may contribute to proliferation of nuclear weapons. I think this is a serious issue. So does the United States government, at the highest levels, if we judge by the amount of attention devoted to whether the former Iraqi regime did or did not make some attempt to acquire some product from uranium mines in Niger. But we simply decided that this issue (i) was extremely complex; (ii) was at if not beyond the boundaries we had set for the project; and (iii) would require, if we were to deal with is credibly, such a diversion of resources from other subjects that we could not justify it with the time and the resources we had.

131 See http://www.earthsummit2002.org/.

132 Ideally, the project would have had considerably more time. But without the Earth Summit, there would have been no project; the bargain was the best that could be made in the circumstances and there should be no crying about it. As former U.S. President Jimmy Carter is supposed to have said, »sometimes life just isn't fair.«

133 Clearly, just in written form, there was something up in the tens or even hundreds of thousands of pages of inputs into the final report.

134 When the Assurance Group saw the report in December, they concluded they were not yet comfortable releasing it broadly for public comment.

135 One thing that this decision did not seem to have much to do with was the fundamental conclusions of the draft report. While individual members did have things to say about individual statements in the report, the issue was not content but quality. If they were going to defend it, they wanted a more professionally rigorous and more polished product to defend than the draft we had been able to produce.

136 The Draft Report was available from 4 March 2002. Comments were invited on this Draft up until 17 April 2002. See http://www.iied.org/mmsd/draftreport/chapters.html

137 »[T]he draft report itself was presented on March 4th 2002, with a deadline for all comments by April 17th— thus providing barely six weeks to read a discourse of more than 500 pages and comment on its content. The IIED team will then assimilate and consolidate such comments in just two weeks.—an impossible task if criticisms are to be taken at all seriously. Clearly they will not be.« Comments of the Society of St. Columban on Draft Report, http://www.iied.org/mmsd/mmsd_pdfs/comments_st_columb.pdf. Of course, many in industry are tuned to measure success as »on time, on budget.« While a generous interpretation would say that we were on time, there was quite considerable anxiety on the part of those charged with making the Toronto event a success.

138 Under its Charter, its role was not to try to reach consensus on all our conclusions, but to seek consensus that the process had been conducted fairly and openly, and had been open to all views.

139 This is one clear recommendation for people tempted to start global public policy dialogues. Virtually all of them have taken longer than ultimately planned. And—if this deepens the engagement and improves the quality of the result, there is nothing particularly wrong with that. What MMSD faced was an additional challenge in the form of immovable deadlines at the end: the Toronto conference and the World Summit on Sustainable Development. I would strongly suggest that adding to the pressure by having this kind of closing event at the end be avoided if it is possible.

140 For the full text of the statement see Breaking New Ground at vii.

141 The truth is that most of the staff were earning less at MMSD than they were before or after, and that after a long siege of seven day weeks and working under intense and unremitting pressure, most of them very much wanted to do something quite different for a while. The idea that we were manoeuvring to keep doing what we were doing indefinitely became a standing joke.

142 See http://www.iied.org/mmsd/mmsd_pdfs/comments_mining_web.pdf

[143] Jay Hair was for over a decade the President of the National Wildlife Federation, the largest environmental NGO in the U.S. He was subsequently President of the International Union for the Conservation of Nature. He was Chair of the MMSD Assurance Group before being recruited to ICMM.

[144] Sarah Henson, our exceptional administrator was retained, but she was not well placed to be an advocate for the substantive outcomes of the project.

[145] The history of the MMSD relationship with the EIR deserves deeper exploration. There were a number of meetings with Dr. Salim and his staff to share MMSD information. There was also a period where a narrow group of mainly Indonesian NGO interests pressed for deletion of any mention of MMSD or research it sponsored from EIR reports. I served for a time as a consultant to Dr. Salim.

[146] ICMM of course has done much to promote these recommendations in industry. But its remit does not extend to promoting the Agenda for Change to governments, or nongovernmental organisations.

[147] There are of course a number of discussions that are going on, some of them aided by the learning and legacy of MMSD. The meetings for formation of a Council for Responsible Jewellery Practices are one good example. But most of these have a quite specific focus. What I feel is needed is a forum in which any and all concerns related to this sector's role in sustainable development can be brought up for discussion: a broad, »big picture« engagement.

6 SOME OBSERVATIONS ON PROCESS

Many of us who participated in MMSD thought that questions of process were as interesting and important as the analytic conclusions of the project, yet they were given a very secondary position in what was written. Indeed, other than a brief discussion in Breaking New Ground,[148] and an April 2002 paper posted on the project web site,[149] there has been little said. Yet many, maybe most, of the ongoing questions and comments about MMSD focus on process issues more than on its substantive outcomes.

That framework includes three principal concepts: subject matter of engagement, scale of engagement, and capacity to engage.

6.1 SUBJECT MATTER OF ENGAGEMENT

It was an explicit goal of the MMSD Project to look at the »big picture:« how, if we can get a fence around all the myriad issues in the mining and minerals sector, can we synthesize useful conclusions. The potential power of this synthesis increases the more it can cross lines of nationality, language, academic disciplines, and the interests of individual stakeholder groups. The more it can break down the »silos« that limit communication across different streams of knowledge, the more likely useful insights will result.

But all politics is local. And the issues that drive many to want to participate in dialogue about the future of the minerals sector are very specific indeed. Threats to livelihoods. Metals toxicity. Opportunities for better jobs. Spread of HIV. Concerns about land tenure. Air pollution. Managing mineral revenues. Not everyone wants to talk about every issue.

The main point is the desirability of creating opportunities for engagement with all three of these sets, from people who want to engage only on a specific issue, to people who want to engage on the »big picture.« MMSD attempted to deal with this by creating a variety of opportunities for engagement. There were specific subject areas of work in which research was conducted and workshops held.[150] There was the opportunity to participate in the broad picture by commenting on the outline of the draft report as it emerged, and on the draft itself.[151]

6.2 SCALE OF ENGAGEMENT

It seems on reflection obvious that discussions about dialogue have to cope with some concept of the scale of the proposed engagement.

If—as one example—the discussion is about the impact of artisanal mining activities on water quality in a specific community in Zambia, we may be able to learn who the local artisanal miners are. They may have leaders or spokespersons who are accorded this position because of their speaking ability, status within the group, leadership skills, or other reasons. They may be selected through a democratic process of election held by a formally organized syndicate. If other local stakeholders engage with them about how their activities are affecting water, those leaders will know how to keep the rest of the group informed about the ongoing discussions to avoid surprises. They should also know when it is necessary to consult with the rest of the group and get their consent. And when they say something to other stakeholders, there is a presumption that they are speaking for the group, and that the group will honour the promises they make.

If instead of trying to address this problem in one local community, we are trying to address it on a provincial level, these very same leaders may not be the people to deal with. They may speak for people in their own community, but have little knowledge of or contact with artisanal miners in other villages. They may not know whom to consult, or when consultation is needed. Or, it may be that there is a more or less formally selected leadership at the provincial level, and it is not our local leader but

someone else. The presumption that an individual from our hypothetical community speaks for all the miners in the province is a very weak one; there is no way of knowing the extent to which the larger group will be willing to honour any commitments.

If the goal is to address the very same problem at the national level, there are even greater questions as to the effectiveness of engaging with out hypothetical village leader, who almost certainly does not speak as the leadership of all artisanal miners in the country. There may or may not be some kind of structure through which artisanal miners can engage effectively on that scale. And if that same artisanal miner appears at a meeting at the United Nations, he or she may have some valuable ideas to share, but is probably not a legitimate representative of all of the artisanal miners in the world, or even in Africa, none of who will feel bound by any commitments he or she may make.

6.3 CAPACITY TO ENGAGE

Effective external engagement probably requires satisfying at least five conditions internally:

- The group to be represented chooses, accepts, or is at least aware of the people by which it is represented.

- The group has means by which it can keep its members informed of what is going on in the discussions.

- There is a consultative mechanism by which the group can participate in making particularly important decisions.

- The group has means that it trusts of finding out things it does not know.[152]

- Group members feel bound by commitments once made.

If these capacities are absent at a national level, it is very difficult for the group to engage effectively on that scale, even though the same stakeholders have an excellent capacity to engage at more local levels. Having individuals from the group at the table may very helpfully inform others about some of their attitudes and priorities, but there is very little expectation that such individuals can bind anyone but themselves. This limits the seriousness of the discussion. Perhaps the greatest virtue of their participation is that it may, however imperfectly, start a process within the group of recognizing the potential in engagement and building the capacity to engage more effectively.[153]

To take this discussion to the end, if there is a global conference on water pollution and artisanal mining, a leader from a particular community group may again be a useful informant of the process. But this is quite different from being fully engaged in some kind of a negotiation that is supposed to lead to agreement with some kind of binding effect.

I leave this subject with these conclusions:

- Groups may have a highly developed and very effective capacity to engage on one scale. But this does not mean they can engage effectively on all scales.

- Groups may be deeply impacted by decisions taken at some scale where they cannot engage effectively to protect their interests.

- In essence, this is one crucial aspect of poverty: to be affected by decisions at a level where you lack the ability to influence the dialogue very effectively.

- One of the overt rationales of the MMSD regional projects was to allow participation by stakeholders with important interests who were not well organized to engage on a global level.

Finally, a question: when we know there is a group out there with very important interests at stake, but which has very limited capacity to engage on a global level, what do we do?

One option would be not to proceed with global dialogues until everyone is ready to be a full participant. A concern might be that it will take a very long time to get to that point, and the issues for which we need global dialogue can't wait. In addition, many of us think that participating in dialogue is the best way to build the capability to have dialogue.

A second answer might be intentional »capacity-building«: to allocate resources to helping groups with an important stake develop capacity to engage better on the needed scale. In principle this is a fine idea; the devil is in the details. How do the powerful and well-resourced support capacity building by the less powerful and the poor without it being seen as an attempt to corrupt their decision making process? And of course, capacity building, while very necessary, takes time. What do we do while the capacity is built? If it is improper to impact poor local communities with development until they are fully empowered to speak and negotiate for themselves, where is that empowerment to come from? If the benefits of development should not be available to communities until they are able to engage on terms of near equality with the World Bank, or multinational mining companies, their own national governments, or NGOs who may want to offer them support, are we simply denying them a chance to move into the modern world? Telling them they cannot be participants without this kind of capacity is a morally dubious proposition unless we can offer them some realistic and concrete path to getting that capacity. Only the rich think that vague mumbling about ecotourism is an adequate response to the painful realities of poverty.

6.4 REPRESENTATION AND CREDENTIALS

Ultimately where most global dialogues wind up is with some important stakeholder groups either completely absent or appearing through **informants**[154] or **surrogates**[155] rather than through true representatives. The **gatekeeper** function arises when someone, who might look very much like an informant or a surrogate, claims to be acting in a representative capacity in circumstances where this claim is difficult to verify. This difficulty may be a function of language or cultural barriers or other factors that prevent direct verification of credentials.

If someone appears at a meeting in London and says »I am here representing the World Wide Fund for Nature,« the credentials are fairly easy to verify. If someone appears at that same meeting claiming or implying she represents a constituency where the credentials cannot be verified without great difficulty, that may create »gatekeeping« issues. What do we do with the man from Amsterdam who claims to be speaking »on behalf of« the indigenous peoples of Indonesia? Issues can only be understood when seen from a variety of perspectives.

From the point of view of representatives of governments, especially developing country governments, this is the principal stated reason they are hesitant to engage more deeply in dialogue. They have credentials, the credentials can be verified, and they are hesitant to sit down on a basis of equality with the »man from Amsterdam«[156] who has no credentials. So are many labour unions, trade association officials, and NGO leaders.

It is not, and in my view should not, be an issue of whether someone gets to sit at the table. In something as broad as the future of minerals production and use, everyone has a say, and everyone should be able to participate. The question is: in what capacity?

From the point of view of the unrepresented, the whole dialogue is a concern and a threat, assuming that the unrepresented groups even know the dialogue is going on. Those at the table threaten to make decisions that may affect the unrepresented group, without the group having any kind of say. Unrepresented groups often suspect, whether they have hard information or not, that there are all kinds of dialogues going on around the world that affect their interests, to which they are not being invited.

From their point of view, having someone at the table who will let them know what is going on might be a positive step toward breaking what they see as a monopoly on information, whether the person »represents« them or not. It may also be a step toward building the capacity to be a more effective participant in the future.

To this stage, it is hard to see much of a problem, assuming the dialogue is public. The person is at the table, and using that position to inform others about the dialogue. If the person turns out to be exaggerating his position, or distorting the information he passes, it does little harm.

The issue comes when that person wants to demand, request or propose things. Whose demand or request or proposal is this? And most of us respond differently to a request from Kofi Annan, the Secretary General of the United Nations, than to a request from Kofi Annan's cousin the schoolteacher. Underneath all this the difference is obvious: power relationships.

This is not simply an »NGO« issue. Some NGOs have millions of members, elected leadership and a clear way of designating people to speak for them. Some segments of the mining industry have almost no capacity to engage beyond their immediate surroundings. For example, the Chinese coal industry is the biggest coal industry in the world, and probably the biggest single source of employment in the mining industry. If there is anyone in the world who has a stake in the future of mining, this is it.

Ideally, this segment of industry would be represented in a global process like MMSD. Given the evolution of the world economy, it will probably be unthinkable to do a project like this without heavy Chinese participation in a decade. However, the cultural, language and organisational barriers to trying to reach out to this constituency were enormous;[157] and open multi-stakeholder processes that are quite understandable to us in the West are not well understood in China. With time, we could have made contact. But with the time we had, we needed to find an already existing »point of contact« appropriate for a project like this, created by Chinese organisations themselves. We didn't find it in the short life of this project.

[148] See Introduction.

[149] MMSD: A Process of Consultation. Glenn Sigurdson of the Simon Fraser University deserves considerable thanks for helping us develop these concepts. See http://www.iied.org/mmsd/mmsd_pdfs/process.pdf

[150] For a list, see http://www.iied.org/mmsd/activities/index.html.

[151] See http://www.iied.org/mmsd/draftreport/draftreport.html.

[152] This might as well be put directly: any group needs a research capacity; either under its own management, or management it trusts.

[153] One of the ›hot topics‹ in mineral development today is this: if one stakeholder sees virtue in a dialogue with other stakeholders who have a very limited capacity to engage, can it help them develop that capacity without appearing to take ownership of their decision process. For example, if a mining company sees that a group of local communities do not have a well-developed ability to engage with the company, can it somehow help them develop a more robust capacity without being seen as trying to buy their approval? Is the alternative to say that there is no way to proceed with a mining project (or by inference, many other kinds of development projects) where a community has a very limited capacity to engage?

[154] An informant as that term is used here is a member of the stakeholder group who is present, but not in a representative capacity. An informant cannot speak for a constituency, but can benefit the process, by inserting something of the group's interests in the process, sensitising other participants regarding the group's interests, and perhaps keeping at least some members of the group aware of events, slowly helping the group acquire the capacity to participate more effectively.

[155] A surrogate is similar to an informant in that she or he does not represent the stakeholder group or have the power to speak for it. A surrogate differs from an informant in that the surrogate is generally not a member of the stakeholder group for which she or he speaks. A common example is an anthropologist who works extensively with indigenous or aboriginal groups who participates in the hope that the other participants will thereby become more sensitive to the needs of these communities, but without any right to speak for them.

[156] This character is only lightly fictionalised here.

[157] I say this not as someone who had no start on the task, but as someone who spent a year on a UNDP project that was focussed on the coal industry in China.

7 KEY CHALLENGES FACED BY MMSD

In the context of this process-oriented paper, it is useful to look at several of the key challenges faced by MMSD and how the project dealt with them. The key challenges included:

- Turning a project with industry roots into a platform widely recognized as independent of industry

- Some inherent contradictions in the structure of the project

- Conflict over consensus-driven vs. deadline-driven models

- The emergence of the Extractive Industries Review

7.1 TURNING A PROJECT WITH INDUSTRY ROOTS INTO A PLATFORM RECOGNIZED AS INDEPENDENT OF INDUSTRY

This was a key challenge to the project. And since there are relatively few industry-initiated global dialogues on this scale to look at, MMSD is a primary source of information on the question: Is this a feasible way to initiate policy processes? The idea for the project began with industry leaders. Its initial funding came from industry. And a large part of its ongoing funding came from industry.

So how could people from other stakeholder perspectives—organized labour, indigenous communities, or environmental groups, who were often in deep and bitter conflict with industry interests, take this initiative seriously as a ›neutral‹ platform, and what were their issues with engaging with the project?

In general, most of these groups were in the scoping phase quite open to sharing ideas, and in fact eager to learn about the new initiative. The consultation report that accompanies the Scoping Report and that Scoping Report itself make this clear.[158] This openness and interest in the project continued into the early operational phase. A number of leading organizations shared a great deal of their thinking with the MMSD project team, recommended candidates for the Assurance Group, made constructive suggestions about governance, proposed topics for research, attended the initial Strategic Planning Workshop at Heathrow that started the project[159], served on MMSD committees, and otherwise contributed.

While these contributions continued throughout the project, there emerged at some point a focused campaign on the part of portions of the NGO movement to dissuade other NGOs from participating in MMSD processes, or lending any legitimacy to MMSD activities. This began to the best of our knowledge with Project Underground, a now defunct North American based NGO with links in the deeply conflictive environment of Southeast Asia. At some point late in 2000, some campaigning NGOs[160] decided not to participate in any MMSD activities, and to pressure others to withdraw.[161] There was a conscious effort, as some put it, to »delegitimise« the project.

This did not prevent all stakeholders from engaging. Indeed, organized labour, artisanal miners, developing country governments[162], research institutions and others were early, continuous, and enthusiastic participants.

Nor did it prevent all involvement of NGOs, even at the height of the tension. The NGO movement is not monolithic.[163]

Two NGOs, Conservation International and IUCN-The World Conservation Union, were MMSD sponsors. Yolande Kakabadse, President of IUCN, was co-chair of our Sponsors Group. Other mainstream international NGOs, such as World Wide Fund for Nature, were communicative, helpful and participated throughout. A considerable number of NGOs did research under contract to MMSD. And

the »technical« NGOs, who saw their role as providing engineering, scientific, or legal support to help communities understand the consequences of mineral development,[164] tended to participate.

There was at the other extreme a hard edged group of campaigners that wanted a `boycott' of MMSD activities: a ›pledge‹ taken by all NGOs to refuse to attend meetings with MMSD, refuse to correspond with MMSD, etc. Many of them were anti-capitalist or simply believed in principle that it was wrong to have any relationship with the mining industry, which some of them regarded as evil. Some of these organisations maintained their rejection throughout.[165]

There was in the middle a broad group of campaigning NGOs that were quite wary of MMSD in light of its industry origin, who wanted to »kick the tires« quite vigorously, and who wanted to be sure of what they were getting in any interaction. In short, they were not against engagement in principle, but wanted to be very careful about how, when, under what rules they engaged, and what they might achieve by agreeing to sit down and talk. Typical of this group were leaders such as Steven D'Esposito of the former Mineral Policy Center in the U.S. (now Earthworks),[166] or Alan Young, formerly with the Canadian NGO, Mine Watch.

Many of the leaders of this group saw in MMSD an opportunity to build a sense of solidarity and common purpose among the ›mining NGOs‹ around the world that had not been present before. And at about this time they received funding from the Ford Foundation and other sources to organize such an international network, the Global Mining Campaign.[167] At an early meeting, as the members strove for a common position, they decided not to participate formally in MMSD activities.[168] This was in my view entirely consistent with our model of groups seeking to build the capacity to engage on a global level, and having to organize internally to engage externally.

There may have been some surprised by the hesitation to rush to grab the ›olive branch‹ extended by industry, but not many. It is important to remember that industry started looking at these options, discussing them internally, and discussing how to organize themselves to participate for at least a year before NGOs became widely aware that this was afoot. If nothing else, we had to expect a period during which the mining NGOs ›caught up‹, in their understanding of what was being proposed.

What this ›withdrawal of participation‹ meant in practice was interesting. The informal communication links were always there. Many of our Work Group, myself included, have NGO backgrounds. While we were always clear that members of the Assurance Group participated as individuals, and not representing their organisations, the fact that a number of the members were currently highly placed in important environmental organisations meant they could and did talk constantly to colleagues. Therefore, through this period, there was constant discussion and dialogue.

There was also a good deal of attendance at MMSD events by a combination of those NGOs who never ceased to participate, and by people closely affiliated with the ›non-participating‹ NGOs, who came in their ›individual capacities‹. As just one example: at the Large Volume Waste workshop in Vancouver, there was heavy participation by people from the more technically and scientifically minded North American NGOs, mostly in their ›individual capacities.' This was clearly a strategy to keep an eye on what was happening with MMSD, and to try to influence it, while giving these NGOs the options of either embracing the result, or rejecting it, as they saw where the process went. In terms of who was actually at the meeting, it is hard to see how the result would have been different if the NGO groups had been participating fully and enthusiastically.

The »boycott« took some interesting forms. For example, at one of the MMSD workshops, a leading NGO activist attended, and participated, but any time that any of the MMSD staff spoke, she turned her chair around and faced the back of the room. We had a very considerable amount of this kind of ›ambiguous engagement‹, including a considerable correspondence that would start by saying that the organisation was not willing to comment on what we were doing but would then proceed to comment. A few groups would simply not return our calls, or talk to us.[169] Further, a considerable number of NGOs participated openly in regional processes, even when saying they did not want to participate in globally organized events.

What was happening here in my view were three things.

The first was capacity building for engagement on a global level. Intelligent leadership saw that it would be dangerous to engage what looked like a »united front« of industry, if there was disorder and disagreement among the NGOs. Issues of legitimacy and representation had to be sorted out. The NGOs wanted to send some leadership with some credentials, if they chose to engage.

The second was a relatively thorough process of looking at the project in detail, to see how it was developing, judge how good a platform it would prove to be. In the process, nongovernmental organisations and some of their leaders would stay close to the process, try to influence it, but act in ways where they were not committed to anything and had no responsibility for the results if things went badly.[170]

The third was that there actually was a division of opinion in the NGO movement among (i) those quite inclined to engage; (ii) those who were simply not willing to talk with mining companies under any circumstances; and (iii) those who wanted to weigh the advantages and disadvantages carefully before deciding what to do. Group (i) was always in; Group (ii) never came in, and Group (iii) watched, participated indirectly or in ways that would not commit their organisational prestige—and came in at the end, as discussed below.

In the meantime, many of these organisations were communicating rather fluently. And others were not. The most evident form of this resistance to MMSD participation was pressure—on organizations not to do research, on individual members of the Assurance Group to resign, and on other organizations not to lend credibility to the process. Their campaign of pressure was designed to ensure that other NGOs did not »break ranks.«

York University in Canada, to its shame as an institution of higher education, cancelled a conference[171] invitation to an MMSD researcher because of pressure from one NGO not to allow an »MMSD« viewpoint to be presented. Sadly, York University was not alone; there was a string of such incidents. The part of this pressure campaign that I found most distasteful was a personal and vicious campaign directed at Richard Sandbrook. Richard, who was ever eager to engage in an open intellectual debate with anyone, was distressed to find that some preferred vitriol to debate, and anonymous posts to open discussion. It was painful to him, and in my view shamed its authors considerably.

This ›non-engagement‹ led to some very strange encounters. For example, one of the high points of the engagement process was our Finance Dialogue, in which we partnered with the World Bank Group and the United Nations Environment Programme.[172] A major event in that process was the January 2001 Washington meeting, at which President Wolfensohn and other top leaders of the World Bank Group, top political leaders from a number of countries where mining is economically important, senior executives from private banks, United Nations officials, and others came together to talk about how financial institutions could help move the minerals sector to a more sustainable path and why it was in their interest to do so.[173] We were stunned to find very late in the game that the Bank had decided to cancel previously agreed invitations to civil society representatives. We had a very difficult conversation with the Bank over this, and as a result some NGO representatives were invited. However, some of the NGOs then decided that they would talk to the Bank (which was behind the scenes trying to exclude them) but not to the MMSD Work Group (which was fighting to ensure their inclusion).

Ultimately, the large central group of NGOs decided to »come in« and engage visibly, as symbolized by strong attendance from activist NGO leadership at the Toronto conference where the MMSD report was launched. They should speak for themselves as to how this change occurred, but my observations are these:

- There had been enough internal work among the NGOs to clarify who spoke for whom and in what capacity;

- The fact that this group of NGOs found that the MMSD report was indeed a useful document, and accepted the idea that the process was valuable, had a considerable amount to do with it;

- While not officially »engaged« during the project, they were close enough to get comfortable that MMSD did operate openly and fairly; and

- There was a significant negotiation behind the scenes between industry representatives and NGO leaders—just the thing there should have been—leading up to the Toronto conference.

While some aboriginal or indigenous organizations had feelings similar to the NGOs, other indigenous organizations participated very productively in MMSD organized events,[174] contributing significantly to the outcome. There was a legend promoted by some that MMSD »ignored indigenous groups« until late in the process.[175] Much of this has to do with a single individual who was invited to our initial Heathrow workshop,[176] who agreed to attend but did not because of visa problems. We tried later to get her to other meetings and even to invite her to consider Assurance Group membership. However, at some point she quit returning our calls and messages, which were many. After the project, she has apparently taken the position that we »ignored« her.

In fact, we found that successful engagement with indigenous and aboriginal organisations required patience, and working at a time scale on which they were willing to work. Without meaning to offend anyone, there are few really inclusive organisations that speak for indigenous and aboriginal peoples on mining issues worldwide. While in some parts of the world the indigenous encounter with minerals development has resulted in terrible injury to indigenous groups, there are a considerable number of indigenous and tribal peoples to whom artisanal mining is an important source of livelihood, and there are others who have been terribly injured by non-indigenous artisanal miners intruding on their territory.[177] And there are all kinds of people and organisations—many of them non-indigenous—who claim various levels of authority to speak »on behalf of« indigenous groups, some with real indigenous support and some with very little.[178]

MMSD had some significant discussions with indigenous people and organisations during the life of the project.[179] We published what I think are some significant studies.[180]

By the end of the process, when the report was presented, most of the international NGO community announced that it was convinced, if not of all the specific recommendations of MMSD, at least that the process had sufficient merit that they were willing to attend the Resourcing the Future conference in Toronto.

The statistics on attendance at meetings and on comments on the final report[181] do show that we had robust participation of NGOs, or of people closely linked to them through most of the process. The recent NGO-supported Framework for Responsible Mining,[182] a major NGO initiative, draws repeatedly on MMSD work for its conclusions.

I have these observations:

- It was under the best of circumstances going to be very hard to achieve universal acceptance of a dialogue platform. Indeed, a number of mining companies did not want to engage with the process (»this is all about the interests of the big companies and will just cause problems for small companies like ours«). In fact, the most difficult challenge proved to be not engaging NGOs, but engaging the large mineral consumers—the European and Asian refiners and fabricators of metal products—in something that was said to »smell too much like mining.«

- It was going to be very difficult to get campaigning NGOS and indigenous support organizations to engage with a process that was originated and largely funded by the industry they were in deep conflict with.

- The World Bank, which has originated more such recent processes than any other institution in the natural resources area, is not widely regarded as free of bias or political influence of the rich and powerful. Perhaps if it had taken a more active role in partnership in MMSD[183]—as was clearly in prospect before the Bank's own competing Extractive Industries Review was announced[184]—it would have helped to create a broader platform. The Bank carries some tremendous contacts and capacities with it.

Perhaps the key question is how far that interest group takes the idea before sharing it. If the mining companies—or the World Bank—come up with a basic concept, then share it with other stakeholders before it is too far baked, so that all can have some say in the architecture, it can perhaps work despite its origins.

The question here is whether the mining companies developed too many of the details before proceeding with the project. Perhaps the area in which decisions did go too far before the engagement process commenced was the focus on a process that would end and go out of existence with Johannesburg.[185] One of the key obstacles to engagement is the lack of the capacity to engage on the

proposed scale. Among other things, this requires a leadership that is selected in a way that is regarded as legitimate. As the MMSD process began, there was not such an NGO leadership on the global level. This may be one area in which the MMSD process had a positive effect—during the lifetime of the project, the global NGO movement made great strides in achieving a structure for discussion and decisions on issues of common interest, at least in part through formation of the Global Mining Campaign.[186] Thus, by the time that much of the NGO leadership came to the table by the end of the MMSD process, it was clear that they had solid backing.[187]

There is another very important issue here, and NGO leadership spotted it. If it really makes sense for there to be a platform for engagement among these often polarised interests, don't those same considerations suggest that forum should be ongoing? If it is so hard to achieve engagement, and there is so much value in doing so, why should we be so eager to disband it after Johannesburg? In other words, did the broader industry really buy into the fourth of MMSD's stated four goals, which was included in the Scoping Report,[188] and stated repeatedly throughout the life of the project, namely »to build a platform of analysis and engagement for ongoing cooperation and networking between all stakeholders?«[189] Or was this aspiration confined to a relatively few leaders?

Put bluntly, why should a group of internationally active NGOs weather all of the internal storms, and pay all of the costs, of engaging with industry if MMSD was more or less announcing that the engagement would end the minute the Johannesburg Earth Summit was behind us?[190] The leading hypothesis almost has to be that while the core group of industry participants did want some kind of ongoing platform of engagement, they had a hard time bringing the broader industry along on this question. If this is the explanation, it would imply that there was sufficient support from industry leadership to create the engagement, and that leaders hoped for more, but that it proved as the project went forward that they needed to assure the doubters that it would have a clear and unmistakable ending.[191]

There were perhaps two other issues here. One was scale of engagement. Some of the industry people were willing and eager to work with other stakeholders at the global level, but did not see that value of engaging at the »30,000 foot level« of the future of the minerals industries. They wanted to engage much closer to the ground, on specific issues—mining and protected areas being one. So they envisioned a series of topical engagements rather than some kind of plenary engagement.

The other question was the International Council on Mining and Metals. Many industry people felt that yes—the decision had been made to seek engagement on a variety of issues—but that ICMM was the portal through which the industry wanted to engage. And ICMM was still in an organisational phase and had many challenges ahead of it. So while it has in fact proven itself by 2005 to be an effective way to industry to work with other stakeholders, it was not ready in January or February of 2002 to take the baton smoothly from MMSD.

This concern was a real obstacle. The argument that it made no sense to build elaborate structures of engagement with civil society before May 2002 that had no clear future thereafter never had a clear answer beyond »that is how we designed it.«[192] Nevertheless, most NGO leadership ultimately saw value in the MMSD process, and once there had been a sufficient opportunity for internal discussion within the NGO community, decided to pursue that value.

The issue with engaging the downstream part of the industry was very serious and very difficult. There were all kinds of aspects: Anglophone vs. non-Anglophone; companies that had spent considerable effort to get their customers not to link their image to the image of mining suddenly being confronted with a proposal to stand up very publicly next to mining companies; old wounds from previous issues having little to do with MMSD. However, by the end of the project, thanks to some very high level and earnest efforts—including direct contact from some of the mining CEOs to their counterparts in European industries—progress was being made. The chief price paid for the delay was that there was not as much emphasis on the product cycle as there ideally should have been.

I hope that communities and other developing country stakeholders will increasingly find means to participate directly in global processes through broad based organisations. They are emphatically not so gullible that they need to be ›protected‹ from dialogue by guardians in the OECD.[193]

7.2 SOME INHERENT CONTRADICTIONS IN THE STRUCTURE OF THE MMSD PROJECT

There were some inherent contradictions in the proposed structure of the MMSD Project.

First, building trust requires time; as the Scoping Report acknowledges, it is important »that decisions are not rushed.« Yet the process was to be built on a global scale and a final report issued 18 months from the hiring of the Project Director.

Second, some stakeholders were not organized as effectively as others for engagement on a global level as has been discussed.

Third, if MMSD had been able to achieve some agreement as to the desirability of an ongoing engagement extending past Johannesburg, the problem created by time pressure might have been diminished. And a considerable number of people on all sides found it hard to believe that the hard-won level of cooperation and dialogue would simply be discarded. They kept waiting for some kind of last-minute reprieve. It did not come while the project was still in existence. There are however some hopeful signs: for example, an Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development,[194] a Type 2 partnership coming out of the Johannesburg Earth Summit and[195] is certainly a kind of outcome that MMSD endorsed.[196] There are also some topic-specific dialogues underway at a global level. One centres on mining, protected areas, and indigenous rights and is focussed on the IUCN, ICMM, and other organisations.[197] Another is much less formal at this stage and centred on the NGO-developed Framework for Responsible Mining[198] and the proposal to form a Council for Responsible Jewellery Practices.[199] IIED and MMSD made it clear that the idea of ongoing engagement beyond Johannesburg did not imply that they had a role in that process.[200] The real issue was the disinclination of some stakeholders to buy into long term mechanisms for engagement such as proposed in MMSD's recommendations, at least until they saw what the outcome was. The people who doubted the wisdom of such mechanisms were randomly scattered on all sides of the debate, and included both some who rejected any form of engagement ever, and those who thought that while MMSD may have produced some good results, they wanted to think about it before committing to anything longer term.[201]

Finally, it was recognized that the stakeholders needed to buy in to basic decisions, yet the core of the work group (IIED) was identified and selected before the consultative mechanism was in place.

Sorting all of these issues out to the nth degree of procedural nicety would have taken a very great amount of time. That would have probably exhausted the patience of some participants. Indeed, the attention we gave to process already tried some participants' patience as it was. It is crucial to realise this and to find a pace that is deliberative enough for those interested in process without being too slow for the less patient. Processes die because of a lack of respect for procedural fairness. They also die because people give up on ever getting beyond procedural discussions.

7.3 CONFLICT OVER CONSENSUS-DRIVEN VS. DEADLINE-DRIVEN MODELS

This issue has been dealt with at some length above, but deserves at least some brief additional mention. This is, in various guises, one of the most frequently recurring issues in policy processes.

One of the major points of negotiation in the development of the MMSD project was precisely that NGO representatives wanted the Assurance Group charter to provide that there would not be a report without consensus. Industry representatives insisted that there had to be a report, one way or another. It was a true point of cleavage, and it is understandable why it was so.

The attempt to have an Assurance Group that was neither a Board of Directors with legal authority and control nor simply an advisory group with no control at all was one of the innovations of the MMSD project. The truth is that even though the Work Group could in principle put forth a report without Assurance Group endorsement, it would be enormously reluctant to do so, as the report would be robbed of much of its authority. On the other hand, the report could not be held up by pure intransigence by a small number of Assurance Group members. So, at least in theory, all sides had a strong incentive to explore solutions and bend enough to make the process work.

Whatever else I can say, the Assurance Group concept seems to have worked in this instance. And for those who were worried it would not have adequate authority: when it told us in December 2001

that we needed to work more on the report and not release the draft as we had intended—the Work Group did as we were told. I do not think there is any issue of any significance where the Work Group did not follow Assurance Group guidance, even though they were not a legally constituted »Board of Directors.« They were much more than a »mere advisory group.«

7.4 THE EMERGENCE OF THE EXTRACTIVE INDUSTRIES REVIEW

One of the unique challenges faced by the MMSD Project was the emergence, in mid-stream, of a competing global public policy process with an overlapping remit. This was the Extractive Industries Review. The first step was World Bank President Wolfensohn's famous »pledge,« made » … in September 2000 during the World Bank-IMF annual meeting in Prague. Challenged in a public meeting by Friends of the Earth International Director Ricardo Navarro on the impacts of World Bank financed oil, mining and gas projects, Wolfensohn responded - to the surprise of his staff - that the Bank would undertake a global review to examine whether Bank involvement in extractive industries was consistent with its stated aim of poverty reduction.«[202]

But what was this to mean? Considerable time went by without any announcement as to who would be reviewing what, how this would be done, and under what ground rules. This had a major impact on MMSD, of which the Bank could hardly be unaware.

By this point, MMSD was well into its operational phase, and was in fact working with the Bank and United Nations Environment Programme on a joint exploration of the role of financial institutions in the transition to sustainable development in the minerals sector.[203]

Was there room for two full-fledged global policy processes on very much the same issues? This is the first of a number of questions about the relationship between the Extractive Industries Review and MMSD. What was President Wolfensohn thinking? What were others in the Bank thinking?

Did they consider the tremendous investment that MMSD represented when he made his »pledge?« Did they think that a new and separate global process might do some damage to that new initiative?

There has never been a public answer to any of these or related questions. Once it became clear that President Wolfensohn had made a commitment and that the Bank was going to launch something, the question was what?

There were a number of obvious options. They were discussed within MMSD. They were discussed within the Bank. They were in a number of cases discussed between people in the MMSD process and Bank representatives. They were discussed by all kinds of other stakeholders. It was evident that among the choices were:

1. Complete merger. The »Wolfensohn Pledge« could lead to some kind of merger of the new process with MMSD—a bigger, more complex MMSD with a remit extending to oil and gas, a different governance structure, and a broader sponsorship.

2. Partial merger. The oil and gas part of the World Bank review could be managed separately, while the mining part could be done with by some broadening of MMSD, with extended sponsorship, and renegotiation of its governance arrangements.

3. Information sharing. The two projects could build some form of link for dialogue, discussion and sharing of information and approaches.

4. Competition. The two projects could be conducted without reference to each other, compete for resources, and get in each others' way. Some stakeholders might have enough resources to participate in both. Many would not and would have to choose.

One thing that the World Bank Group did succeed in creating was a very long and debilitating period of uncertainty. The Prague announcement was made in September 2000. But it was not clear what direction the process would move, or how it would be managed until there was an announcement in June of 2001, that the review would be run by a single ›eminent person‹, Dr. Emil Salim. So from September of 2000 to June of 2001, right in the middle of the life of MMSD, we knew that there would be something, but it was not clear what, and we had no authoritative point of contact with whatever was going to emerge.[204]

Even after Dr. Salim was appointed, the Extractive Industries Review did not get going very fast. Not only was there a long delay before the model of organization was selected and Dr. Salim appointed, but even after he was appointed there was a long period of debate of his terms of reference, how the secretariat would operate, where it would be located, and what the budget might be. During this period of time, there was very considerable uncertainty, which on one hand led some to be very negative about the EIR and others to be unreasonably optimistic about its future.[205] If no one had any facts, people could believe what they chose, optimistic or pessimistic. Dr. Salim did not early on have a clear structure of advisors, but had many informal advisors, some of whom acted a bit like medieval courtiers. We were stunned at the candour of various statements by people at the Bank that they were going to be sure the process was ›managed‹ in ways acceptable to the Bank.[206] People read very different things into the politics of the process.

Those politics were very difficult at times, and only a master such as Dr. Salim could have survived them: a struggle over whether Washington based staff or Jakarta based staff would manage the programme, key resignations, struggles over budget, and other issues. It did appear from early on that the EIR, rather than a multi-polar discussion managed by stakeholders collectively, was going to be more bipolar, and focussed on the concerns raised by the NGOs whose original confrontation had led to the September 2000 »Prague pledge.« The very NGOs that MMSD was struggling to engage were therefore having held out to them an alternative process that was by, for, and about their concerns, and allowed them to talk directly to the figure who would write the report, without much need to try to reach consensus with anyone. Further, through World Bank Group policies, there was an obvious implementation mechanism for any changes that resulted. At a minimum, this was distracting from the MMSD effort at engagement.

We do not know why the Bank took this direction. Some of the hypotheses that have been suggested, with varying levels of support, are:

1. The Bank was just going through the difficult process of considering what to do with the recommendations of the World Commission on Dams. There were many in the Bank who were upset by, and opposed to, various facets of those recommendations. There was considerable talk to the effect:

- »We aren't going to have any more of these commissions. They take too long, they go over budget, and we can't do anything with the recommendations.«

- »We are going to be much more hands on in any future reviews. The Bank was not involved enough in the World Commission on Dams. We want a process in which we can be heavily involved«

- »We are going to keep this more in house where we can control it better and be sure the results are something we can use.«

This suggested that the Bank would not want to get too deeply into the MMSD process because its Assurance Group looked too much like another independent commission.

2. Another suggestion was that the Bank is simply not very good at sharing control and management. While it could hardly have considered IIED as a serious competitor for power and influence, the 29 mining companies, UN bodies, foundations, and other MMSD sponsoring organizations could not simply be dismissed. Under this hypothesis, the Bank wanted to run its own process without having to cope with partners.

3. A variant of this is that the Bank, having initiated more broad policy processes in the natural resource area than any other institution, just did not know how to react to a policy process initiated by someone else.

4. There were clearly those at the Bank who were still ruffled by the results of the Independent Review of the Pangue Hydroelectric Project, commissioned by President Wolfensohn.[207] By then, Jay Hair, who was the chief of that independent review, was the Chair of the MMSD Assurance Group. The idea of something (the Assurance Group) that looked a lot like another Commission on Dams, and was headed by someone (Jay Hair) who some in senior positions at the Bank still resented for the candour of his earlier report, may have just been too much.[208]

5. There is also a ›conspiracy theory‹. In this view, the EIR was created without coordination with MMSD precisely because it would be easier to dismiss the recommendations of two weaker processes than a single united process.

Whatever the explanation, and while there was some considerable back and forth between those involved in the MMSD project and the Bank:

- the Bank decided to go its own very separate way in the middle of the MMSD process;

- there was never a completely clear statement of why; and

- The Bank never made it clear to us what it wanted to do, how that related to the MMSD project, and how the Bank saw the relationship between the two processes.

Whatever the explanation for the course the Bank adopted, there is no doubt that it much complicated the task for MMSD, in multiple ways.

It made the process of engaging stakeholders much more difficult. Some stakeholders, particularly in civil society, simply didn't have the resources to participate in two processes like this, and had to choose.[209] Others explicitly thought they would get a »better deal« and more attention to their concerns in the EIR.

MMSD had counted on the Bank for a number of things: its contacts, its intellectual power, and—it was hoped—financial sponsorship. Some of these things had been promised and others had been broadly hinted. But ultimately while there was »in kind« sponsorship, there was no cash.[210] This not only hurt the overall bottom line, but it also hurt the ratio of industry to public sector funding that MMSD was trying to achieve. We had very much hoped for serious intellectual input from the Bank on its strengths, including macroeconomic analysis of the impacts of mining investment. We did not get this, and it shows—this is an area where the analysis in *Breaking New Ground* is not strong. But above all, the greatest problem was that the great majority of those in the Bank whose responsibility came anywhere near mining and minerals were intensely distracted and very hard to engage over very considerable periods of time.[211] We did, however, have help, support, and great insight from a number of leaders in the Bank, for which we were and are grateful.

[158] http://www.iied.org/mmsd/mmsd_pdfs/02_Scoping_report.pdf.

[159] http://www.iied.org/mmsd/mmsd_pdfs/final_notes_4_6_may.pdf.

[160] There are of course many thousands or even millions of NGOs in the world. Many of them, like the Cancer Society or the Salvation Army or the Red Cross, have missions which put them at or outside the margins of anything MMSD was doing. When we talk about NGOs here, we are therefore talking about a small subset: those organisations that are focussed on development, environment, poverty, social justice, human rights and the like, and who consider issues in the minerals industries to be within their remits.

[161] See, e.g. http://www.minesandcommunities.org/Charter/mmsd2.htm or http://www.minesandcommunities.org/Country/safrica1.htm and http://www.foei.org/publications/link/101/e10107.html

[162] The depth of government interest is shown by the fact that the Comisión Chilena del Cobre the Department for International Development of the Government of the United Kingdom, Environment Australia of the Government of Australia and Natural Resources Canada of the Government of Canada were members of the Sponsors Group, and by the numerous and quite extensive comments made by government agencies, north and south, on the Draft Report. See http://www.iied.org/mmsd/draftreport/rcv_comments.html

[163] Indeed, a large number of NGOs consider mining issues outside their remit and do not participate in mining-related activities for that reason.

[164] A good example is the Center for Science In Public Participation, http://www.csp2.org/

[165] Typical are the signers of the »United Outcry Against Mining Greenwash,« http://www.sacredland.org/resources/Greenwash.html

[166] See http://www.mineralpolicy.org/.

[167] See http://www.globalminingcampaign.org/

168 Some NGO leaders have said that it was unfortunate that what became the leadership of the Global Mining Campaign, and the Ford Foundation, were not aware of the nascent MMSD just a bit earlier, as it could have changed the orientation and funding conditions in ways that made for a more productive relationship with MMSD. Since I have no direct knowledge of any of this, I express no opinion.

169 One Netherlands based NGO accidentally forwarded us some e-mail that indicated that they had a strategy of wasting our time by constantly holding out the idea of meeting with us without ever actually doing so.

170 The fact that this leadership »came in« visibly at the end must be taken as some kind of judgment that things had not gone badly. Otherwise, they would have had little reason to associate themselves in any way with the results.

171 See http://www.miningwatch.ca/index.php?/World_Bank/CERLAC_conference.

172 See http://www.iied.org/mmsd/activities/global_finance_dialogue.html.

173 See http://www.iied.org/mmsd/mmsd_pdfs/finance_meeting_report_9April.pdf.

174 See http://www.iied.org/mmsd/activities/indigenous_people.html.

175 See Comments of the Society of St. Columban on MMSD Draft Report, http://www.iied.org/mmsd/mmsd_pdfs/comments_st_columb.pdf

176 See http://www.iied.org/mmsd/mmsd_pdfs/final_notes_4_6_may.pdf

177 See http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTOGMC/0,,contentMDK:20246087~menuPK:509412~pagePK:148956~piPK:216618~theSitePK:336930,00.html

178 We had an insightful series of discussions with the leader of one such group who suggested that in his view indigenous groups benefited from keeping their organisational structures, leadership, and decision processes opaque to others, and therefore found it useful to operate from behind a screen of nonindigenous gatekeepers.

179 See http://www.iied.org/mmsd/activities/indigenous_people.html

180 See http://www.iied.org/mmsd/activities/indigenous_people.html, and Finding Common Ground: Indigenous Peoples and their Association with the Mining Sector at http://www.iied.org/mmsd/mmsd_pdfs/common-ground.pdf

181 See Appendix 3.

182 See http://www.frameworkforresponsiblemining.org/.

183 The World Bank Group was an MMSD Sponsor, and we do not lack gratitude for that.

184 The Extractive Industries Review is discussed below.

185 This might have been necessary to convince enough companies to develop enough critical mass to move forward. While it may have been an advantage internally, within industry stakeholders, it was certainly a disadvantage in attracting other stakeholders into the process.

186 See http://www.globalminingcampaign.org/.

187 They also did have a platform. This group of NGOs published at this point what to my knowledge is the first comprehensive platform of their demands for industry. See J. Young and A. Septoff, Digging for Change: Towards a Responsible Minerals Future, An NGO and Community Perspective (Global Mining Campaign 2002).

188 I have little doubt that the leadership group in industry did accept this objective. However, as participation in MMSD grew, many other companies, with less background in the process, began to join. Thus while industry participation deepened, there was some dilution of the focus, and we might speculate that the leadership had trouble bringing all of the newcomers along.

189 Scoping Report at 8.

190 That this was the key obstacle to earlier and deeper engagement has been confirmed to me on several occasions, during and after the project, by NGO leaders. The opportunity to achieve deeper engagement with this constituency by committing to some kind of ongoing dialogue that went past Johannesburg was certainly

made known to industry leaders on repeated occasions. Lack of broad industry support for taking up this offer might well be what deterred industry leaders from seizing this opportunity.

[191] Clearly, there were some in industry who very much wanted MMSD to end. See http://www.iied.org/mmsd/mmsd_pdfs/comments_mining_web.pdf.

[192] Since non-industry stakeholders did not participate in this part of the »design,« the answer was particularly unsatisfying to them.

[193] A phalanx of British NGOs interposed itself between the eventual signers of the »London Declaration« attacking MMSD and a range of people in MMSD that tried to listen to their concerns while they were in London. Whether the signers were ever aware of the people who wanted to meet with them, or on what gatekeepers they relied for information is murky indeed. A principal objective of the intermediaries in this case seemed to be to prevent any direct interaction between the community representatives and anyone who was not ›approved‹. See http://www.minesandcommunities.org/Charter/londondec.htm.

[194] See http://www.globaldialogue.info/.

[195] See http://webapps01.un.org/dsd/partnerships/public/browse.do?dispatch=title&search=Browse+by+Title

[196] See Breaking New Ground at 409-10.

[197] See http://www.iucn.org/themes/business/mining/index.htm.

[198] See http://www.frameworkforresponsiblemining.org/.

[199] See http://www.responsiblejewellery.com/.

[200] The idea that all such talk was simply »an employment manufacturing scheme,« http://www.iied.org/mmsd/mmsd_pdfs/comments_mining_web.pdf,was at best misinformed.

[201] As discussed in Appendix 1, there were apparently some in the mining industry in Australia who were prepared to take vigorous action to ensure that any MMSD-based dialogue would end in that country.

[202] Walden Bello and Shalmali Guttal, The Limits Of Reform: The Wolfensohn Era At The World Bank, http://www.focusweb.org/content/index.php?option=com_content&task=view&id=596&Itemid=27.

[203] See http://www.iied.org/mmsd/activities/global_finance_dialogue.html. The fact is that President Wolfensohn, IFC Executive Vice President and other senior Bank management were personally involved in these activities. Whatever the explanation is for these events, it cannot be that the World Bank Group was unaware of MMSD, of which it has agreed to be a sponsor.

[204] Dr Salim was Indonesian Environment Minister under Suharto, a former director of Indonesia's largest coal company, and Chair of the 2002 United Nations Johannesburg World Summit on Sustainable Development (WSSD). Dr. Salim was assisted by a small staff in a Secretariat. The Secretariat was initially situated in Washington DC, but later moved to Jakarta in February 2002. Environmental Defense, Extractive Industries Review (EIR) Recommendations to the World Bank, http://www.environmentaldefense.org/article.cfm?contentid=3667.

[205] See http://www.corpwatch.org/article.php?id=10129

[206] While all this sounded very ominous at the time, in retrospect it seems that any people who thought they were going to »manage« or manipulate Dr. Salim were considerably outmatched. Emil Salim is an experienced and very sophisticated student of politics, and a veteran of many international institutions and processes. There is not much need to worry about his being outmaneuvered by junior World Bank staffers.

[207] See http://www.ifc.org/ifcext/LAC.nsf/Content/SelectedPR?OpenDocument&UNID=E1ADF9B8AC93575E85256977004E9E54 and http://www.ifc.org/ifcext/LAC.nsf/Content/SelectedPR?OpenDocument&UNID=28E59EBCCF80D5E485256977004F0C19.

[208] If this hypothesis has any merit, the fact that I assisted Jay Hair on that report and was his co-author may not have helped.

[209] And funders needed to decide whether to fund NGOs to participate in MMSD, or in the EIR, or neither or both.

[210] And we were fairly clearly told that what cash might have been available to build a better MMSD went instead to the EIR.

211 This does not mean that we did not have serious supporters and great contribution from some individual
     Bank officials. But the institutional focus on our activities was, in my judgment, what we otherwise might have
     hoped.

8 SOME THOUGHTS ABOUT WHAT WE MAY HAVE LEARNED ABOUT PROCESS

My goal in this section is to share some thoughts on what we may have learned about process concerns of global scale public policy dialogue. At the same time, while this paper has repeatedly disclaimed any ambitions to be an ›evaluation‹ of MMSD, it may at least suggest some possible sets of criteria against which this task can later be undertaken by others.

And this is extremely important. MMSD cost something over $10 million in immediate, direct cash expenditures. With in kind and indirect spending it cost much more than that. But the level of project cost is dwarfed by the value of the time contributed by thousands of participants. Other major global policy processes, such as the World Commission on Dams and the Extractive Industries Review, represent comparable investment of the time, attention and effort of very knowledgeable and talented people.

If the world is going to invest on this level in such processes, it is going to insist that they be justified not just by warm feelings, but by credible and rigorous evaluation that allows us to look critically on what these processes cost society, and what society gets in return. The lack of clear criteria for evaluation, and of procedures for applying those criteria, can in this light be a major obstacle to the growth and development of such processes.

Those of us who have worked in such processes know that there are a number of difficulties. First, many objectives are achieved only because we let others take credit for them. Ex post crowing about our achievements can, even now, slow the very progress we have tried so hard to achieve. Second, it takes time to see where events take us. Yet the longer we wait to evaluate, the more other currents and events have influenced the destination at which we have arrived. This is related to a third problem: if such processes are creating social capital that has uncertain ownership, all kinds of other people will see fit to appropriate it. In one sense this is exactly what we want. But from an evaluator's viewpoint, if victories are claimed by squadrons of fathers, and the defeats are thrust forward as orphans to be adopted by now defunct policy processes that no longer can speak clearly about the facts, the evaluation will be skewed.

We need to distinguish between the design of the machinery and its operation, just as we have learned to do in something like motor racing. Beautifully designed and built equipment can be very poorly driven. The reverse is also true. We need to evaluate both the driver and the car.

A number of possible sets of criteria suggest themselves here. An obvious one is the set of four objectives defined in the Scoping Report, set out above. In my own view, it would be more useful to apply the objectives set out in the Work Plan, for several reasons: (i) the Scoping Report had the luxury of deferring a considerable number of difficult decisions to the Work Plan, and as explained above, did so; (ii) the Work Plan objectives are I think more concrete and therefore easier to measure; and (iii) the Work Plan was a result of a much deeper and more realistic process of planning.

And of course, if judged only by stated objectives, Columbus would be one of history's great failures. He never got anywhere near Indonesia. But sometimes our voyages take us places that are very much worth visiting, even if that was not where we were headed when we set out.

Another strong approach would be to apply something like the seven step analysis that follows. I think that captures many of the things that people would like to see come out of such processes. If we accept the proposition that the most fundamental purpose of policy processes is to reach ever stronger and broadly shared agreement on standards of some sort and the structures necessary to give these norms affect, then these may be one way of measuring that progress.

8.1 PHASES OF DIALOGUE

The benefits of engagement, particularly engagement coupled with research (the development of knowledge in a shared environment) are achieved in recognizable stages.

Based on the MMSD experience, let me suggest a series of phases through which dialogue passes.

Who should the process talk to? The first stage is **identification of the principal stakeholders** who need to be engaged. As our experience in the MMSD process demonstrates, this is not as easy as it sounds. While some stakeholders will identify themselves and clamour to participate, others will not. But the interests of the silent may still be sufficient to prevent any kind of agreement or progress at the end of the day.

Why are they so hard to talk to? A second stage is to ensure that these stakeholders have the capacity, or **internal organization to engage externally with success** at the proposed level of engagement. While help from outside the group can help, assuming there can be agreement on a method of resourcing that is not seen as ›contaminating‹ the process, the fundamental political tasks must be done by the group members themselves.

Why do the issues they want to talk about keep jumping around? The sets of issues people want to talk about often are complex and not clearly identified. Other stakeholders may perceive attempts to grapple with this as attempts to change the subject every time closure on any topic is near. It is therefore crucial to work toward a **finite list** of topics to discuss, even though we may never quite get to this destination.

Can the process formulate concrete positions? Identifying the issues is an important step. But what should be done about them? In other words, **what kinds of results or commitments would the participants accept?**

Can these sets of demands start converging? If the various stakeholders are talking about the same sets of issues, can their sets of **objectives start getting closer** to each other?

Can we reach partial agreement on something? It may be that there are some issues on which agreement can be made, and the process starts seeing a mosaic in which **some issues are truly agreed**, and some are in convergence, while yet others remain intractable.

Can we keep talking? If this kind of engagement and consensus-seeking process has value, it has value on an ongoing basis. So stakeholders may very well decide they want **some kind of ongoing forum** to preserve the engagement and to deal with future problems, since the world is dynamic and there will always be new problems to solve.

8.2 SOME THOUGHTS ON THE IMPACT OF MMSD

Using this set of constructs, it makes sense to think about the impact of the MMSD project along these lines.

1. STAKEHOLDER IDENTIFICATION
This project went farther than anyone else has gone in identifying the minerals sector stakeholders on a global basis, and in identifying the portals through which they can be contacted. It highlighted some stakeholders who had been overlooked in some dialogues. Among the stakeholders clearly identified and given a prominent role in MMSD were:

·   Organized labour, which is sometimes not recognized as a stakeholder if the dialogue is seen as a two-sided contest between »polluters« and »environmentalists,« or »the industry« versus »the NGOs.«

·   Developing country governments, which are often not engaged effectively in global public policy processes. Indeed, some—including some in the NGO community—see such processes as a way of mobilizing allies to »get around« the fact that developing country governments seem to resist making the »right« decisions.[212]

·   Bankers, insurers, and other finance institutions, which are in some spheres the real decision-makers.

- Artisanal and small-scale miners, of whom there are more than 10 million, supporting as many as 10 family members each, and who are mostly among the poor that development is intended to help.

2. DEVELOPMENT OF STAKEHOLDER CAPACITY TO ENGAGE

Modern communications have empowered certain stakeholders to become major factors in the process, without necessarily organizing them to engage in policy processes to articulate and promote their interests. For example, as the media spotlight erratically and unpredictably sweeps over indigenous communities impacted by mining, they may suddenly acquire tremendous power to halt or delay development. Squadrons of suited executives may quickly be on their way to communities of whose existence they have never heard before this morning, and of whose culture, language and aspirations they have not an inkling of.

Yet that leverage can leave as fast as it arrives. Media attention is fickle. The fifteen minutes of fame is over. And the community may be without links to other communities with similar problems, and without the ability to project its views through leaders of its own choosing in meetings ten thousand miles away. A fine example is the indigenous communities around the Pangue Dam in southern Chile.[213] It is fair to say that certain stakeholder groups improved their ability to engage on a global stage as a result of the MMSD process, even if some of them may have developed their capacity out of a desire to counter or criticize the project as much as out of a desire to participate in it.

1. This improved internal coherence certainly starts with the mining industry, and its formation of the ICMM as its point of contact and engagement with other stakeholders. The ICMM's influence is growing; I believe it will be a pivotal organisation in the next few years.

2. It also probably extends to campaigning NGOs and their formation of networks for collective engagement, including but not limited to the Global Mining Campaign.[214] MMSD had growing but still mixed success in engaging with the leading NGOs with a specific focus on mining. However, its existence mobilized the NGOs to develop a more coherent voice that allowed them to engage too much better effect with the EIR process. The Global Mining Campaign provided the possibility for as many as 70 NGOs worldwide to get networked, and many of them got together in Washington in December 2001 (the original September meeting was cancelled because of the events of 9/11).

3. Other stakeholders such as indigenous communities impacted by mining, or artisanal miners, seem to have made strides in improving their ability to speak through legitimately representative leadership in global fora on the subject of mining. Some of this can be attributed to the MMSD experience that paid more attention to engaging artisanal producers than most comparable processes.

3. NEGOTIATING A FINITE LIST OF ISSUES

I believe this is an area where there is little doubt that MMSD made a major contribution. There was considerable complaining on all sides of the dispute that »as soon as we focus on one issue, they change the subject.«

If MMSD's lengthy, even tedious, repeated consultations over a period from late 1999 to early 2002 did nothing else, they identified the list of issues. The sustainable development framework was an excellent vehicle for identifying and classifying this daunting mass of material in a systematic way. Even some of the project's most devoted critics have said repeatedly, in numerous ways, »you have the right issues. We may not all agree what to do about them, but you have the right issues.«

MMSD therefore in my view can take some credit for putting some understandable boundaries around the issues, and systematizing them[215], and has helped people focus on more defined and manageable sets of issues: »local and national revenue sharing,« »revenue transparency,« »large volume waste management,« or »access to information.«

For many of the people who engaged with the project from all the stakeholder groups, it was the first time that they were asked to consider the whole range of topics under one sustainable development framework. The clarion call for integrated decision-making, better consultative processes and awareness of the implicit trade-offs among environmental, social and economic concerns, was a completely different way of thinking for many.

Prior to this, many mining companies considered aspects of the agenda in separate silos with very little overlap or connections made. Health and safety monitoring, pollution prevention and environmental rehabilitation, community relations, government relations, business development, supply chain issues, etc. were all carried out by different departments with little or no reference to each other. The MMSD process initiated considerable rethinking of how these functions were organized and interacted internally.

Similarly in government, various different agencies were responsible for policy and regulation of different aspects of the industry and there was little or no joined-up thinking. As a direct result of the Canadian and South African governments' involvement in the MMSD project, they proposed a Type II partnership initiative at WSSD to bring all major mining country governments together to discuss mining and sustainable development. Though it took some time to get off the ground, this has now become the Intergovernmental Forum with more than 30 countries involved.[216]

4. FORMULATING POSITIONS

MMSD did manage to take positions on many of the debated issues. Even if it did not always point to a single unique solution, it ruled some things out and other things in.

There is little if any room, post-MMSD, for projects that deliver no economic benefits to local communities, or put their large volume solid wastes untreated into rivers, or have no concept of a closure plan.

It would be naïve not to realize there is still considerable division of opinion among stakeholders on many issues. But an increasing number of organizations and groups are staking out positions, putting specific recommendations on the table as to what constitutes best practice or responsible conduct. These include the early post-MMSD NGO statement by J. Young and A. Septoff,[217] or the much more deeply developed Framework for Responsible Mining, mentioned in the preceding section. There are plenty of other such visions being promoted, including the Sustainable Development Charter of the ICMM. A partial list is presented by Responsible Gold.org.[218]

MMSD cannot and should not claim credit for every one of these statements of position or definitions of good and bad practice. The Global Compact, for example, was a key to creating MMSD, not the other way around.[219]

But MMSD did play an important role in fostering these initiatives, by (i) making it clear that a comprehensive definition of the issues actually was possible; (ii) by its effort to systematize and understand clearly what the issues were; (iii) by its work in partnership with many of the organisations that developed these various initiatives,[220] (iv) by emphasizing their importance in its work; and (v) by fostering dialogue in the sector.

It is difficult to separate the impact of MMSD from a number of these other global initiatives—these include the Extractive Industries Review, Extractive Industries Transparency Initiative, Kimberley Process, Minerals Certification Evaluation Project, Responsible Mining Framework, Cyanide Management Code, Council for Responsible Jewellery Practices, the work of ICMM in partnership with the Global Reporting Initiative to develop a mining and minerals reporting supplement, in partnership with IUCN on biodiversity, in partnership with the World Bank on community tools, and others.

5. CONVERGENCE

There is considerable convergence of norms occurring in the sector, to the point where many are starting to talk openly about certification systems and independent verification of performance. There is for example, an NGO »No Dirty Gold«[221] campaign, supported by some major gold buyers, that hopes to create a certification process for gold to accompany the one that is going into effect for diamonds, the Kimberley Process.[222]

A major development is the publication of the Framework for Responsible Mining, an NGO generated document that sets out a detailed set of proposed standards and demands. This is considered by a number in the NGO movement as being a major attempt by civil society to stretch toward agreement with industry. At the same time, there are some in the mining industry who are clearly not on board, it is worth noting how much closer these statements are to what industry has said it is willing to accept, and that there are major voices in industry that see these as a major step toward something on

which agreement may well be possible. It is also worth noting how frequently this Framework draws on MMSD as a source of authority and ideas.[223]

From the World Bank Group down, the international financial institutions were interested in the MMSD process as they were increasingly being called upon to be more effective in their oversight of their loans and grants to extractive industry projects and regions. The subsequent reworking of IFC safeguard policies and the establishment of the Equator Principles[224] (which today have over 40 signatory financial institutions) all built in part on preliminary work done by MMSD, in conjunction with the World Bank and UNEP,[225] which was followed up in the EIR process.

There is considerable progress as well on company sustainability reporting in part because of MMSD's close links to the Global Reporting Initiative.[226] Most major companies now routinely do sustainability reporting, and there is now a significant move to independent verification.[227]

6. AGREEMENT ON SOME ISSUES

It does seem that some progress toward agreement on limited issues is being made. There is for example a declaration, made as part of the ongoing dialogue between the IUCN, the ICMM, and indigenous organisations on protected areas and biodiversity.[228]

7. ONGOING DIALOGUE

The impact of creating even a temporary forum for engagement around mining issues has shown itself to be very important. Undoubtedly MMSD raised the profile of the issues of sustainable development in the mining sector.

In addition to the engagement the project had with these various groups, a key outcome was the number of conversations—and sharing of differing perspectives - that were initiated between the different stakeholders at the various events held throughout the project. This was most obvious in the evolution of relationships on the Assurance Group and was also evident at many of the global workshops.

The failure to create immediately some kind of ongoing platform for dialogue, and smoothly hand over the assets we developed, is deeply regretted. The progress achieved in MMSD was based in part on (1) the appearance of a number of outstanding leaders in government, in industry, and in civil society, and (2) the experience these leaders had getting to understand each other in the MMSD process.

I believe this can be explained on the basis of a number of factors referred to elsewhere: (i) the preference of some in industry to wait for ICMM to become operational as their ›portal‹ for engagement; (ii) the preference of many for pointed, issue-specific engagement over plenary engagement »at 30,000 feet«; (iii) the distraction of the Extractive Industries Review, which was reaching an important phase just as MMSD was going out of business; and (iv) the desire to reflect on the MMSD results before ›rushing into anything‹.

But the table in Appendix 12 indicates the extent to which this kind of asset can be lost if the future is left to chance. Although a chart for industry leadership has been included in the appendix and a couple of the other key institutions in the MMSD process, there is little reason to believe that a similar chart for NGO leadership, government leaders, or the leaders of key research institutions would look much different.

This does not mean that there has been no ongoing dialogue at the top level. In fact there is every reason to be hopeful about where an initiative such as the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development might lead. And I am very optimistic about the Council for Responsible Jewellery Practices.

Not all the communications links built in the MMSD years have atrophied. But many of them have. Many of us involved in MMSD continue to urge the virtues of some kind of multi-stakeholder forum— be it occasional, annual, or ongoing—as a way to make progress in dealing with the evident remaining issues the sector faces in 2005 and beyond.

There has been considerable talk about an »evaluation« of MMSD. I would encourage any and all who are interested in pursuing that idea, as there is still much more learning possible from this intense effort. Indeed, I believe that much of the learning is just starting to become possible, as it requires enough time to pass to look at these events with some detachment. As stated at the outset, this paper is not and is not intended to be such an evaluation. The evaluation needs to be done by someone at a considerably greater distance from these events than the former Project Director. And it needs to be done by a variety of voices.

I spoke last year at a conference in Argentina. After my talk, a young doctoral student from a leading mining school approached me and asked if I would autograph a copy of MMSD's final report, *Breaking New Ground*. She said it was a principal text in one of her courses. At that moment, I felt all the years of effort were worth it. I had similar feelings when I found that one of the key MMSD publications had been translated into Vietnamese. Or when I tried to hand out Spanish language CDs of *Breaking New Ground* to mining ministry officials in a developing country, and they all held up the same CD, that they already had, as it was a standard working tool in their institution.

There is of course a very difficult personal side, too. I had in the course of this work some of the most rewarding personal and professional relationships of my career. Richard Sandbrook, who brought me into the project, has passed on. So has my long time friend and colleague, Jay Hair, who I brought into the MMSD orbit. As has my long time friend and collaborator Jafar Siddiq Hamzah, a peacemaker murdered by some of the dark forces that are the plague of Indonesia, just as our work was just getting started. But dwelling on these thoughts has caused me to realize I have said enough—probably too much.

I have had the liberty here to share some of my views about what the project did or did not accomplish, the cornerstone of any evaluation has to be what others think. And of those others, none are more important than the stakeholders in the mining and minerals sector. Therefore I hope that all stakeholders, individually and in groups, from differing perspectives, will say what they think.

[212] »We don't want them, they are all corrupt,« is one stakeholder comment from the MMSD process.

[213] At the height of the Pangue controversy, and thanks to effective work by NGO supporters, teams of journalists and investigators from places like Norway and Japan were getting in each others' way trying to interview local leaders, or inviting local leaders to address organisations in North America or Europe. Today, these communities are still poor, and still very much in need of support, but have very limited access to the global media stage.

[214] At the outset of the project, one mining executive said »there are people who want to talk with the global mining industry. But if you look in the telephone book under ›global mining industry‹ you can't find a number. In the future, you can [at ICMM]. But if we want a telephone number for ›the NGOs‹, will we be able to find one?«

[215] The NGO-developed »Framework for Responsible Mining,« http://www.frameworkforresponsiblemining.org/ does use some of this same conceptual framework. Even though some of their recommendations differ from MMSD, it does indicate again that we developed the ›right‹ list of issues.

[216] See http://webapps01.un.org/dsd/partnerships/public/partnerships/1057.html

[217] Digging for Change: Towards a Responsible Minerals Future, An NGO and Community Perspective. Global Mining Campaign (2002).

[218] See http://www.responsiblegold.org/codes.asp.

[219] MMSD does perhaps deserve at least a modest mention for things such as the early development of Sector Guidelines under the Global Reporting Initiative, http://www.globalreporting.org/guidelines/sectors/mining.asp, or some of the penetration achieved by initiatives such as the Voluntary Principles on Security and Human Rights, http://www.state.gov/g/drl/rls/2931.htm, or the Extractive Industries Transparency Initiative, http://www.eitransparency.org/.

[220] For example, mining and minerals was one of the first sectors in which sector-specific guidelines were developed by the Global Reporting Initiative. I think it fair to say that without MMSD that may well not have been the case.

221   See http://www.nodirtygold.org/about_us.cfm.

222   See http://www.kimberleyprocess.com:8080/site/.

223   See http://www.frameworkforresponsiblemining.org/.

224   See http://www.equator-principles.com/

225   See http://www.iied.org/mmsd/activities/global_finance_dialogue.html

226   These close links are also, in part, a legacy of Richard Sandbrook's extraordinary network of contacts.

227   See http://www.icmm.com/newsletter/875ICMMvol4no3.pdf at 6.

228   See http://www.iucn.org/themes/business/mining/news_items_vers_sep05.htm

CONCLUSION

I have spent a number of years in the minerals sector working for convergence of views, and trying to reflect the collective views of others. I have generally tried, in aid of the tasks I have undertaken, to keep most of my personal views to myself. I wake up surprised that I have been on this track for thirty years.

A number of the reviewers of this paper have suggested that I share my views on what needs to be done to continue to advance the agenda of making this very necessary group of industries a much stronger contributor to the well being of the societies and the communities in which they operate. I will take up this suggestion, to the extent of two observations:

First, the focus of this paper should not distract us from the reality that »all politics are local.« We should not lose sight of the fact that most of the things that make a difference in most peoples' lives are set at the level of the communities in which they live, or the nations of which they are a part. While there is a serious need for some global level progress, there is a yet greater need at the national and local levels. And we should maintain a preference and a presumption that issues be resolved as locally as they can be. Global processes should be the exception, not the rule.

Second, we have some promising global level dialogues in the Intergovernmental Forum, the Council for Responsible Jewellery Practices, and other discussions. But the Intergovernmental Forum is mainly if not exclusively government based. And the Council is focussed on the things that go into jewellery: gold, silver and diamonds.

The MMSD report recommended that there is a need for an ongoing leadership-level dialogue that is as broad as the sustainable development agenda laid out in *Breaking New Ground*. I continue to believe that that is the case, particularly in light of the tremendous turnover that occurs in leaders of mines ministries, nongovernmental organisations and corporations (see Appendix 12). The desirable characteristics of this dialogue would be:

· That it be leadership level. Participation would be by organisational leaders, and not delegated to people two or three layers down in the organisation.

· It would be periodic, perhaps annual.

· It would be exquisitely balanced between attendees from the global North and attendees from developing countries, and in no sense a »North Atlantic Club.«

· It would include governments, especially governments from countries where minerals development is important in the economy. It would also include companies and civil society organisations.

Since many indigenous organisations do not feel comfortable being considered as part of »civil society,« let us make it clear that they should be there, and in a place of honour. The same is true of labour leadership.

Others who have a critical role in the mining and minerals sector—the customers who buy these products, the financial institutions who have considerable influence (including but not limited to the International Financial Institutions), mayors or other local government leaders from mining communities, leading researchers or academics, and some others—should also be included.

The organisation of this event and the agenda should be entrusted to a steering committee with representatives of a variety of stakeholders.

And in this dream of a better world, the first such event could be organised for 2007, to mark the fifth anniversary of the end of the MMSD Project and the *Resourcing the Future Conference in Toronto*.

I would call it something like the *First Annual Sandbrook Conference on Minerals and Sustainable Development.*

A POSTSCRIPT:
COMMENTS FROM SOME COLLEAGUES

I have asked several of my valued collaborators at MMSD to share their perspectives on the impact of MMSD. I will conclude by setting out some of their thoughts:

HERNAN BLANCO, SANTIAGO, CHILE

In South America, I believe there is an increase in the level of dialogue among some previously distrustful actors. Even though there is no agreement, I see some progress toward convergence on norms for industry performance.

There have been other changes as well. But it is hard to say how much of this is a result of MMSD, and how much a result of other factors. For example, in Chile a national policy on mining and sustainable development was issued last year; although it is difficult to state that this is a direct result of the MMSD, it was among the recommendations for the country.

R. ANTHONY HODGE, VANCOUVER, BC CANADA

I feel that the real contribution of MMSD (Global and North America) is long term and as one voice of many that is trying to see the whole mining industry assume a new kind of culture and set of values.

This new characterization is best captured within the concept of the mining industry evolving into a »learning industry« analogous to the concept of a »learning organization«—one that has a capacity to reach out and participate in the development of its operating environment with others, making the world better for all. This is a win-win because it offers the possibility of greater stability, less boom and bust, and more surety for all involved.

In terms of capturing MMSD's contribution to this evolution, grasping at short term concrete actions (and with only four years since completion we are still operating in the very short term post-MMSD period):

1. is dangerous because we cannot claim to be the only contributor to that action; and

2. in fact by claiming such credit, the credibility of MMSD and our long-term contribution may be undermined.

I spoke with a mining industry colleague yesterday about this. He very much agreed. For example last year an annual Sustainability Award was offered for the first time by the Mining Association of British Columbia to the BC mining company that best demonstrated practical application of sustainability principles. The Award was a beautiful glass trophy with the MMSD's Seven Questions engraved in it. The recipient was extremely proud to receive subsequently display the award.

Now, that reflects something—a kind of institutional change that is probably quite connected to MMSD North America. Five years ago, I do not think that British Columbia's mining industry would have recognized one of its own for sustainability-related practices. Nor do I think that the recipient would have felt particularly comfortable stepping up to receive it.

So times have changed. But it would be wrong for MMSD to claim any credit for that change and in fact it would likely be counter-productive at this stage.

There are other examples that stretch outside the mining industry. For example, the Yellowknife-based Strategic Planning Group of Canada's Department of Indian and Northern Affairs has taken the Seven Questions work, stripped from it the mining emphasis, and developed a generic template - a Northern Sustainability Lens - for testing all of their projects, programs, and policies for compatibility with sustainability ideas.

Some seeds of this work came from MMSD but it would be absolutely wrong to claim credit because many others who were not involve in MMSD contributed as well.

There is no doubt in the minds of all that I talk to that MMSD contributed hugely to the change that is ongoing in the industry. We contributed and should be proud of that - but as one of many contributors.   Further, the people that participated in MMSD have rippled out across society to spark change is many ways that we will never know - in government, the Aboriginal community, companies, NGOs, universities, and labour unions.

In sum, I don't think MMSD (Global or North America) can be fairly assessed in the way that say a corporate program of activity should be assessed in terms of concrete, measurable, short-term outcomes.

Seen from a birds eye view, the change in the culture and values of the mining industry (and society) that we are witnessing at this time is without precedent. Within that change, MMSD has played an important role as a change agent, contributing a small but significant push along a very long road the end of which is nowhere in sight. The very inception and completion of MMSD itself is an indicator of this change.

Given all that is happening in the world in terms of changes to climate and society, surely our lesson is to try to gain a capacity for such longer vision!

DR DANIEL LIMPITLAW, JOHANNESBURG, SOUTH AFRICA

The MMSD project occurred at a critical time in the development of SD awareness in southern Africa. The project contributed significantly to raising awareness of the challenges facing the mining and minerals industry and created bridges between stakeholders for dialogue. The momentum generated by MMSD was augmented and carried forward by the South African Government through new minerals legislation that explicitly requires sustainability to be considered; by industry via a number of projects coordinated by the Chamber of Mines (on key issues such as small scale mining, resettlement and rehabilitation) and by academia through the formation of centres dedicated to building capacity for promotion of SD, such as the Centre for Sustainability in Mining and Industry at the University of the Witwatersrand.

PROFESSOR DIRK VAN ZYL, RENO NEVADA USA

From my perspective one of the great functions of MMSD was that it helped the discussions on sustainable development and mining significantly.

Although much was said that was not always complimentary, it did help. On a more selfish note it provided for great reference materials for teaching. I teach the Seven Questions every year and have my graduate students do a project using it. I am also working on a BLM funded project on Resource Management Plans where we will use the Seven Questions as an audit and review tool. I, also, know that Kennecott Minerals is using the Seven Questions as an audit/review tool for their mine sites.

PATRICIA GONZALEZ ZENTENO, MONTEVIDEO, URUGUAY

The MMSD project produced a qualitative leap in the regional discussion around the contribution of mining to sustainable development. Indeed it created greater expectations regarding the dialogue among multiple stakeholders.

Its products are still bibliographic reference for research on mining issues in the region, since it was capable of giving a picture of the ongoing situation and a step forward in the better understanding of the issues and perspectives of different stakeholders in various countries

Among its non-tangible outputs, the process contributed greatly to the promotion of different initiatives intended to advance in some points of the identified agendas regarding mining and sustainable development. E.g.: a program coordination among institutions such as UNESCO, CYTED, CASM/WB and IDRC/MPRI on artisan and small-scale mining; a Brazilian Initiative for the evaluation of abandoned mines. Moreover, most national coordinators played a key role in the definition of the positions of their countries to the WSSD (Brazil, Bolivia, Ecuador).

CRISTINA ECHAVARRIA, COLOMBIA

MMSD played a key role in facilitating regional and national dialogue on mining and sustainability issues, by bringing together on a regional level, representatives of all stakeholder groups for the first time.

Issues that were previously taboo, were openly discussed, and controversy was very strong on issues such as public participation throughout mine cycle life, indigenous issues, and the need to embed mining within national sustainable development strategies, among others.

The need to transform ASM emerged as a key recommendation, and although the initial alliance between CYTED, UNESCO, IDRC and CASM was short lived, many individuals and organizations working in ASM have strengthened collaboration on a long term basis. This is not all due to MMSD, but the dynamic generated by MMSD and other national processes, created strong alliances among some stakeholders.

MMSD publications are still widely requested and distributed free of charge by IDRC.

ABOUT THE AUTHORS

Luke Danielson has degrees in economics from Antioch College and law from the University of California at Berkeley. Luke has served in a broad variety of positions in government, industry civil society and research focused on mining issues. Luke was raised in the state of Colorado, where his family moved during the mining boom of the 1880s. His father was born in the mine clinic at the Chino copper pit. In his early career as a lawyer, he represented mining companies. Later, as counsel for the National Wildlife Federation and other environmental organizations, he became an advocate for improved environmental performance in the industry. He was appointed to the environmental permitting agency for mining in Colorado and became its Chairman shortly before the bankruptcy of the Summitville gold mine left regulators with a series of difficult and extremely expensive problems. He led the consensus process that revised Colorado's mining laws after the Summitville failure. Luke also taught natural resource law and energy law at the University of Colorado and University of Denver and was a Fulbright Fellow at the University of Chile, where he taught environmental law. Luke has long been an advocate for dialogue as a means to better performance in the minerals sector. He worked with the late Jay Hair in the independent review of the Pangue Hydroelectric Project in Chile commissioned by the President of the World Bank. Later, he was employed by the Canadian International Development Research Center as the first Director of the Mining Policy Research Initiative. He was also Director of the Mining Minerals and Sustainable Development Project at the International Institute for Environment and Development. He consulted for a time to Dr. Emil Salim, the head of the Extractive Industries Review. He is currently engaged in a variety of teaching, research, consulting and legal projects in the field of mineral resources and sustainable development.

Caroline Digby is the Development Director for the Post-Mining Alliance based at the Eden Project in Cornwall. The Alliance focuses on developing and promoting original grass-root partnerships and projects that have addressed the »problem« of mining legacy and mine closure by harnessing creativity and innovation. Caroline joined Eden from the International Council on Mining and Metals, following her role as Research Manager for the MMSD project at the International Institute for Environment and Development (IIED). She has a BA in Economics from Trinity College Dublin, MA in Economics from the University of British Columbia and an MSc in Environmental Assessment and Evaluation from the London School of Economics.