

NORWAY: Statement on Mining – IPM CSD 19

Mr. Chairman,

Norway will focus its intervention on three main aspects related to mining, namely Corporate Social Responsibility, land rights and transparency and governance.

Corporate social responsibility must be an important part of the mining industry's response to the different social and environmental challenges laid out in the thematic report by the Secretary General.

Norway believes that the mining industry's CSR should be strengthened and further specified, so that the mining industry might contribute to local business expansion, employment and overall strengthening and diversification of the local economy. This could ensure that local communities continue to thrive even after the mineral extraction has ceased.

To enhance CSR, the Norwegian government calls on its private sector to establish partnerships with public and private actors when investing in developing countries. In managing the Norwegian Government Pension Fund – Global, which is one of the world's largest Sovereign Wealth Funds, the state also shares the responsibilities for how the companies in which the fund invests conduct themselves, what they produce and their impact on the local community. Ethical guidelines have been issued to make sure the assets of the Fund shall not be invested in companies responsible for, inter alia, severe environmental damage. Mining companies have been excluded from the Fund based on these ethical guidelines.

Another crucial aspect of the mining industry's CSR is this sector's relation to rural development, land use planning and land rights. Surface mines involve large-scale land use. There is thus a need to safeguard indigenous people and local communities' rights over land and resources. Comprehensive national land use plans are in our view paramount in order to strengthen sustainable management of natural resources and secure sustainable economic and social development.

It is crucial that revenues from mining benefit the country of production. Mining is associated with large capital investment and limited employment opportunities. National authorities' ability to regulate and tax these non-renewable resources is of crucial importance to ensure these investments contribute to sustainable economic growth and development for the society at large. Norway cooperates with Tanzania, Mozambique and Zambia in their efforts to strengthen tax administration systems.

The mining sector is one of those suffering the most from corruption. Transparency and accountability of the revenues in question, as advocated, inter alia, through the Extractive Industry Transparency Initiative, are in our experience absolutely crucial for economic growth, social welfare and sustainable development. In this regard, Norway would like to point out the potential link between the mining industry and the ongoing efforts related to country by country financial reporting. Such reporting could contribute to limiting illicit financial flows from the mining sector.