

The mining industry has failed to earn the broad-based trust of society. Changing that is first and foremost, the industry's responsibility, but it is in everyone's interest to see that happen because the success of the energy transition depends on it, writes Rohitesh Dhawan.

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Earlier this year, the **EU** set out a bold and ambitious set of proposals to secure its future supply of the critical materials needed to transition to a low-carbon energy system. While the geopolitics surrounding Europe's approach has received the most attention, there's a far more important dimension of global significance.

In its Critical Raw Materials Act, the EU Commission proposed reducing the bloc's dependence on third countries in sourcing the critical minerals – like lithium, cobalt and nickel – needed for clean energy technologies. This will no doubt reshape the geopolitical landscape, but a potentially bigger impact may result from the Act's focus on ensuring that these metals and minerals are responsibly and sustainably produced.

Despite the importance of mined products to modern life, the reality is that industry has failed to earn the broad-based trust of society. Changing that is, first and foremost, the industry's responsibility, but it is in everyone's interest to see that happen, for never before has the world needed so much from an industry that is trusted so little.

For instance, just when we need the best and brightest talent to build the responsible mining industry of the future, graduates and potential future employees appear to be turning away from mining or being encouraged by their universities to do so.

Last year, four UK universities banned mining firms from recruiting on campus and attending careers fairs, while a global survey by consulting firm McKinsey found 70% of its 15- to 30-year-old respondents said that they definitely wouldn't or probably wouldn't work in mining.

This may not surprise anyone, but it should worry us all. The thousands of new mines that need to be built in record time, including those deemed Strategic Projects in the EU, need the support of local communities and the broadest investor base, and critically the best talent. All those things depend on trust.

There are clear reasons for people's mistrust. In 2021 alone, 43 people at ICMM member companies tragically died at work, with many more lives lost across the wider industry year after year. In addition, corruption, human rights abuses, fatal dam failures, and undue environmental harm, and cultural loss have all regrettably been a part of our industry.



Even where individual companies have consistently performed well, the gap between the best and worst operators in the sector remains unacceptably high. And although we have made considerable progress in areas like managing tailings (waste) and decarbonising our operations, we have much further to go – especially if we want to appeal to the next generation of workers.

Our two most urgent tasks are to uphold responsible mining standards at all times and make them reach all corners of the mining industry. These tasks begin with the industry but need the active participation of others across the EU and beyond.

A broader base of investors, particularly those committed to positive Environmental, Social and Governance (ESG) outcomes, must engage with the sector rather than divesting or staying away. It is vital that governments root out illegal mining and set their regulatory expectations for all operators at par with the leading voluntary standards of responsible mining.

Those standards, in turn, need the active engagement of the users of metals and minerals, such as car companies and technology firms, to raise performance at scale across their entire supplier base. And civil society groups need to continue to challenge all operators, irrespective of size or location, to improve performance through constructive and solution-oriented engagement.

But perhaps the most important action required for building greater trust in mining lies in a shift in how we, as the industry, have traditionally engaged with society. As **Mark Cutifani**, the former Chief Executive of Anglo American, recently said, "As an industry, we have too often ignored challenging voices and gone it alone rather than co-creating solutions." Faced with those critical voices, we have tended to want to 'set the record straight' by talking at people (as different from talking to people) about the good we do. In doing so, we may have given the impression that our social and economic contributions, such as the jobs we create or taxes we pay, somehow offset the negative impacts. That is not how it is meant, but it is hard to blame anyone for feeling that way.

This moment instead calls for an approach which recognises that while the benefits of mining can be local, regional, or global, any negative impacts are always local, always personal. An approach that provides reassurances backed by principled action that, although minerals are critical, we will not mine them at any cost. And if things do go wrong, an approach that is quick to learn from mistakes and avoids seeing disasters as company-specific rather than the systemic issues they often are.

As the EU presses ahead in securing its future supply of critical materials, we face the ultimate test of our ability to learn from our mistakes and come together during this time of



need. After all, nothing short of the future of our planet depends on it.

Source: Euractiv