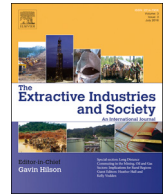




Contents lists available at ScienceDirect

The Extractive Industries and Society

journal homepage: www.elsevier.com/locate/exis

Original article

Do voluntary corporate actions improve cumulative effects assessment? Mining companies' performance on Sami lands

Rasmus Kløcker Larsen^{a,*}, Carl Österlin^b, Laura Guia^a^a Stockholm Environment Institute, Postbox 24218, 104 51 Stockholm, Sweden^b Department of Physical Geography, Stockholm University, 106 91 Stockholm, Sweden

ARTICLE INFO

Keywords:

Cumulative effects
Corporate social responsibility
Mining
Sami
Sweden

ABSTRACT

Cumulative effects assessment (CEA) remains an Achilles heel in the licensing of mining projects on indigenous lands globally, but especially in the European North. Yet, rather than legislating on indigenous rights and CEA failures, governments tend to rely on companies to mitigate cumulative impacts through new corporate social responsibility actions. This paper considers if these voluntary actions improve companies' CEA performance and so provide grounds for indigenous communities and decision makers to trust the industry more. Findings are presented from a systematic review of corporate impact assessments for 56 mining concession permit applications on Sami lands in Sweden. We show how companies that adopt additional voluntary measures provide somewhat richer assessments. Overall, however, the performance remains poor also for 'fronrunners', with persistent lack of clarity on methods and limited analysis of consequences, social and cultural impacts and interactions with other (past, present or future) projects. We conclude that progress in voluntary actions in regard to assessing cumulative impacts has only led to cosmetic improvements in CEA performance. We therefore argue for stronger regulatory role of government and recognition of the right of indigenous communities to lead or co-manage impact assessments on their own lands.

1. Introduction

It is well established that cumulative effects assessment (CEA) remains an Achilles heel of most impact assessment regimes. As has been amply reviewed elsewhere (e.g. Bidstrup et al., 2016; Franks et al., 2010; MacDonald, 2000; Noble and Hanna, 2015), legislators have since the 1980s in many jurisdictions posed general CEA requirements on developers and licensing agencies. This means proponents should not only consider project-specific impacts but also the aggregate and long-term consequences arising from the proposed project's interaction with other current and future land-uses. CEA is especially critical for mining operations as they tend to have far reaching and irreversible effects on both the environment and the rights of local and indigenous communities (Tollefson and Wipond, 1998).

As summarized recently in this journal by Atlin and Gibson (2017, p. 38) 'the most realistic solution entails moving away from full reliance on project-by-project based assessment towards integrated regional, sustainability-based forms of planning'. Similarly, it is understood that the scope of project-level assessments typically is too narrow and that developers rarely have the interest in and/or capacity to undertake CEA (Atlin and Gibson, 2017). Instead, governments must take responsibility

for regional-level planning. Some advances have been made in this regard, e.g. in North America. In Alaska, preparing a Master Environmental Impact Statement and tiering down to project-level assessments is quite common and the Government of the Province of Alberta has started to require Regional Strategic Environmental Assessments (Koivuova and Lesser, 2016).

Yet, most governments, including in the European North, have been either unable or unwilling to step up regulation of mining industries to enforce otherwise vague CEA requirements. In fact, the preference has been for overlaying (dysfunctional) project-level and corporate-led assessment procedures with new 'technologies' (Peterson St-Laurent and Billon, 2015). These are delivered as corporate social responsibility (CSR) actions aimed at obtaining a so-called social license to operate (SLO) (Owen and Kemp, 2013). The expectation of government that companies should bear the responsibility for CEA conveniently fits industry's own pushing back against further regulation, forfeiting CEA practice to the muddy waters of industry discourse around self-regulation.

We argue there are several problems with this. Generally, it is well known that business, due to its self-interest, cannot be assumed to act ethically (Blowfield, 2005). In the specific context of CEA, it is

* Corresponding author.

E-mail addresses: rasmus.klocker.larsen@sei.org (R.K. Larsen), carl.osterlin@natgeo.su.se (C. Österlin), laura.guia.diaz@gmail.com (L. Guia).<https://doi.org/10.1016/j.exis.2018.04.003>Received 7 February 2018; Received in revised form 19 April 2018; Accepted 19 April 2018
2214-790X/© 2018 Elsevier Ltd. All rights reserved.

moreover prone to distract from the underlying issue at hand: the proliferation of new CSR-based governance instruments is primarily concerned with the ‘social’ rather than ‘regulatory’ license, i.e. obtaining legitimacy for and managing benefits from projects to ensure project approval and implementation. In contrast, CEA, as originally conceived, revolves around ex-ante determinations of significance and the question whether proposed projects should at all be given a regulatory license.

To be sure, much debate has been had over whether CSR-based measures are fit for purpose. The debate, in this journal, between Harvey (2014) and Kemp and Owen (2016) is a case in point. The core of the contention here is about the balance between companies’ need to prompt own internal behavioral change (‘in-reach’) versus what can be achieved through external communication (‘out-reach’). This discussion hinges on deeper and continuing contestation over whether CSR-efforts are born out of self-interest or genuine commitments to sustainability. Notwithstanding, one may be tempted to subscribe to the view of Pedersen (2006, p. 156) that what matters most is if voluntary efforts of companies have the espoused effects: ‘as long as the social and environmental initiatives generate the desired outcomes, the company’s motives for addressing CSR are of little interest.’

But, if taking this view, how does one judge whether such intended outcomes arise? Here, the literature on social license and CSR in the mining industry, unfortunately, provides few answers. As a case in point, Tarras-Wahlberg et al. (2017, p. 7) state that ‘it is difficult to ascertain whether a mine operator has a SLO... it is not a signed document nor it is something that can be readily measured. This view alludes to the way meaning has eroded in mainstream discourses on natural resource governance, among other due to post-modern tendencies that reject the possibility for research to judge the substantive or moral outcomes of social activities. In the words of Svend Brinkmann (2006, p. 96), it testifies to how scholars subscribe to an experience culture “where the worth of things and situations is often determined by their ability to produce pleasurable or thrilling experiences in individuals”.

We argue, in contrast, that voluntary efforts of mining companies have little meaning if we cannot transparently and collectively judge their concrete effect. That is, the way they contribute to shaping our common (intersubjective) reality (e.g. Merleau-Ponty, 2002). In our present case, this means that voluntary corporate actions towards CEA become meaningful only if they provide actionable knowledge on the sustainability of specific mining operations and what ought to be done. Hence, what needs to be examined is if CSR-based efforts improve companies’ CEA performance in the context of the licensing of new projects. Furthermore, whether such actions provide more substantive grounds for local and indigenous communities (and government decision makers) to trust the sector and issue licenses, whether social or regulatory in nature.

In this paper, we pursue this inquiry through a review of corporate impact assessments for mining concession permits on Sami lands in Sweden. The focus is on the extent to which they undertake CEA and hence provide grounds for investing hope in better voluntary delivery from project-level and corporate-owned impact assessment on indigenous lands. The specific question we ask is: How do mining companies (or their consultants) consider cumulative effects of proposed operations on Sami reindeer herding in their assessments? To our knowledge, this is the first systematic review of CEA content in corporate assessments on indigenous lands in Sweden, and internationally.

2. Background: mining and impact assessment in Sweden

Sweden is the largest mining economy in the European Union (EU) and has, with determined efforts from the government, seen the creation of a favorable mining policy regime with rapid expansion in recent years. During the period 2006–2015 the Swedish share of iron ore production for the EU28 countries has consistently been in the range of

88–91%. In the same period, production volumes of non-ferrous ores have increased from approximately 25 million tons in 2005 to 42,8 million tons in 2015 (Geological Survey of Sweden, 2016). Currently, investments in mineral exploration has also been on the rise. Exploration costs has increased, from just below 200 million SEK in 2000 to above 600 million SEK in 2015, with two sharp increases in 2007 and 2011, where exploration costs exceeded 750 million SEK (value in today’s currency) (Geological Survey of Sweden, 2016).

Most of mining activities in Sweden are located on Sami lands, with about 98.5% of the value of the mineral extraction situated on traditional Sami territories (Lawrence and Åhrén, 2016). The Sami is the indigenous people in Sweden, Norway, Finland and Russia and reindeer herding comprises a fundamental part of Sami culture and livelihood, traditionally exercised on close to 55% of Sweden’s land area. However, due to the cumulative effects from various impediments and disturbances, among other from mining and its infrastructure, the effective area available for herding is today much smaller. Sami reindeer herding communities (sameby in Swedish, henceforth ‘Sami community’) form the geographical and administrative units for practicing reindeer herding and related fishing and hunting. Their organizational form remains a hybrid of colonial attempts to govern reindeer herding, combined with Sami social and cultural practices (Lawrence and Åhrén, 2016).¹ Each community typically consists of several winter groups (siida), i.e. one or several herding families connected through family ties and traditional use of the lands. Their rights comprise of civil property rights, over and above the general cultural rights to self-determination held by the Sami as a collective (Allard, 2015).

Sweden has received repeated critique from United Nations and EU bodies for non-recognition of Sami rights in land use planning and permitting (e.g. UNHRC, 2016). The Minerals Act and the government’s unequivocal support for the mining industry, accompanied by an unwillingness to strengthen social and environmental statutory protections on CEA, has generated substantial criticism from many groups in society (e.g. Haikola and Anshelm, 2016). Escalating conflicts between mining companies and Sami communities reflect the way mining drives a continued ‘internal colonization’ of Sami lands and a general disregard for Sami rights in Sweden, including a lack of formal mechanisms for consent or revenue sharing (Lawrence and Åhrén, 2016). Mining also interacts with growing pressures from other land uses such as wind power and infrastructure to create an increasingly fragmented landscape to the detriment of the reindeer herds and herders (Kivinen et al., 2012; Larsen et al., 2016).

As defined in the Environmental Code (SFS1998:808) and the Minerals Act (SFS1991:45), the developer is solely responsible for (i.e. ‘owns’) the impact assessment process (*miljökonsekvensbeskrivning*). While the European Union directives (85/337/EEC and 2001/42/EC) pose an obligation of CEA in national law there have in Sweden been few mandatory requirements on companies to assess cumulative effects, nor does the legal regime require specific attention to social or cultural impacts. The revisions to the Environmental Code that came into force 1 January 2018 included amendments in chapter 6 (on environmental impact assessment) to broaden the definition of impacts to include cumulative effects (see also prop. 2016/17:200). However, no changes were made to the power relations underlying the assessment process, i.e. the corporate control *per se*.

Rather than ensuring the assessment of cumulative impacts, the current permitting processes, in fact, hinder the assessment of cumulative impacts, by ‘slicing-and-dicing’ the assessment of mining developments into separate parts (Lawrence and Larsen, 2017). The permit process for mining consists of two phases, the first being the application

¹ Built on the colonial legacy of state attempts at controlling Sami land use, following the Reindeer Herding Act (SFS1971:437), these communities are the rights-holding subjects and their members have recognized use rights, including for hunting and fishing. No specific rights to land or resources are afforded to non-reindeer herding Sami or those not members of a Sami community.

Download English Version:

<https://daneshyari.com/en/article/7454155>

Download Persian Version:

<https://daneshyari.com/article/7454155>

[Daneshyari.com](https://daneshyari.com)