

# **Mining and Social Protection: The Experience from Civil Society of Malawi**

Paper presented to the Mining Indaba

at

Cross roads hotel 25- 27 August 2014

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## 1.O. PREAMBLE

At the onset, I attempt to define what is Corporate Social Responsibility in the business or investment world. Others have defined CSR as Corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare. The term generally applies to company efforts that go beyond what may be required by regulators or environmental protection groups.

Corporate social responsibility may also be referred to as "corporate citizenship" and can involve incurring short-term costs that do not provide an immediate financial benefit to the company, but instead promote positive social and environmental change.

Corporate Social Responsibility (CSR) refers to operating a business in a manner that accounts for the social and environmental impact created by the business. CSR means a commitment to developing policies that integrate responsible practices into daily business operations, and to reporting on progress made toward implementing these practices.

It is good to note that, early CSR reports often focused on philanthropy as a driver of CSR. That notion has been supplanted by a broad commitment to protecting and improving the lives of workers and the communities in which companies do business. CSR reports now typically address issues impacting virtually every area of operations: governance and ethics; worker hiring, opportunity and training; responsible purchasing and supply chain policies, and energy and environmental impact.

"Some see this work as charity, philanthropy, or an allocation of resources that could better be donated by shareowners themselves," writes Debra Dunn, Hewlett Packard Senior Vice President for Global Citizenship in the company's **2005 global citizen report**. "But to us, it is a vital investment in our future, essential to our top-line and bottom-line business success."

from these broader definitions or explanations, we can deduce the following key words: "going beyond profit making alone", "doing work of charity", "taking care of the environment (socio-economic and ecological) in which an investment is being carried out.

In this case, it may, to others imply an additional role and not an original desired role. It may be seen as burdensome to some investors whilst it is a need to communities in whose society the investment is taking place.

## **2.0. CONTEXT**

In Malawi, CSR is part and parcel of the daily talk of companies and communities including government. However, CSR in Malawi is not regulated by any policy or legal document as such it is an idle talk. It is a mere interest topic for many stakeholders with both positive and negative ramifications.

Now with the booming of the extractives industries, if CSR has no legal and policy framework to regulate it, specifically, the mining sector will operate at its own imaginations. The danger of this is that Malawi government is seriously seeking to attract direct foreign investors in this sector and direct foreign investors are 1: foreigners who may not necessarily care about the plight of poor Malawian communities as far as they pay tax to government; 2: they are driven by market forces and profit oriented as such additional "charity" roles may appear to be demanding or unnecessary.

What does this mean?

It means that the extraction of natural resources if not properly regulated and if in those regulations there are no clear definitions of CSR, we are bound to face uncommitted investors who will only end up polluting our environment and live behind different hazards whilst they have made their profits and are gone. Malawi shall have been used to catapult some companies from foreign countries into economic growth when itself and the communities are still reeling in poverty.

### **3.0. OUR EXPERIENCES ON CSR IN MALAWI**

- I. There are no legal provisions and policy provisions to regulate companies CSR activities.
- II. Most companies CSR activities are seldom done in consultation with communities as such some CSR concrete interventions are not reflecting the needs of the people.
- III. There is limited, if not non-existing citizens or community participation in the choices of CSR activities of various investors in Malawi as such there is no community ownership of such developmental activities.
- IV. Investors, in the absence of the laws and policies regulating CSR are at variance in their commitment to CSR interventions, sometimes CSR interventions instead of being CSR activities, they are more of marketing activities done through dominant media coverage- yet this, this is supposed mandatory, as the global experiences are indicating.

### **4.0. WHAT MALAWIAN CSOS ARE DEMANDING**

- I. A renewed zeal from government to incorporate in the anticipate new legislations in mining CSR pieces of legislation.
- II. An overarching CSR policy for all investors is needed in Malawi to regulate and guide the implementation of CSR interventions

with possible monitoring and compliance reinforcement mechanisms.

- III. In all such policies and pieces of legislations for CSR, there must be an ensured citizen participation commitment.

Thank you.