

# **14 STEPS TO SUSTAINABILITY**

**Placer Dome Inc.**

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**Sustainability Grade: Incomplete**



## Introductory Note

This report was prepared based upon input from NGOs and community groups worldwide, many of which are near Placer Dome mine operations. However, the conclusions and recommendations expressed in this report are those of Mineral Policy Center. We have made every effort to verify the information that we received. We recognize that Placer Dome may have different views on a number of issues and look forward to a full discussion with Placer Dome representatives.

This report was prepared by **Krista Dahlberg** with editorial help from **Lydia Wicker**.

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## TABLE OF CONTENTS

Forward	3
Introduction	6
14 Steps to Sustainability	11
Conclusion	34
Appendix A: Partial List of Contributors	35
Appendix B: References	38

# FORWARD

“Why apologize for pollution? After all, mining doesn't "produce" waste; it produces ores and metals, commodities which have made the world a better place ... It is also important to be careful in endorsing environmentalists' slogans: waste reduction, zero emissions, eco-taxes, full-cost pricing, life-cycle analyses, sustainable development, the precautionary principle, win-win environmental strategies, and so on. These ideas seem rational to those unfamiliar with business practices, but in reality, they do not meet the needs of successful business operations or effective environmental protection.”

**BC Yukon Chamber of Mines Web Page  
“Survival Lessons for the Mining Industry”  
Fred L. Smith, Jr., The Fraser Forum, January 1998**

“We in Placer Dome have concluded that if a mine cannot afford the full cost of state-of-the-art systems, then it should not be developed. There is no trade-off. No mine developer has the right to impose on an ecosystem damage from acid rock drainage just for the sake of economic activity, returns to investors, jobs and other benefits ... The key message here is that there is no room for compromise in environmental protection.”

**John M. Wilson, President of Placer Dome,  
Speech to the Pacific Basin Economic Council on 20 May 1997**

“A mineral is where you find it. It may not be the most suitable place in the world.”

**U.S. Senator Larry Craig, explaining why he is  
seeking to lift limits on mine waste dumping on  
public lands**

“The mining industry should be forthright about its prospects. Mining will continue to occur in Montana, and the biggest influences on how large it will be and what it can do have, as always, much to do with international markets, the randomness of geology, and the degree of responsibility this out-of-state, top-down dominated industry feels it has to this state and the values of its residents. Rank and file industry folks in Montana -- and many are certainly sincere, thoughtful and caring -- need to jettison their denial complex and begin rethinking the appropriateness of their business in our economy, landscape and communities. It's been a long, long time since workaday Montana orbited around the whims of mining barons.”

**Commentary by Bruce Farling, Montana Trout Unlimited,  
on Montana Public Radio on 3 May 1999**

The mining industry is at a crossroads. There is a debate raging within the industry, among citizens, in governments, and among those who make a living providing advice and counsel to the industry, about the way forward. There is much at stake for mining companies: reputation, profit, and corporate survival. There is also much at stake for those who live near mines and those who care about protection of important ecological resources.

The debate is between sustainability and the status quo. Those who advocate sustainability envision an industry struggling, over the coming years, to come to terms with how it can establish and meet the highest environmental and social standards in its operations. Those who support the status quo ask, "Why bother?" They either fail to acknowledge or simply dismiss modern mining's social and environmental impacts. The advocates of sustainability predict that the rewards for sustainable practice are likely to increase in the coming years. These rewards may come to fruition in a number of ways such as an enhanced corporate reputation, better relations with communities and stakeholders, and access to new ore bodies. The advocates of the status quo predict that the environmental and social impacts of today's mining operations will continue to be accepted because, ultimately, societies and governments are willing to pay a high environmental price in return for the profits that can be derived by mining.

At Mineral Policy Center, our premise is that those on the side of sustainability will win out, that mining is compatible with environmental protection and social responsibility, and that difficult challenges can and must be faced by the industry. Those who fail to meet this challenge are the likely losers.

Consider the costs of industry recalcitrance -- a ban on cyanide process mining in Montana, public outcry in Washington over special favors to a mining company seeking an exemption from waste dumping limits, and a mining moratorium in Wisconsin.

Mining industry accidents and disasters only compound the problem.

- The \$120 million taxpayer and environmental debacle at the Summitville mine in Colorado.
- The tailings spill at the BHP Ok Tedi mine in Papua New Guinea and the recent acknowledgement that remediation efforts are not working.
- The Boliden tailings spill in Spain affecting the Coto Doñana National Park, a Natura 2000 site and RAMSAR World Heritage Site.
- The cyanide spill outside of Cameco's Kumtor mine in Kyrgyzstan.

Even today in Montana, it is clear that the abandoned Zortman-Landusky mine will present the state and taxpayers with a difficult and costly cleanup.

Although the mining industry has made a number of technical advances, technical solutions alone will not be enough to fully address the broader environmental issues that the industry faces. Solutions will require grappling with issues of personal, social, and environmental values, ethics, comparative economics, and more.

The most difficult and contentious issue is likely to be where it is or is not acceptable to mine. For example, in some instances a mine with state-of the-art environmental design should simply not be built because it is planned for a location that is not appropriate for mining.

Some in the industry are legitimately struggling with these issues of environmental protection, and environmental and social sustainability. However, the industry cannot have it both ways: advertising itself as “green” and improving its image, while fighting progressive legislative, regulatory, or site specific environmental measures.

Progress towards sustainable practices will require industry self-initiative and government action. Only governments can create incentives and disincentives for responsible action. For example, only governments can enact “good actor” provisions for mining on public or state-controlled lands. They can require full public disclosure, remove subsidies for extraction, and mandate full reclamation and full cost bonding for cleanup of mine sites.

International and national non-governmental organizations, working with community leaders, can also create pressure for change. Increasingly, communities around the world can collectively monitor the actions of one company at all its operations. This collective international pressure can push industry laggards to follow the more responsible practices of leading companies.

Investors can also be alerted to potential environmental risks and liabilities and to the benefits for investors from good practices in mining. In 1997, the Social Investment Organization (SIO) completed a profile of the Canadian mining industry. With its report, SIO sought to “advance both understanding of, and commitment to addressing and resolving the social and environmental issues challenging industries, in a manner that is economically feasible and financially responsible.” One of SIO’s conclusions was that “serious environmental and social problems persist -- with a marked gap between the best and worst performers in the industry.” SIO plans to review the mining industry again in 1999-2000.

There is no doubt that those companies choosing to pursue a path that leads toward sustainable practice in the mining industry will have a struggle on their hands. They will have to win the support of both employees and stockholders. They will be quickly criticized for not going far enough and subject to intense pressure to demonstrate results. Yet in the end, those who do not choose the path of sustainability will be under the most intense pressure as their operations and performance fall behind industry leaders in ways that are clearly recognizable to all -- those in industry, governments and regulators, investors, environmental organizations, and community leaders.

Stephen D’Esposito  
President  
Mineral Policy Center

# INTRODUCTION

Is sustainability possible in the mining sector? After all, this is an industry whose core business is the depletion of raw natural resources. This is also an industry that consumes vast amounts of energy and produces massive quantities of waste. Of all the earth and ore disturbed for metals extraction, only a miniscule amount is actual ore. For example, the 7,235 tons of gold ore mined in 1995 account for only 0.01% of the 72.5 million tons of materials moved and processed to extract that ore. The rest, 99.99%, was waste. The 11,026 tons of copper mined account for only 1% of the 1 million tons of materials moved. The rest, 99.00%, was waste. (1.)

There are fundamental questions that need to be asked and answered about the need for gold products, especially considering the environmental impact of some types of mining operations. Demand for jewelry accounts for 85% of annual gold fabrication demand. (2.) It can take 5 to 6 tons of ore to make one gold wedding band, leaving 10,000 to 12,000 pounds of waste. How do we weigh the benefits of jewelry to consumers against the potential environmental and landscape impacts of new large-scale gold mines? How many new open-pit gold mines can be justified when there are such vast oversupplies of gold stocks held by governments? In cases when gold mining can lead to permanent water degradation, do the economic benefits of gold production today outweigh the environmental and economic benefits of clean water tomorrow?

It is well documented that most governments subsidize resource extraction over re-use, recycling, and other more sustainable forms of economic development. (3.) In the U.S., a law dating back 127 years, to 1872, actually encourages wasteful mine operations on public lands. In the developing world, the World Bank and other publicly funded financial institutions underwrite and promote resource extraction as a form of development. It is particularly interesting to note that these policies continue to be pursued during a period of oversupply and historically low metals prices. This raises an obvious and potentially significant question. Are governments subsidizing forms of economic development that are not only non-sustainable from an environmental and social perspective, but also dead-end economically?

Too often, mining companies want to discuss sustainability only in terms of how to mine, not whether to mine. For any sustainability policy to be complete it must address the issues of where and when it is appropriate or not to mine.

While there are both theoretical and practical challenges to achieving sustainability in a sector that produces non-renewable resources and vast quantities of waste, Placer Dome's sustainability initiative is, nonetheless, an important endeavor. If successful, it will lead to real on-the-ground environmental and social benefits.

Mining is now seen as one of the greatest threat to the world's frontier forests. (4.) Mining can have significant and long-term impacts on valuable water resources. It can also lead to forms of pollution that persist long into the future, such as acid lakes and streams. In a 1987 study, the EPA rated problems related to mining waste as second only to global warming and stratospheric ozone depletion in terms of ecological risk. The report concludes: "with high certainty" the release to the environment of mining waste "can result in profound, generally irreversible destruction of ecosystems." Some of the most difficult cleanup problems on the U.S. Superfund list of toxic waste sites are mines. In some cases these sites may never be fully restored. (5.) Like radioactivity, some forms of mine pollution, such as acid leaching from exposed mine waste and abandoned mines, can lead to pollution so persistent that there is no available remedy. For example, the Iron Mountain mine site in northern California is expected to leach acid for at least 3,000 years before the pollution source is exhausted. (6.)

### **THE BUSINESS CASE FOR SUSTAINABLE MINING**

With its new Sustainability Policy, Placer Dome is hoping to position itself as a world leader on the issues of environmental and social responsibility in the mining industry. In fact, Placer Dome has already begun to market itself as an environmentally and socially responsible company. At a recent meeting with NGOs in Washington D.C., company officials made a business case for their new policy. They pointed to specific benefits of including new development opportunities in South Africa and health initiatives that have reduced absenteeism at Misima mine in Papua New Guinea.

It is in the interest of NGOs working on environmental, social, economic and human rights issues to encourage Placer Dome and other mining companies to work towards practicing greater environmental and social sustainability in both where they mine and how they mine. In practice, such a policy should lead to the protection of ecologically significant areas, better environmental practice, improved mitigation of long-term environmental impacts, and greater economic and social benefits to the surrounding communities.

However, NGOs must also cast a skeptical eye on the "sustainability" claims of any and all mining companies or, for that matter, any corporation. Too often these claims simply amount to public relations initiatives, or corporate *greenwashing*, that seek to improve the corporate image without any real change in policy or practice.

It is in this spirit that Mineral Policy Center (MPC) offers the following critique of Placer Dome's sustainability policy and its first sustainability report, *1998 Sustainability Report - It's About Our Future*. MPC hopes to encourage Placer Dome and other mining companies to adopt better environmental and social policies and to enact these new policies. MPC also believes it is important for Placer Dome and other mining companies to work directly with community members living near Placer Dome's mining operations and other stakeholders to further develop the concept of sustainable mining and evaluate Placer Dome's performance.

## HOW TO JUDGE SUSTAINABILITY

The most consistent criticism of the Placer Dome sustainability policy and report is that while it describes Placer Dome's general policy and documents some of the advances the company has made, it fails to describe concrete and measurable sustainability goals and objectives and, therefore, fails to measure results.

Placer Dome's policy is ambitious:

*“For Placer Dome, sustainability means the exploration, design, construction, operation, and closure of mines in a manner that respects and responds to the social, environmental and economic needs of present generations and anticipates those of future generations in the communities and countries where we work. We are committed to demonstrating that through this policy we can contribute to long-term improvements in quality of life while acting as stewards for the environment.” (7.)*

However, since there is little offered by Placer Dome in the way of specific objectives or benchmarks. It is not yet possible to use the information provided in Placer Dome's report to judge performance. Put most simply, since Placer Dome has not defined success, neither MPC, nor Placer Dome can judge success. That is why we have given Placer Dome a sustainability grade of *incomplete*. There is much potential here, but we are not yet able to make an informed judgement.

While specific figures and data are abundant throughout the sustainability report, the lack of benchmarks leaves the reader unable to make any definitive judgements about performance. This is in contrast to the very specific financial goals established by Placer Dome.

*“A goal of our strategic plan is to produce gold at an average cash cost of less than \$200/oz. In 1998, we succeeded in producing gold for \$149/oz. Placer Dome produces gold at a significantly lower cost today than it did 10 years ago . . . We are targeting to produce gold in 1999 at a cash cost of \$160/oz., \$170/oz. including the pending Placer Dome Western Areas Joint Venture and the Getchell merger.” (8.)*

Nowhere in its policy or report does Placer Dome establish such clear and verifiable sustainability performance measures. Instead, the company relies on a description of the benefits that they hope sustainability can bring, offering anecdotal evidence, case studies, and numerical evidence of environmental performance without adequate context.

Setting such performance goals is critical. It will allow the company management, employees, the board, shareholders, and even stakeholders, to assess results and improve performance over time. For example, Placer Dome could set the following specific objectives: no cyanide releases into the environment, complete and fully-funded reclamation plans in place for all mines, zero tolerance for acid lakes and streams, and an offer to support the creation of a citizen review boards at every mine location. Setting targets like these would allow Placer Dome, and other interested parties, to measure performance.

### **SCORING THE SCORECARDS**

While environmental and social reporting is important, it is not an end in itself. What counts is achievement, measured against explicit goals with adequate baseline data to quantify changes. In this sense, a number of recently released "sustainability" scorecards for the mining sector, by the Mining and Environment Research Network (MERN) (9.) and the World Wild Fund for Nature – Australia (10.), provide a useful method to compare and contrast what is reported, although they say little about actual performance. These reports primarily analyze whether a policy exists and only assess the adequacy of the policies to a limited degree. A good score on such a scorecard is not a substitute for action.

However, even these limited scorecards demonstrate some of the shortcomings of Placer Dome's reporting. The MERN report notes that Placer Dome is lacking in the application of its stated policy and regular audits to confirm compliance. In addition, there was no reported adherence by Placer Dome to the Universal Declaration of Human Rights, or any of the ILO Conventions (including the Rights of Indigenous Peoples).

### **THE ENVIRONMENTAL PERIL OF LOW GOLD PRICES**

Depressed metals prices raise the specter that mining companies will sacrifice long-term environmental protection for short-term profits. While MPC believes this is wrongheaded, it is real threat.

Considering the current low gold prices and the likelihood that more gold sales by central banks will keep the price low in the short-term, this is of particular concern for gold mining companies such as Placer Dome.

On 22 June 1999 Placer Dome announced that in response to low gold prices it would cut expenditures on exploration, overhead, and "corporate staff." According to Placer Dome, exploration expenditure will be reduced from \$89 million to \$56 million in 1999, corporate overhead will be reduced from \$45 million to less than \$35 million in 1999, and "the Corporation expects to reduce its exploration project development and corporate staff by about 200 employees before the end of 1999 ... The Corporation is reviewing all of its business plans with a view to minimizing expenditures and commitments based on the gold price environment." (11.)

According to Placer Dome CEO John Wilson:

*"The weakness in the gold market reflects the announced intention of the United Kingdom, the International Monetary Fund and the Swiss National Bank to sell significant amounts of gold over the next three to five years. I am surprised official sector owners of gold appear to be willing to sell their holdings for less than the long-term costs of production. We are taking these steps to position Placer Dome to be profitable in today's market environment."* (12.)

What does this mean for Placer Dome's commitment to sustainable practice? Will the commitment survive the cuts?

Sustainability, by definition, is not something that can be turned on or off depending on the price of metals. Shortcuts taken during a period of low-metals prices are likely to have long-term impacts on a company's reputation and public image.

### **CAN COMPANIES CHANGE?**

Most NGOs recognize that corporate change is a difficult undertaking. There will be fits-and-starts, there will be mistakes, and there will be poor decisions. Those driving change inside a company need support, allies, and advice from NGOs. However, NGOs also need to demonstrate the cost, to Placer Dome and others, for inaction or failure. NGOs can, and should, help create a business case for "sustainability" by seeking to increase the cost of poor performance. To that end, as part of the preparation of this report, MPC has created *Placer Watch*. *Placer Watch* is an informal network of organizations, community groups, activists, and individuals committed to sharing information about Placer Dome's environmental and social performance. Through sharing information, resources, ideas, and collaborative action, such as this report, NGOs can create pressure for change, and help Placer Dome achieve its desired result: sustainability.

# THE REPORT CARD

## 14 STEPS TO ENVIRONMENTAL SUSTAINABILITY

### PLACER DOME INC. SUSTAINABILITY GRADE: INCOMPLETE

MPC wants Placer Dome to fully realize its objectives. The NGO community, those living near Placer Dome's mines, the company's critics, and its champions are looking for evidence and specific actions that demonstrate Placer Dome's commitment to sustainability is more than just words on paper.

When Placer Dome invited comments on its sustainability report, MPC immediately sought input from other NGOs and from those who live near Placer Dome's mine sites around the world. MPC asked these stakeholders what Placer Dome could do to demonstrate its commitment to sustainability.

The following list is not necessarily complete or conclusive. It simply represents a snapshot in time. The list will be updated on a regular basis, applauding Placer Dome when it fulfills a commitment, criticizing when they fall short, and adding new recommendations as more input is received and new issues arise.

MPC commends Placer Dome on the steps it has taken to develop this policy and the effort that is underway to put it in place. MPC appreciates this opportunity for input and recognizes that continued dialogue is essential.

# **1. ESTABLISH BENCHMARKS FOR MEASURING SUSTAINABILITY SUCCESS IN CORPORATE ACTIONS AND AT INDIVIDUAL MINE SITES**

Placer Dome should clearly identify the steps it will take toward implementing sustainable practices both in the short and the long-term. Benchmarks are needed. MPC, with input from interested stakeholders, has suggested a number of such benchmarks in this report. This is a shortcoming of both Placer Dome's sustainability policy and the *1998 Sustainability Report*. Placer Dome should specify its commitments.

To help establish benchmarks and measure results, Placer Dome should host a meeting of international NGOs and local stakeholders to get input into its policies and how to effectively measure results.

It is also imperative for all Placer Dome management and the Board of Directors to fully endorse the concept of sustainability. We recommend that the board formally do so and that the vice president for sustainability report directly to the board or CEO, not in an advisory capacity but in a direct capacity.

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## **2. PROHIBIT NEW DEVELOPMENT AND PHASE OUT EXISTING OPERATIONS AT BIOLOGICALLY, ECOLOGICALLY, AND CULTURALLY FRAGILE SITES**

Placer Dome should commit to protecting environmentally fragile zones, protected areas, and significant cultural sites by not mining in these areas. This commitment should be made for areas with legal protection and for areas that are not yet protected, such as frontier forests and other sensitive ecosystems.

### **CASE STUDY: PUBLICLY OPPOSE THE CONSTRUCTION OF THE POWER LINE FROM THE GURI DAM IN VENEZUELA**

The 230/440 kilovolt power line, which would provide electricity for Placer Dome and others, cuts through indigenous ancestral sites and a World Heritage Site. Placer Dome should not support mining related activities and development that causes undue degradation of designated important natural areas and cultural sites. Placer Dome should find alternate sources of sustainable power, minimizing the overall impact of mining operations.

### **CASE STUDY: ABANDON PLANS TO OPEN A QUARRY IN THE SACRED MOUNTAIN "CERRO ARAIMA TEPUY" FOR LAS CRISTINAS MINE IN VENEZUELA**

Placer Dome is requesting authorization from the government to open a quarry located within the Imataca Forest Reserve in "Cerro Araima Tepuy," a mountain considered sacred by the Pemón People. Placer Dome's request is based upon economic efficiencies because the sacred mountain is very close to Las Cristinas mine. Many in the environmental community believe this quarry within Imataca is unjustified because there are other existing quarries in Venezuela that could be used.

Until 1997, the Imataca Forest Reserve, in which the mountain is located, was a protected area. Due to pressure from the national and international mining industry, the government (via a Presidential Decree) opened up the Reserve to mining. Almost immediately indigenous communities and environmental organizations introduced a lawsuit in the Venezuelan Supreme Court of Justice requesting the Presidential Decree and all mining contracts declared null. This is the first time a government measure received unanimous opposition from all sectors of Venezuelan society. The Supreme Court of Justice issued a temporary measure prohibiting new concessions in this area. Placer Dome should not request permission to extend its operation to an area under such legal dispute.

**CASE STUDY: PUBLICLY RESPECT RELIGIOUS BELIEFS OF THE INDIGENOUS COMMUNITIES NEAR LAS CRISTINAS MINE IN VENEZUELA AND IN CRESCENT VALLEY, NEVADA**

Respecting religious beliefs includes not damaging lands designated by indigenous peoples as sacred sites such as burial grounds and ceremonial grounds, or natural objects and landscapes that have important cultural significance.

Placer Dome should abandon its plan to open a quarry in the mountain for Las Cristinas mine in Venezuela.

Since Placer Dome has increased its property holdings in Crescent Valley, Nevada there is concern about the rights of the Western Shoshone and the land they depend on. In particular, the Western Shoshone Dann Ranch is now surrounded by Placer Dome-owned land. The Danns have clearly stated that they want the waters, springs and canyons near their ranch to remain free of mining disturbance to ensure clean drinking water for future generations. Placer Dome should commit to protecting these areas of the Western Shoshone.

Placer Dome could demonstrate its commitment to indigenous rights by selling or transferring the eastern portion of the Dann Ranch to the Western Shoshone. This would allow the Western Shoshone the needed land to be herdsman and agriculturists as agreed to in the Treaty of Ruby Valley of 1863.

**CASE STUDY: DO NOT REDIRECT THE AMARILLO RIVER FOR LAS CRISTINAS MINE IN VENEZUELA**

The Amarillo River supports many species of fish including the endangered "Pavon del Cuyuni." The extensive system of above ground and underground rivers in the area form the upper watershed for the Cuyuni River, one of the main tributaries into the Essequibo River in Guyana. Redirecting the Amarillo River could have significant negative environmental ramifications in the short and long-term.

The diversion of the river and the effects upon the "Pavon del Cuyuni" and other species contradicts both Canada's (Placer Dome's home country) and Venezuela's agreement to the Convention on Biological Diversity 1992 (from the Rio Earth Summit) and the Convention for the Protection of the World Cultural and Natural Heritage Sites. Placer Dome must be consistent and respect the desires of both its home and host country.

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### **3. BAN RIVERINE DISPOSAL OF MINE TAILINGS**

Placer Dome should *immediately* phase out riverine tailings disposal at existing mines. Placer Dome should prohibit the use of these operations at any new or proposed mines. Mines that cannot provide suitable, safe, and environmentally responsible on-land disposal of tailings waste should not operate. Placer Dome should begin the process of closing down such mines and implementing an economic transition process to protect affected communities.

#### **CASE STUDY: BEGIN IMMEDIATE PHASE OUT OF RIVERINE TAILINGS DISPOSAL INTO THE STRICKLAND RIVER SYSTEM IN PAPUA NEW GUINEA**

According to NGOs and interested parties in the Asian Pacific Region, Placer Dome claimed in 1996 it would begin phasing out riverine tailings disposal into the Strickland River system from the Porgera mine in Papua New Guinea. However, since that time there has been increasing, not decreasing, negative impact on the river system and its human inhabitants. Sources indicate that about 120 km of the Lagaip River is already dangerously polluted. Placer Dome must immediately address this issue.

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## 4. PHASE OUT SUBMARINE DISPOSAL OF MINE TAILINGS

Since the long-term effects and control of submarine disposal of tailings are not conclusively known, Placer Dome should apply the precautionary principle, demonstrating a sustainable approach, and phase out all submarine tailings disposal. Submarine tailings disposal can create long-term environmental degradation that can affect not only marine life but also local communities that depend on aquatic resources for their livelihood and lifestyle. This disposal method kills benthic organisms, can destroy water quality with toxic heavy metals, and creates siltation, among other things. Once deposited, these tailings cannot easily be controlled or contained. These tailings can also be re-mobilized, creating unpredicted damage.

Placer Dome should commit to a moratorium on using this disposal method in the future. Phase out plans for submarine tailings disposal at existing mines should be developed immediately.

### **CASE STUDY: PROVIDE ACCEPTABLE ALTERNATIVES TO TAILINGS LEFT FROM THE MARCOPPER SPILL**

Marinduquenos, near the Marcopper mine in the Philippines, want Placer Dome to respect their position that submarine tailings disposal is not an acceptable solution for the tailings in the Boac River (*as noted by Secretary Antonio Cerilles, of the Department of Environment and Natural Resources, in his letter to Marcopper of 16 February 1999*). Placer Dome should immediately provide acceptable alternatives to cleaning up the tailings left in the catchment area in the Boac River from the Marcopper spill.

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## **5. USE BEST AVAILABLE TECHNOLOGY AND OTHER RESOURCES TO PREVENT ENVIRONMENTAL DEGRADATION**

At all mines, Placer Dome should demonstrate a commitment to use the best available technology to prevent environmental degradation. Placer Dome should adopt a company-wide policy that is implemented and verified at each mine.

### **□ INSTITUTE A POLICY OF “ZERO DISCHARGE” TO BOTH SURFACE AND GROUNDWATER FROM ALL FUTURE MINING OPERATIONS**

If that standard cannot be obtained through operations and engineering designs, Placer Dome should forego future development of such mines. Technology is presently available to predict water treatment requirements and to institute engineering designs that, in most cases, meet this requirement. In situations where this cannot be achieved, mining is not appropriate.

### **□ DESIGN AND IMPLEMENT WATER TREATMENT TO PREVENT ENVIRONMENTAL DEGRADATION AND NEGATIVE IMPACTS ON OTHER SURFACE AND GROUNDWATER USERS**

In many cases surface and groundwater is relatively pristine, containing contaminant levels well below designated standards. In these cases Placer Dome may make discharges that degrade water quality up to the standard, meaning any additional contamination by traditional or future users will result in exceeding acceptable pollution levels. This practice allows the pollution of water today, and leaves the burden of water treatment, and more stringent controls, on other parties. Although this practice allows Placer Dome to limit water treatment costs, this is not a sustainable practice. Instead of polluting up to allowable levels, Placer Dome should adopt a policy of no degradation.

Good water management is needed even at new mines like the Pipeline mine in Nevada. Problems with dewatering can occur at local ponds, lakes and streams, like the recently dried up Cortez pit lake, in Nevada. The lake, which had been static for years, is 7 miles from the Pipeline mine and dried up when dewatering pumps for the mine were turned on. Monitoring plans should be reevaluated to mitigate this and other surface/groundwater problems.

□ **INCREASE FINANCIAL COMMITMENTS TO CLEAN WATER**

Placer Dome should make a specific commitment to invest in clean water. For example, a commitment of 5% of its gross revenues towards addressing surface and groundwater discharges. This would help limit future liability.

Water is the resource most threatened by modern mining activities. A real commitment to water protection is an essential element of any mining company's sustainability policy. Placer Dome's apparent investment of \$25 million over the last five years in water treatment represents less than 0.4% of its gross sales over that same period. In order to address the true long-term liability for water treatment in the interest of sustainability, Placer Dome should invest at least \$50 million per year for water treatment.

□ **ADHERE TO HIGH STANDARDS AT ALL MINES AND FOLLOW STANDARDS WHICH ARE EQUAL TO OR GREATER THAN THOSE IN PLACER DOME'S HOME COUNTRY AND PROVINCE**

Placer Dome has numerous operations around the world. Some of these operations, depending on the jurisdiction, may not be held to the same environmental, social and technical standards that would be required in Canada or the U.S. Although there may be some limiting factors in other regions of the world, Placer Dome should adhere to the same high standards worldwide. Anything less amounts to an environmental and social double standard and violates the concept of sustainable operations. Leaving a legacy of degradation of any kind, for temporary economic benefits from mining is not sustainable.

For example, in Canada and the U.S., riverine tailings disposal is essentially illegal. This practice has serious negative environmental consequences and may have significant social and economic impacts. Since environmental law and practice severely limits this disposal option in Canada and the U.S., Placer Dome should not use it in other parts of the world.

In addition, social issues regarding mining, such as negotiations with indigenous peoples, local communities and other interested parties should proceed in an open public and transparent manner, mirroring or exceeding those available in Canada and the U.S.

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## **6. EXPAND THE COMMITMENT TO ENVIRONMENTAL RESEARCH**

### **□ ESTABLISH AND FUND AN INDEPENDENT RESEARCH PROGRAM DEDICATED TO ASSESSING KEY ENVIRONMENTAL AND SOCIAL ISSUES**

If Placer Dome is committed to sustainability, it must increase its investment in research that can improve mining operations in the future. International experts without allegiances to mining companies, trade associations, or industry-sponsored think tanks, should conduct an independent research program.

Topics for study should include: the impacts of submarine and riverine tailings disposal, prevention of acid lakes and streams, mine closure, preventing perpetual pollution, protection of sensitive and significant areas, alternatives to cyanide, and methods for abandoned mine cleanup.

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## **7. ENSURE LONG-TERM PROTECTION FROM ACID MINE DRAINAGE**

Acid mine drainage, leading to acid lakes and acid streams, is one of the greatest environmental threats of mining. Acid mine drainage can kill fish and other aquatic life and its impacts can last for centuries.

Placer Dome should adopt a formal policy on acid water prevention at all mines and verify results through independent environmental audits.

### **CASE STUDY: PREVENT ACID MINE DRAINAGE AT LAS CRISTINAS MINE IN VENEZUELA**

The area around Las Cristinas mine has a high probability for acid formation. Since there is an extensive aboveground and underground system of waterways, any acid mine drainage will have to be mitigated immediately. Placer Dome should monitor Las Cristinas mine for potential acid mine drainage for at least 20 years after mine closure and ensure, through fully funded bonds, that there will be long-term remediation of any and all acid mine drainage.

### **CASE STUDY: PREVENT ACID MINE DRAINAGE FROM THE WASTE DUMP NEAR HORSE CREEK IN NEVADA**

A waste dump located close to Horse Creek has begun to leak acid mine drainage. This toxic seep has not reached the creek yet but without preventative action, it will. This serious problem was not mentioned in the sustainability report. It is a long-term management problem that needs to be addressed immediately to prevent ensuing damage from acid mine drainage.

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## 8. FULLY RECLAIM ALL MINED LANDS

All Placer Dome mines should be fully reclaimed. This includes a commitment to full funding of comprehensive mine reclamation, adequate resources to address long-term pollution and water treatment issues, long-term monitoring, and planning for mine closure.

Placer Dome should provide adequate funds for full reclamation up front rather than simply conducting long-term water treatment. Placer Dome's current practice appears to use the time value of funds expended to Placer Dome's advantage at a cost to the environment and local community.

### **CASE STUDY: BACKFILL THE PIT AT THE GOLDEN SUNLIGHT MINE IN MONTANA**

In the sustainability report, it is not mentioned that the National Wildlife Federation, Montana Environmental Information Center, Mineral Policy Center, Gallatin Wildlife Association, and the Sierra Club have filed a lawsuit requiring Placer Dome to fulfill its duty under the Montana State Constitution to reclaim all lands. In this case, reclamation constitutes partial backfill of the mine pit at the Golden Sunlight mine.

Placer Dome's argument for not backfilling the pit is it would not be cost-effective. However, Montana State law does not condition reclamation on a determination of cost-effectiveness. Furthermore, such arguments do not match Placer Dome's stated commitment to sustainable practices and the public statements of Placer Dome's CEO John Wilson committing the company to environmentally responsible action, irrespective of costs.

Placer Dome should acknowledge that partial pit backfill is the environmentally preferred alternative and commit to it. In addition, Placer Dome should conduct other reclamation as necessary to minimize and eliminate requirements for water treatment in perpetuity.

### **CASE STUDY: REFILL THE PROPOSED EXCAVATION LAKE AT LAS CRISTINAS MINE IN VENEZUELA**

Placer Dome should refill the proposed excavation lake at Las Cristinas mine, remove and reclaim the artificial hills of waste rock, and provide adequate and secure funds for Las Cristinas mine reclamation since acid mine drainage is likely.

**CASE STUDY: USE NATIVE AND LOCALLY ADAPTED SPECIES IN THE RECLAMATION PLAN FOR LAS CRISTINAS MINE IN VENEZUELA**

Placer Dome should commit to using native and locally adapted tree species and other flora as part of the reclamation at Las Cristinas mine. This is particularly important since Las Cristinas mine is within the Imataca Forest Reserve which allows timber harvesting. Placer Dome is currently planning to replant disturbed areas with “Yagrumo,” a pioneer species that does not require planting to revegetate, rather than an assortment of native and locally adapted species.

**CASE STUDY: PROVIDE UP FRONT FUNDING FOR SURFACE AND GROUNDWATER TREATMENT AT THE GOLDEN SUNLIGHT MINE IN MONTANA**

Placer Dome will spend approximately \$100 million over the next 100 years to provide the capital and operating costs of water treatment (which will actually be required in perpetuity) at the Golden Sunlight mine. In order to finance those operations, Placer Dome's present costs appear to be approximately \$21 million (as calculated by the Montana DEQ using a 4.5% discount rate) which they will provide to the State as a trust fund for future water treatment. If Placer Dome were willing to spend \$100 million more on reclamation upon mine closure, the need for water treatment in perpetuity might be eliminated, or at least minimized. This is a more sustainable environmental solution than Placer Dome's current practice. However, by employing long-term water treatment rather than more complete reclamation, Placer Dome saves \$75 million in present costs.

**CASE STUDY: ACCEPT RESPONSIBILITY FOR FULL RECLAMATION OF CALANCAN BAY, THE MOGPOG RIVER AND THE BOAC RIVER IN THE PHILIPPINES**

A true commitment to sustainability includes a commitment to restitution where *past* mining has led to ongoing unsustainable conditions. NGOs recognize that accidents and mistakes occur. When they do, mining companies should practice full disclosure and accept full responsibility.

Placer Dome should accept responsibility for the current condition of Calancan Bay, where some 200 million tons of mine tailings were dumped via surface disposal between 1975-1991. Placer Dome should also rehabilitate the Mogpog River area, where a leaking siltation dam burst in 1993 and where ongoing seepage of acidic waste is polluting the river. Marinduquenos want Placer Dome, as former managers, 40% shareholders, loan guarantors, and the only mining company involved in the joint venture from 1969-1994, to accept at least some responsibility for the current condition of these local environments. Placer Dome should agree to provide rehabilitation of the environment and individual compensation for the affected people in these areas as a way of mitigating the damage.

In the *1998 Sustainability Report*, Placer Dome stated that, “Unfortunately in 1996, Placer Dome experienced the Marcopper mine tailing accident, which highlighted the need to have partners who share our sustainability philosophy.” While Placer Dome should work with such partners, this statement implies that it was the partners who are at fault for the disaster.

According to the 30 September 1996 UN Report, the Marcopper disaster could have been prevented. This increases Placer Dome’s responsibility to clearly state its own responsibility for the disaster and consequent remediation and compensation.

**CASE STUDY: PREVENT FURTHER WATER QUALITY PROBLEMS NEAR PLACER DOME’S NEVADA MINES THROUGH SUSTAINABLE RECLAMATION OPERATIONS**

Placer Dome’s submission to the State of Nevada to irrigate rangelands with heap leach effluent, near the recently acquired Toiyabe mine (close to the Cortez operations), is not a sustainable operation since the effluent may not meet water quality standards. Western Shoshone hunt and gather in that area and this closure scheme would impact those activities. The low cost of this disposal method is not adequate justification for its use.

The Buckhorn mine in Nevada, which Placer Dome has recently acquired an interest in, has acid mine drainage problems which have not yet been addressed. Willow Creek, a perennial waterway, and its tributaries flow adjacent to the Buckhorn mine site. Even though pre-1991 disturbance is not subject to the reclamation law, Placer Dome should make a commitment to reclamation in order to prevent future unnecessary environmental degradation.

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## 9. ALLOW INDEPENDENT AUDITS AT ALL MINES

### □ ALLOW AND FUND INDEPENDENT ENVIRONMENTAL AUDITS AT PLACER DOME MINES

Independent environmental audits allow stakeholders and the public to verify results that can lead to better managed mines. Through independent audits, Placer Dome could substantiate its performance claims, thereby vastly increasing the credibility of its reporting.

To be truly independent Placer Dome should not oversee the audit and should not select those conducting the audit, but Placer Dome would provide funding. The auditors would be selected by and accountable to community leaders, NGOs, and other stakeholders (see 2. ALLOW CITIZEN REVIEW BOARDS AT ALL MINES). They would have no ties to the company. The results of the audits must be made public.

The audit team should have demonstrated expertise in key areas such as hydrology, mine engineering, and geochemistry. In addition to reporting on the environmental condition of the operation, the audit would allow stakeholders and the public assess to how effectively regulatory agencies are monitoring performance.

An audit would be performed once every two years. In addition, through a Citizen Review Board, the local community and affected parties would have the right to call for an emergency audit if they believe there is undue environmental and or social degradation from the mining operation.

Placer Dome should commit to independent environmental audits and meet with a cross-section of international NGOs to establish a protocol and funding mechanisms. Placer Dome should seek to complete at least two audits by the end of 1999 and audit all mines by the end of 2000.

### □ ALLOW INDEPENDENT REVIEW OF RECLAMATION PLANS

Since reclamation plans are an important aspect of any sustainable mine operation, Placer Dome should allow an independent assessment of all mine reclamation plans. This review could reveal inconsistencies in the reclamation plan. Biological, hydrological, ecological, social and economic concerns that are not adequately addressed or accounted for in the reclamation plan would be brought to Placer Dome's attention.

This independent review would consist of local, regional, national and international experts in science, engineering and other areas of relevance. These independent reviews would be funded by Placer Dome, but the reviewers would have no ties or allegiances to Placer Dome or the mining industry. The panel's review and recommendations would be considered and

addressed by Placer Dome before mining operations could proceed. If recommendations were not incorporated, Placer Dome would need to provide an explanation.

For example, such a panel might have prevented the “chaining” (or destruction) of 650 acres of pinyon-juniper forest land near the Bald Mountain mine in Nevada under the guise of “habitat improvement.” There is considerable evidence that this practice offers little benefit to wildlife.

Placer Dome should commit to these independent reviews immediately at all of its mines and establish a firm implementation schedule.

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## **10. PRACTICE FULL DISCLOSURE AND CONSULTATION AND ADOPT A POLICY OF CORPORATE TRANSPARENCY**

Full disclosure and transparency will enhance the reputation of Placer Dome and increase the credibility of the sustainability initiative. Information withheld, even unintentionally, will create the impression that something is being hidden from stakeholders and the general public.

Full disclosure of information and comprehensive reporting will allow the public and other interested parties to evaluate Placer Dome's efforts to meet its sustainability objectives. Even though small environmental benefits like increased fuel efficiency, saving on reagents, efficiency of technology and other measures are helpful, they are not the large-scale changes that are needed for Placer Dome to demonstrate its commitment to sustainability. Full disclosure will help achieve this end.

### **□ SUPPORT INDEPENDENT REVIEWS OF ALL SUSTAINABILITY REPORTS**

Independent stakeholders, including community members and NGO representatives, should review Placer Dome's sustainability report. The comments of these reviewers should be incorporated in the text or otherwise noted and explained.

It is useful to cite a number of shortcomings in the *1998 Sustainability Report* to demonstrate the need for stakeholder input. Several stakeholders remarked where there were misleading comments that could be easily misinterpreted. Some commented that the report implies Placer Dome has been more active in promoting and upholding sustainability and responsibility than it actually has.

As noted earlier, the report contains no mention of the fact that the National Wildlife Federation, Montana Environmental Information Center, Mineral Policy Center, Gallatin Wildlife Association, and the Sierra Club have filed an environmental lawsuit against Placer Dome requiring Placer Dome to fulfill its duty under the Montana State Constitution to reclaim all lands.

In regard to the Marcopper tailings spill in March 1996 and the release of more than 1.6 million cubic meters of tailings into the local river system, the text on page 26 of the sustainability report speaks of a "sudden" release of waste from the failed tunnel. In the next paragraph it mentions an "earthquake" that occurred a week earlier, carefully avoiding a direct connection but clearly implying a relationship between the two events. According to sources with knowledge of the situation, the tunnel started to fail in August 1995, a full seven

months before the final collapse. Seepage from the tunnel was found and drill work had been ongoing before March 1996.

It is believed the tunnel collapse was unrelated to the earthquake. Further, the earthquake was so minor that the Philippine earthquake authorities never even issued a bulletin and stated no one on the island reported feeling movement. Placer Dome's initial press releases after the accident mentioned the continuing problems with the tunnel. However, after Placer Dome learned of the earthquake, statements failed to mention the earlier problems, implying that the earthquake was the sole reason for the tunnel failure. Placer Dome should provide full and detailed information for all significant environmental events such as this. If there is a dispute regarding such events, Placer Dome should acknowledge the dispute.

The report also implies Placer Dome, in the aftermath of the Marcopper spill, played a role in safely removing mine tailings from the river. The report states that "75% of the tailings have been removed from the river." What the report does not explain is that Placer Dome, by riverine transport, remobilized 75% of the tailings. The tailings now have been washed into the sea, causing extensive near-shore damage.

□ **DISCLOSE THE AFFILIATIONS AND FINANCIAL TIES OF ALL PLACER DOME-SUPPORTED COMMUNITY GROUPS**

There is a difference between legitimate stakeholder groups and those that are supported or created by mining companies. Placer Dome should not self-select participants in stakeholder dialogue. All interested parties, even those opposing the project, should be allowed to participate.

In addition, any programs that Placer Dome undertakes with the local community must be transparent to ensure that all stakeholders are aware of the programs. For example, it is reported that Tribal Chairman of the Western Shoshone, Elwood Mose, was not made aware of a program between Placer Dome and the Temoak Tribe of Western Shoshone, to hire Native Americans at Placer Dome mines. Rumors of similar problems in the past have increased tensions in this region.

□ **ACCOUNT FOR FINANCIAL LIABILITY OF LONG-TERM WATER IMPACT AND TREATMENT**

Placer Dome's present and future liability for the water near all of their operations should be fully accounted for, revealing the actual impact mining operations are having on the local water supply and therefore on the environment, wildlife, and local human population. On page 30 of the *1998 Sustainability Report*, it is acknowledged that despite water treatment, half of Placer Dome mines discharge effluents to surface waters containing a mixture of suspended solids, cyanide, and trace metals. Placer Dome's \$25 million toward water treatment is an insignificant amount given the total cost of treatment needed. A ten-fold

increase in the dollar amount would more likely reflect the actual cost for management and mitigation.

**CASE STUDY: DO NOT OVERSTATE THE POTENTIAL COSTS OF ENVIRONMENTAL PROTECTION AT THE GOLDEN SUNLIGHT MINE IN MONTANA**

It has been reported that Placer Dome overstated the costs of backfilling the pit at Golden Sunlight mine in Montana to employees and state officials. Placer Dome informed its employees and the Governor of Montana that the additional cost of partial backfilling (likely to be approximately \$30 million) would force the mine to close. Since then the mine has withstood a \$100 per ounce decline in the price of gold which has impacted the future profitability at levels that far exceed \$30 million. Placer Dome is still predicting profitable operations at the lower gold prices, therefore, it is likely that previous claims were overstated. It should also be noted that partial pit backfilling would increase the post-mine employment by three years, furthering the sustainability of employment and the local economy.

**CASE STUDY: DISCLOSE FULL INFORMATION TO STAKEHOLDERS ABOUT THE IMPACT OF IMPORTED WORKERS AT LAS CRISTINAS MINE IN VENEZUELA**

According to contributors, Placer Dome has not fully informed and consulted with the indigenous communities and their legal representatives (Federation of Indigenous People of the Bolivar State) near Las Cristinas mine in Venezuela regarding the influx of outside mine workers.

There are a significant number of indigenous communities, mainly Pemón and Kariña in the area near the mine. One of the concerns of the Federation of Indigenous People of the Bolivar State (FIB) is the impact that thousands of mine workers will have on their traditional way of life. In particular, there is the fear this influx of newcomers will push the indigenous peoples away from their ancestral territories. It is reported that Placer Dome has neither consulted them nor offered them any jobs at the mine, in spite of the fact that many of them are educated, know the area extremely well and speak English, Spanish, and their native language. This lack of respect for indigenous views has caused resentment.

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## 11. ALLOW CITIZEN REVIEW BOARDS AT ALL MINES

Citizen Review Boards would allow community leaders and interested parties to measure mine compliance with Placer Dome's policies, operational objectives, and environmental regulations and guidelines. They would also provide a forum for interested parties to raise questions and concerns with the mine management.

The Citizen Review Board would be established as follows:

- Placer Dome would identify a respected and independent NGO to manage the initial phase of establishing the Board. The initiating NGO must be truly independent and above any real or apparent conflicts of interest.
- The initiating NGO would hire a professional facilitator with expertise and demonstrated experience in stakeholder dialogue, and would also establish a budget for the first phase (one to two years) of the Citizen Review Board.
- The facilitator, working with the initiating NGO, would call a meeting of *interested parties*.
- At the *interested parties* meeting a Citizen Review Board selection process would be established. Members will have no financial or other allegiances to Placer Dome or to Placer Dome affiliates.
- Placer Dome would have an ex-officio role but would not be a voting, or decision-making, member of the Citizen Review Board.
- Once established, the Citizen Review Board would make all future decisions about facilitation between Placer Dome and interested parties.
- A financial guarantee, established by Placer Dome but controlled and managed by the Citizen Review Board, would fund the start-up and ongoing operation of the Citizen Review Board. Each year the Citizen Review Board's accounts would be audited and a financial report made public and provided to Placer Dome.
- The financial guarantee must be adequate for the Citizen Review Board to operate during the life of the mine and for at least ten years after mine closure.

The Citizen Review Board would be provided, via written agreement signed by Placer Dome, the initiating NGO, and the Citizen Review Board, with the following rights:

1. The right to call a meeting with the mine manager (three meetings scheduled annually and, if needed, an emergency meeting).
2. The right to all non-proprietary information (use narrow definition of non-proprietary information).
3. The right to conduct a biannual independent environmental audit.
4. The right to select the audit team.
5. The right to an independent review of reclamation plans.

Transparency from Placer Dome is expected and all documents of a non-proprietary business nature should be voluntarily offered to the Citizen Review Board.

To this end, Placer Dome should express a public commitment to Citizen Review Boards, meet with a cross-section of international NGOs to establish a protocol and funding mechanisms, and commit to having Citizen Review Boards in place at all mines by the end of 2001.

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## **12. PUBLICLY SUPPORT IMPORTANT ENVIRONMENTAL REFORMS AND TREATIES**

### **□ ANNOUNCE PUBLIC SUPPORT FOR SUSTAINABLE ENVIRONMENTAL POLICIES**

Endorsing policies and reform initiatives such as reform of the 1872 Mining Law, the Kyoto Treaty, ending taxpayer/public subsidies for mineral extraction, and public release of information about mine waste (i.e. Toxic Release Inventory) is an important aspect of demonstrating a true commitment to sustainability. Publicly supporting such initiatives would indicate Placer Dome's desire for overarching environmental and social accountability in the mining industry.

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## **13. WITHDRAW FROM INDUSTRY TRADE ASSOCIATIONS THAT DO NOT ADVOCATE SUSTAINABLE POLICIES**

- **WITHDRAW FROM THE NATIONAL MINING ASSOCIATION AND ANY OTHER TRADE ASSOCIATION THAT PURSUES ANTI-ENVIRONMENTAL POLICIES**

Placer Dome and other mining companies cannot credibly pursue sustainability policies and practices while supporting industry trade associations engaged in advocacy against such policies. Placer Dome should withdraw membership and financial support from all trade associations and political groups that support non-sustainable resource extraction and environmental policies such as the National Mining Association, the Northwest Mining Association, and People for the USA (formerly People for the West). It should be noted that People for the USA, was originally formed with funding from large mining companies.

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## **14. CUT ALL SPENDING FOR PUBLIC RELATIONS AND ADVERTISING, AND REDIRECT THE MONEY FOR ABANDONED MINE RECLAMATION**

Currently the industry, through its trade associations, directly and indirectly spends substantial sums of money on public relations and advertising. In fact, there has been a recent flurry of industry advertising. Despite these efforts, the industry remains plagued by a poor public image. Individual companies and the industry as a whole should stop spending money on advertising and public relations. Instead, they should dedicate all of those funds to abandoned mine cleanup in order to address this troublesome environmental legacy. This would create a direct environmental benefit, and is one of the best ways for the industry to effectively improve its image. If Placer Dome takes this step MPC will work with Placer Dome to generate free positive publicity.

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## CONCLUSION

MPC acknowledges that Placer Dome's mines and interests are diverse. While some of Placer Dome's sustainability actions may vary from site to site, many actions must be company-wide. This report recommends a number of concrete actions that can be applied to all Placer Dome mining operations. There are also a number of mine-specific recommendations.

The list of recommendations contained in this report is not conclusive. It includes only some of the most obvious and pressing issues Placer Dome should address to demonstrate its commitment to sustainable practices. This list will be updated on a regular basis, reflecting where problems and issues have been addressed, where others have not, and where new concerns arise.

MPC recommends that Placer Dome develop an action plan for making progress on these and other important issues. MPC looks forward to an ongoing dialogue and applauds Placer Dome's sustainability policy and its stated commitment to sustainable operations.

# APPENDIX A: PARTIAL LIST OF CONTRIBUTORS

(in alphabetical order)

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## ACKNOWLEDGEMENTS

Mineral Policy Center would like to thank all the contributors whose ideas, comments and suggestions have been incorporated into this report. In addition, MPC appreciated the opportunity to comment directly to Placer Dome on their *1998 Sustainability Report* at a World Resources Institute hosted meeting in June 1999 as well as at prior meetings with Placer Dome. Several ideas resulting from those meetings have been included in this report.

## SUSTAINABILITY AND PLACER DOME

**Copies of Placer Dome's sustainability policy and *1998 Sustainability Report – It's About Our Future* can be obtained through Placer Dome.**

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## MINERAL POLICY CENTER

Mineral Policy Center (MPC) is a non-profit environmental organization dedicated to protecting communities and the environment from the impacts of irresponsible mining. The Center programs and activities include mining-related research; public outreach; regulatory and legislative reform of mining laws; initiatives to improve company practice; and technical assistance and community organizing. MPC is supported by membership and foundation grants. Join MPC and help protect the land, water, wildlife, and natural resources for future generations. Donations are tax deductible. Mineral Policy Center, 1612 K Street, NW, Suite 808, Washington, D.C., 20006 Tel: 202.887.1872 Fax: 202.887.1875 E-mail: [mpc@mineralpolicy.org](mailto:mpc@mineralpolicy.org) Web address: [www.mineralpolicy.org](http://www.mineralpolicy.org) MPC also has two regional offices in Durango, Colorado and Bozeman, Montana.

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## 14 STEPS TO SUSTAINABILITY

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### MINING REPORT CARD: PLACER DOME INC.

Is sustainability possible in the mining sector? After all, this is an industry whose core business is the depletion of raw natural resources. This is also an industry that consumes vast amounts of energy, produces massive quantities of waste, and for gold mining companies like Placer Dome, produces a product that is primarily used for jewelry and ornamental purposes. While there are both theoretical and practical challenges to achieving sustainability in a sector that extracts non-renewable resources and produces vast quantities of waste, Placer Dome's sustainability initiative is, nonetheless, an important endeavor.

Mining is now seen as one of the greatest threats to the world's frontier forests and can lead to forms of pollution that persist long into the future. In a 1987 study, the EPA rated problems related to mining waste as second only to global warming and stratospheric ozone depletion in terms of ecological risk. The report concludes "with high certainty" that the release to the environment of mining waste "can result in profound, generally irreversible destruction of ecosystems."

Mineral Policy Center (MPC) offers the following in response to Placer Dome's request to review its sustainability policy and first sustainability report, *1998 Sustainability Report - It's About Our Future*. This MPC report card contains recommendations and comments from NGOs, community groups, and individuals worldwide familiar with Placer Dome mine sites and policies.

With its new sustainability policy and subsequent sustainability report, Placer Dome is hoping to position itself as a world leader on the issues of environmental and social responsibility in the mining industry. MPC wants to encourage Placer Dome and other mining companies around the world to adopt better environmental and social policies, implement these new policies, and by working with stakeholders living near Placer Dome's mining operations, be held accountable for their actions.