

# APPENDIX A: MILLENNIUM DEVELOPMENT GOALS

In September 2000, world leaders and development practitioners decided on the eight MDGs. These goals were derived from more than a decade of development conferences, coordinated by the United Nations, and were designed to harness the power of globalisation to improve the livelihoods of the world's poorest citizens. It was intended that the MDGs would be achieved by 2015 although as at 2014 this has not occurred and the program has been extended beyond 2015. The eight over-arching MDGs, and the sub-level goals, are as follows:

## 1. Eradicate extreme poverty and hunger

- (a) Halve, between 1990 and 2015, the proportion of people whose income is less than \$1.25 a day;
- (b) Achieve full and productive employment and decent work for all, including women and young people;
- (c) Halve, between 1990 and 2015, the proportion of people who suffer from hunger;

## 2. Achieve universal primary education

- (a) Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling;

3. Promote gender equality and empower women

- (a) Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015;

4. Reduce child mortality

- (a) Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate;

5. Improve maternal health

- (a) Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio;
- (b) Achieve, by 2015, universal access to reproductive health;

6. Combat HIV/AIDS, malaria and other diseases

- (a) Have halted by 2015 and begun to reverse the spread of HIV/AIDS;
- (b) Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it;
- (c) Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases;

7. Ensure environmental stability

- (a) Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources;
- (b) Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss;
- (c) Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation;
- (d) Achieve, by 2020, a significant improvement in the lives of at least 100 million slum dwellers;

## 8. Develop a global partnership for development

- (a) Develop further an open, rule-based, predictable, non-discriminatory trading and financial system;
- (b) Address the special needs of least developed countries;
- (c) Address the special needs of landlocked developing countries and small island developing states;
- (d) Deal comprehensively with the debt problems of developing countries;
- (e) Provide access to affordable essential drugs in developing countries in cooperation with pharmaceutical companies and
- (f) Make available benefits of new technologies, especially information and communications, in cooperation with the private sector.

## APPENDIX B: CODING RULES

The annual sustainability reporting of AngloGold, Gold Fields, Sibanye, Harmony and ABG were coded using NVivo version 10.0.2. For all companies except AngloGold and Acacia the firms' Integrated Annual Report was examined. In the case of AngloGold and Acacia, the separate Sustainability Reports published by the company were used. The minimum unit of coding was one sentence, while the maximum was one paragraph. Double-coding was allowed where applicable; for example, if a statement referred to the need to ensure mine communities are satisfied in order to protect shareholder interests, this would be coded for 'obligation to mining community' as well as 'profitability'. Statements were coded where they reflected the firm's rationales for action rather than statements that merely outlined what private governance initiatives the company had joined.

This coding builds on that undertaken during 2013–2014 and based on 2012 company reporting. It utilises the same sub-categories of codes (strategic and normative); however, the coding scheme was altered as a result of the process of reading and re-reading firms' reports. In the newest version of this coding (that included in this book), the code 'moral imperative' was replaced by 'commitment to enhanced transparency', which reflected the shift in firms' focus over the two intervening years.

As per the earlier coding, no *a priori* assumptions were made, and the codes emerged through the process of examining the reporting. The author undertook the coding with several cross-checks made throughout the process.

Coding was applied to statements that reflected the following motivations for pursuing socially responsible business practices or participating in a private governance regime. Private governance regimes included self-regulation, cross-industry bodies and multi-stakeholder initiatives.

The following section outlines the types of statements coded for each factor:

## STRATEGIC CODES

### 1. Minimise Risk

- (a) References to actions that would lower the firm's risk or reduce external scrutiny.

### 2. Profitability

- (a) References to actions that would lead to greater profits and increased market share or that inaction would reduce potential profits or attract financial penalties.

### 3. Response to Tougher Regulatory Environment

- (a) References to action that would preclude firms from needing to comply with regulation or that excess scrutiny and attention was placing pressure on the firm, to which they responded with greater self-regulation.

### 4. Obtaining/Maintaining a Social Licence to Operate

- (a) References to action that would help the firm obtain permission from mining communities and the broader public to operate or that inaction would have this licence revoked.

## NORMATIVE CODES

### 1. Obligation to Mining Community

- (a) References to the need to develop, protect or satisfy community living around the mine or areas where mine workers had moved from (referred to as labour-sending areas).

## 2. Commitment to Enhanced Transparency

- (a) References to the firms undertaking to enhance transparency in the industry through initiatives such as the EITI. These references either referred to transparency as a moral goal or as part of an effort to reduce wasteful spending and graft in the industry.

## 3. Commitment to Best Practice

- (a) References to actions that were taken in line with best practice or fulfilled the firm's role as a responsible firm.

## 4. Meeting Stakeholder Expectations

- (a) References to actions taken to meet the demands or expectations of stakeholders other than mining communities, included host governments and citizens of the country in which mines are located.

## APPENDIX C: INTERVIEW QUESTIONS

All interviews were conducted between June and December 2013 and were recorded and transcribed by the author. As noted in Chap. 4, the interviews were granted on the condition of anonymity for three of the five respondents. Furthermore, the University of Sydney Human Ethics Committee approval process in this case included a condition that transcripts were to be kept confidential.

Two versions of the interview questions were prepared although both follow a similar line of questioning. The first set of interview questions was used when interviewing company executives, the second when interviewing those from outside corporations. These questions were as follows:

### VERSION 1

1. The role of private actors in regulating the mining industry is not new; however, it is increasingly the focus of scholarly attention. What specific actions does your firm take to ensure that its actions in countries with weak governance are acceptable to the Board and shareholders?
2. Do these actions vary across the different countries in which you operate?
3. Have you seen any of these actions replicated by other firms in your industry?
4. Have you seen governments of the countries in which you operate adopt any of these rules or regulations?

5. Do you think the actions of your firm improve development measures, economic growth or equality in the countries you operate in? Can you provide any specific examples?
6. Are you a member of the International Council on Mining or Minerals or any other regional or country level mining associations? If so, what motivated your firm to join these?
7. Is your company a supporter of any private governance regimes such as the EITI? If yes, how does this membership affect your business's operations?
8. Do you operate in any EITI member countries? Do you think that compliance with the disclosure and transparency requirements helps the state achieve economic growth or improved development measures?
9. Lastly, are there any other actions your firm takes that are above and beyond the requirements of the host government, which you feel assist the state in improving economic and/or development outcomes?

Question 1 is an open-ended question, inviting the respondents to provide information regarding the actions their firm takes in regards to governing their industry. It is designed to encourage interviewees to provide specific examples of the governance arraignments they participate in whilst also allowing them to compare these to the existing government-led regulations.

Question 2 seeks to establish if firms are participating in a 'race to the bottom', although in asking this question it was expected that respondents would point out their firm's self-regulatory efforts. It was then expected that interviewees would expand on their firm's rationale for self-regulation or the implementation of company-wide operating standards.

Questions 3 and 4 seek to explore inter-firm and multi-stakeholder cooperation. Respondents were given an opportunity to discuss where they had worked with other firms or where competitors had emulated their efforts. Question 3 encourages respondents to highlight instances where firms had worked together in order to prioritise and/or respond to issues facing the industry. Question 4 is also included in order to test if host governments had adopted any firm-driven governance initiatives.

Question 5 is an open-ended question that allows respondents to detail any tangible effects they perceive from their firm's private governance initiatives. It also elucidates their opinions on the effectiveness of these initiatives and whether they see them as a genuine alternative to state-led regulation.

Questions 6 and 7 seek to establish the company's membership of industry-level bodies as well as multi-stakeholder initiative. Although this information is publicly available, these questions were asked in order to highlight which regimes the respondents felt deserving of mention.

Question 8 focuses on the EITI as compliance with this initiative is driven at the country level, rather than the firm level. A firm's commitment to the EITI counts for very little unless the country they are operating in is also a member (unless the firm chooses to implement in the case of AGA). Similarly, a firm's non-commitment to the EITI does not preclude them from abiding by this regulation in EITI-compliant countries.

Question 9 is an open-ended question that allows respondents to highlight any actions their firms take that were not mentioned previously. It also asks only for actions that exceed state regulation, thereby seeking to understand the respondents' rationale for their firm's actions in regard to private governance.

## VERSION 2

1. How was your organisation founded? Who participated in its formation: business, governments, NGOs, regional and/or international organisations?
2. What do you see as your organisation's role in ensuring that mining revenues benefit the citizens of mineral-rich countries?
3. What input did firms have into the structure of your organisation and its goals? What role do they play currently in determining your goals and scope or operations?
4. How do firms' interactions with your organisation enable or restrict you from achieving your goals and aims?
5. What specific actions do you see firms taking in relation to setting rules for their industry?
6. Do these actions vary across the different countries in which they operate?
7. Have you seen any of these rules become industry standards or be adopted by governments as regulations or formal standards?
8. To what extent do you believe that these rules have made a difference? Are they more effective than government regulation?
9. Lastly, do you see any tangible benefits from these firm-led rules in terms of development specifically, as opposed to governance more generally?

Question 1 is an open-ended question that allows the respondents to provide historical information on their organisation but also seeks to establish at which level the private governance initiative should be categorised (i.e. as cross-industry or multi-stakeholder). Although the current memberships of the organisations are publicly available, this may be different from their original form. This question seeks to clarify the historical make-up of the organisation.

Question 2 seeks to elucidate the respondents' view on their organisation's remit. This is of interest as the official goals and aims can be found on the organisation's public documents; however, this question seeks to establish the interviewee's view of their organisation's contribution to development.

Questions 3 and 4 seek to understand the role of firms in the structure, rules and goals of the organisation. These questions go to the centre of this research in that they ask what role firms play in the development and ongoing form of private governance initiatives.

Question 5 is an open-ended question that allows respondents to refer to efforts beyond their own private governance initiative. Here, both respondents referred to self-regulation at the firm level, suggesting this is something that business actively promotes. Question 6 replicates question 2 in the firm-specific questionnaire and is included in order to test if the representatives from private governance initiatives perceived a race to the bottom.

Question 7 seeks to understand if any rules developed by business, either at the firm level or within private governance initiatives, have been replicated by governments. This question, along with question 8, seeks to elucidate the views of these respondents on private regulation versus government regulation.

Question 9 provides the interviewee with an opportunity to outline any specific development improvements they have seen due to the implementation of firm-led governance. This question is more forward looking than the remainder of the question and allows the respondent to highlight initiatives that perceive as having the potential for improving development outcomes into the future.

All questions seek to uncover the interviewees' views on the reasons firms engage in private governance initiatives. Questions specifically address the motivations of firms and whether their actions are driven by either existing weak governance and/or tangible development improvements seen in countries where private governance has been enacted.

The semi-structured nature of the interviews allows respondents to provide their own commentary on what motivates their firms as well as on the effectiveness of these initiatives. The responses both reaffirmed and expanded on the information that was publicly available and provided further insights into the motivations of firms to self-regulate, in particular their drive to supplant government regulation with rules and regulations designed by business.

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