



**Statement on behalf of Anglo American plc at the stakeholder meeting on the
Extractive Industries Transparency Initiative - 17 June 2003**

Secretary of State, Your Excellency, Ladies and Gentlemen, I would like to start by thanking the British Government for taking this Initiative and for convening this meeting.

In recent years Anglo American and other leading companies in the mining industry have made significant progress in addressing the sustainable development agenda. Environmental performance has improved; mine closure planning now forms an important element in initial mine design. In the social sphere, we are: working hard to improve our consultation and engagement with communities; to support local business development; to contribute to sustainable livelihoods; to enhance local skills and to improve the management of our impacts.

Through the Global Mining Initiative and the Mining Metals and Sustainable Development independent stakeholder engagement and research project, the mining industry has sought to define the changes which we must make if we are to make our activities sustainable. We have an ambitious agenda to pursue. But at the heart of this is the concept that whereas we extract non-renewable resources - albeit most metals are highly recyclable - we should balance this depletion with a sustainable enhancement of the economic, social and human capital of the areas in which we work.

We see in many of the countries where we work - like South Africa and Chile for example, effective macro-economic management of the resources which we and other companies in the extractive sector help to generate. But it is also undeniable that there are some countries where the exploitation of natural resources has generated large revenues which have not reached the public purse or been deployed for the common good.

Mining is a capital intensive and long-term business. At Anglo American we attach importance to the stability and prosperity of the communities associated with our operations. We want them to benefit from our presence directly and, as appropriate, through government programmes funded, in part, through the revenues which we help to generate. Thus, we have a business interest in good governance, transparency and accountability and realise that we must play our part in helping to promote such an agenda.

As a multinational company, we understand too that we are not in the forefront of public trust and admiration. Many people are suspicious of what we do and how we do it. We wrestle to quell on instinctive distrust of the profit motive. Governance and accountability no longer relates solely to our investors - important though they are - but also to other stakeholders. So through publishing our business principles; public reporting and stakeholder engagement we seek to be at peace with the society of which we are a part. Increased transparency is an important element in showing that we are worthy of trust.

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We think that it is important that this commitment to transparency is observed by countries in the North as well as in the South and by both the private sector and State-owned companies. To be effective it must be seen as an inclusive process. This might best be emphasised by the adoption of a UN General Assembly Resolution to underpin the Principles. We would expect to see civil society playing a constructive role in the process. We hope too to see the standard reporting template adopted widely so as to reduce the potential administrative burden and to make the process more comprehensible to observers.

Anglo American expressed its support for this Initiative at the time of its launch at the World Summit in Johannesburg. We support the Principles which it embodies. We are happy to commit ourselves to make details of our tax and other payments to governments available to the relevant aggregating body in each country where the host government decides to make the same commitment. We hope that many of them will choose to do so. We believe that a wide commitment to the EITI approach will be good for the reputation of the extractive industries, for the accountability of how revenues are used, for sustainable development and for the investment climate in those countries which adopt it.

Edward Bickham