Steve Cornish

From: Noth Robert W [NothRobertW@JohnDeere.com]
Sent: Thursday, June 30, 2005 11:43 AM
To: Mary C McKiel; Steve Cornish
Subject: FW: CSR in Peru

An interesting article I received this AM that I thought should be shared among our US TAG participants. It speaks to SR for NGOs and is authored by Dr. Patrick Moore, the co-founder of Greenpeace.

-----Original Message-----
From: owner-icsca@mlist.siemens.de [mailto:owner-icsca@mlist.siemens.de] On Behalf Of john.d.symonds@exxonmobil.com
Sent: Thursday, June 30, 2005 2:48 AM
To: icsca@mlist.siemens.de
Subject: CSR in Peru

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icsca mailing list message from john.d.symonds@exxonmobil.com
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There is an interesting perspective on corporate social responsibility in Peru being circulated. This may specifically be of use to ICSCA members with SR responsibilites but it also carries a wider interest. I have modified the letter I received describing the background to this commentary below, together with instructions on how it can be used. The commentary itself follows after my signature block.

"Attached is a commentary by Greenpeace co-founder Patrick Moore, who is now a vocal critic of the environmental movement he helped launch. It is being circulated by means of distribution publication.

"Patrick's column addresses several important themes: environmental progress, economic growth in developing countries, competing visions of "corporate social responsibility," and increasingly vicious and misguided attacks on companies and free enterprise. It underscores how modern environmentalism has become anti-development, anti-technology, and so focused on narrow ecological perspectives that it ignores the legitimate aspirations of the world's poor. Even when a company goes the extra mile to improve the lives of employees, families and communities where it operates, these critics still launch unprecedented attacks.

"Permission is granted to translate it, edit it for length or tone or to give it a local perspective, post it to your website, email it to colleagues, or submit it for posting or publication by newspapers, newsletters and other organizations that might have an interest in this important issue - if you provide proper credit for the article.

"(Please note: This article is formatted in Word with "auto" spacing before and after each paragraph. If you want to change this, simply highlight the entire article, go to Format, Paragraph and Spacing, to change the space between paragraphs to zero, 6 points or whatever you want.) "

Best regards, John

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Corporate social responsibility in Peru

Locals protest for corporation - and against activists

Dr. Patrick Moore

The day I visited the Peruvian mountain villageof La Oroya, I watched Mayor Clemente Quincho lead a noisy demonstration involving thousands of marchers. Their loud slogans and emotional chants would remind anyone of the protests that have long characterized environmental and civil rights activism. In many ways, that's exactly what this was.

But this wasn't your ordinary demonstration. These vocal townsfolk were demonstrating in favor of the continued operation of an 80-year-old copper and lead smelter - both because it's the lifeblood of the town and because they support the company, Doe Run Peru, in its efforts to improve social and environmental conditions in the region.

Unfortunately for the people of La Oroya, this doesn't sit well with international advocacy groups like Oxfam, Christian Aid and Friends of the Earth - who have made Doe Run one of the latest targets in their ongoing anti-corporation, anti-development campaigns. These campaigns ignore the wishes of people in developing-world communities that the international groups profess to defend.

As I've seen in so many other parts of the world and in so many other industries -- Indonesia's pulp and paper industry being just one good example -- it's often not really about making the world a better place; it's about money and power for these groups.

Let's look at how this is playing out in Peru. La Oroya sits in a steep mountain valley, 12,400 feet up in the Andes northeast of Lima, where there are few resources other than minerals on which to base an economy. Its huge smelter has operated for eight decades. As is typical of metallurgical operations, emissions from the plant have historically created health and environmental challenges for the community. Indeed, things got so bad in the years before Doe Run Peru came to town in 1997 that one observer interviewed by Newsweek described conditions there as "a vision from hell."

Since Doe Run's arrival, however, things have been steadily improving. Lead levels in the blood of workers are down more than 30 percent, air lead emissions are down more than 35 percent, and discharges into local rivers have decreased significantly. In addition, industrial safety has improved dramatically at the smelter, which has gone more than a full year without a single lost-time accident.

While the NGOs have been squawking, Doe Run has put its nose to the grindstone, working with the townspeople to improve conditions there. Since purchasing the operation from Peru's government, Doe Run has spent $140 million. It's in the process of spending more than $150 million more on improvements to help reduce plant emissions and provide more and better services to the community.

Responsible environmentalism abounds here. Initially focusing on reducing emissions like cadmium and sulfur, as required by its purchase agreement with the government, Doe Run Peru soon found through its on-site assessments that other areas of concern, such as air lead emissions, presented a more significant health risk to the locals.

This kind of science-based reassessment of priorities, with its inherent costs to the company, is representative of the responsible role Doe Run Peru has taken as part of the La Oroya community. Last year, with strong support from local people and labor unions, the government of Peruagreed and allowed Doe Run Peru to apply to amend its environmental operating agreement to reflect these new priorities.

While the company's progress on lead-level reductions in La Oroya has been considerable, reducing sulfur emissions will require more work. Previous smelter operators never addressed this issue at all, and there simply hasn't been enough time to complete the massive sulfur extraction plant that will bring stack emissions down to acceptable levels. But the company has pledged to continue working toward this goal.

Investment in pollution controls isn't the only reason the La Oroya townsfolk support Doe Run Peru, however. The company also provides funds for healthcare, education and hot lunch programs for local children.

It has carried out the first-ever community-wide blood-level surveys, using Centers for Disease Control protocols, and has installed water-collection systems to treat sewage and stormwater. It's also supported vocational training for some 8,000 women, resulting in dozens of new businesses, planted thousands of cypress trees along village streets, and is helping local dairy farmers to increase productivity.

But the NGOs continually cry foul, which leads me to wonder: If La Oroya is really the disaster that the NGOs say it is, why did they show no interest in it until only a few years ago - well after Doe Run Peru came to town - and not during the previous 75 years of operation?

I spoke directly to Mayor Quincho, and to local doctors, foresters, farmers and social workers. All felt the company was doing its best to improve social, economic and environmental conditions in the region. All of this stands in stark contrast to Christian Aid, Oxfam and the others - who have done nothing that even remotely approaches the kind of tangible progress that is making a real difference in the lives of La Oroya's people.

I've been fortunate to have traveled throughout the world, and to have seen the sustainable development debate from many sides. Doe Run Peru is a good, responsible citizen of the La Oroya community. The international community at large - and especially the NGOs involved in Peru- should heed the chants of the thousands of demonstrators who see Doe Run Peru as an important part of their sustainable future.

Let Doe Run Peru and the people of La Oroya continue to work together for a brighter future - without self-interested NGO interference.

Co-founder of Greenpeace, Dr. Patrick Moore is Chair and Chief Scientist of Greenspirit Strategies Ltd. in Vancouver, Canada: www.greenspiritstrategies.com. Dr. Moore was invited by The Doe Run Company to visit their facilities and assess the progress of their sustainable development efforts.

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