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Ladies and Gentlemen : Many years ago, when I was still young, I enrolled for one of those speedreading courses. The final lesson came after about 3 months, and in class we had to read War and Peace – all four volumes – in 10 minutes. To this day I remember the applause when I won the class prize for the most comprehensive summary of the book. My summary read : *This book is about Russia*. I sense myself in a similar situation today, as I try to respond in a few minutes to the complex and wide-ranging debate upon which you have all been engaged over the past 2 days. Inevitably what I say will be a personal view, not yet fully developed, and certainly not a comprehensive reflection on the challenges issued and taken up in the meeting halls all around us.

For me, a strong positive of the MMSD initiative was the recognition of the benefits that society derives from our industry. Chapter 4 of the MMSD report refers to this at some length, with phrases such as these :

*“People benefit from using minerals, and products made from them, in an almost infinite number of ways”,*

*“Society today is highly dependent on mineral related materials”* and

*“Minerals use and production is also essential in terms of livelihoods provided”.*

I admit I had a bad moment or two during the Conference. In one session, entitled *“Contribution to Development”* it was argued – I think seriously – that *“Mining takes place in poor countries”* and therefore *“Mining produces poverty”*. Ignoring the challenges of statistics and logic involved here, I took comfort in the rejoinder of my colleague André

van der Bergh, who told us the story of the Mozal smelter, and how it had improved the lives, health and prospects of hundreds of thousands of the world's poorest people. I will not repeat that story now unless you ask me to, but if ever there was a project that comes close to meeting all of the ideals of Sustainable Development, then surely it was Mozal.

Of course, not all projects have outcomes as straightforward and as happy as Mozal's. Indeed, an understanding of the real challenges of Sustainable Development is perhaps better achieved when one has stared into the eyes of a major environmental crisis. For BHP Billiton, that crisis was Ok Tedi. Those of you who know the story – indeed a few present here in Toronto participated in forming the outcome – will know of the complex trade-offs that had to be made. The final result has not, I think, fully satisfied everybody, but most will concede that it represents the best trade-off that could be made in very complex circumstances, by parties acting in good faith, and with the best of intentions.

For me at least, the Ok Tedi outcome illustrates one of the key messages that I hope we will all take away from this Conference. That is the recognition that Sustainable Development Involves 3 dimensions – economic, social and environmental. Trade-offs have to be made along all 3 dimensions if the best outcome is to be reached. Much as one party might want to base a decision on say, the economic dimension only, another perhaps on the environmental dimension, ultimately a balance among all 3 must be achieved if we are to bring most benefit to all the peoples affected.

Out of that Ok Tedi process has emerged a wiser BHP Billiton, a company that is strongly committed to the philosophy of Sustainable Development. In some areas, Ok Tedi has taken us ahead of the debate, for example, in our position that we will not participate in a new project that puts tailings into rivers. Certainly, I can today record BHP Billiton's strong support for much of what is called for in the MMSD report.

Perhaps I might highlight 4 areas :

Firstly, we have heard at this Conference the call for some form of global Protocol, to promote a consistently high standard of environmental and social performance. BHP Billiton has had considerable experience in preparing integrated management standards

and codes of practice. We have for example played a leadership role in the development of the Australian Minerals Industry Code for Environmental Management. Indeed, we think the BHP Billiton Charter and HSEC Policy would go a long way to meeting all the requirements of the MMSD report, and of this Conference, and of course we would be absolutely willing to engage in further discussion if enhancement is needed.

Secondly, we agree that end-of-life plans should exist for all operations. We already require that all our assets have closure plans in place as part of the HSEC Management System. Again, we think the BHP Billiton HSEC Management System represents industry best practice, and that it would require only limited, if any, modification to accommodate the MMSD recommendations.

Thirdly, we support the concept of Sustainable Development Plans and we require all our assets to develop community relations management plans. I think the intent of the MMSD recommendation is that the companies should participate in, but not lead this process. Here we would be happy to work positively with the other players where the “*capacity*” of the community and / or government is an issue.

Finally, once a Protocol is in place, we would be comfortable with any reasonable form of independent verification of our compliance. Already we seek the advice of external parties on such issues, for example via our Forum for Corporate Responsibility, upon which various NGO's and independent observers are represented. Also, we are sponsoring a research project by the WWF, looking at the issue of mine site certification. We are hopeful this work will contribute towards the development of a model that could be applicable more widely in the global minerals industry.

I think those 4 points cover at least some of the important areas where I feel most of us will be warmly in agreement. Perhaps it will also be helpful if I signal at least one area where I believe particular challenges will face us.

I choose for this purpose the question of responsibility for the so-called “*legacy-issues*”. A possibility aired in the MMSD report is the creation of a Trust, funded – at least partly – by industry, to restore abandoned and/or orphaned sites. I have to caution you, Ladies and Gentlemen, that this is another complex area.

At one of the sessions yesterday, Ms Monika Weber Fahr of the World Bank Group expressed the view, to general approval, that *“the Polluter must pay”*. I too approve of that view, but I must balk when this concept is extended to have me accept liability for the pollution of others. The concept of *“collective industry responsibility”* for the errors and omissions of independent and separate legal entities, particularly in the distant past, is fraught with issues of law and corporate responsibility. To illustrate Chairman, let us extend Ms Weber Fahr’s statement as follows : *“Those who benefited from the pollution must pay”*. Should we then require those who in the past purchased the metals and minerals at prices below their true cost – i.e. principally the developed nations – to compensate those who today must bear the full cost – principally the developing nations? Should the producer seek a refund from the host government, for taxes and royalties overpaid before the *“true cost”* was recognised in determining its past profits? Then there is the very important aspect of our different responsibilities. We have important responsibilities to our employees, and by law, the principal duty of a Corporation is to its shareholders. These would react badly indeed to a company making substantial payments where there was no moral, let alone legal, onus to do so. Perhaps, Mr Chairman, we may all benefit, at a future meeting of this kind, if we devote a session to the legal complications of this topic.

Ladies and Gentlemen, it has been a privilege – and indeed an education – to attend this Conference. The dialogue that we have started here will bring better, more widely-informed supported outcomes. Thus will we deliver on the theme of this Conference, *“Resourcing The Future”*.

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