



## *Sustainable Solutions in Governing the Extractives Industries*

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Commentary from a Business Perspective

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# 'License to operate'

1. The essential role of natural resources products in society and economy (value chain consideration)
2. Responsible extraction / mining (adhering to international social and environmental standards, legal compliance, minimizing the impacts and the footprint of the operation, managing safety / risk, etc.)
3. **The extractive's sector contribution to national economies, local communities and sustainable development more broadly (beyond taxes, royalties and job creation)**

# Comments

- A. The extractive sector is diverse and heterogeneous (formal/informal; different commodities, steps in the value chain, and regions), with different issues
- B. Demand for natural resources continues to grow. Large, developed countries will continue to play a significant role, but exploration and production is shifting more into developing countries
- C. The natural resources sector essentially is a positive contributor to national economies and sustainable development, but for several reasons cannot (or does not) always realize its full potential
- D. Challenges in developing markets: The trust deficit or why things are not always working. Requirements for a sustainable development (generally, extractive sector, governments, civil/society, communities and other stakeholders)
- E. Conclusion: The (business) case for responsible extraction
- F. Regulation and self regulation trends, and the debate in Switzerland

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