

Many Canadian extractive sector companies, particularly those in the mining industry, understand that incorporating CSR practices into their operations contributes to their success. By doing so, companies can manage risks more efficiently and effectively; foster good relations with investment partners, employees, and surrounding communities; increase access to capital; and improve their reputation. Managing social risks, including through conscious efforts to respect human rights, is increasingly important to companies' success abroad. As more becomes known about the costs of poor stakeholder relations, both in terms of share price and the bottom line, the more investors will want to see evidence of effective CSR.

Canada's Comprehensive Approach to CSR

Canada has a multifaceted approach to help Canadian extractive companies mitigate social and environmental risks and improve their CSR performance, as well as their contribution to host country benefits. The wide range of the Government's efforts aimed at helping Canadian extractive sector companies improve their awareness and integration of CSR guidance into their practices can be grouped into the following sets of activities:

- 1) Promoting and advancing CSR guidance;
- 2) Fostering networks and partnerships; and
- 3) Facilitating dialogue towards dispute resolution.

In addition, Canada undertakes or participates in a broad range of activities whose direct purpose is not to improve private sector CSR practices but which nonetheless affect how well a company's CSR efforts achieve desired positive outcomes, both internally and for the surrounding area. Such activities include negotiating CSR-related language in Free Trade Agreements, helping build the capacity of local government officials in responsible resource management, and reducing corruption globally. This fourth set of activities can be grouped under the heading of:

- 4) Strengthening the Environment Affecting Responsible Business Practices

Taken together, these activities represent a comprehensive approach to advancing CSR, to help companies succeed in a manner that creates value for them and for those affected by their activities. Canada seeks a well-regarded and globally competitive extractive sector, and also works to broaden the local development benefits that extractive sector investment can bring to a community and country.

Implementation of the updated Strategy will be led by DFATD, working closely with other government departments including NRCan and Industry Canada, and the Canadian National Contact Point (NCP) for the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. Results will be achieved through continued work with the Office of the CSR Counsellor, the Centre for Excellence in CSR, and Canada's network of missions around the world.

The Office of the Extractive Sector CSR Counsellor

The [Office of the CSR Counsellor](#) was established under the CSR Strategy in 2009. The mandate of the Office will continue to relate exclusively to the activities of Canadian extractive sector companies operating abroad. This mandate is dual in nature. First, it offers advice and guidance for all stakeholders on implementing CSR performance guidelines. This role will be strengthened, particularly to provide guidance on developing meaningful, effective dialogue between companies and communities, and will be brought to bear in situations where such guidance can be used for early detection and resolution

Sharing Effective Practices

Canadian companies have significant experience related to what works, and what doesn't, in implementing CSR in the extractive sector. The Government will help share this experience with other extractive sector companies – and those in other sectors – to improve CSR performance across the board.