

Sustaining our Great Lakes



The business case



ArcelorMittal, owning operations within the Great Lakes basin, manages its business risk and supports critical public resources through a unique partnership dedicated to the protection and restoration of the Great Lakes ecosystem.

The issue

A high dependency on water

ArcelorMittal has nine facilities throughout the USA and Canada that surround the Great Lakes. After iron and coal, water is the most important component in the steelmaking process. An average of 13,000 to 23,000 gallons of water may be required per ton of steel. ArcelorMittal depends on the Great Lakes to ship raw materials for its manufacturing operations and product distribution. Additionally, 37 million people, including more than 25,000 ArcelorMittal employees, live and rely on the lakes for drinking water, recreation and food sources.

Recognizing that the planet's largest freshwater resource is in jeopardy, ArcelorMittal, as the sole corporate partner, joined the National Fish and Wildlife Foundation, U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service, U.S. Forest Service and the National Oceanic and Atmospheric Administration in 2007, to focus on collaborative ecosystem restoration.

The response

"Sustain Our Great Lakes", a public-private multi-stakeholder partnership

ArcelorMittal and partners work together to leverage resources and educate decision makers on the importance of the Great Lakes to the region's economic vitality and quality of life, the needs and priorities of the ecosystem, and to identify efforts that can have the largest impact towards restoration goals. The ultimate

goal of the Sustain Our Great Lakes program is to restore the ecological integrity of the Basin. This is achieved through financial grants that:

- Increase capacity and collaboration of environmental initiatives; and
- Enable NGOs to provide on-the-ground impact toward restoration goals, thereby increasing the overall health of the Great Lakes.

The results

Different projects for the same objective: biodiversity conservation

This bi-national effort represents a public-private partnership model where grants are leveraged two to one. Since the program's inception in 2006, the partnership has facilitated 103 grants equaling approximately \$29 million USD in conservation investment (\$12.1 million cash funded by the partnership, \$16.9 million provided in matching funds) across the Great Lakes. The program supports the implementation of the Great Lakes Restoration Initiative and is designed to protect, maintain and restore the chemical, biological and physical integrity of the basin's ecosystem. In the long term, ArcelorMittal's involvement in these conservation projects demonstrate the company's responsibility, and consequently strengthen its license to operate in the Great Lakes region.

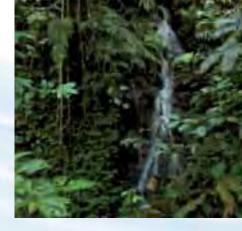
For additional information on this case please refer to the site www.sustainourgreatlakes.org



FURTHER INFORMATION
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Conserving indigenous forests in Liberia





The business case

As part of its risks management strategy in Liberia, ArcelorMittal has set-up a multi-stakeholder partnership to investigate how it could mitigate its future liabilities, i.e. its potential impacts on local biodiversity and people's livelihood.

The issue

Mining in Liberia – an environmental and social challenge

ArcelorMittal, the world's leading steel company, is planning to start iron ore mining operations in Liberia. Liberia has one of the richest seams of iron ore in Africa. However, some of the most accessible seams of ore are in the remote Nimba mountain range, which is one of the few remaining West African wet-zone forests, and home to many unique species and ecosystems. These forests are an important habitat for the smaller mammals that are an integral part of the diet for local people.

Business impacts on the ecosystems can be profound if they are not managed with extreme care. ArcelorMittal's challenge, therefore, is to establish ore extracting operations without destroying these special habitats or fragile local livelihoods.

The response

Initial steps: knowing the existing ecosystems and working with stakeholders

The first step was to build a solid basis for decision-making, which meant carrying out a large-scale, year-long ecological study in both the wet and dry seasons. Nothing like this had been possible during the civil war, so there was very little knowledge about local biodiversity. ArcelorMittal assembled a large team of specialists and partners from Liberia and other neighboring countries, including the Liberian Forestry Development Authority, the NGOs Conservation International and Fauna and Flora International,

and the Côte d'Ivoire-based *Afrique Nature*, to study the current state of biodiversity in the region.

First encouraging outcomes

The ecological study proved that the forests close to the proposed mine sites did indeed show high levels of biodiversity. For example, the study identified 742 species of butterflies and moths in the forests, but also revealed that these were under threat from long-term degradation and decline, due to logging, agriculture and previous mining operations. ArcelorMittal had the opportunity not only to mitigate damage from mining, but to start reversing that trend.

One of the positive consequences of the work carried out has been the establishment of an energetic local stakeholder group, which brings together all the different NGOs working in the area. It meets every two months and develops shared plans for the management of the forest, based on sustainable community activities. The group has also helped the government agencies to focus their efforts, and make conservation their priority, rather than commercial logging.

The results

Initial discussions and planning for rehabilitation and protection work began in 2009 and are expected to last until the end of 2010. Implementation will take approximately 15 years of low level input, starting from 2011.

ArcelorMittal will work to mitigate its potential impacts on surrounding ecosystems, and consequently people's livelihoods, at every stage of the development project, leveraging the multi-stakeholder consultation in which it is deeply involved.

These actions towards biodiversity conservation should help the company to secure its license to operate among government authorities, and also local communities, who rely on the existing ecosystems.

FURTHER INFORMATION
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