

IGF Bulletin

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IGF 2019 Highlights: Tuesday, 8 October 2019

The 15th Annual General Meeting (AGM) of the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF) opened today at the Palais des Nations in Geneva, Switzerland, on the theme of “Mining in a Changing Climate.” Delegates discussed the role of innovation, data, standards and certification in promoting sustainability and resilience of the mining sector. Government officials and mining company representatives presented examples of “climate-smart” initiatives, and shared examples of strategies to boost the use of renewable energy in mitigating greenhouse gas emissions (GHGs). They also discussed steps to strengthen environmental and social impact assessment (ESIA), and to formalize the artisanal and small-scale mining (ASM) sector.

A reception, hosted by the World Bank, took place in the evening.

Opening plenary

Isabelle Durant, Deputy Secretary-General, UN Conference on Trade and Development (UNCTAD), underscored not only the climate impacts of mining, but also the sector’s other impacts on the environment, local communities, and its role in trade and sustainable development, and in providing materials for energy technologies.

Alexander Medina, Chair, IGF Executive Committee, welcomed the AGM agenda, which, he stated, highlights how the mining sector can reduce its climate footprint while

mitigating and adapting to climate change impacts. He hailed IGF’s work and said that his country, the Dominican Republic, has benefited greatly from its IGF membership.

Nathalie Bernasconi, International Institute for Sustainable Development (IISD), underscored that the AGM’s theme conveys a sense of urgency. She noted that more mining companies are investing in adaptation and mitigation through increasing their use of renewable energy and making their mining operations more efficient. She called for better understanding the challenges so that governments and the mining sector are adequately prepared for the realities of climate change.

Steve D’Esposito, President and CEO, RESOLVE, spoke on opportunities and challenges that can be expected in the mining industry’s future. He said companies are entering an era of shared governance and suggested there is opportunity for “a new wave of innovators” to label themselves as centers of climate change and mining. He stressed that climate-smart mines should also be community-smart mines, and that just transitions will be key to ensuring this.

Impacts and Policies of Mining in a Changing Climate

Moderator Greg Radford, Director, IGF Secretariat, explained that this session sets the context for the AGM theme from three angles: how mining impacts climate change, how climate change impacts mining, and how mining can be a part of the solution.

Kirsten Hund, World Bank, emphasized that growing mineral demand for clean technologies presents not only an opportunity but also a responsibility. She encouraged



From L-R: **Nathalie Bernasconi**, Senior Director, IISD; **Alexander Medina**, IGF Executive Committee Chair; **Isabelle Durant**, Deputy Secretary-General, UNCTAD; and **Steve D'Esposito**, President and CEO, RESOLVE



Alexander Medina, IGF Executive Committee Chair

participants to become more involved in discussions on national climate change policies. Presenting the building blocks of the Bank's climate-smart mining framework, she stressed that relevant measures are country- and context-specific.

Jan Kosmol, German Environment Agency, presented an assessment of climate risk in the mining sector, based on case studies from Australia, Canada, Chile, Indonesia and South Africa, highlighting extreme weather events as a principal risk. He observed that mine site rehabilitation efforts and local communities are potentially impacted by all climate hazards analyzed. He recommended conducting regional climate impact assessments.

Osvaldo Urzúa, Director, Center for Studies on Copper and Mining, Chile, described his country's efforts to develop a climate-smart mining strategy and targets to address water and energy consumption, GHG emissions, and biodiversity. Responding to questions posed, he outlined a public-private coordination process defining a vision for green mining in 20 years and the actions needed to realize this vision, and recent efforts to accelerate climate-related actions in the run-up to the 25th Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC COP 25), to be held in Santiago, Chile in December, 2019.

In the ensuing discussion, participants debated: whether regulations are needed to supplement and align voluntary mining company initiatives on climate change, whether new governance arrangements need to be developed at the international level, what incentives can push companies to be more ambitious in their climate initiatives, and whether studies already exist on zero-GHG technologies for mining.

Partnerships for Change: Fostering Voluntary Sustainability Initiatives

Moderator Gillian Davidson, Global Battery Alliance, noted the proliferation of certification and standards in mining and metals production.

Matthew Wenban-Smith, Executive Director, Responsible Steel, explained the two greatest impacts of steel are in mining the needed raw materials, such as iron ore and chromium, and the huge GHG emissions from the production process. He highlighted the organization's role as a global, multi-



Isabelle Durant, Deputy Secretary-General, UNCTAD

stakeholder organization for promoting action in four areas: sourcing raw materials, production, efficient use, and recycling, based on recognizing existing standards.

Aimee Boulanger, Executive Director, Initiative for Responsible Mining Assurance (IRMA), noted the IRMA standard for mechanized mining took 10 years to develop, given its comprehensive nature and the diverse stakeholders, including mining-affected communities, organized labor, purchasers, and companies.

Ben Chalmers, Mining Association of Canada, highlighted the membership group's oversight function and the work of national associations around the world in supporting the Towards Sustainable Mining (TSM) standard, which, he reported, has been adopted by 75% of mines in Canada. He explained their work began in response to serious social and environmental issues in the mining industry in the 1990s and reflects priority issues in each country.

Panelists stressed voluntary standards complement, rather than replace, government regulation, with Chalmers suggesting that "government standards set a floor, while standards enable continuous improvement." They noted that applying a single standard to all metals would likely be too complex, given the diverse stakeholders involved. They considered that mining companies have become more transparent in response to pressure from consumers and governments, departing from earlier views that the mining supply chain was so complex that companies could not engage directly with stakeholder communities.

They debated whether measures to avoid diluting the impacts of voluntary standards are needed, noting that the International Social and Environmental Accreditation and Labelling (ISEAL) Alliance, comprised of sustainability standard-setting and accreditation bodies, was formed to ensure credible, effective and efficient standards. They also discussed: harmonization of standards, how mining standards could affect commodity-based supply chains, and that the mining industry should self-regulate to be in line with government requirements. Participants queried government's role in driving industry standards; whether voluntary initiatives can drive a mindset change towards responsible mining; and how to ensure accountability for implementation of standards.



Osvaldo Urzúa, Director, Center for Copper and Mining Studies (CESCO), Chile



Gillian Davidson, Global Battery Alliance

Risks and Opportunities: Climate Change Adaptation in Mining

Moderator Anne Hammill, IISD, asked panelists to discuss drivers behind mining sector work on adaptation, and responses. On drivers, Sean Capstick, Principal, Golder Associates, highlighted: increased awareness; investor interest in how companies handle the issue; disclosure requirements from regulators; and pressure from key professions such as engineering. Nick Cotts, Newmont Goldcorp, said tangible impacts from recent extreme weather events have forced his company to consider how to plan for such risks, including for closed mines, making mining infrastructure resilient, and addressing water availability.

Geoffrey Omedo, UNDP Kenya, explained more unpredictable droughts have led Kenya to put in place climate change policies that emphasize mainstreaming climate into planning and budgeting.

On responses, Cotts outlined Newmont Goldcorp's recent adaptation work, including risk assessments, the development of risk and adaptation guidelines, and work to align with the Task Force for Climate-related Financial Disclosures (TCFD) recommendations. Omedo noted that Kenya's National Adaptation Plan recognizes mining as an important area for action. Capstick noted the International Council on Mining and Minerals' work on a decision-making framework with three elements: climate risk assessment; decision analysis; and development of adaptive management plans. He noted that the challenge is not future climate impacts per se, but rather how uncertainty can be taken into account in the decision-making process.

Panelists also addressed community engagement and opportunities arising from coupling climate adaptation planning with local priorities, including, for example, renewable energy development, fire management, health, improving reclamation and reforestation performance, and raising adaptation finance. The subsequent discussion addressed specifics of financial risk modelling and trade-offs in decision making under uncertainty, long-term custody of abandoned mining sites in a changing climate, and viable partnerships with local communities and governments.

Wrapping up, Omedo challenged delegates to “go read your Nationally Determined Contributions” and support efforts to mainstream climate change in the mining sector. Cotts highlighted the importance of collaborative policymaking, “going slow before you go fast” and not trying to reinvent the wheel, while Capstick called on delegates to empower practitioners and learn through dialogue and from international experience.

Strengthening Environmental and Social Impact Assessments

Clémence Naré, IGF Secretariat, invited participants to take part in a live poll about ESIA in their respective countries. Out of 46 responses, 29 people, or 70%, responded that legal or regulatory frameworks on ESIA in their countries do not require a climate change impact assessment. Participants later polled their responses about requirements for human rights and gender impact assessments, with similar results. The majority of respondents said they would advocate for the integration of gender, human rights and climate change issues in a single ESIA process.

Katherine Matos Meza, Ministry of Energy and Mines, Peru, noted current development of relevant regulation in Peru. Martha Ly, Golder Associates, drew attention to difficulties in accessing relevant data for assessments, and the need to develop suitable reporting formats for mining companies. Kristi Disney Bruckner, Executive Director, Sustainable Development Strategies Group, recommended stakeholders work with governments at national and sub-national levels to encourage immediate action.

Participants noted that countries do have national plans for managing the impacts of climate change that are not specific to the mining sector, and that the mining sector may only account for a small share of GHG emissions in some countries. One participant suggested that strategic environmental assessment may be more relevant for assessing the impacts of climate change. Another commented that comparability of EIAs is problematic as tools for conducting them differ, and social and environmental impacts can often not be separated. In further discussion, the panelists observed that high rates of illiteracy in some communities can negatively impact ESIA, land rights are often closely linked to human rights, and biodiversity issues should also be considered in ESIA.



Rachel Perks, World Bank

Renewable Energy and Effective Policy Frameworks

Mark Richards, Rio Tinto, moderated the session. Thomas Koch Blank, Rocky Mountain Institute, suggested policies should incentivize mining operations to increase investment in renewable energy.

Osvaldo Urzúa recalled that, as a result of the Chilean energy crisis in the 1990s, mining companies have entered into complex, long-term power purchase agreements (PPAs) with energy suppliers. He observed that the Chilean mining industry is moving towards carbon-neutral operations, meaning the PPAs are being renegotiated. He said the efficiency and penetration of renewable energy is still a challenge for the mining industry.

Loreto Maturana, Anglo American, presented her company's strategy towards 100% renewable energy in Chile as part of a broader plan to "rethink mining." She noted the company's energy strategy rests on four pillars: culture and awareness, security and sustainability, innovation and technology, and advanced energy and GHG management plans at all operation sites. She highlighted the need to work together across the mining sector, and with governments and energy producers.

The ensuing discussions addressed carbon accounting and certification of renewable energy contracts, coordinated planning for desalination, the potential to electrify the transport



Martha Ly, Golder Associates

fleet, substantive carbon price signals to incentivize investment, and the need for converging, not competing, protocols for monitoring industry emissions.

Artisanal and Small-Scale Mining (ASM) Strategy Marketplace

Rachel Perks, World Bank, introduced the DELVE database project, which is collating data and promoting their use to illuminate the contribution of ASM to the mining sector. She said recent research suggests there are more than 39 million ASM workers globally. She highlighted the project's move to align the ASM agenda to the SDGs, and its current focus on SDG 8 on decent work. She invited participants active in the areas of promoting decent work and eliminating child labor from mines to contribute to the DELVE 2020 Annual Report.

Delegates took part in a round of "marketplace presentations" from Brazil, Burkina Faso, Ghana, Honduras, Mali and Nigeria. Participants discussed: whether and how ASM is licensed and regulated, how to monitor ASM and take census of miners, problems in dealing with unorganized individual miners, efforts to form mining cooperatives, ASM in frontier zones with adjoining countries, efforts to control and reduce mercury emissions from gold ASM, and issues involving conflicting levels of jurisdictional control.



From L-R: Greg Radford, Director, IGF Secretariat; Osvaldo Urzúa, Director, CESCO, Chile; Mark Richards, Rio Tinto; Loreto Maturana, Anglo American; and Thomas Koch Blank, Rocky Mountain Institute