

IGF HIGHLIGHTS: TUESDAY 17 OCTOBER 2017

The Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF) began its annual general meeting (AGM) on Tuesday at UN Headquarters in Geneva, Switzerland. Delegates shared experiences of formalizing the artisanal and small-scale mining sector (ASM) in their respective countries, and discussed management strategies. At lunchtime, UN Environment's International Resource Panel convened a stakeholder consultation on mineral resource governance for sustainable development, and the UN Development Programme (UNDP) launched a publication on 'Integrating Human Rights into Environmental Governance of Mining.' Delegates attended a reception hosted by UN Environment in the evening.

SESSION 1: OPENING PLENARY

IGF Executive Committee Chair Glenn Gemerts opened the AGM and Isabelle Durant, Deputy Secretary-General, UN Conference on Trade and Development (UNCTAD) made opening remarks. Durant commended the IGF for maintaining a balance between frank discussions about mining challenges and negative impacts, and providing technical advice to overcome these issues. She observed the mining sector is a cornerstone of the global economy, and lamented that it is too often a source of health, social and environmental concerns. She stressed that achieving the Sustainable Development Goals (SDGs) by 2030, without addressing these concerns, will be impossible.

Gemerts observed that ASM is recognized as a considerable source of revenue for 80 countries, and has a diverse and often informal workforce. He called for a broad-based and inclusive approach to formalizing ASM.



(L-R) **Matthew Bliss**, Deputy Director, IGF Secretariat; **Greg Radford**, Director, IGF Secretariat; **Scott Vaughan**, President of IISD; **Glenn Gemerts**, IGF Executive Committee Chair; and **Isabelle Durant**, Deputy Secretary-General, UNCTAD



(L-R) **Alec Crawford**, IGF Secretariat; **María Daniela Barragán Calderón**, Undersecretary of Artisanal and Small-Scale Mining, Ministry of Mining, Ecuador; **Mandakhbat Sereenov**, Head of Legal Division, Ministry of Mining and Heavy Industry, Mongolia; **Estelle Levin-Nally**, Director, Levin Sources; **Glenn Gemerts**, IGF Executive Committee Chair; **Serge Hervé Boyogueno**, Director of Mines, Cameroon; **Mamadou Barry**, Senior Mining Specialist, World Bank; and **Greg Radford**, Director, IGF Secretariat

Scott Vaughan, IISD President, highlighted the relevance of the SDGs to the mining sector, including concerns for gender, ecological footprints, and employment. He noted the challenges ahead for governments in regulating ASM, observing that the sector employs 40 million people, as compared to seven million employed in large-scale industrial mining.

Greg Radford, Director, IGF Secretariat, thanked IGF's global partners and funders for their programme support, including training and capacity building for mine closure and post-mining transitions. He announced Guyana as the 62nd member of the IGF.

SESSION 2: ASM FORMALIZATION

Estelle Levin-Nally, Director, Levin Sources, moderated the session. Commenting that ASM is 'back in fashion' after years of inattention, she highlighted that: formalization is a slow process; there is no 'simple dualism' between legal and illegal forms of mining; governance frameworks for ASM should include consideration of land, property and human rights; and to be successful, all relevant stakeholders need to have a role. She invited panelists to highlight their country's approaches to formalization, and the corresponding successes, challenges and opportunities.

Daniela Barragán Calderón, Ministry of Mines, Ecuador, reflected on her country's experience of enacting a temporary moratorium on mining in 2008, stating that it was necessary in order to establish an organized approach to regulating the sector. She explained that this had resulted in the creation of a Ministry of Mines in 2015, incorporating community involvement and leading to the peaceful coexistence of mines of various sizes.

Mandakhbat Sereenov, Ministry of Mining and Heavy Industry, Mongolia, recalled that harsh weather had destroyed his country's herding industry in the late 1990s, prompting a boom in the ASM industry. He recounted Mongolia's process of formalizing and legalizing ASM, and stressed the importance of empowering people working in ASM, including by taking into account traditional practices when drafting and establishing regulations.

Serge Hervé Boyogueno, Director of Mines, Cameroon, recounted how dam development had exposed rich mineral resources and led to an increase in semi-mechanized informal mining in the east of his country. He regretted that the slow process of formalizing ASM had allowed environmental degradation to occur, before the government was able to provide funding for rehabilitation, capacity building and research, using a percentage of the profits from registered mining operations.

Mamadou Barry, World Bank, introduced DELVE, a global online data platform for ASM, observing that having data is necessary to tailor responses to country-specific problems. He explained that the database helps to break silos and establish collaboration.

In response to a question on how to address 'mafia control' of illegal mining operations, Barragán mentioned avoiding concentration of mining zones, and setting standards for recognizing legitimate mining activities. Barry called for 'ASM hubs' as demonstration centers that promote technical knowledge.

Guinea emphasized the importance of eliminating potential conflict arising between formal and informal mining sectors through constant stakeholder engagement. Further discussion focused on opposition to government taxes and mobility of artisanal miners, with Tanzania suggesting that the regulation

of the informal mining sector should be decentralized to allow for immediate response to “gold rushes.” The session concluded with the screening of a video on ASM.

SESSION 3: FORMALIZATION AND MANAGEMENT STRATEGIES FOR ASM – LICENSE AREAS AND ASM ZONES

Gudrun Franken, Federal Institute for Geoscience and Natural Resources (BGR), Germany, facilitated the session.

Alexander Medina, Ministry of Energy and Mines, Dominican Republic, described a pilot programme in his country’s gem extraction sector with artisanal miners, saying ASM provides employment opportunities for the rural poor, who, without the protection of the law, are vulnerable to exploitation.

Yeni Srihartati, Belitung Timur Local Government, Indonesia, described her country’s four-stage process to formalizing ASM: preparation, identifying, arranging, and regulating ‘the people’s mining area,’ and managing ‘the people’s mining permits.’ She highlighted the need for strong leadership, regulatory certainty, and law enforcement.



Yeni Srihartati, Head of Social Services, Community and Villages Empowerment Department in Belitung Timur Local Government, Indonesia

John Kanyangira, Rwanda Mines, Petroleum and Gas Board, noted that the request for formalization of the ASM sector in Rwanda came from the artisanal miners themselves, who faced challenges in accessing finance and in transitioning from manual to mechanized mining. He highlighted Rwanda’s demarcation of mining districts as part of its strategy for ASM transformation.

Willison Mutagwaba, Managing Director, MTL Consulting Company Ltd, shared the experiences of several African countries in adopting zoning approaches, citing advantages such as: improving access to mineral rights; addressing conflicts between large-scale mining and ASM; making rural land-use planning the norm; improving government revenue collection; and improving management through extension service provision. He noted zoning is only the first step in formalizing ASM, and encouraged countries to move beyond this stage.

During the ensuing discussion, members discussed, among other issues: incentives for small-scale miners to legalize their operations; ways to solve problems resulting from the mobility of artisanal miners; challenges arising from environmental

impact assessments; conflicts caused by miners from outside communities; and the imperative to simplify mining licensing processes.

SESSION 4: VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS

Facilitator Ronald Roosdorp, Director for International Trade Policy and Economic Governance, Ministry of Foreign Affairs, Netherlands, introduced the voluntary principles (VPs) as a guide for oil and gas, and mining companies.

J.J. Messner, Executive Director, Fund for Peace, explained that the VPs provide an added layer of safeguards, and help mitigate and de-escalate conflict and violence, including for ASMs. He noted that NGOs advocate for the VPs and are engaged in related policy development and implementation. He stated that, despite imperfections, the VPs contribute to the safety of communities.

Brent Bergeron, Goldcorp Inc, explained the VPs are part of his company’s Sustainability Excellence Management System (SEMS), which help ensure there are regular consultations with communities. He provided an example from Marlin Mine in Guatemala, emphasizing that the VPs should be used as a proactive measure to demonstrate that the rights of communities are respected.

Benjamin Aryee, Ministry of Lands and Natural Resources, Ghana, explained that his country has adopted the VPs because the government has ultimate responsibility for the security of its citizens. He explained that, from a government perspective, the necessary components for implementing the VPs are a legal framework, stakeholder engagement, and political will.

Alan Bryden, Assistant Director, Geneva Centre for the Democratic Control of Armed Forces (DCAF), presented a toolkit on ‘Addressing Security and Human Rights Challenges in Complex Environments,’ published jointly with the International Committee of the Red Cross. He explained that the toolkit promotes conflict prevention approaches.

In comments from the floor, participants asked: who would typically lead implementation of the VPs within governments, and what challenges they face; whether private companies feel pressure from investors and clients to engage with the VPs; and if the Netherlands, as the Government Chair of the VP Initiative, will examine the question of gender within the VPs, given that men and women experience security risks differently.

SESSION 5: GLOBAL, ENVIRONMENTAL SOCIAL AND GOVERNANCE (ESG) TRENDS

Monica Gichuhi, Cabinet Secretary Advisor on Policy, Strategy and Institutional Reforms, Ministry of Mining, Kenya, facilitated the session.

Michael Stanley, World Bank, presented the Mining Investment and Governance Review (MINGov), a tool developed by the Bank to analyze the mining sector and its context to facilitate work on mining regulation, governance and investment. He said the tool aims to give government and regional public organizations access to policy and institutional analyses that affect the sustainable development of the mining sector, including its investment climate, effectiveness of public institutions in developing and monitoring the sector, as well as the costs and benefits to stakeholders.

Gregory Kituku, Ministry of Mining, Kenya, outlined the objectives of Kenya's Environmental Governance Programme (EGP), supported by UNDP to assess environmental governance in the mining sector. He explained the programme seeks to: identify gaps and priority areas for future learning and technical support; strengthen the relationship between the different stakeholders; and strengthen the role of the environment, gender, human rights and the rule of law in the mining sector. He also described the purpose of the mining sector's Strategic Environmental and Social Assessment, which is to assess environmental governance at national and community level by increasing the level of attention to the environment, social priorities and human rights, and to improve sector capacity for managing environmental and social risks.

Matthew Bliss, IGF, briefed members on the process of conducting the Mining Policy Framework (MPF) assessment and said the findings are based on surveys through various means among IGF members and stakeholders. He highlighted three main concerns, which will require refinement in the areas of post-mining transition, socio-economic optimization, and ASM.

Gichuhi posed questions to the panelists on each tool, and Stanley invited countries to approach the World Bank at any time for assistance. On the main benefit resulting from using the tools, Kituku said it strengthens planning and decision-making processes, thus saving time and money. Regarding the complementarity of the MPF assessment with the MINGov and EGP diagnostic tools, Bliss said the MPF includes the gaps and needs identification tool intended to inform the design of capacity building and training by IGF.

In discussion with participants, Stanley noted that government priorities vary from country to country, depending on the maturity of each country's mining sector. Bolivia raised the issue of how to assign historical responsibility for long-term environmental damage committed by 'invading' countries, Kituku suggested that Bolivia should develop strong environmental laws to regulate mining activities, and at the same time establish an environmental fund for future



Matthew Wenban-Smith, Director, OneWorldStandards Ltd.

rehabilitation projects. The session concluded with panelists advising countries to embark on preparatory tasks such as summarizing the country's laws and regulations, or putting stakeholder lists together.

SESSION 6: VOLUNTARY SUSTAINABILITY INITIATIVES FOR THE MINING SECTOR

Alan Young, Director, Materials Efficiency Research Group, noted that voluntary sustainability initiatives (VSI) had initially focused on specific minerals, such as gold and diamonds, and in recent years have become a broader but uncoordinated movement. Laura Turley, IISD, presented theoretical perspectives on VSIs as responses to the expansion or contraction of national regulatory policy, and to broaden support for progressive policy interventions. Matthew Wenban-Smith, Director, OneWorldStandards Ltd, noted that, in the absence of coordination, mining-related standards have proliferated, and that the question is not whether or not there are standards, but how to maximize their impacts on the ground. He explained the approach taken in analyzing a range of VSIs for a report currently being prepared with IISD on 'Standards, Mining and the Minerals and Metals Supply Chain', which identifies and highlights differences between initiatives.

Sahr Wondoy, Director General, National Minerals Agency, Sierra Leone, presented on the success of the Diamond Development Initiative and its Maendeleo Diamond Standards in his country. He noted that the Initiative benefits artisanal miners by improving socio-economic conditions and safety, as well as minimizing their impact on the environment.

Gudrun Franken, BGR, Germany, outlined the German and European perspective on voluntary initiatives, noting that European mining production only represents a small portion of global mining and therefore most initiatives address the supply chain. She encouraged governments to follow discussions on standards, as they may affect markets and buyers, and to prioritize capacity to enforce compliance. She called for the harmonization of standards.