

## IGF 2016 HIGHLIGHTS: 24 OCTOBER 2016

The 12th Annual General Meeting (AGM) of the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF) and a number of associated workshops are taking place in Geneva, Switzerland, from 24-28 October 2016. The theme of the AGM is, “The Sustainable Development Goals (SDGs) and Mining.”

Government representatives gathered on Monday, 24 October 2016, for intergovernmental workshops on regional priorities and best practices, followed by a discussion about IGF services and the IGF Task Force on Strategy. Three parallel discussions took place in the morning and afternoon, with Members discussing the same topics in English, French and Spanish. Following an overview of the IGF and the Mining Policy Framework (MPF), the three groups identified key challenges that countries face in optimizing the contribution of the mining sector to sustainable development.

During the report on the Task Force on Strategy at the end of the day, IGF Members were briefed on the IGF’s Strategic Plan 2017-2021. The Plan will be guided by three overarching goals: enhancing the capacity of Members to effectively manage areas of mineral resources and sustainable development that are under their prerogative; fostering multi-stakeholder knowledge sharing and collaboration through constructive and inclusive policy dialogue on good governance of the mineral resources sector; and supporting implementation of the MPF by Members in order to foster good governance and the achievement of the SDGs.

### INTERGOVERNMENTAL WORKSHOPS

**WELCOME AND INTRODUCTION:** Greg Radford, Director, IGF Secretariat, welcomed IGF Members and noted that 56 governments would be represented at the 12th AGM. He highlighted that three groups were convening to discuss mining and sustainable development challenges, with the groups discussing the same topics in different languages: English, Spanish and French.

Glenn Gemerts, Chair of IGF Executive Committee, welcomed Members and noted that governments face many challenges in ensuring that mining is a trigger for sustainable development. He highlighted that mining issues need to be dealt with in a way that respects economic and social capital while also paying attention to sustainable development requirements. He also emphasized the role of dialogue between government and industry representatives.

Each of the three workshops was briefed on the history of the IGF and the Mining Policy Framework (MPF). They were informed that the Monday workshop was organized to help Forum Members create informal networks along language and



Greg Radford, Director, IGF Secretariat

regional lines as well as to identify key issues and priority areas of mining law and policy for all IGF members. Facilitators noted that the IGF was established following the 2002 World Summit for Sustainable Development as a voluntary initiative to facilitate dialogue and exchange best practice in the mining sector. The International Institute for Sustainable Development (IISD), which began serving as the Secretariat in 2015, is an independent policy research think tank with research focused on challenges to sustainable development, including economic law and policy, energy, resilience, water and mining.



Glenn Gemerts, Chair of IGF Executive Committee, Suriname

The workshop facilitators recalled that the IGF focuses on three areas of activity: engagement and outreach; the MPF; and capacity building and technical support. They highlighted that the MPF was developed to provide a comprehensive model that would allow mining to make its maximum contribution to the sustainable development of developing countries. The Framework is comprised of 6 pillars: legal and policy framework; financial benefit optimization; socioeconomic benefit optimization; environmental management; post-mining transition; and artisanal and small-scale mining.

Workshop facilitators reported that six MPF assessments have been carried out to date, and a seventh is about to start. These assessments are conducted in countries whose governments have voluntarily invited an IGF team to review the country's existing mining policies and laws to identify its strengths and weaknesses, and then to consider how the IGF could help with capacity or technical support needs. The facilitators highlighted that no financial commitment is expected from a host country that has requested an MPF assessment, but a substantial level of engagement is expected to facilitate the implementation of the assessment and to follow up with capacity building and technical support activities.

**FRENCH-LANGUAGE DISCUSSION ON REGIONAL PRIORITIES AND BEST PRACTICES:** Suzy Nikiéma, IISD, and Clémence Nare, IISD, facilitated small group discussions in the French-language workshop, in which more than 20 participants broke into three subgroups to identify challenges their countries face in optimizing the contribution of the mining sector to sustainable development. Around half of the participants attended the IGF AGM for the first time and one of them represented a country that is not yet a IGF member.

On the legal and policy environment, speakers said that the key challenges for considering sustainability in the mining sector include: obsolete legal frameworks; insufficient harmonization between the concerns of States and investors; inflexible fiscal regimes; instability of economic and social conditions; and the difficulty of legal implementation.

To achieve financial benefit optimization, participants emphasized, *inter alia*: rationalization of tax law in the mining sector; conciliation between the objectives of fiscal policy and the constraints of mining activities; diversification of taxes; increased income and regional standardization of fiscal policy in the mining sector; optimizing contributions of mineral resources for government budgets and controlling speculation in mineral prices.



Martin Brauch, IGF Secretariat

With respect to socioeconomic benefit optimization, participants indicated the need for, *inter alia*, increasing the percentage of added value production in mining regions, and providing further support for capacity building, knowledge transfer and the production of locally-produced materials.

On environmental management, participants discussed challenges related to the lack of regulations; insufficient human resources in environmental protection; difficulties in reconciling the interests of local communities and investors, and the need to reduce soil and water pollution and forest degradation.

Regarding post-mining transition, participants highlighted the challenges of rehabilitating sites, consideration of socio-economic issues, and monitoring small mines.

On artisanal and small-scale mining, participants highlighted the challenges related to the use of hazardous substances, child labor, migration, money laundering, and negative environmental impacts, among others.

Participants then prioritized these key issues according to human and environmental impacts. Recognizing that impacts vary across countries, participants agreed that most issues have both high impacts from both social and environmental perspectives.

**SPANISH-LANGUAGE DISCUSSION ON REGIONAL PRIORITIES AND BEST PRACTICES:** In the Spanish-language group, Martin Brauch, IGF Secretariat, facilitated the discussion among 10 participants. Members discussed key



Participants during the English-language workshop

environmental and development priorities within the mining sector that were identified as having the highest environmental and human impacts. These included the need to: improve legal mandates between different sectors and levels of government; evaluate and implement national mining codes; improve the sustainable use and management of water resources; enhance awareness of sustainability among all actors involved in mining; improve transparency of data to communities, and formalize laws for the closure of mining operations.

In relation to the legal and policy framework (pillar 1), Members emphasized the lack of inter-ministerial coordination for revising mining codes and a need to establish a transparent process for mining companies to obtain licenses for both the exploration and exploitation of mineral resources. In terms of financial benefit optimization (pillar 2), Members highlighted the role of evaluating and updating frameworks for mining royalties and tax collection. For challenges associated with socioeconomic benefit optimization (pillar 3), the creation of intergenerational funds, incorporation of community interests into mining decisions and the distribution of resources between levels of governments were identified. In relation to environmental management (pillar 4), improving awareness across society, including the artisanal mining sector, on environmental impacts and how these can be avoided or remediated was identified. For post-mining transition (pillar 5), Members underscored the importance of formal laws for the closure of mines. Lastly, Members highlighted the need for building capacity among artisanal and small-scale miners to achieve sustainability by formalizing regulations of best practice (pillar 6).

One Member highlighted his country's experience with the MPF assessment, underscoring the critical role of a governmental champion who served as a logistical focal point to facilitate the work of the IGF team in carrying out the assessment. Specifically, the focal point connected the IGF team with key actors in the mining, energy and environmental sectors of the government as well as with mining companies and civil society to obtain information on mining laws, tax codes, and to collect social and environmental data. Through a series of interviews with key actors, he noted that sufficient data were collected to enable the evaluation of the country's mining sector in relation to each of the six pillars of the MPF. The Member underscored the benefit of the country-specific assessment in identifying areas for improvement for enhancing socioeconomic benefits of mining to local communities as well as the potential to improve national mining codes and the formalization of artisanal and small-scale mining among others.

**ENGLISH-LANGUAGE DISCUSSION ON REGIONAL PRIORITIES AND BEST PRACTICES:** Alec Crawford, IISD, Matthew Bliss, Deputy Director of Programs, IGF Secretariat, and Greg Radford facilitated small group discussions in the English-language workshop, in which approximately 65 Members broke into three groups to identify challenges their countries face in optimizing the contribution of the mining sector to sustainable development.

Participants said challenges include: the impact of ASM on other sectors in addition to the direct environmental problems caused by ASM; technological advances, such as in metal detector systems, are accelerating but enforcement capacity has not kept up with these advances; including local communities in the benefits of mining; optimizing the linkages between legal and financial benefits; retaining human capital, as well-trained individuals may shift to private sector positions or move abroad; and cost verification, which is relevant for proper tax assessment and collection.



Nathalie Bernasconie, IISD

Additional challenges include the management and rehabilitation of wastes when mines are closed, including through post-legacy planning for closures. In these situations, speakers said attention to local communities after a mine is closed is important. The pollution impacts of ASM on water bodies was also noted to be a challenge.

Speakers also noted that changes in governments can impact mining policy processes: if a policy is going through the legislative process when a government changes, the policy may have to go back to the beginning of the legislative process with the new government.

In a discussion on the areas in which the IGF should provide support, speakers discussed whether it is best to focus on issues where improvements could be realized in the short term, such as updating checklists through MPF assessments, or to address areas that require longer term efforts, such as ASM. Some speakers suggested that a mixture of the two approaches would be best. A Member also highlighted the importance of enforcement frameworks, alongside legal and policy frameworks, to ensure that laws are enforced. The need for mechanisms to ensure that communities hosting small scale mining receive benefits from them was also noted.

One Member suggested that small-scale mining (SSM) should be re-categorized to keep this area of mining from being generalized and to trigger new thinking about policies for SSM. Another proposal was to examine the possibilities for using technology to track illegal activities, such as through the use of GPS to track heavy equipment and the ability to remotely shut down this equipment, as appropriate. Another Member emphasized the need for good governance structures and institutions, including well-paid mining sector employees, alongside well-designed mining frameworks, in order to maintain legal structures over the long term.

On ASM, additional suggestions included: guidance and implementation pilots; phased regional strategies and policy recommendations; and identifying success stories.

**IGF SERVICES:** During the afternoon, the three workshops discussed IGF services, which include: MPF assessments paired with relevant capacity building, training, communications, and technical support; demand-driven capacity building, training, technical support, guidance training and implementation; and communications. Members were asked to reflect on whether other services could be provided.

In the English-language discussion, one Member suggested that materials from work with Francophone countries could be translated for English-speaking countries, and vice-versa. Information on the process to request services, such as an MPF assessment, was requested. The need for technical support with

regard to mineral agreement models, and for contract negotiation and support to decision makers as part of permitting processes, was highlighted.

One Member noted the need for information on best practices for promoting and using multi-stakeholder approaches. Another Member said that countries could use training on how to recognize and respond to rapid economic changes that cause commodity price fluctuations and present financing challenges.

On communications, the benefits of capacity building related to improving communications on mining, including for multi-stakeholder engagement and outreach, was noted. Other suggestions included enhancing opportunities of information sharing among Members, such as through a chat room or blog, and developing a catalogue of the proceedings of all 12 AGM sessions regarding the issues discussed and experts who attended.

In the Spanish-language discussion group, Members highlighted the positive role of IGF's work in integrating mining and minerals extraction within the objectives of the 2030 Agenda for Sustainable Development, as well as aspects that ought to be included in the MPF and in IGF's work. Specifically, Members identified the need for: a comparable analysis of best practices as well as negative experiences from each country and across particular regions in order to improve mining legislation for sustainability; national champions or focal points within the government who can advance the implementation of sustainable mining practices emerging from the assessment; the integration of IGF expertise within State policy and not only for influencing an existing government; updating and re-evaluating indicators for biodiversity and climate change in relation to mining activities; and providing a consolidated database of different mining laws, codes, projects, social and environmental practices as well as perspectives of different actors in relation to sustainability.

Other possibilities for improving IGF's work included: the need to identify new social and environmental priorities as they emerge through a post-evaluation of action plans and to incorporate them into the proposed database of best mining practices; the importance of incorporating sustainability concepts within mining education from basic to superior levels; awareness raising of the environmental impacts of mining for mineral extraction to all members of society; and identifying the trans-local social and environmental impacts of mining beyond the zone of extraction.

In the French-language discussion group, with regard to services that the IGF could provide to help address these challenges, one participant proposed that the IGF Secretariat could: organize frequent regional meetings (e.g. every six months) and support information exchange among members that are facing similar challenges; establish a pool of expert consultants who could help members prepare MPF assessments; and facilitate partnerships to share geological information and ensure policy continuity.

Another participant emphasized the importance of training, in particular for all stakeholders on legal frameworks and financial and technical knowledge. Noting that civil society plays a key role in mining activities, he further recommended intensive and longer training in member States, for instance on contract negotiations.

One participant noted that the IGF Secretariat could follow the example of the Organisation for Economic Co-operation and Development in the elaboration of a guide of best practices with respect to mine closure, land law, tax systems governing multinational enterprises, participation of local communities, and profit sharing among other topics. Another participant suggested



Jackeline de Oliveira, Chair of the Task Force on Strategy

that the IGF could create a prize for the country that made the greatest effort to achieve sustainable development in the mining sector during the assigned time period.

Others suggested, *inter alia*: establishing contacts between IGF and IAEA (International Atomic Energy Agency) to address nuclear minerals; organizing study tours in countries applying new practices; promoting high-level standards in the mining sector; collaborating with regional intergovernmental organizations; and making the MPF assessment compulsory for member States.

On the IGF's communication strategies, participants proposed that the IGF Secretariat could provide regular information exchanges through questionnaires with Members; further engagement with decision-makers in member States; and create a network of experts in each region.

**IGF STRATEGIC PLAN 2017-2021:** At the conclusion of the Monday workshops, Jackeline de Oliveira, Chair of the Task Force on Strategy, presented the work of the Task Force and the Strategic Plan for IGF 2017-2021. She noted that the Task Force had developed a strategic plan beginning with the development of a strategy map, including strategic directions, global impacts and strategic goals. From that point, she said the Task Force evaluated organizational resources, internal processes and a performance framework.

Based on the strategy map, de Oliveira said the Task Force highlighted that the IGF's mission is to enhance the mining sector's contribution to sustainable development by providing services as a global platform for multi-stakeholder constructive dialogue and for improving good governance of mineral resources. She introduced the future vision for the IGF in 2021, noting it should be a unique intergovernmental organization for advancing sustainable mining frameworks and to enhance the capacities of Members to ensure equitable exploitation of mineral resources for inclusive growth and economic transformation. She also said the strategic goals for the IGF include: good governance of mineral resources; a global agenda for policy dialogue on good governance of mineral resources; and the MPF evaluation for contributing to the SDGs.

De Oliveira highlighted recommendations that the Task Force developed, including calls for the IGF to work in close collaboration with Members in achieving the three overarching goals and objectives, to engage with potential Members and pursue partnerships that strengthen the IGF Strategic Plan, and to better coordinate the IGF's shared work and responsibilities.