



IMP@CT Stakeholder Meeting
27 March 2017

The Polish Club, 55 Prince's Gate, Exhibition Road, London SW7 2PG

Ethics in Small-Scale Mining

Programme



This project is funded by the EU Horizon 2020 Programme. Grant no 730411



STAKEHOLDER MEETING 01

Monday 27 March 2017

Ethics in small-scale mining

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| 09.30 | Registration - Coffee and tea available | |
| 10.00 | Kate Moore | Welcome and overview |
| 10.15 | Gavin Hilson | Towards A Harmonious Existence? The Dynamics of Artisanal and Large-Scale Mine Conflicts in Sub-Saharan Africa |
| 10.40 | Bridget Storrie | Bringing <i>ethos</i> and <i>topos</i> together; exploring a place-based approach to building peace in conflict affected mining communities |
| 11.05 | Emilia Skrzypek | What is a mine (and why addressing this question can hold a key to successful agreement making at resource extraction projects) |
| 11.30 | Refreshment break | |
| 11.55 | Edvard Glucksman | Cross-cutting themes guide responsible mining in emerging economies |
| 12.20 | Marcello Veiga | Ethics in artisanal mining: can formalization resolve the pollution problem? |
| 12.45 | LUNCH | |
| 14.00 | Nic Bilham | Ethics, geoscience and the extractive industries - some institutional perspectives |
| 14.25 | Edmund Nickless | Out of sight, out of mind: re-establishing the connection between what we use and where it comes from |
| 14.50 | Dylan McFarlane | The costs of ethical mining |
| 15.15 | Refreshment break | |
| 16.00 | Workshop session | 4 x round table discussion groups |
| 17.00 | Group note takers | 4x5 minute presentations - synopses of key points |
| 17.20 | Kate Moore | Closing comments |
| 17.30 | Drinks reception | |
| 18.30 | Dinner at Ognisko | |



Gavin Hilson

Gavin Hilson is a Professor and Chair of Sustainability in Business at the Surrey Business School. He is a leading global authority on the social and environmental impacts of small-scale mining in developing countries, publishing over 200 journal articles, book chapters and reports on the subject. Over the past 15-20 years, he has provided consultancy on the environmental and social impacts of small-scale mining to a wide range of parties: the donor community, including the World Bank, DFID, GIZ and USAID; the NGO community, including the Institute for Environment and Development, OXFAM and the WWF Guianas; and the private sector, including Gold Fields, Newmont Gold Mining and the Alliance for Responsible Mining. Professor Hilson received his bachelor's and Masters degrees from the University of Toronto, and his Ph.D. from the Imperial College of Science, Technology and Medicine.

Towards A Harmonious Existence? The Dynamics of Artisanal and Large-Scale Mine Conflicts in Sub-Saharan Africa

Gavin Hilson, Faculty of Business, Economics and Law, University of Surrey

In recent decades, tensions between indigenous artisanal and small-scale miners, and the managers of foreign large-scale mining companies, have intensified considerably across sub-Saharan Africa. In a number of the region's countries, such as Tanzania, Mali, Guinea and Ghana, relations between these operators have deteriorated to the point where clashes involving police and the military are now common. In most cases, the main cause of these disputes is identified by policymakers and the media as the former encroaching on to concessions that have been demarcated by host governments to the latter. But further analysis reveals that the dynamics and drivers of these conflicts are much more nuanced than portrayed.

This paper explores at greater length the complexities of these disputes in sub-Saharan Africa, and prescribes recommendations for resolving them. It is argued that flawed policy frameworks and reforms are to blame for tensions between the region's mine operators. In particular, failure to adequately address the needs of the artisanal and small-scale mining (ASM) sector early in the reform process has often led to the demarcation of sizable concessions of land to foreign companies. This, in turn, has stifled ASM operators' efforts to identify viable lands and discouraged them from securing the requisite permits to work legally.

The participation of managers from large-scale mining companies in workshops on ASM has been increasingly misconstrued by the NGO and donor communities as their willingness to engage proactively with the sector's operators in their Corporate Social Responsibility (CSR) programs. It would be premature and naïve, however, to assume that, despite sharing ideas at and occasionally sponsoring these events, mining companies aspire to forge partnerships with ASM operators. The objective moving forward, rather, should be to ensure that there are minimal interactions between these very different mining parties. The key to minimizing, and avoiding outright, conflicts between these operators is to map geological landscapes, with a view to identifying and 'blocking out' areas for ASM where individuals can be licensed. The paper concludes by explaining how to achieve this in countries in sub-Saharan Africa at stages of mining sector reform.



Bridget Storrie

Bridget is a conflict mediation consultant specialising in the mining industry and has consulted for major mining projects in Mongolia and Serbia. She is also a PhD candidate with the institute of Global Prosperity at University College London. Her focus is the 'emotional geography' of mining, and the relationship between mining, local wellbeing and peacebuilding in conflict-affected mining communities. She is research based in the Balkans.

Bridget started her career as a foreign news journalist with ABC News in Moscow in 1991 during the August coup, then worked as the ITN Moscow Bureau producer/reporter from 1992 to 1995. This included postings to Bosnia in 1993, and Chechnya in 1994/1995 during the bombing of Grozny by Russian forces. Since then she has lived and worked in Namibia, Alaska, South Africa, Australia, Canada, Mongolia and Serbia. She has been published by The Spectator, The Times (London) and the International Journal of Transitional Justice and she is a regular contributor to Transconflict.

Bridget has a Masters in Russian and International Relations (St Andrews), a Masters (distinction) in Peacebuilding and Reconciliation (Winchester), and a certificate in collaborative conflict resolution and mediation (Justice Institute of British Columbia). She is also a trained conflict coach (St Ethelburga's, London).

Bringing *ethos* and *topos* together. Exploring a place-based approach to building peace in conflict-affected mining communities.

Bridget Storrie

Much of the attention on mining, conflict and peace focusses on the political and economic institutions required to ensure that mines contribute to national stability. This assumes that any peace dividends generated will automatically trickle down to the local level. I propose that it is ethically imperative to look more closely at the mining communities themselves and to understand the likely impact of mining activity on local fragility. I argue that for this, a context rather than conflict-sensitive approach is needed; an 'ethics of place' that is attentive both to the complexity of conflict-affected mining communities and to the attachments and relationships within them. Central to this is an awareness that natural resource bodies themselves can be invested with local memories, anxieties and expectations, and loaded with ideas of identity and belonging. With this in mind, I am investigating a new approach to building peace in conflict-affected mining communities that aligns mine community development policies and practice with locally generated pathways to sustainable wellbeing that are broadly acceptable and grounded in the local context.



Emilia Skrzypek

With a dual training in Sustainable Development (MA Hons) and Social Anthropology (MRes and PhD) and an interdisciplinary interest in Corporate Social Responsibility, Dr Skrzypek is a research fellow at the Centre for Pacific Studies at the University of St Andrews, and a member of the Strategic Analysis team in the Scottish Government. Her doctoral project looked at emergence and negotiation of stakeholder roles and relations at Frieda River in

Papua New Guinea. Her research interests concern social impact of mining, mining governance, stakeholder engagement and accountability within the mining sector. She has recently been awarded a Marie Skłodowska-Curie Action fellowship (Horizon 2020) for a project entitled: 'Innovation through co-creation in contemporary mining relations: a new paradigm for stakeholder engagement at resource extraction projects' (CC4M, commencing August 2017).

What is a mine (and why addressing this question can hold a key to successful agreement making at resource extraction projects)

Emilia Skrzypek, University of St Andrews

Located in a remote area of Papua New Guinea, Frieda River is home to a world-class gold and copper deposit. Despite almost fifty years of industry's on-site presence in the area, from the corporate and legal perspective Frieda River is not a mine, but a resource extraction project at an exploration stage of development. This differentiation allows the corporation to create a particular framework of relations with the national and local governments, and to define (and limit) its obligations and liabilities towards local communities in the project area. But the way in which those communities understand the resource exploration at Frieda is very different, leading to a series of misconceptions and misunderstandings which threaten the sustainability of stakeholder engagement and success of the agreement making process.



Edvard Glücksman

Edvard Glücksman is a Senior Environmental & Social Specialist at Wardell Armstrong and Stakeholder Affiliate at the University of Exeter. His recent work focuses on the social impact of large-scale industrial projects in emerging economies, in particular in Central Asia and Russia. Edvard is a Chartered Scientist and member of several high-profile international policy initiatives, including the Atlantic Council/Ecologic Institute's Emerging Leaders in Energy and Environmental Policy (ELEEP) network and the Friends of Europe 2016 European Young Leaders. He holds a doctorate in environmental biology from the University of Oxford.

Cross-cutting themes guide responsible mining in emerging economies

Edvard Glücksman, Wardell Armstrong and University of Exeter

The demand for social accountability in industry has never been greater. Leading financial institutions now recognise that the development projects they fund carry hefty environmental and social risks, and can incur financial losses and reputational damage if improperly managed. This holds particularly true for large industrial projects in emerging economies where domestic laws, regulations, permits and oversight may be lacking. This growing concern with reputation management - and the need to obtain a 'social license to operate' (SLO) - has pushed project financiers to require that sponsors and operators comply with a range of internationally recognised standards of environmental and social best practice. Focusing on mining in developing countries, this presentation explores emerging trends within lending institutions' risk management frameworks and how these affect the work of international practitioners. These frameworks are evolving in content from conventional discourse around singular environmental and social aspects to the integration of comprehensive and interdisciplinary areas such as ecosystem services, climate change, gender and human rights. Their deployment within Corporate Social Responsibility (CSR) programmes, adapted to the unique challenges of emerging economies, can improve society. They can promote international relations and facilitate cooperation between nations that host lending institutions and those representing our common frontier in the global quest for natural resources.



Marcello Veiga

Marcello Veiga works since Dec 1997 as a professor of the Norman B. Keevil Institute of Mining Engineering of the University of British Columbia, Vancouver, Canada. Since 2010 he is a full-professor teaching and researching environmental and social issues in mining. He has more than 300 publications. He has worked for the past 35 years as a metallurgical engineer and environmental geochemist for Governments, Universities, International agencies, NGOS and companies

in: Brazil, Canada, Colombia, Costa Rica, Chile, China, Ecuador, Ghana, Guinea, Guyana, Indonesia, Laos, Mozambique, Nicaragua, Peru, South Africa, Sudan, Suriname, Tanzania, US, Uruguay, Venezuela, and Zimbabwe. on these issues. From 1977 to 1997, he was employed of the Brazilian Center of Mineral Technology (CETEM), Vale do Rio Doce company, Paulo Abib Engineering and Techmat Consulting. From 2002 to 2008, he has worked as an expert and Chief Technical Advisor of the Global Mercury Project for UNIDO - United Nations Industrial Development Organization, in Vienna. This included the environmental and health assessment of mercury pollution in artisanal gold mining in Asia, Africa and South America as well as the implementation of national policies and procedures to reduce mercury emissions and increase gold recovery. Since 2008 he has been key consultant for a large number of mining companies and international agencies dealing with artisanal mining and socio-environmental issues in mining.

Ethics in Artisanal Mining: Can Formalization Resolve the Pollution

Problem? Veiga, M.M.; Marshall, B.G, Norman B. Keevil Institute of Mining Engineering, University of British Columbia

The formalization of artisanal gold miners in developing countries has been seen by governments and international agencies as the main vehicle to eliminate bad practices employed by more than 30 million artisanal miners worldwide. It is clear that formalization generates more control and tax revenue for the governments, while providing miners with a legal mining title and access to credit. However, in reality, these benefits are often not viewed very favorably by the miners, as the complicated bureaucracy of banks and governments does not make it easy to access credit. In addition, it is observed in many countries that the main polluters are the artisanal miners who produce more and are usually certified by the local governments. Without enforcement of legal and environmental regulations, formalization does not provide any solution. This presentation will demonstrate case studies from Mexico, Honduras, Colombia, Ecuador and Peru, in which the local communities protested against the presence of legal foreign mines. In addition, there will be special attention focused on the current agenda by the Mexican Government to close all mercury mines operating in the country, in accordance with articles under the UN Minamata Convention. In all of these kinds of situations, when impoverished local communities do not have any local economic alternative to rely upon, there is usually fierce opposition towards foreign interests. However, in many cases, it is indeed the foreign development companies that can offer improvements in training and economic prosperity for local people, while at the same time practicing responsible environmental stewardship. The UBC Mining Engineering Department is currently working in these countries with governments and large-scale companies in order to convince them that formalization cannot occur without education and organization of the miners. The promotion of co-existence and joint venture models between conventional mining companies and artisanal miners are disseminated to promote the transformation of artisanal miners with little education into small-scale responsible miners. The UBC model has a strong bottom-up component, where it is crucial to understand the needs of the miners, their motivations to change their rudimentary practices and the skills they have to implement cleaner procedures. Once these factors are understood, a strong educational and organizational program is conducted with pre-selected leaders to ensure its success within the community over the long-term.



Nic Bilham

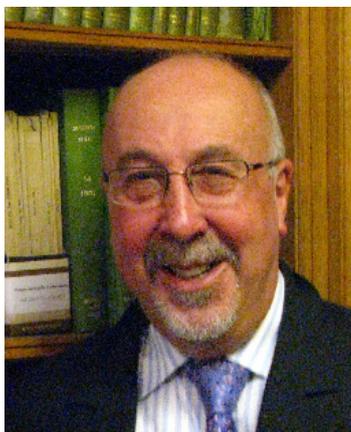
Nic Bilham is Director of Policy and Communications at the Geological Society, where he has worked since 1997 in a variety of roles. With his team he is responsible for the Society's education activities, engagement with policy-makers, communications through social and traditional media, links with other organisations in the UK and internationally, and development of the Society's science programme. He also leads on strategy development. Nic's first degree was in History and Philosophy of Science (University of Cambridge), and has an MSc in Science and Technology Policy (University of Sussex). He is European Coordinator and an Executive Committee member of the International Association for Promoting Geoethics (IAPG), and a trustee of Geology for Global Development (GfGD).

Ethics, geoscience and the extractive industries – some institutional perspectives

Nic Bilham, Geological Society

Public perceptions of the extractive industries are disconnected from their expectations of access to resources. Those in rich countries, particularly if they regard themselves as progressive and concerned with sustainability, tend to have strongly negative perceptions of the mining and hydrocarbons industries, and even to regard them as inherently wrong – but they nonetheless expect cheap energy, and do not question where the raw materials come from to make their smart phones. Meanwhile, many people in poorer countries are highly dependent on these industries for employment and economic development, but do not have equal access to the resources they produce, have less agency over decision-making regarding these industries, and disproportionately suffer their negative environmental and social impacts. The problems associated with (often profligate) use of resources in the industrialised world are therefore frequently 'exported' to parts of the world less able to cope with them – or to fight back.

This talk will outline the emergence of 'geoethics' as a mainstream concern in the global geoscience community, and will explore the roles geoscientists in addressing the ethical challenges of resource extraction and use from the perspective of three organisations: the Geological Society of London (the UK's professional body for geoscientists); the International Association for Promoting Geoethics (which aims to put geoethics at the heart of all geoscience); and the International Union for Geological Sciences (whose Resourcing Future Generations initiative seeks to mobilise geoscientists to help identify and meet future global resource needs sustainably).



Edmund Nickless

Edmund was Executive Secretary of The Geological Society of London from 1997 until his retirement in September 2015. Previously he held senior posts within the British Geological Survey, the then Science and Technology Secretariat of the Cabinet Office where he was environmental adviser, and the Natural Environment Research Council. Since 2013 he has chaired a group on behalf of the International Union of Geological Sciences (IUGS) promoting a new initiative, Resourcing Future Generations. He is a Fellow of the Geological Society of London, a Chartered Scientist, Chartered Geologist and European Geologist.

Out of sight, out of mind: re-establishing the connection between what we use and where it comes from

Edmund Nickless, Chair, International Union of Geological Sciences, New Activities Strategic Implementation Committee,

The last fifty years saw a dramatic increase in living standards and improvement in the quality of life for many of the world's poorest. Mortality rates fell, life expectancy rose, and per capita incomes grew. In large measure, that improvement has been underpinned by technological development and the ubiquitous use of metal and mineral resources.

To maintain this trajectory, while delivering the UN Sustainable Development Goals and addressing climate change with a rising world population, sustainable sources of raw materials are required, by both developed and developing countries. But among decision makers, opinion formers and the lay public there is generally a poor appreciation of from where those materials come and an implicit assumption that supply will meet demand.

To meet projected demand will require more not less mining, at least for the foreseeable future. I will explore some of the ethical issues of mining, focussing on the artisanal sector.



Dylan McFarlane

Dylan McFarlane is a mining geographer at the University of Exeter's Camborne School of Mines with a background in sustainable development and small-scale gold mining. He is project manager of HiTech AlkCarb, research funded by the EU H2020 program to develop new geomodels for exploration of high-technology raw materials like niobium and rare earth elements. Previously, he worked in Alaska for a mineral exploration consultancy searching

for and developing placer/alluvial gold operations around the world. His interests are in responsible mining, tailings and mine waste, and ASM (artisanal and small-scale mining). He earned degrees in Sustainable Development from the University of St Andrews, and Mining Engineering from the Camborne School of Mines. He is currently completing a PhD entitled "Optimizing the Social License to Operate".

The Costs of Ethical Mining

Dylan McFarlane, University of Exeter

Twenty years ago, ethical initiatives in the mining industry exploded. The Mining, Minerals and Sustainable Development project inspired dozens of guidelines, principles, standards, reviews, declarations, dialogues, and initiatives. But whilst the industry's understanding of environmental and social issues has improved, progress on the ground has been slow. One possible explanation is that the failure to attach financial valuation to such policies made it impossible for companies to internalise, or in turn operationalise them, since they had no clear link to the profit margins that constrain commercial mining. Economizing social responsibility is financially and morally problematic, but finance is still the primary driver of the mining industry and there is little evidence to suggest this is changing. So whilst the benefits of ethical mining seem obvious to most people, the costs are not. An improved understanding of the financial value of 'doing good' is required for implementation of responsible mining. Only then will CEOs and CFOs take notice.

This talk will review the history of ethics in mining and take a provocative look at modern mining and community conflict, ethics, and the future valuation of ethical mining.

Notes



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