

COMMUNITY DEVELOPMENT
TOOLKIT

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BACKGROUND VOLUME



Pioneering New Approaches in
Support of Sustainable Development
in the Extractive Sector



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Community development is the process of increasing the strength and effectiveness of communities, improving peoples' quality of life, and enabling people to participate in decision making to achieve greater long-term control over their lives. Sustainable community development programs are those that contribute to the long-term strengthening of community viability. Mining and mineral processing activities can play a central role in sustainable community development by acting as a catalyst for positive economic and social change in areas that may otherwise have limited opportunities for economic and social development.

The Pioneering New Approaches in Support of Sustainable Development in the Extractive Sector project was jointly coordinated and managed by the World Bank Group's Oil, Gas, and Mining Policy Division and the International Council on Mining and Metals (ICMM), and was supported financially by the Energy Sector Management Assistance Program (ESMAP), ICMM, and the World Bank. The aim of the project was to develop new approaches and tools to support government, industry, and community efforts to realize more sustainable community development around mining and mineral processing operations.

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The project was jointly coordinated and managed by the World Bank Group's Oil, Gas, and Mining Policy Division and the International Council on Mining and Metals (ICMM). Financial support was provided by the Energy Sector Management Assistance Program (ESMAP), ICMM, and the World Bank.

The first phase of work (as presented in the Background volume) was overseen by a Regional Advisory Committee consisting of Agnes Bwalya (Chair of the Chambishi Bakabomba Community Development Trust, Chambishi Metals, Zambia), Gloria Dhlamini (Executive Mayor, Emalahleni Local Municipal Council, Mpumalanga, South Africa), Karin Ireton, (Group Manager, Sustainable Development, Anglo American plc), Len le Roux (Director, Rössing Foundation, Namibia), Mary Metcalf (Member of Executive Council, Agriculture, Conservation, Environment and Land Affairs, Gauteng, South Africa), Nchakha Moloi (Deputy Director General, Mineral Development, Department of Minerals and Energy, South Africa), Silane Mwenechanya (Business Forum Coordinator, Zambia Trade and Investment Enhancement Project, Zambia), and Archie Palane (Deputy General Secretary, National Union of Mineworkers, South Africa).

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The second phase of work (as presented in the Tools) was overseen by a working group of ICMM's Community and Social Development Task Force: Tony Andrews (Prospectors and Developers Association of Canada), Carolyn Brayshaw (AngloGold Ashanti), Paul Hollesen (AngloGold Ashanti), Karin Ireton (Anglo American), Ramanie Kunanayagam (Rio Tinto), Jim Mallory (Placer Dome), Dave Rodier (Noranda), Russell Williams (Alcoa), and Ian Wood (BHP Billiton). Catherine Macdonald (URS Australia) led the consultant team for the second phase and was supported by Bren Sheehy, Belinda Ridley, and Nia Hughes-Whitcombe (URS).

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LIST OF ABBREVIATIONS AND ACRONYMS

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AusAID	Australian Agency for International Development
BPD	Business Partners for Development
CASM	Communities and Small-Scale Mining
CBOs	Community-based organizations
DFID	Department for International Development (UK)
EITI	Extractive Industries Transparency Initiative
ESMAP	Energy Sector Management Assistance Program
E3	Environmental Excellence in Exploration
IAIA	International Association of Impact Assessment
ICME	International Council on Metals and the Environment
ICMM	International Council on Mining and Metals
IDS	Institute for Development Studies (Sussex University, UK)
IFC	International Finance Corporation (part of World Bank Group)
IIED	International Institute for Environment and Development
IISD	International Institute for Sustainable Development
IPIECA	International Petroleum Industry Environmental Conservation Association
LNG	Liquefied natural gas
M&E	Monitoring and evaluation
MMSD	Mining, Minerals, and Sustainable Development
OGP	International Association of Oil and Gas Producers
SADC	Southern African Development Community
UNEP	United Nations Environment Programme
UNCTAD	United Nations Committee on Trade and Development
USAID	United States Agency for International Aid
WBCSD	World Business Council for Sustainable Development

The Pioneering New Approaches in Support of Sustainable Development in the Extractive Sector project aims to:

- Foster constructive working relationships and alliances among communities, companies, and governments.
- Build capacity within governments, companies, and communities to address sustainable development issues at the local level.
- Promote the value-adding potential of mine development and operation in support of local and regional social and economic sustainable development efforts.
- Improve opportunities for the sustainable development of mining communities and regions during all phases of the mining cycle.

The Pioneering New Approaches project builds on previous World Bank Group work to strengthen the capacity of governments, private sector, and communities to manage mineral development in ways that will contribute more effectively to the longer-term sustainable development of mining regions. This work includes the International Finance Corporation (IFC) good practice manuals and reports such as “Doing Better Business Through Effective Public Consultation and Disclosure” (1998), “Investing in People: Sustaining Communities through Improved Business Practice” (2000), “Developing Value: The Business Case for Sustainability in Emerging Markets” (SustainAbility and IFC, 2002), World Bank sponsorship of the Business Partners for Development (BPD) initiative (1998–2002), and several World Bank-supported international workshops and conferences including Mining and Community (Quito in 1997 and Madang in 1998), Mining and Sustainable Development (Madang in 2002) and Women in Mining (Madang in 2003 and 2005).

The project also responds to recommendations in “Breaking New Ground,” the report of the Mining, Minerals, and Sustainable Development (MMSD) project (2002), for new approaches to enable governments, industry, and communities to create country-specific frameworks, including community sustainable development plans, that would ultimately reduce conflict, promote cooperation, and enhance the contribution of mineral-related investment to sustainable development.

The result is this **Community Development Toolkit**, to which there are two main parts:

- This **Background volume**, which contains the background and context to the project as well as an examination of the mineral policies and mining laws necessary for mineral activity to contribute to sustainable development
- **17 Tools** intended for use throughout the project cycle and which cover the assessment, planning, management, and evaluation phases of community development as well as stakeholder relationships.

1 INTRODUCTION

2 Background to the project

A key objective of the World Bank Group's Oil, Gas, and Mining Policy Division is to determine how extractive industry investments can better contribute to poverty reduction and sustainable development at both the community and country levels. The division is currently carrying out a sustainability work program intended to create and add value for all stakeholders: governments, affected communities, and private companies. The program includes the implementation of a variety of new initiatives to maximize the contribution of extractive activities to more sustainable national and local development in those countries and communities where nonrenewable resource extraction is or has the potential to become a significant economic activity.

Such initiatives include the Extractive Industries Transparency Initiative (EITI) and the Communities and Small-Scale Mining (CASM) knowledge-sharing initiative, as well as this Community Development Toolkit. The approach underlying the initiatives is based on strengthening the capacity of all stakeholders to:

- Articulate and represent their interests and needs in an informed way.
- Manage their interactions with other stakeholders in constructive ways that ultimately translate into equitable sharing of the various potential benefits – social and economic, short and long term – that can be derived from large-scale oil, gas, and mining development.

This project has focused on developing a methodological approach supported by relevant tools that can be used by the various stakeholders to identify opportunities, build durable relationships, and promote community development and create the basis for long-term community sustainability beyond the life of the extractive activity.

The project concept was originally conceived at a joint workshop held in November 2000 in Johannesburg for members of the Southern African Development Community (SADC). The convenors included the World Bank and the International Council on Metals and the Environment (ICME)ⁱ, among others. The objective of the workshop was to advance the understanding of the major issues and challenges standing in the way of sustainable mining sector development within countries of southern Africa.

A consensus emerged around the need to have practical toolkits to facilitate implementation of the key elements of a generative process for fostering constructive working relationships between communities, companies, and government while securing the sustainability of communities. It was argued that the toolkits should themselves be developed through a participatory process involving all stakeholders.

The World Bank and ICME followed up by drafting a proposal (2001–02) for a joint project to elaborate such tools. The World Bank's Oil, Gas, and Mining Policy Division turned to the Energy Sector Management Assistance Program (ESMAP) trust fund for financial support. The proposal addressed a number of ESMAP's core objectives, and the knowledge product was to be grounded in the southern African experience, also a priority region for ESMAP support. The ICME pledged additional financial support from its own resources, even as it was undergoing its own transition to the International Council on Mining and Metals (ICMM). The new ICMM affirmed its commitment to work collaboratively with other stakeholders in its inaugural Toronto Declaration of May 2002.

The ICMM Sustainable Development Frameworkⁱⁱ followed shortly thereafter (2003). From ICMM's perspective, the project provided an opportunity to develop tools to assist members, and others, implement ICMM's 10 sustainable development principles (see box 1.1), against which corporate members have committed to measure and report their performance. In particular, the project was relevant to the ninth principle where members have committed to "contribute to the social, economic and institutional development of the communities in which they operate."

Box 1.1 ICMM Sustainable Development Principles

- 1 Implement and maintain ethical business practices and sound systems of corporate governance.
- 2 Integrate sustainable development considerations within the corporate decision-making process.
- 3 Uphold fundamental human rights and respect cultures, customs, and values in dealings with employees and others who are affected by our activities.
- 4 Implement risk management strategies based on valid data and sound science.
- 5 Seek continual improvement of our health and safety performance.
- 6 Seek continual improvement of our environmental performance.
- 7 Contribute to conservation of biodiversity and integrated approaches to land use planning.
- 8 Facilitate and encourage responsible product design, use, re-use, recycling, and disposal of our products.
- 9 Contribute to the social, economic, and institutional development of the communities in which we operate.
- 10 Implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders.

International organizations and associations, such as the ICMM, the World Coal Institute and the World Business Council for Sustainable Development (WBCSD), and multilaterals, such as the World Bank and the International Finance Corporation (IFC), now more than ever recognize the importance of providing guidance to improve the contribution of extractive industries to the sustainability of communities. Such guidance includes the design and introduction of new tools and operating frameworks to facilitate the achievement of sustainability objectives. Recent examples of tools, both generic and sector specific, include WBCSD's "Doing Business with the Poor: A Field Guide" (2004), the IFC's "Doing Better Business Through Effective Public Consultation and Disclosure: A Good Practice Manual" (1998), as well as the ICMM and the World Conservation Union's "Integrating Mining and Biodiversity Conservation: Case Studies from around the World" (2004), the IFC's "HIV/AIDS Guide for the Mining Sector" (2004), the IFC's "Developing Value: The Business Case for Sustainability in Emerging Markets" (SustainAbility and IFC, 2002), and ICMM and the United Nations Environment Programme's (UNEP) "Good Practice in Emergency Preparedness and Response" (2005). In addition the World Bank and the IFC have various guidelines and safeguards such as for Resettlement and for Indigenous Peoples that guide the implementation of development projects including extractive industry projects.

The *Background* volume and *Tools* are the end products of an extended process to design and disseminate a set of community development, engagement, and planning tools that will be relevant and valuable to communities, mining companies, and governments. Toolkit components were developed with the assistance of community-oriented practitioners living and working in the southern Africa region. In addition, analyses were undertaken to define the constraints and opportunities provided by existing government policy and institutional frameworks to promote social and economic development around extractive activities within the region. These analyses are included on the accompanying CD-ROM.

Structure of the Toolkit

There are two main parts to the Community Development Toolkit (see table 1.1). The Background volume contains the background and context to the project and an annotated bibliography as well as an examination of the mineral policies and mining laws necessary for mineral activity to contribute to sustainable development. It is divided into four sections:

- An **Introduction** describing the background of the project, how it builds on previous work by the World Bank Group and the mining, minerals, and metals industry, the structure of the Toolkit, and the target audience. (This Introduction is the same for both volumes.)
- An overview of the **Toolkit development process**, including consultation activities, work undertaken, and experience drawn from southern Africa.
- A discussion of **Government Tools for Sector Sustainability**. This includes an examination of overarching mineral policies and mining laws in five countries (Botswana, Namibia, South Africa, Tanzania, and Zimbabwe) to identify current trends in mineral development that contribute to sustainable development and to define key components that, if embedded in overarching policy and legal instruments, become tools for enhancing the contribution of the mining and metals sector to sustainable development.
- An annotated **Bibliography**, describing the broader range of information and resources available on mining and community development. Key references are also listed in each tool.

The companion Tools are divided into four sections:

- An **Introduction** describing the background of the project; how it builds on previous work by the World Bank Group and the mining, minerals, and metals industry; the structure of the Toolkit; and the target audience. (This Introduction is the same for both volumes.)
- A brief discussion of **mining and community development**, including community development goals and processes, and opportunities to link community development to the mining project cycle. This section includes good practice principles for sustainable community development, advice on the scheduling of development activities in the mining cycle, and on the roles of government, companies, and communities.

- The **Community Development Tools** section introduces the essential building blocks of community development and describes 17 tools. Each community development tool is supported by detailed, step-by-step instructions on how and when to use them. The tools are designed to be easily extracted for use in the field.
- A **Glossary** of community development terms and concepts.

Target Audience

The Toolkit provides practical guidance for all stages of the community development process, from exploration through construction, operations, and eventually decommissioning and closure, including post closure.

Because it is the mining company (rather than the government or the community) that applies for exploration and mining licenses, selects exploration targets, commissions feasibility studies, contracts construction, manages the mine during its operational life, and prepares and implements the mine closure plan, it became evident during preparation of the Toolkit that much of it should be aimed at enabling the mining company to undertake these various steps in a manner that would take account of community views and would contribute to community sustainability. Thus, much of the Toolkit is aimed at mining company staff as the primary users, and different instruments are linked to stages of development of a mining project. However, there are tools that would be used by communities and where the mining company would at most play a facilitator role. Governments may also decide to modify their licensing regulations to provide a framework that would set rules and allocate responsibilities for undertaking some of the actions included in the Toolkit.

In addition to being a valuable resource for companies, communities, and government agencies, the Toolkit should also be a valuable resource and guide for civil society groups such as nongovernmental organizations (NGOs) and community-based organizations (CBOs), academics, training and education providers, trade unions, business associations, and mining services companies. In fact, the Toolkit is for anyone who is interested in facilitating community development. Ideally, most of the tools will be used by several participants together.

Section	Key Points
Background volume	
1 Introduction	Background, objectives and target audience for the Toolkit. The Introduction is the same for both volumes
2 Toolkit Development Process	Work carried out to develop the Toolkit, including initial work in southern Africa and consultation activities
3 Government Tools for Sector Sustainability	Analysis of the elements of legislation and regulations that can enable a government to create an environment conducive to sustainable mineral development
4 Bibliography	A guide to additional information and resources on community development in mining communities
Tools	
1 Introduction	Background, objectives and target audience for the Toolkit. The Introduction is the same for both volumes
2 Mining and Community Development	Definition of community development, key principles for sustainable community development, phases of the mining project cycle, and stakeholder roles and responsibilities
3 Community Development Tools Assessment Tools Planning Tools Relationships Tools Program Management Tools Monitoring and Evaluation Tools	17 practical tools for community development supported by step-by-step guidance to assist in using them
4 Glossary	A guide to some important community development terms and concepts

While the work that supported the development of the Toolkit took place in southern Africa, and was largely focused on coal mining operations, the Toolkit has a broader applicability, both regionally and in terms of different types of operation. The Toolkit is designed to be applicable for projects in all parts of the world, with the important proviso that it does not address the unique characteristics of Indigenous Peoples' communities. The World Bank has operational policiesⁱⁱⁱ in relation to Indigenous Peoples that apply to any projects (not just mining projects) that affect them. ICMM recognizes that relationships with communities are often complex and this is particularly the case in relationships with Indigenous Peoples. As a result, ICMM commissioned an independent review^{iv} of the issues surrounding Indigenous Peoples and mining and metals operations to assist in facilitating more meaningful relationships in these areas.

Last, while the initial work focused on coal mining, the Toolkit is considered useful also for other mining and metals activities, and most if not all of the instruments would also be relevant for other energy projects (for example, oil and gas investments).

2 TOOLKIT DEVELOPMENT PROCESS

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South Africa is the world's sixth largest producer of steam and metallurgical coal. It uses about two-thirds of its production for coal-fired power generation. Coal is also used for synthetic fuel production and the metallurgical coal goes for domestic production of iron and steel.

Coal is also produced in Botswana, Malawi, Mozambique, Tanzania, Zambia, and Zimbabwe (table 2.1). Most of this production is also used domestically, although a small part moves across borders within the region. The total production of all these other countries is only a fraction of South Africa's. Nonetheless, coal provides fuel to power domestic manufacturing (cement, sugar, beer, and textiles), tobacco dryers, rail transport, and, in the case of Zambia, its smelting industry. However, unlike in South Africa, the majority of the population must still rely on the use of bio-fuels for their domestic energy.

Given current international market conditions for both steam and coking coal, and increasing regional power demand, new coal mines continue to be brought on line in South Africa, and there has been a resurgence of exploration effort outside of South Africa.

Mozambique has recently signed an exploration and option agreement with CVRD of Brazil to evaluate the feasibility of redeveloping the Moatize coalfields in Tete Province and is interested in attracting additional investors to assist with the exploration and evaluation of other deposits. Moatize, if and when it is rehabilitated by the Brazilian consortium, will produce mainly coking coal. While most of it may well end up being exported to Europe and Asia, Mozambique is also interested in promoting downstream beneficiation and its use in foundry iron and steel works as well. A part of the bituminous resource not suitable for metallurgical use could potentially feed a mine mouth coal-fired power plant. In both cases, considerable new infrastructure investment in transmission lines, rail lines, and port improvements will be required. Other countries, including Tanzania, Zimbabwe, and Zambia, are also encouraging private sector development of as yet undeveloped coalfields.

Table 2.1. Southern Africa: Coal Reserves and Production

Country	Reserves (million tons)	2003 production (million tons)	Operating mines
Botswana	4,300	0.9	Morupule (joint with Anglo American)
Congo, Dem. Rep. of	88	0.1	Small-scale
Malawi	22	0.1	Mchenga (privatized)
Mozambique	212	0.1	Moatize (privatized)
South Africa	49,520	237.4	Multiple
Swaziland	208	0.4	Maloma (state, closed 2002)
Tanzania	200	0.1	Kiwira (joint with China)
Zambia	10	0.2	Maamba (state)
Zimbabwe	502	3.4	Wankie (public with 40% state ownership)

Source: U.S. Department of Energy (www.eia.doe.gov)

When other minerals are also included, the significance and importance of the minerals sector to the national economies of many of the countries in southern Africa becomes even more transparent (table 2.2).

Table 2.2. Importance of Mining in Southern African Countries

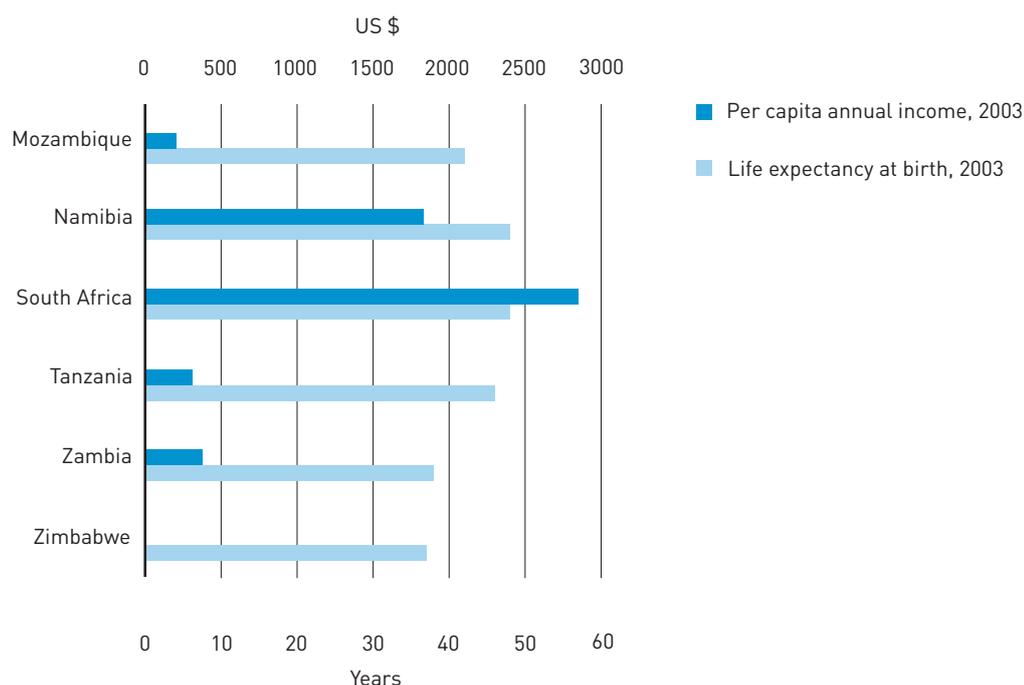
Country	Percent mining of exports, 1990–99	Population 2003 (millions)	Gross national income per capita, 2003 Atlas Method (US\$)
Angola	10.0	13.5	760
Botswana	70.0	1.7	3530
Congo, Dem. Rep. of	80.0	53.1	100
Namibia	55.4	2.0	1930
South Africa	30.0	45.8	2850
Tanzania	15.8	35.9	310
Zambia	74.8	10.4	380
Zimbabwe	12.2	13.1	n.a.

Source: World Bank: World Development Indicators 2005
n.a., not available – last available data is US\$480 in 2001.

Despite significant mineral endowment and a political-economic reality in which mining companies are major actors in the formal economic sectors of almost all of the countries, many national social and economic indicators have remained low. With a per capita daily income of less than US\$1 per day, Mozambique, Tanzania, Zambia, and Zimbabwe are extremely poor.

While progress is being made in some southern African countries, many still face the challenges of low life expectancy at birth, illiteracy and poverty as illustrated by figures 2.1 and 2.2.

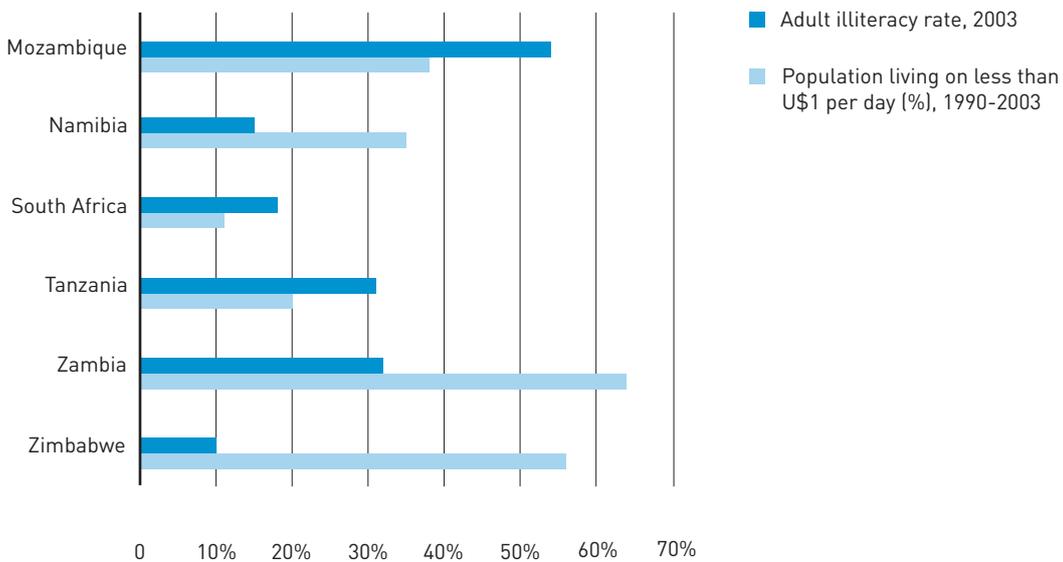
Figure 2.1: Per Capita Gross National Product and Life Expectancy in Selected Southern African Countries



Source: United Nations: Human Development Report 2005

In southern Africa, as in other parts of the developing world, where post independence national governments have now opened up to free market economic policies, but widespread poverty continues to persist, national expectations are increasing, but governments' abilities to deliver on their citizens' expectations remain constrained.

Figure 2.2: **Adult Illiteracy and Impoverishment Rates in Selected Southern African Countries**



Source: United Nations: Human Development Report 2005

Initial Work in Southern Africa: Phase 1

The initial phase of the Pioneering New Approaches project involved commissioning a series of foundation papers and was carried out in a participatory manner. The project was managed jointly by ICMM and the World Bank, and a regional advisory group was formed to provide guidance regarding the terms of reference, the identification and selection of consultants, and the review of works in progress and their finalization (box 2.1).

Box 2.1. Elements of the Consultative Process for the Phase 1 Work

The work included a process of extensive consultation with stakeholders from government, business, and civil society throughout southern Africa.

- A Regional Advisory Committee with representatives from government, unions, and industry provided input to consultant terms of reference, reviewed proposals, selected consultants, and identified participants for the stakeholder workshops.
- An interim workshop was held in Johannesburg (September 2003) to review and comment on concept papers produced by the consultants for each of the five areas. Attendees included the Regional Advisory Committee as well as other government, academic, union, community, and industry representatives.
- A final workshop was held in Namibia (December 2003) to finalize the reports and ensure the results were valid and regionally appropriate.

Preference was given to consultants with substantive southern African experience since the aim was to build a set of materials that would reflect the regional experience and lessons learned within the southern African operating environment regarding industrial mining activity and the potential of mining operations to contribute to social and economic development. Consequently, the initial papers were prepared by consultants based in the region and were developed with significant input from local stakeholders through a series of multistakeholder workshops. A short description of each paper is provided below, and the full papers are available on the accompanying CD-ROM.

1. "Guidelines for Sustainable Development Assessments" (Prepared by Davin Chown and Belynda Hoffman of OneWorld Sustainable Investments)

The development of methodologies and guidelines for social sustainable development assessments is seen as a necessary first step toward the articulation of methodologies for integrated life-cycle impact assessments and sustainable development monitoring. This work aims to extend existing social impact assessment methodologies to include identification of opportunities to contribute more effectively to local and regional economic and social development. The paper explores these prospects through the use of an opportunity assessment process.

2. "Background Paper and Guidelines for Enhancing Skills and Resources for Participation and Sustainability" (Prepared by Marie Hoadley and Daniel Limpitlaw of the University of the Witwatersrand and Bren Sheehy of URS Australia)

The capacity of communities and local authorities to engage constructively with outsiders, assess and prioritize their needs, communicate needs and interests constructively, deploy internal resources, secure and manage external resources (including any mining related revenues), as well as design, promote, and manage projects are some of the key elements that will define their ability to participate in development processes effectively. This paper aims to review the current state of thinking and to identify those skills, resources, and processes that are appropriate and necessary to allow communities and local authorities to become full participants in the development process. It identifies the skills and resources that communities associated with mining operations need in order to participate effectively in development planning, those they already possess, and those they lack. Various ways to strengthen skills and resources are provided in the guidelines for use in the design and management of community development programs. The work focused on two mineral zones in southern Africa: Limpopo Province in South Africa and the Copperbelt in Zambia. It drew on 26 interviews with a wide variety of stakeholders.

3. "A Guide for the Design of Public Participation Processes" (Prepared by Common Ground)

Existing guidelines on public consultation are either not specific to the mining industry or do not cover the full range of life-cycle activities. This paper involved a gap analysis and review of historic and customary practices and examples of best contemporary practice at all stages of the life cycle as the basis for developing guidelines on public participation. It aims to help anyone designing public participation processes as well as those who review the design of such processes.

4. "Guidelines and Methodologies for Conflict Management" (Prepared by Belynda Hoffman and Johan van der Berg of OneWorld Sustainable Investments)

Disputes and conflicts among local communities, governing authorities, and business operations may result from individual or collective complaints and may relate to events, circumstances, policies, or practices linked to the project or even to its workers and managers. Operational efficiency and profitability are easier to achieve in an environment of social peace and stability, than in one of tension, confrontation, and, at times, conflict. While it is clearly in the long-term interest of all parties to prevent disputes and conflicts from arising, they are sometimes unavoidable. If and when they do occur, it then becomes critically important to resolve them quickly and effectively. This work aims to develop practical guidelines for dispute resolution that address conflicts that arise both from contractual and noncontractual issues.

5. "Background Paper and Guidelines for Corporate Strategic Planning Frameworks for Community Development" (Prepared by Markus Reichardt and Mokhethi Moshoeshe of the African Institute of Corporate Citizenship)

A company's impact on community development is influenced by a range of its policies including operating policies, social investment practices, skills training programs, community development assistance, development trusts and foundations, local procurement policies, and promotion of local economic development, management, and monitoring systems. This work aims to review and advance current thinking within the industry in relation to developing site-specific community development strategies and management systems. A review of existing and proposed frameworks and their strengths and limitations serves as the basis for identifying and explaining factors that support or limit the success of corporate initiatives throughout the life cycle of the mine and for defining possibilities for improved planning and results.

Assembling the Tools: Phase 2

The accompanying tools were developed through an iterative process involving initially one of the southern African consultants, Common Ground, and then the consulting group URS Australia. They took the original work and crafted it with additional inputs into an integrated practical how-to reference guide for promoting social and economic development at the community level throughout the life cycle of a mine. Members of ICMM's Community and Social Development Task Force and of the World Bank Oil, Gas, and Mining Policy Division were involved in the review and refinement of successive drafts.

The tools are themselves generic while drawing on the southern African experience to lay out a process of engagement and development that stretches from initial reconnaissance and exploration activities through mine construction and operation to closure. Their individual and combined application will be determined by country, community, and site-specific circumstances and by the needs of the different users.

Lessons Learned Applied to the Toolkit

Southern Africa's extended mining history, its new political realities, and its unique development challenges have pushed the mining industry to pioneer new forms of community engagement and social investment but have also given rise to new expectations regarding the private sector's role in the development process.

Within the region, the South African government has recently created a new regulatory framework to ensure that historically disadvantaged South Africans are assured opportunities to profit and benefit from mining activities. The new framework obligates the industry to plan and operate in ways that would minimize adverse and maximize positive developmental impacts. How effective this legislated approach will be and the extent to which other countries in the region will follow remain to be seen.

While the development trust approach may have been a useful vehicle for rolling out social investment in the past, it is now clear that it will not be sufficient in and of itself to achieve the kind and quality of results expected under new legislative regimes. Most of the focused studies undertaken as part of the project have highlighted the lack of capacity on the part of all stakeholders at the operational and ground levels to deal effectively with the complex array of social, economic, and political issues and relationships that must be understood and managed properly by all stakeholders to create successful engagement, collaboration, empowerment, and sustainable development outcomes at the community and regional levels.

In particular, the community needs assessment work by Hoadley, Limpitlaw, and Sheehy pinpoints the extent of the skills deficiency at both the community and company operational levels across a number of situations examined (box 2.2).

The work by Hoadley, Limpitlaw, and Sheehy also found that more often than not interchange and collaboration among local actors is limited or non-existent. The lack of involvement of local authorities with mining and minerals operations in the planning and implementation of social investments and interventions has in a number of cases resulted in inappropriate development projects and technologies or has meant that projects have not met the needs of local communities. Even when projects have had a positive impact, this impact has often not been sustained after the company withdraws from active involvement, because there has been no investment in the development of local leadership to manage the initiative.

The success of local initiatives is further hampered by the lack of organized development planning at the local level. Consequently, progress often takes place in isolated pockets, with little or no relationship to other efforts being undertaken in the region. Where there is a regional planning framework in place, coordination or alignment between local and regional plans may be crucial to the success or failure of local development initiatives.

It became clear that the most significant contribution that a toolkit could make would be to bolster capacity and guide relationship building for more effective community engagement and development of the most directly affected stakeholder groups; that is, the site operations managers and support staff, community leaders, and local government authorities.

Next Steps

The tools are a work in progress and have yet to be tested in the field. ICMM and the World Bank will disseminate and support their use, in conjunction with host governments and local communities.

Beyond dissemination, ICMM and the World Bank will continue their collaboration with a view to supporting field-level application of the tools with input from the private sector and other principal stakeholders who will benefit from its successful application and implementation (for example, governments, NGOs/CBOs, and communities). Application of the tools will help to ensure that local communities and mining regions can benefit in a sustainable manner from extractive industry investments.

Box 2.2. Survey of Key Actors in the Development Process

The work by Hoadley, Limpitlaw, and Sheehy identifies actors who are key to the development processes and relationships occurring at the local level. Their work found that virtually all actors suffer from a lack of appropriate skill sets or that skill sets available within a region are underutilized or not used because of a lack of knowledge of other resources present or reluctance to involve “unknowns.” The results of the survey are summarized below.

- **Development agencies:** NGOs are undercapacitated and reliant on donor funding, and donors often demand that development projects are undertaken in terms of their own objectives and perceptions of priorities. Historically, NGOs have not had a good relationship with government, but are well regarded within the communities. In the communities surveyed for this report, NGOs generally had little or no contact with mining companies, with the exception of those working in the HIV/AIDS sector. NGOs in the region are traditionally hostile to mining companies, and their view is that mining activities only have negative impacts on communities. However, interviewees from this group indicated that they wanted to be involved in development projects and had skills and capacity that they could contribute to partnerships.
- **Local governments:** They are under-resourced and lack capacity. Local government does not take the lead in community development initiatives, even though this should be one of its key functions. Generally, other role players commented that local government was inefficient and ineffective. Some local councils in the copperbelt, although similarly undercapacitated, were reported to be cooperative as far as their limited resources allowed them to be (D. Sonnenberg, pers. comm., 2003). Reports about the relationship between local government and traditional leaders varied, but, in the areas covered by the research team, the two structures seem to have reached a modus vivendi.
- **Local Community representatives:** In periurban communities, community representatives are generally not easily identifiable, and communities tend to rely on development agencies, companies, and local government for information and leadership. Local community representatives are easier to identify in the rural areas and are more confident. They feel that communities have negotiating skills and, in a few instances, can identify and prioritize their own needs. However, the other skills necessary for full participation in development projects are lacking.
- **Local mining operations staff:** Many interviewees expressed uncertainty about their approaches to community development, and some admitted that these are not working properly and that new guidelines are being developed. Even those who are conducting engagement in a carefully managed and structured way requested feedback on possible gaps in their programs.
- **Church organizations:** These were, almost without exception, not involved directly in development projects. They are highly valued in the communities for their spiritual leadership, but appear to lack capacity to take a greater development project role. They were identified by several interviewees as good resources for the dissemination of information to the community as well as good sources of information about the community.
- **Service and mentorship providers to the community:** Interviewees were in agreement that applicants for assistance who approached them lack business management, financial management, project management, and marketing and technical skills. In addition, they stressed that the majority of applicants were not able to write acceptable business plans and that a culture of entrepreneurship needed to be cultivated. A service provider in Limpopo Province stated that the vast majority of the agency’s clients (98 percent) are women, and a Gauteng organization noted that the success rate for enterprises started by women is much higher than for those started by men.

3 GOVERNMENT TOOLS FOR SECTOR SUSTAINABILITY

12 Sustainability in the mineral sector includes the promotion of extractive industries activity, the creation of conditions that are conducive to its growth and sustainability over the long term, and the conversion of nonrenewable and depleting natural resource capital into sustainable human, social, and financial capital. Therefore, an analysis was undertaken of the constraints to, and opportunities for, social and economic development in mining regions as provided by existing mineral policies and mining laws in five southern African countries.

This work indicates that overarching policy and legal instruments can become tools for enhancing the contribution of the mining sector to sustainable development. The method and results of this analysis are summarized below and are available in full on the accompanying CD-ROM.

Method

World Bank staff analyzed five countries: Botswana, Namibia, South Africa, Tanzania, and Zimbabwe. The key components of overarching policies and laws used to administer and regulate the minerals sector were identified. The strength of a policy or law was then estimated by assessing the key components and looking for gaps that might make roles and responsibilities of government, companies, and communities less well defined.

The full evaluation tableau is comprehensive, having more than 30 key components for mineral policy and 40 key components for mining law. Added to that are more than 15 key components for general administration of the law, including references to other pieces of essential legislation and regulations.

Recognizing that each component is itself a compound measure, more than 100 elements in total were used to evaluate the overarching instruments of the five nations within this study. The full evaluation tableau with detailed descriptions for each component is included in Annex 1.

Results

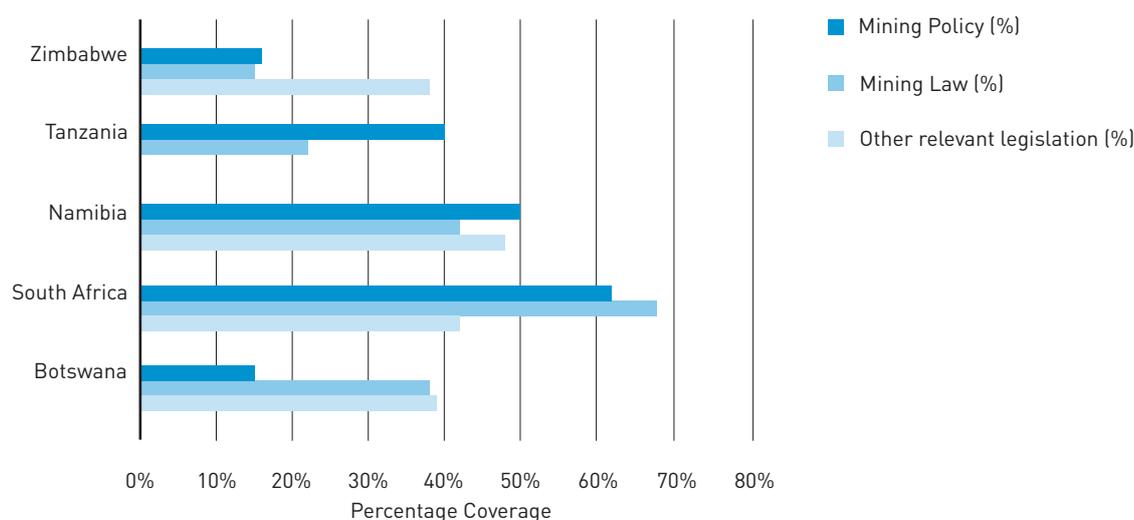
The major mineral producing nations of the region all recognize the importance of sustainable development (figure 3.1). Some have explicit policy statements regarding the sustainable development challenges faced by communities and regions affected by mining related activities and operations. Most governments' responses to such challenges have focused on specific needs, such as infrastructure and public services, or have been reactive to particular situations demanding urgent attention (for example, imminent mine closures). However, in light of recent changes in South Africa, many of the countries in the region have begun to re-think their own benefit sharing frameworks. Botswana is renegotiating equity share distributions with DeBeers for all joint venture operations. Both Namibia and Zimbabwe have recently indicated their interest in adapting elements of the South African approach to mining sector regulation on social issues to their own situations.

Of all the countries, South Africa has been the most explicit in articulating policies and targets relating to social and community development (see box 3.1). The government has over the past few years set in place the pieces of a legal and regulatory framework for the mining sector that aims to promote employment and advance the social and economic welfare of all South Africans, while "ensuring economic growth and socio-economic development."^v

This framework includes the Mining and Petroleum Resources Act of 2002, the Mineral and Petroleum Resources Development Regulations (April 2004),^{vi} and the Mining Charter (subtitled, Broad Based Socio-Economic Empowerment Charter for the South African Mining Industry, February 2005).^{vii} The achievement of the objectives of the charter are monitored and evaluated on the basis of a scorecard, which is also used by the government to determine whether a company has met its socioeconomic obligations under which its mining right was granted.

This framework is supported by other legislative and regulatory provisions relating among other things to procurement of services, employment equity, and skills development and training, and linked to various instruments created to promote social and economic growth and development at the local and regional level (for example, the integrated development planning process). The government is also working on a Beneficiation Bill, which will promote the development of downstream value adding and processing activities, and has created a Directorate for Social Development within the Department of Minerals and Energy.

Figure 3.1: Mining Sector Policy and Legal Framework Level of Addressing Sustainable Development



Source: World Bank staff estimates

Beyond the right policies and implementing rules and regulations, a key issue for all of the countries is the lack of capacity and resources to effectively implement policies and programs. Mining regions and the communities affected by mining activities are not typically seen as high stress situations requiring special attention or targeted measures. In Tanzania, the mining region is regarded as a privileged area, where local communities benefit in significant ways from the infrastructure and jobs that accompany mineral development. In Botswana and to some extent Namibia, the “mining affected communities” is not an issue per se; that is, “mining” towns exist, but because of the dependence of the entire country and its small population on the mineral economy, the mining affected “community” is the country as a whole, and situations around site-specific mining operations, which require attention, are dealt with on a case by case basis.

Box 3.1. Social Responsibility Requirements of South African Mining Legislature

South Africa's Mining and Petroleum Resources Development Act of 2002 recognizes the need of the government "to promote local and rural development and the social uplifting of communities affected by mining." One objective is to "ensure that holders of mining and production rights contribute towards the socio-economic development of the areas in which they are operating."

A Mining Charter for broad based socioeconomic empowerment within the mining sector was mandated by the Act. Its covenants aim to:

- Redress the results of past or present discrimination based on race, gender, or other disability of historically disadvantaged persons in the minerals and petroleum industry, related industries, and in the value chain of such industries.
- Transform the industry in order that it may allow and provide for greater ownership participation; greater management control or participation; participation in procurement processes and the development of technical and managerial skills with the historically disadvantaged populations of South Africans; and the integrated socioeconomic development of host communities, major labor sending areas, and of populated areas under threat of decline and abandonment as a result of past or current mining activities.

Section 4.4 of the charter refers specifically to the responsibility of all stakeholders, including the government, to cooperate in the "formulation of integrated development plans for communities where mining takes place and for major labor sending areas...."

The South Africa scorecard reflects progress on achieving the charter's objectives relating to human resource development, employment equity, treatment of migrant labor, mine community and rural development, housing and living conditions of employees, procurement processes, ownership and equity participation targets, value addition and upstream processing of minerals, and reporting requirements. In the case of mine community and rural development, the scorecard poses the following questions:

- Has the company cooperated in the formulation of integrated development plans, and is the company cooperating with government in the implementation of these plans for communities where mining takes place and for major labor sending areas?
- Has there been effort on the side of the company to engage the local mine community and major labor sending area communities? (Companies will be required to cite a pattern of consultation, indicate money expenditures, and show a plan.)

These social and labor plans are the legal instrument that the government uses to ensure that holders of mining or production rights contribute to the socioeconomic development of the areas in which they are operating as well as the areas from which the workforce is sourced. They must make explicit the approaches to human resource development (workforce skills development, including attachment and training, career progression, and achieving employment equity targets) and local economic development (enterprise and infrastructure development, workforce housing and living conditions, and procurement progression). The plans must be aligned with the integrated development plan of the district municipality where the mine is located and of the major labor sending areas, and the management of down-scaling and closure of mining operations and retrenchment of the workforce and its socioeconomic impacts on individuals, communities, and local and regional economies. The company must also indicate its commitment of financial resources to implement the plans.

Within the southern Africa region, an issue of paramount political, social, and economic concern is the closure of mines where reserves have been exhausted or where operation has become uneconomic. Virtually all of the countries in the region are struggling with mine closure and post-mine closure situations, for which appropriate mitigation provisions and measures have not been planned or adequately prepared. In many cases, whole townships have grown up around the older mines and their future hangs in the balance.

National governments are committed to maintaining these population centers, their physical infrastructure as well as social services, because there is no practical alternative. In some situations, community life is being sustained through direct government subsidies (for example, the Zambian copperbelt) or through additional impositions on an already marginal or failing mining operation (for example, Wankie in Zimbabwe). In a few cases governments have invested in trying to establish alternative commercial and industrial activities that have to potential to be self-sustaining (for example, at Selebi Phikwe, Botswana, and at Tsumeb town, Namibia), and have also converted mining towns into independent local government authorities in order to create a legal and administrative framework for continuity of services provision and promotion of new nonmining businesses.

The Zimbabwe government has indicated its intent to minimize the risks of additional mine closures and even take measures to promote the reopening of suspended and closed operations through fiscal incentives and direct subsidies, respectively. The Namibian government has managed to turn over to a public-private operation which has been able to reopen the operation. Even in South Africa, which has been embedding planning for closure and job loss into its new mining regulations (that is, the social and labor plan), the government and the National Union of Mineworkers recently agreed to revive a special committee (the Sector Partnership Committee) to develop short- and long-term approaches for dealing with continuing job loss in the mining industry. At Rietspruit in South Africa the mining company has worked with the local community and a local NGO in a collaborative process to help the community prepare for post-closure (see box 3.2).

It is partly in response to the shifting dynamics of extractive activity and the mature nature of much of the mining sector that countries like Botswana, Namibia, and Zimbabwe have begun to review their own approach to dealing with benefit sharing and community development issues.

Box 3.2. Rietspruit: Planning for Post-Closure Sustainability

An integrated plan for community self-reliance is helping local people develop alternative economic opportunities following closure of Rietspruit Mining Services' operations in May 2002.

The plan was developed in partnership between RMS (part of BHP Billiton's Ingwe Coal Group), the community-based Rietspruit Community Development Forum, and the NGO Sustainable Villages Africa (SVA). The plan is based on a comprehensive assessment of local resources, skills, and capacities.

The plan envisages two phases: (a) quick-win projects designed to secure community participation and assist with the immediate loss of incomes locally and (b) a number of medium- and long-term projects.

The quick-win projects include initiatives in areas such as home gardens, hydroponics, meat processing, small-scale farming, textiles, and basket manufacture. There are also opportunities to outsource a number of municipal services, such as blocked drains, to community members. These projects largely draw on existing skills within the community, both those acquired in the mines and indigenous skills. Where gaps are identified (for example, in business, personal finance, and technical skills) SVA uses the experiential method of teaching to transfer skills to community members.

These quick-win projects have achieved their aim of generating community participation and livelihoods. They are likely to be sustainable in the long-term and provide much of the skills and experience needed for the bigger projects envisaged by the Development Forum. Profits from the projects are being put into a fund for further job creation and project development which is under the control of a trust representing the community, the company, the local council, SVA, and other stakeholders.

The last phase of the project is now under way, and five large projects (R1 million and more) will begin as soon as funding has been secured. These will provide 200 jobs in the formal sector, estimated monthly revenues for the community of R200,000, and opportunities to develop more sophisticated skills in financial management, business management and marketing.

Lessons learned include:

- Comprehensive knowledge of resources and skills available in the community means communities can participate instead of being passive recipients of development initiatives, and this knowledge promotes sustainability.
- Proactive socioeconomic planning gives the community a breathing space between closure and the establishment of alternative economic activities.
- A quick response to critical or potentially critical situations can prevent these situations from developing into entrenched attitudes and practices.
- Strong and visionary partnerships motivate the community, build trust, and ensure projects reflect community concerns, aspirations, and capacity.
- Quick-win projects lessen the risk of passivity and of survival strategies such as theft, violent crime, and prostitution. They also increase the skills pool that larger projects can draw up.

Source: M.Hoadley, D. Limpitlaw, and B. Sheehy. "Background Paper and Guidelines for Enhancing Skills and Resources for Participation and Sustainability." Included on the CD-ROM.

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General Resources

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The Logical Framework approach (or “logframe”) consists of a set of analytical tools that support problem analysis, preparation of a logical hierarchy of project/activity objectives, identification of important assumptions and risks, and specification of monitoring and evaluation instruments. The logframe was developed in the 1970s and is today used as an aid to thinking and a planning and management tool by a large number of development assistance agencies and has widespread and flexible application. It can be used throughout the activity management cycle in identifying and assessing activities that fit within the scope of country programs, preparing the project design in a systematic and logical way, appraising project designs, implementing approved projects, and monitoring and evaluating project progress and performance. A logframe is best started early in the activity cycle, but the same analytical tools can be used to help review and restructure ongoing projects that have not previously been designed using logframe principles. The logframe involves problem analysis, stakeholder analysis, developing a hierarchy of objectives, and selecting a preferred implementation strategy. The outputs of these processes are then used to form a matrix, the heart of which is the logframe. The matrix summarizes what the project intends to do and how, what the key assumptions are, and how outputs and outcomes will be monitored and evaluated. The logframe can be used by project managers and community development practitioners as an adaptable and highly functional strategic planning/management framework for any complex field-based development program or activity.

www.ausaid.gov.au/ausguide/ausguidelines/ausguidelines-1.pdf

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This Guide is a tool for practitioners at all levels – social scientists, agency employees, community leaders, volunteers – to complete social impact assessments (SIAs) efficiently and effectively. It is a how-to manual that provides the users with a step-by-step process easily followed by persons with minimal social science training.

www.dog-eared.com/socialecologypress/

CARE International: *Community Resources Management Guidelines*, 2002

These guidelines aim to pass on field experience and the lessons learned from CARE Zimbabwe’s rural development initiatives over the past six years. They have been developed as a practical reference tool for implementation of CARE’s Small Dams and Community Resources Management Program. The content and processes included in the guidelines detail the theory and necessary steps for successful implementation and post-project community-based management. The guidelines have been prepared as a resource kit for use by program and field staff in implementation. The document has been designed in a program-specific context to be supported with complementary manuals. In particular, it is used in conjunction with CARE Zimbabwe’s Community Resources Training Manual.

www.careinternational.org.uk/resource_centre/livelihoods/comm_resources_management_guidelines_zimbabwe.pdf

Consultative Forum on Mining and Environment: Public Participation Guidelines for Stakeholders in the Mining Industry, 2002

The Consultative Forum on Mining and the Environment was established and a task team was appointed to coordinate the activities of the forum. The task team identified the need for a guide for public participation and initiated the process for developing these guidelines. These guidelines were developed between December 2001 and May 2002 in which representatives of the mining industry, community-based organizations, NGOs, and labor participated. The guidelines were enriched by the views of the people who participated. The guidelines aim to provide guidance to stakeholders in the mining industry on how to extract the greatest benefit from public participation. In particular, the document provides guidance on the scale and extent of public participation for different types of projects, from short-duration and inexpensive processes to long, complex, and costly processes. The guidelines are fully intended for stakeholders to use and implement actively and to be distributed widely, including to the neighbors of mining companies and other stakeholders.

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CorCom: Mechanisms for OVO and NGO Collaboration: The Development Community's Experience (Prepared by Shirley Buzzard and Anna Kathryn Webb for the Office of Private and Voluntary Cooperation, Bureau for Democracy, Conflict, and Humanitarian Assistance, U.S. Agency for International Development), 2004

Academic report on brokering and facilitating partnerships and strategic alliances between business and not-for-profits in development.

www.corcom.org/Publications/PVO-NGO-Report.pdf

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Part of the Sustainable Livelihoods joint initiative of the U.K. Department for International Development (DFID) and the Institute for Development Studies (IDS) (Sussex University), Livelihoods Connect is a Web-based resource, providing a directory of tools to help practitioners in using sustainable livelihoods approaches at different stages of the project cycle. It includes Policy Institutions and Processes (power, policy, and institutional analysis), Program Identification and Design (Participation Farm Analysis, Quantitative and Qualitative Survey Methods, Social Capital Questionnaire, FAO Participatory Field Tools, Gender Analysis), Planning New Projects (Logical Framework, Livelihoods System Approach), Reviewing Activities (Output to Purpose Review/Monitoring), Monitoring and Evaluation (Grassroots Development Framework, Best Practice in Participatory Monitoring and Evaluation, Livelihood Monitoring and Evaluation Tool), Ways of Working (Facilitating, Appreciative Inquiry, Care Partnerships Field Guide), Training Support.

www.livelihoods.org/info/info_toolbox.html

DFID: Tools for Development: A Handbook for Those Engaged in Development Activity, 2002

Initially aimed at DFID staff, this comprehensive handbook of practical skills, tools, and techniques is designed to assist development practitioners in the successful delivery of a broad range of different development activities and interventions. The handbook gives step-by-step guidance by introducing the thinking behind each tool, describing and explaining its application in the field, and providing illustrative examples in order to guide the practitioner in using it effectively. The skills/tools are presented in an order that mirrors the life cycle of activity associated with development initiatives, from initial identification and problem analysis through implementation to evaluation and monitoring. The techniques it covers are Stakeholder Analysis; Problem and Situational Analysis; Visioning; Logical Frameworks; Risk Management; Participatory Methodologies; Team Working; Influencing and Negotiating; Building Partnerships; Conflict Reduction; Monitoring, Reviewing, and Evaluating; Facilitation Skills; and Training and Management Resources. The handbook also examines the relationship between Sustainable Livelihood approaches and country-level development strategies such as the Comprehensive Development Framework, Poverty Reduction Strategy Papers, and National Strategies for Sustainable Development, and compares the approaches.

www.dfid.gov.uk/pubs/files/toolsfordevelopment.pdf

UNEP and ICMM: Good Practice in Emergency Preparedness and Response, 2005

This report addresses operating sites and their preparations, particularly in respect of their neighbors, for possible emergencies. The involvement of local people in the development of an emergency plan was identified in a questionnaire as a key gap in many companies, and the report seeks to address it. Chapter 2 presents the ten steps of UNEP's Awareness and Preparedness for Emergencies at Local Level (APELL) process and other elements of a best practice emergency plan. It covers everything from identifying who does what in an emergency to training and proper liaison with the local community. This is followed by and linked to a series of case studies (Chapter 3) gathered from across the industry that illustrate some of the principles involved and how they might be better applied. Appendices provide key reference materials.

www.icmm.com/project.php?rcd=26

ICMM/DFID/UNEP/UNCTAD: Good Practice Sustainable Development in the Mining and Metals Sector

The Good Practice Web site has been jointly developed by the International Council on Mining and Metals (ICMM), United Nations Committee on Trade and Development (UNCTAD), United Nations Environment Programme (UNEP), and the UK Department for International Development (DFID) and is designed to provide access to a library of good practice guidelines, standards, case studies, legislation, and other relevant material that are leading examples of their kind globally. It is a Web-based directory of up-to-date mining good practice resources, from practical field tools for the impact assessment or community development practitioner to academic discussion papers and best practice workshop reports for the strategic planning or corporate social responsibility/sustainability manager of a mining company. It can be searched using key words or by theme in order to tailor findings to specific issues or concerns. It gives titles and authors as well as direct Web links to each resource, but does not provide abstracts or comment on reliability or usefulness.

www.goodpracticemining.org/

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While industry, Indigenous Peoples, governments and other stakeholders all have a role to play in ensuring sustainable communities, ICMM has recognised the need to facilitate more meaningful industry engagement with Indigenous Peoples. As a result, in 2004, Jo Render was commissioned to carry out an independent review of the issues surrounding Indigenous Peoples and mining and metals operations.

www.icmm.com/publications/763IPReport.pdf

IFC Environment Division: Investing in People: Sustaining Communities Through Improved Business Practice. A Community Development Resource Guide for Companies, 2000

This aims to serve as a resource guide to help International Finance Corporation (IFC) clients and other companies establish effective community development programs for communities located near or affected by their operations. The guide lays out general principles and methods, describes good practice, and points readers to other resources to develop an appropriate community development program. The guide uses examples from sectors that have large local and regional social, community, and environmental impacts. The guide takes the reader through topics such as the business case for community development, defining community, defining community development program areas, linking core business activities with community development (maximizing local employment and local subcontracting), partnerships for local development (key principles, building capacity, and coordinating with stakeholders), options for program structure, and participation and sustainability. A case study, Escondida: Creating Foundations for Sustainable Mining, explores the Escondida Mining Company in Chile.

www.ifc.org/ifcext/enviro.nsf/Content/Publications

IFC Environment Division: Doing Better Business Through Effective Public Consultation and Disclosure: A Good Practice Manual, 1998

The primary function of this manual is to provide good practice guidance to private sector project sponsors on disclosing information and consulting with the public with the aim of building not only financially successful projects but environmentally and social responsible ones as well. The manual begins by answering what public consultation is and why public consultation and disclosure make good business sense. The manual also includes actions for managing public consultation, management principles for disclosure of project information, and a series of guidance notes to help the reader through the entire process.

www.ifc.org/ifcext/enviro.nsf/Content/Publications

IFC Environment and Social Development Department: Good Practice Notes: Addressing the Social Dimensions of Private Sector Projects, 2003

A practitioner's guide to undertaking social impact assessment at the project level for IFC-financed projects. This has been written by IFC social development specialists based on years of private sector experience across industry sectors and regions. It covers issues from scoping and baseline data collection to impact analysis, mitigation, and monitoring of social impacts. Social assessment is presented as both an integral part of IFC's environmental assessment process and as a tool for identifying value-adding opportunities that go beyond traditional mitigation measures to promote sustainable development on a broader scale.

www.ifc.org/ifcext/enviro.nsf/Content/Publications

More good practice publications can be found at:
www.ifc.org/ifcext/enviro.nsf/Content/Publications#Social

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IFC: HIV/AIDS Resource Guide for the Mining Sector, 2004

This HIV/AIDS Resource Guide for the mining sector is a resource for developing stakeholder competency in mining communities in southern Africa. The Guide contains 23 interventions that collectively comprise a comprehensive workplace response. There is an overall framework consisting of management strategies, the workplace program and outreach interventions, as well as a roadmap for achieving a 'blue-chip' HIV/AIDS response and a template for customizing the Guide.

www.ifc.org/ifcext/aids.nsf/Content/Publications

IFC: Operational Directives: Safeguard Policies: Involuntary Resettlement

Directive OD 4.30 describes IFC policy and procedures on involuntary resettlement, as well as the conditions that borrowers are expected to meet in operations involving involuntary resettlement. Planning and financing resettlement components as well as community development programs are an integral part of preparation for projects that cause involuntary displacement. At the time of publication of the Toolkit, the IFC was updating its Safeguard Policies, including OD 4.30.

[ifcln1.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/pol_Resettlement/\\$FILE/OD430_InvoluntaryResettlement.pdf](http://ifcln1.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/pol_Resettlement/$FILE/OD430_InvoluntaryResettlement.pdf) or www.ifc.org

IFC: Operational Directives: Safeguard Policies: Indigenous Peoples

Directive OD 4.20 describes IFC policy and procedures for projects that affect Indigenous Peoples. There is policy guidance to ensure that Indigenous Peoples benefit from development projects to avoid or mitigate potentially adverse effects on Indigenous Peoples and special action required when certain groups are affected. At the time of publication of the Toolkit, the IFC was updating its Safeguard Policies, including OD 4.20.

[ifcln1.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/pol_IndigPeoples/\\$FILE/OD420_IndigenousPeoples.pdf](http://ifcln1.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/pol_IndigPeoples/$FILE/OD420_IndigenousPeoples.pdf) or www.ifc.org

World Bank: Operational Policy (OP) 4.10 Indigenous Peoples and Bank Procedures (BP) 4.10, Indigenous Peoples (July 2005)

For all projects that are proposed for World Bank financing and affect Indigenous Peoples, the World Bank requires the borrower to engage in a process of free, prior, and informed consultation. The policy and procedures regarding World Bank projects that affect Indigenous Peoples are inter alia designed to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate and gender and intergenerationally inclusive.

web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTINDPEOPLE/0,,menuPK:407808~pagePK:149018~piPK:149093~theSitePK:407802,00.html

World Bank: Operational Policy (OP) 4.12, Involuntary Resettlement (April 2004) and Bank Procedures (BP) 4.12, Involuntary Resettlement (December 2001)

World Bank experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risks: production systems are dismantled; people face impoverishment when their productive assets or income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community institutions and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost. The World Bank's policy includes safeguards to address and mitigate these impoverishment risks.

web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTINVRES/O,,contentMDK:20486717~menuPK:1242266~pagePK:148956~piPK:216618~theSitePK:410235,00.html

OGP and IPIECA: "Key Questions in Managing Social Issues in Oil and Gas Projects", 2002

This document, prepared by the International Association of Oil and Gas Producers (OGP) and the International Petroleum Industry Environmental Conservation Association (IPIECA) is not a guidance document nor a template for Social Impact Assessment. It provides typical questions relating to the management of social issues in oil and gas projects. The 10 lists of questions provide a tool to help with social planning issues. Background for the list of questions, which cover the social planning and management issues during all stages of a project life cycle from country-entry through decommissioning, are provided. Also included are additional reference materials and information for the practitioner.

www.ogp.org.uk/pubs/332.pdf

Environment Australia and UNEP: Best Practice Environmental Management in Mining Series, 2002

The series of booklets providing personnel responsible for environmental issues with the information needed to achieve good environmental performance, minimize conflicts with other land users, maintain ecological values in surrounding areas, and restore or enhance the land use capability of the areas affected by their activities. They cover planning, monitoring, management systems, and technical issues. Members of stakeholder representative groups, regulatory authorities, and students of mining and environment subjects will also find the booklets a valuable resource to improve environmental awareness, understanding of various principles and technologies, and the capacities of leading practitioners to significantly reduce the level of environmental impact from mining. All the booklets include illustrated case studies that demonstrate the application of a wide range of best practice techniques to address different environmental issues across many different mine type, commodity, geographic, and environmental settings. The booklets offer references for further information, and some contain short guides on the steps to be taken to achieve best practice on the specialized topic. Some of the most relevant booklets are "Checklist for Sustainable Minerals," "Community Consultation and Involvement," "Best Practice Environmental Management in Mining," "Environmental Impact Assessment," and "Overview of Best Practice Environmental Management."

www.natural-resources.org/minerals/CD/ea_overv.htm

IIED: MMSD Workshop: Managing Mineral Wealth Workshop Report: How Can the Minerals Sector Support the Development of Mineral Economies and Contribute to Building Sustainable Communities, Especially in the Poorest Countries?, 2001

The aim of this Mining, Minerals, and Sustainable Development (MMSD) Workshop (August 15–17, 2001) was to facilitate discussion among diverse stakeholders of the critical issues surrounding the contribution of the minerals sector to economic development. The objectives were to understand the range of perspectives and issues related to how the mining and minerals sector can support the development of mineral economies and contribute to building sustainable communities, especially in the poorest countries; to identify existing initiatives at policy level and in practice and policy options; and to identify further research, information needs, and follow-up activities. Specific topics discussed included the management and distribution of mineral revenue; contributing to building sustainable communities; community participation in decision making; roles, capacity building, and institutional strengthening; and development of community-based organizations. These topics are discussed through the use of case studies from various countries throughout the world. The roles of the various stakeholders are also explicitly discussed. Finally, a study of management and distribution of revenue in Papua New Guinea by an outside consultant is provided.

www.iied.org/mmsd/mmsd_pdfs/mmw_workshop_report.pdf

BPD: Seven Training Modules for Managing Social Issues in the Extractive Industries Through the Tri-Sectoral Partnership Approach

The Natural Resources Cluster of Business Partners for Development (BPD) developed a comprehensive set of practical training modules to create awareness for a tri-sectoral partnership approach to the management of social issues in the extractive industries. The modules build capacity and skills to navigate the complex task of exploring, building and maintaining this new type of partnership.

www.bpd-naturalresources.org/html/tools_train.html

BPD: Putting Partnerships to Work: Strategic Alliances for Development Between Government, the Private Sector, and Civil Society (Edited by Michael Warner and Rory Sullivan), 2004

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The purpose of this book is to contribute to the understanding of partnerships— specifically, of three-way (tri-sector) partnerships combining partners drawn from government, civil society, and the business sector—and of the way in which partnerships can contribute to poverty alleviation and development. The focus is on the oil, gas, and mining industries because these sectors have tended to be the primary drivers of foreign direct investment in developing countries. The material presented is based on the BPD program that ran from 1998 to 2002 and studied the experience of specific natural resource operations around the world. Its purpose was to assess how partnerships involving companies, government authorities, and civil-society organizations could be an effective means of reducing social risks and of promoting community and regional development.

www.greenleaf-publishing.com/catalogue/partners.htm

Rietbergen-McCracken, J. and Deepa Narayan: Participation and Social Assessment: Tools and Techniques. Washington, DC: IBRD/World Bank, 1998

This report comprises a resource kit that presents information and experiences on participatory methods in order to support the adoption of participatory approaches in World Bank-supported projects and studies. These materials provide core information about the different methods and applications, with the primary focus on providing practical guidance and case examples. The modules presented are on the following topics: social assessment, stakeholder analysis, participatory methodologies, and participatory monitoring and evaluation. The modules include four sections: an overview; a sample of trademark techniques and tools with brief guidelines for their use and short examples of their applications in the field; case studies of four or five countries to show the process and techniques involved, the difficulties and limitations encountered, and the outputs and impacts where the methodology has been applied; and suggestions for seminars.

www-wds.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&eid=000009265_3980624143608

Social Impact: Impact Notes

Social Impact is a values-based management consulting and training firm dedicated to increasing development effectiveness. Their work involves improving the capacities of organizations to become more effective agents of social and economic change through implementing best practices in participatory program management and organizational change. They have produced a set of impact notes to describe and explain their work and provide practical tips for practitioners in the fields of socioeconomic development and project management.

www.socialimpact.com/resource-center/impact-notes.html

SustainAbility and IFC: Developing Value – The business case for sustainability in emerging markets, 2002

The first large-scale study analyzing the business case for sustainability in emerging markets. *Developing Value: The Business Case for Sustainability in Emerging Markets* aims to help business managers understand the opportunities, risks and bottom line implications of sustainability strategies. It includes analysis of over 240 company examples from Africa, Asia, Latin America and Central and Eastern Europe, examples of higher sales, reduced costs and lower risks from better corporate governance, improved environmental practices, and investments in social and economic development.

www.ifc.org/ifcext/sustainability.nsf/Content/DevelopingValue

USAID: Intersectoral Partnerships (Partnering for Results)

Intersectoral partnering is the process of creating joint inter-organizational initiatives across two or three sectors. This strategy generates sustainable solutions to development challenges by combining the distinct interests and resources of different actors in business, government, and civil society. This U.S. Agency for International Development (USAID) users guide to intersectoral partnerships (ISPs) introduces ISPs, highlighting what form they take, what function they fulfill, and their value as a development strategy. It gives illustrated examples of ISPs in action, showing the benefits and challenges for users of employing ISPs in different development contexts.

www.usaid.gov/pubs/isp/

Voluntary Principles on Security and Human Rights

The participants of this principles initiative recognize the importance of the promotion and protection of human rights throughout the world and the constructive role business and civil society—including NGOs, labor and trade unions, and local communities—can play in advancing these goals. Through this dialogue, the participants have developed a set of voluntary principles to guide companies in maintaining the safety and security of their operations within an operating framework that ensures respect for human rights and fundamental freedoms. Mindful of these goals, the participants agree to the importance of continuing this dialogue and keeping under review these principles to ensure their continuing relevance and efficacy.

www.voluntaryprinciples.org

World Bank: Community-Driven Development: Key Design Principles for Design and Implementation of Community-Driven Development Programs

Can Community-Driven Development (CDD) be supported on a large scale so that many communities can each simultaneously drive investment decisions? The World Bank has identified 10 principles to guide policy formulation and program design and to enhance the effectiveness and sustainability of support to CDD. These principles are listed and discussed in detail and emerged from an analysis of large-scale CDD programs that received positive evaluations and from a series of consultations between the World Bank and leading practitioners.

lnweb18.worldbank.org/ESSD/sdvext.nsf/09ByDocName/ProjectPreparationImplementation

World Bank: “Integrating Social Concerns Into Private Sector Decision Making: A Review of Corporate Practices in the Mining, Oil, and Gas Sectors” (Prepared by Aidan Davy and Kathryn McPhail. 1998. Discussion Paper. Washington, DC.), 1998

This paper contains two separate but intimately linked reports that deal with corporate social responsibility. The first explores the critical success factors supporting the integration of social concerns into the planning and implementation of privately financed projects in the mining, oil, and gas sectors. The primary focus is on corporations, and a series of recommendations are presented to assist corporations to manage the social aspects of their activities. The second reviews corporate practices with respect to social and environmental assessment and makes specific recommendations on their integration. The publication is aimed at both strategic decision makers (within corporations, governments, and NGOs) and at those with direct responsibility for managing social issues at the project level.

www.worldbank.org/

World Bank: Participation Sourcebook, 1996

A key resource for community development practitioners, giving both a broad overview of the role of participatory techniques and approaches throughout the project cycle as well as detailed explanations of how and where those techniques have been successfully applied in practice, illustrated with extensive case studies and a glossary of tools and methods.

www.worldbank.org/wbi/sourcebook/sbpdf.htm

World Bank: Social Analysis Sourcebook: Incorporating Social Dimensions Into World Bank Operations, 2003

This sourcebook presents a conceptual framework for social analysis and describes how task teams can incorporate its principles into project design, implementation, and monitoring and evaluation. The sourcebook is not a policy statement and does not prescribe any mandatory requirements. Instead, it provides guidance on good practice to improve the quality and impact of social analysis by harnessing it to examine the social opportunities, constraints, and likely impacts of Bank-supported operations, based on the lessons learned during 1997–2002. The sourcebook describes a systematic approach that places social analysis in the service of poverty reduction by focusing directly on equity and social sustainability to improve social development outcomes. It describes an approach that is open ended in terms of social development outcomes and yet practical. It describes good practice in the application of social analysis to Bank-supported operations. It addresses social dimensions through the use of social assessments by clients to inform project design and by social development specialists in project preparation and appraisal. It does not represent operational policy and does not describe minimum requirements for Bank-supported projects.

www.worldbank.org/socialanalysisourcebook/

World Bank: Workshops and Conferences on Mining and Community Development, Sustainable Mining Development, and Women in Mining

Proceedings of the 1997 Quito Conference on Mining and Community are available from the World Bank Oil, Gas, and Mining Division. Also available are proceedings of the World Bank-supported Madang, Papua New Guinea, Conference on Mining and Community (1998), Mining and Sustainable Development (2002), and Women in Mining (2003 and 2005). These are available from the Papua New Guinea Department of Mining or from the World Bank Oil, Gas, and Mining Division.

www.worldbank.org/mining

RESOURCES ASSOCIATED WITH SPECIFIC TOOLS

STAKEHOLDER IDENTIFICATION AND ANALYSIS

IIED and WBCSD: “Breaking New Ground – Mining, Minerals and Sustainable Development”, 2002

MMSD was an independent two-year project of research and consultation seeking to understand how the mining and minerals sector can contribute to the global transition to sustainable development. MMSD was a project of the International Institute for Environment and Development (IIED) commissioned by the World Business Council for Sustainable Development. The Web site contains a wealth of information gathered in the course of the project.

www.iied.org/mmsd/

For resources on stakeholder engagement, see the Working Paper prepared for the Australian section of the project, “Developing New Approaches for Stakeholder Engagement in the Minerals Sector” (prepared by Lynda Harding and Catherine Macdonald).

www.icmm.com/library_pub_detail.php?rcd=90

DFID: Tools for Development: A Handbook for Those Engaged in Development Activity, 2002

The DFID handbook provides useful material regarding stakeholder analysis (in section 2), problem and situational analysis (in section 3), influencing and negotiating (in section 9), and building partnerships (in section 10).

www.dfid.gov.uk/pubs/files/toolsfordevelopment.pdf

Sartorious, R. Social Impact: Training Manuals – Managing the Project Cycle

This set of workshop participants' notes is based on Social Impact's high impact training course on Project Cycle Management conducted for thousands of development managers around the globe. The notes synthesize worldwide best practices in program management offering practical guidance on how to improve performance at each stage of the project cycle. The initial sections provide an overview of the project cycle, practical tips on stakeholder analysis, and an overview of several approaches for problem and needs assessment. The section on project design presents basic concepts for developing project objectives, practical indicators of project performance, including indicators of participation, and analysis of risk. The section on project implementation includes steps for developing realistic operational plans, including how to avoid common problems in estimating project schedules and budgets. Additional sections provide practical tips on monitoring and evaluation, differences in planning projects versus programs, managing for sustainability, and team building. The guide includes a bibliography of practical resources.

www.socialimpact.com/resource-center/training-manuals.html

World Bank: Participation Sourcebook, 1996

Chapter 3 gives detailed guidance and practice pointers on participatory planning and decision making, including different approaches to identifying and involving stakeholders (such as government and directly affected and indirectly affected groups) and using participatory methods in stakeholder consultation and engagement. Chapter 4 provides practice pointers in enabling the poor to participate.

www.worldbank.org/wbi/sourcebook/sbpdf.htm

IFC Environment Division: Investing in People: Sustaining Communities Through Improved Business Practice. A Community Development Resource Guide for Companies, 2000

Section 2, Defining Community, discusses the need for a company to define and understand the community at all levels in which it plans to operate in order to assess the impacts its operation will have and who they will affect. It looks at information sources and techniques, identifying stakeholders, undertaking social impact assessment, balancing local, regional, national, and international interests, and the need for awareness and inclusion of vulnerable groups in community development programs. It defines stakeholders and gives guidance on stakeholder identification and the key process of building a social map of the area through baseline surveys, forming the foundation of the social and environmental impact assessment.

www.ifc.org/ifcext/enviro.nsf/Content/Publications

IFC: Good Practice Notes: Doing Better Business Through Effective Public Consultation and Disclosure, 1998

Contains guidance on how to identify stakeholders and guidance on the 11 actions required for effective consultation, including identification and working with government and NGOs.

www.ifc.org/ifcext/enviro.nsf/Content/Publications

INSTITUTIONAL ANALYSIS

International Institutional Rural Reconstruction (IIRR): Participatory Methods in Community-Based Coastal Resource Management, 1998

The sourcebook is a documentation of various tools and methods developed in the course of doing CBCRM as effectively and efficiently employed by field practitioners in the Philippines, Indonesia, India and other Asian countries. The main section of the sourcebook is the step-by-step description of various participatory methods field tested by the authors and their organizations. A simple outline was devised for most of the topics to include the definition, purpose, materials, suggested approach, outputs, strengths, weaknesses and variations. The sourcebook is designed for use by people working directly with coastal communities to help strengthen their capability to manage, protect and develop their local resources.

www.iirr.org/publicationbdate.htm

SOCIAL IMPACT AND OPPORTUNITIES ASSESSMENT

IFC Environment and Social Development Department: Good Practice Note: Addressing the Social Dimensions of Private Sector Projects, 2003

This is a key guidance note for practitioners, which addresses the IFC's best practice standards and approach to social assessment. Sections 1–4 help the user to understand what value can be added to their project by undertaking an assessment of the socioeconomic issues and impacts. Sections 1 and 2 define social assessment and discuss the IFC's standards and approach to it. Sections 3 and 4 explain the value of socioeconomic assessment and identify the types of projects for which it is seen to be a necessary component. Sections 5–7 discuss the key components of Social Impact Assessment and the processes of scoping and establishing the social baseline. Section 8 discusses the analysis of the social impacts and the mitigation of adverse impacts. Sections 9–11 discuss the identification of sustainable development opportunities, preparing the social component of the Environmental and Social Action Plan, and monitoring.

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www.ifc.org/ifcext/enviro.nsf/Content/Publications

IAIA: Database

A social impact assessment Web-based database by the International Association of Impact Assessment (IAIA) for impact assessment practitioners, with bibliographical data.

www.iaia.org/Non_Members/SIA%20Database/SIA_interface.asp

IPIECA: Guide to Social Impact Assessment in the Oil and Gas Industry, 2004

A useful industry-based guide, although not metals and mining-focused.

www.ipieca.org/downloads/social/SIA_Document_Final.pdf

CARE International: Community Resources Management Guidelines, 2002

Chapter 3 gives guidance on conducting preliminary assessments, preparing for feasibility studies, conducting technical and economic feasibility studies, conducting social feasibility studies, and selecting final sites.

www.careinternational.org.uk/resource_centre/livelihoods/comm_resources_management_guidelines_zimbabwe.pdf

DFID: Sustainable Livelihoods Guidance Sheets, 1999

Section 2 provides a schematic framework to aid users in understanding and analyzing the livelihoods of the poor. It is also useful in assessing the effectiveness of existing efforts to reduce poverty. The guidance notes stress that like all frameworks this is a simplification and that the full diversity and richness of livelihoods can be understood only by qualitative and participatory analysis at a local level.

www.livelihoods.org/info/guidance_sheets_pdfs/section1.pdf

IFC: Good Practice Notes: Doing Better Business Through Effective Public Consultation and Disclosure, 1998

Contains guidance on how to identify stakeholders in and guidance on the 11 actions required for effective consultation, including identification and working with government and NGOs.

www.ifc.org/ifcext/enviro.nsf/Content/Publications

This manual is a tool for trainers, designed to assist them in preparing and delivering training courses that provide an understanding of, and basic capability in, the application of Environmental Impact Assessment (EIA). The manual is designed to assist trainers to identify local EIA needs and priorities and to custom design training courses to meet these needs. The objective of section 13 of the resource manual is to help the reader develop an understanding of the role and scope of Social Impact Assessment (SIA) in relation to the EIA process; the types of social impacts that can result from development proposals; and the principles, procedure, and methods that are used to assess and mitigate social impacts. Also provided are discussion themes, group activities, SIA tools and methods that are useful in evaluating local project needs.

www.iaia.org/Non_Members/EIA/contents.asp

World Bank: Social Analysis Sourcebook: Incorporating Social Dimensions Into World Bank Operations, 2003

A conceptual framework for social analysis and describes how task teams can incorporate its principles into project design, implementation, and monitoring and evaluation. It is not a policy statement and does not prescribe any mandatory requirements. Instead, it provides guidance on good practice to improve the quality and impact of social analysis by harnessing it to examine the social opportunities, constraints, and likely impacts of Bank-supported operations, based on the lessons learned during 1997–2002. It describes a systematic approach that places social analysis in the service of poverty reduction by focusing directly on equity and social sustainability to improve social development outcomes. It describes an approach that is open ended in terms of social development outcomes and yet practical.

www.worldbank.org/socialanalysisourcebook/

COMPETENCIES ASSESSMENT

DFID: Tools for Development: A Handbook for Those Engaged in Development Activity, 2002

The DFID handbook provides useful material regarding teamworking (in section 8), building partnerships (in section 10), facilitation skills (in annex 1), and training and management resources (in annex 2).

www.dfid.gov.uk/pubs/files/toolsfordevelopment.pdf

CONSULTATION MATRIX

CARE International: Community Resources Management Guidelines, 2002

Section 4 includes guidance on introducing the community to the program, identifying community priorities and plans, establishing a local Technical Advisory Committee, developing management structures, and selecting committees and community mobilizers.

www.careinternational.org.uk/resource_centre/livelihoods/comm_resources_management_guidelines_zimbabwe.pdf

Consultative Forum on Mining and Environment: Public Participation Guidelines for Stakeholders in the Mining Industry, 2002

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This aims to provide guidance to stakeholders in the mining industry on how to extract the greatest benefit from public participation. In particular, it provides guidance on the scale and extent of public participation for different types of projects, from short-duration, inexpensive processes through to long, complex, and costly processes. The guidelines are fully intended for stakeholders to use and implement actively and to distribute widely, including to the neighbors of mining companies and other stakeholders. The guidelines define stakeholders, the environment, and the impact assessment process; discuss the benefits of public participation to mining companies, to stakeholders, and to sustainable development; and looks at public participation levels, definition, and objectives.

www.goodpracticemining.org/documents/jon/CMSA-PPGuide.pdf

PARTNERSHIP ASSESSMENT/PARTICIPATORY PLANNING

Methods for Community Participation: A Complete Guide for Practitioners (Prepared by Kumar, Somesh), 2002

Kumar provides extensive discussion and India-based examples of a wide range of participatory tools and methods. A very useful handbook for anyone wanting to learn more about participatory methods. (Available from Intermediate Technology Development Group Publishing, UK)

www.itdgpublishing.org.uk

The National Environment Secretariat, Kenya; Clark University, United States; Egerton University, Kenya; and the Center for International Development and Environment of the World Resources Institute: Participatory Rural Appraisal Handbook, 1994

Participatory Rural Appraisal (PRA) is a way to systematize a very old approach to rural development: community participation. This guide presents field-based steps of the PRA methodology including data gathering, organizing and ranking problems and opportunities, creating community action plans for resource management, and evaluation and monitoring. PRA is an excellent tool for identifying community needs and addressing the needs through an integration of traditional skills and external technical knowledge.

Implementing PRA: A Handbook for Facilitating Participatory Rural Appraisal. (Prepared by Elizabeth Oduor-Naoh and Isabella Asamba, National Environment Secretariat, Ministry of Environment and Natural Resources, Kenya; Richard Ford and Lori Wichhart, Program for International Development, Clark University; and Francis Lelo, Egerton University, Njoro, Kenya), 1992

This handbook is a sequel to the basic PRA handbook. Drawing on several PRA experiences, it focuses on how to develop a Community Action Plan (CAP). It helps to focus community discussion, mobilize community groups during the CAP implementation, and helps communities measure their progress toward achieving CAP objectives.

LOGICAL FRAMEWORKS

[AusAID: Logical Framework Approach, 2003](#)

The Logical Framework approach can be used by project managers and community development practitioners as an adaptable and highly functional strategic planning/management framework for any complex field-based development program or activity.

www.ausaid.gov.au/ausguide/ausguidelines/ausguidelines-1.pdf

[Social Impact: Impact Notes](#)

www.socialimpact.com/resource-center/impact-notes.html

CONFLICT MANAGEMENT

[Conflict Research Consortium, University of Colorado: Conflict Mapping, 1998](#)

University of Colorado web site that contains information on conflict mapping, including links to additional resources.

www.colorado.edu/conflict/peace/treatment/cmap.htm

[Association for Conflict Resolution: Conflict Resolution](#)

Association for Conflict Resolution Web site that contains a wealth of information about a wide range of topics concerning conflict resolution.

www.acrnet.org/about/CR-FAQ.htm

[Mediate.com: Mediation](#)

Mediate.com provides a variety of resources on conflict resolution, including articles on mediation, negotiation, dispute settlement, and other relevant topics.

www.mediate.com/articles/Mediationfaq.cfm

[BPD: Briefing Notes: Preventing and Resolving Disputes With Communities and NGOs](#)

The Natural Resources Cluster (oil, gas and mining sector) of the World Bank's Business Partners for Development research program produced practical examples, based on focus projects around the world, of how three-way partnerships involving companies, government authorities and civil society organizations can be a more effective means of reducing social risks and promoting community development. Working in different countries and at different stages of project development the performance of these 'tri-sector partnerships' was systematically tested in terms of both business benefit and development impact.

www.bpd-naturalresources.org/media/pdf/bn/Bnote6final.pdf

[International Alert: Conflict-Sensitive Business Practice: Guidance for Extractive Industries, 2005](#)

Guidance on doing business in societies at risk of conflict for field managers working across a range of business activities, as well as headquarters staff in political risk, security, external relations and social performance departments. It provides information on understanding conflict risk through a series of practical documents.

www.international-alert.org/publications/28.php

ANNEX 1 KEY COMPONENTS OF A MINERAL POLICY AND REGULATORY FRAMEWORK

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This outlines the key components of overarching policies and laws required to administer and regulate the minerals sector. More than 30 key components for mineral policy and 40 key components for mining law are presented. Added to that are more than 15 key components for general administration of the law, including references to other pieces of essential legislation and regulations. Recognizing that each component is itself a compound measure, more than 100 elements in total were used to evaluate the overarching instruments of the five countries within the study (Botswana, Namibia, South Africa, Tanzania, and Zimbabwe).

Some components carry the descriptor “very important,” as indicated by **bold (P1b)**. This addresses the need to discern major trends within overarching instruments that specifically provide guidance on sustainability.

COMPONENT DESCRIPTIONS: MINERAL POLICY

P1 GOVERNANCE

Code	Component	Description
P1a	Guiding principles	<ul style="list-style-type: none"> • The mineral policy honors the constitution, in that the policy itself provides the intent of the government, and laws and regulations are viewed as instruments for guidance • Policy principles may include sustainable development, poverty abatement, and self determination. For each guiding principle, some metric should be provided whereby the policy works toward broad objectives
P1b	Ownership of mineral resources	Role of the state as owner of mineral resources, the role of minerals in the national interest, and provisions for assigning temporary mineral rights to individuals and corporations in order to stimulate investment and development
P1c	Overview of economic contribution of the industry	Role of the mining sector in the overall economy, its current and expected economic contributions
P1d	Role of the state as regulator	Role of the state as regulator of mineral industries
P1e	Defining economic, environmental, and social objectives at the regional and local scale, including community mining agreements	<ul style="list-style-type: none"> • Society expectations for mineral development guided by the principles of sustainable development using economic, environmental, and social objectives • Consideration given to impacts at the local, regional, and national scale; and consultative frameworks through which impacted communities are empowered to participate in the planning and execution of impact management and benefit programs related to mining
P1f	Objectives of the policy	What the policy intends to accomplish, with specific reference to developing short-, mid-, and long-term strategies within a holistic framework
P1g	Artisanal and small-scale mining	<ul style="list-style-type: none"> • Safeguard policies (that is, environment, child-labor, hazardous materials management, and health and safety) for artisanal and small-scale miners to protect and enhance their well-being, and mechanism to assign mineral rights to those having established customary use of specific mineral resources • Policies and mechanisms to organize and formalize the sector, including ways for artisanal miners to graduate to entrepreneurial mining enterprises

COMPONENT DESCRIPTIONS: MINERAL POLICY

P1 GOVERNANCE continued

Code	Component	Description
P1h	<p>Mineral access</p> <ul style="list-style-type: none"> • Inspection and control • Capacity building • Mining cadastre • Geological survey (promotion of resource potential) 	<p>Transparent, nondiscriminatory public access to mineral resources through the provision of mineral rights, subject to compliance with the Mining Law and Mining Regulations with the state:</p> <ul style="list-style-type: none"> • Authorized to regulate mineral industries through a transparent and nondiscriminatory mines inspectorate • Providing and implementing programs to improve sector governance through capacity building • Authorized to administer mineral rights through a transparent and nondiscriminatory mining cadastre • Providing public access to geologic data in order to stimulate investment in the sector through promotion of mineral resource potential
P1i	<p>Right of recourse, administrative appeals, judicial appeals, dispute resolution, arbitration</p>	<ul style="list-style-type: none"> • Rights recourse to resolve disputes through administrative, judicial, or arbitration processes • Procedures for administrative appeals and the remedies available and defined within the mining regulations • Procedures for judicial appeals and the general principles of law that apply are clearly defined • Dispute resolution includes definition of provisions in contracts and agreements, amicable settlement through discussion, and courts of arbitration and binding agreement • Arbitration clauses that define domestic and international courts available and rules for arbitration

P2 ECONOMIC: BUSINESS CLIMATE

Code	Component	Description
P2a	Equal treatment of domestic and foreign investors	Equal access to mineral resources for both domestic and foreign investors through transparent, nondiscriminatory sector regulation
P2b	Encouraging development and exploration	The state encourages exploration and development by creating a competitive business climate through the application of international best practices in regulatory and fiscal policies
P2c	Promotion of the private sector, economic growth, and job creation	Role of the private sector in providing investment capital
P2d	Transparency of the licensing process	Mining regulations clearly define the procedure for acquiring mineral rights, and the concept of preference given to applications according to the order they are filed
P2e	Fiscal and regulatory regime <ul style="list-style-type: none"> • Stability • Competitiveness • Efficiency 	<ul style="list-style-type: none"> • Whether the government supports the concept of stability of fiscal and regulatory terms and conditions, as defined in the mining agreement, for a defined period of time • Fiscal and regulatory reforms that reflect international standards and make the state competitive in attracting private sector investment • Programs and efforts toward administrative reforms and institutional strengthening to improve governance in the sector. This may also include setting time limits within regulatory processes to ensure that unnecessary delays in administrative functions are removed
P2f	Revenues management and Extractive Industries Transparency Initiative (EITI)	The state endorses EITI, a program sponsored by the DFID to increase transparency over payments by companies to governments and government-linked entities, as well as transparency over revenues by those host country governments

P3 ENVIRONMENTAL: STEWARDSHIP

Code	Component	Description
P3a	Risk assessment and management	<p>Policies that seek to safeguard the environment from harm by requiring Environmental Impact Assessment (EIA) and Environmental Management Plan (EMP) for mining activities:</p> <ul style="list-style-type: none"> • EIA is an instrument to identify and assess the potential environmental impacts of a proposed project, evaluate alternatives, and design appropriate mitigation, management, and monitoring measures • EMP is an instrument that details the measures to be taken during the implementation and operation of a project to eliminate or offset adverse environmental impacts, or to reduce them to acceptable levels, and the actions needed to implement those measures
P3b	Health and safety	<p>Policies that seek to ensure health and safety standards for workers and mine-impacted communities. This policy generally refers to another policy specifically detailing objectives for the industry</p>
P3c	Mine reclamation	<p>A clear policy on reclamation of mining lands, including responsibilities and obligations for:</p> <ul style="list-style-type: none"> • Planned closures • Abrupt closures

P4 SOCIAL: MINING AND COMMUNITIES

Code	Component	Description
P4a	Consultation processes	<p>A demonstration of a framework for community consultation in mine planning, development, ongoing operations, and closure. This includes:</p> <ul style="list-style-type: none"> • Consultative processes for assessing the socioeconomic impact of mining • Consultative processes for developing voluntary community mining agreements • Frameworks that integrate communities into closure and post-closure planning
P4b	Resettlement and compensation	<p>A resettlement policy framework and action plan for resettlement that includes:</p> <ul style="list-style-type: none"> • Identification of affected populations • Legal frameworks • Compensation frameworks • Resettlement assistance • Organizational responsibilities • Dispute resolution • Budgeting and financing • Implementation (action steps) • Monitoring and evaluation
P4c	Community well-being	<p>Affirmative action policies related to empowerment of disadvantaged ethnic groups and/or Indigenous People. Policies to address mining-impacted communities, including specific consideration of:</p> <ul style="list-style-type: none"> • Gender (discrimination and equality) • Family issues (family welfare, substance abuse prevention and control, access to education) • Empowerment of NGO's and other partners

P5 SUSTAINABLE DEVELOPMENT: IMPLEMENTATION

Code	Component	Description
P5a	Land-use planning	A policy for holistic integrated land-use plans that consider both mining activities and complementary and competing land uses. Some statement as to how to support long-range planning at the community and regional level where capacity might be deficient
P5b	Mine closure planning	A clear policy on the need for mine closure plans prior to development that include: <ul style="list-style-type: none"> • Considerations for retraining and redeployment of workers after closure • Reconversion of plant site • Community sustainability
P5c	Capacity-building education	The state's commitment to building capacity within its institutions, in regional government, and at the local level
P5d	Local and regional economic and business development	Programs or policies to foster small-to-medium enterprises at the local level using mining as an engine of growth. The policy should define: <ul style="list-style-type: none"> • Capacity for ensuring sustainability at the community level • Effective dispute resolution processes for communities • Social safeguard policies for vulnerable groups • Frameworks for local economic development
P5e	Roles of civil society, community, governments, and companies	Roles of the state, regional governments, community, NGOs, and company in defining, implementing, and monitoring sustainable development programs. A clear statement as to funding sources for major obligations should be included
P5f	Partnerships in social development: <ul style="list-style-type: none"> • Social • Economic • Environmental 	The state's expectations for partnerships to achieve sustainable development goals. Includes a consideration potential partners for each of the three main objectives
P5g	Inter-regional cooperation <ul style="list-style-type: none"> • Social • Economic • Environmental 	How the state can facilitate and support inter-regional cooperation on mining-related issues. Includes a consideration of trans-boundary issues and regional cooperation agreements

Code	Component	Description
P5h	Measuring outcomes (policy implementation)	The state's role in implementing its policy, including: <ul style="list-style-type: none"> • Key programs and associated time lines • Measuring program performance • Reporting on programs, to whom, when • Mechanisms for program adjustments
P5i	HIV/AIDS	A policy to address the problems of HIV/AIDS infected staff and communities, and specific short, medium, and long-term strategies to arrest the spread of infection

COMPONENTS DESCRIPTION: MINING LAW and RELATED REGULATIONS

L1 INTRODUCTION

Code	Component	Description
L1a	Purpose and scope of law	A provision as to: <ul style="list-style-type: none"> • Role of private investment • Definitions for key terminology • Scope of the law covering all mineral activities
L1b	Objectives of the law	Clear statements regarding objectives for the law in regulating the sector
L1c	Ownership of mineral resources	Provision for state ownership in which mineral investment by the private sector provides broader social benefit
L1d	Role of the state as regulator	The role of the state clearly defined to: <ul style="list-style-type: none"> • Promote efficient development by the private sector • Mandate that state-owned enterprises, if any, are subject to the law

L2 ECONOMIC

Code	Component	Description
L2a	Security of tenure	Provision of suitable guarantees for the investor against arbitrary actions that would threaten mineral rights
L2b	Transparent, clear, nondiscriminatory licensing framework	Statements regarding the licensing framework that reflect the granting of licenses in the order of application filed, what rights are provided, to whom, how, and under what obligations
L2c	Promotion of the private sector, economic growth, and job creation	The reliance on the private sector to provide investment capital, with expectations for economic multipliers in the economy, and job creation
L2d	Flexibility in timing of exploration, development, exploitation, period and extensions	The issuance of mineral rights that allow a holder to determine the timing of their program within the bounds of the mineral right, the right to proceed from exploration to exploitation subject to regulatory compliance, and the ability to file for extensions of mineral rights
L2e	Mineral rights: types of rights and eligibility cancellation	The types of mineral rights that can be acquired, eligibility requirements that are nondiscriminatory, and clearly defined regulations for cancellation of such rights
L2f	Mineral rights: common provisions for period, extension, renewal, transfer, relinquishment, withdrawal, termination	The period of a mineral right, processes for extension of perimeters, processes for transfer of rights to third parties, the right and regulatory process for a holder at any time to relinquish whole or a part of a right, conditions and processes for temporary withdrawal or permanent termination of a mineral right, and process for appeals of the above actions
L2g	Mineral rights: obligations for maintenance, relations with surface land owners and between holders of rights, infrastructure, health and safety, protection of cultural heritage	The obligations of a mineral right holder to maintain good standing through payments of fees and/or work completion of commitments, to maintain good relations with surface owners and other rights holders in the area, processes for resolution of disputes in this regard, procedures for the provision and/or sharing of infrastructure, compliance with local health and safety regulations, and safeguards for the protection of cultural heritage, vulnerable groups, and communities in general
L2h	Mineral rights: obligations for taxes, duties, royalties	A clear statement of obligations on holders of mineral rights to pay taxes, duties, and royalties; what agency and authorized person collects those obligations (including procedures, schedules for payment, and applicable rates)

L2 ECONOMIC continued

Code	Component	Description
L2i	Mining-related taxation, including provisions for preproduction and production expenditures, tax stability, and incentives	<ul style="list-style-type: none"> • A clear statement as to the authorization of the appropriate government agency to provide financial tax provisions for amortization of preproduction expenses, (accelerated) depreciation of capital investments, and loss carried forward • A clear statement as to the ability of the government to provide for binding tax stability for a period of time agreed upon with the holder of a mineral right, and courses of actions should the stability clause be involuntarily terminated
L2j	Secondary processing of materials	<ul style="list-style-type: none"> • A clear statement as to prevailing regulations regarding materials benefited from secondary sources including scrap, waste streams and piles, and recycling • Provisions to encourage value-added (downstream) mineral processing
L2k	Informal and small-scale mining	<ul style="list-style-type: none"> • Special provisions for the issuance of mineral rights, regulatory compliance, and/or financial obligations of artisanal miners • Special regulations should be included for employment of pregnant or postnatal women, child labor and forced labor of disabled persons, processing mineral ores in surface waters, using chemicals hazardous to health, and control of black markets
L2l	Other mineral activities	Provisions relating to other mineral activities that might include crafts, collection of gem specimens, and fossils
L2m	Fiscal requirements: closure funds and environmental guaranty Closure plan: initial plan at time of license application, updated periodically	<ul style="list-style-type: none"> • Obligations on the holder of mineral rights to provide financial certainty of mine closure through instruments that include one-time sinking fund or bonded closure funds and tax treatment of these instruments • Obligations on the holder of mineral rights to provide financial certainty of funds to cover environmental abatement, mitigation, and clean up in the case of accidents and tax treatment of instruments used

L2 ECONOMIC continued

Code	Component	Description
L2n	Closure plan: initial plan at time of license application, updated periodically	Obligations on the holder of mineral rights to provide a comprehensive mine closure plan at the time of application for an exploitation right. This plan would include consideration of economic, environmental, and social impacts and remedies by which the company, community, and government might individually or in partnership achieve sustainability during and post closure of operations. The closure plan should define financial and social obligations on the holder of the mineral right, and procedures for regular update and consultation of the plan
L2o	A clear statement of violations, penalties, and powers of enforcement	A clear statement of actions constitute violation of the law, a schedule of civil and criminal penalties (or reference to applicable law), the civil and criminal powers of the state over the sector, and enforcement powers
L2p	Recognized dispute resolution mechanisms and appeals	A clear statement of dispute resolution procedures, including election to voluntary arbitration, rights of recourse to international courts, mechanisms and procedures for filing appeals, and time limits set on the above
L2q	Revenue sharing with communities	<ul style="list-style-type: none"> • A provision to share revenues from mining (royalties and fees) with local affected communities • A mechanism to direct mining contributions from central accounts to local accounts

L3 ENVIRONMENTAL STEWARDSHIP

Code	Component	Description
L3a	Risk assessment and management during exploration and exploitation	<p>A clear statement of environment safeguards required by rights of mineral holders. This includes defining when EIA and EMP are to be prepared, references to frameworks for preparing these plans, and procedures for submission, public comment (if applicable), and approval:</p> <ul style="list-style-type: none"> • EIA is an instrument to identify and assess the potential environmental impacts of a proposed project, evaluate alternatives, and design appropriate mitigation, management, and monitoring measures • EMP is an instrument that details the measures to be taken during the implementation and operation of a project to eliminate or offset adverse environmental impacts, or to reduce them to acceptable levels, and the actions needed to implement those measures
L3b	Health and safety and emergency preparedness	Clear statements regarding the obligation of holders of mineral rights to maintain health and safety and emergency preparedness plans and action teams when and when applicable
L3c	Mine reclamation	Clear statement as to expectations for mine area reclamation, including rehabilitation plans, restoration of flora and fauna, performance standards, and penalties for non-compliance

L4 SOCIAL: MINING AND COMMUNITIES

Code	Component	Description
L4a	Consultation frameworks	<p>Requirements to develop frameworks for community consultation and empowerment on resource planning and development. This may include reference to:</p> <ul style="list-style-type: none"> • Consultation frameworks for community impact analysis • Consultation frameworks for grievances and dispute resolution • Consultation and empowerment of local communities on land-use planning and post-mining activities
L4b	Predevelopment social planning	<ul style="list-style-type: none"> • SIA, requirements for holders of mineral rights applying to obtain a mineral exploitation right to assess social impacts in local communities. This would include consideration of vulnerable groups and gender issues • Requirements for holders of mineral rights applying to obtain a mineral exploitation right to prepare a social mitigation plan to address adverse impacts identified in the SIA and enhance opportunities for vulnerable groups and gender issues
L4c	Resettlement and compensation	Reference to safeguards policies for voluntary resettlement and equitable compensation for residents
L4d	Community well-being	<ul style="list-style-type: none"> • A specific reference to gender and family issues with respect to SIA and social mitigation planning • A specific reference to affirmative action for community members and minority or disadvantaged groups

L5 SUSTAINABLE DEVELOPMENT: COMMUNITY PLAN

Code	Component	Description
L5a	<p>Economic closure planning:</p> <ul style="list-style-type: none"> • Local economic development • Diversification 	<p>The obligation for holders of mineral rights, community, and government to implement the mine closure plan prepared as part of the application for the exploitation license. To achieve economic sustainability by:</p> <ul style="list-style-type: none"> • Fostering local economic development through procurement of goods and services in mine impacted communities and the region • Economic development programs to lessen across time the dependence of local companies on the mine, as prepared for the mine closure plan • Opportunities to partner with local and regional economic development agencies to share infrastructure and foster new alternative landuses
L5b	<p>Environmental closure planning:</p> <ul style="list-style-type: none"> • Reclamation plan • Environmental and habitat enhancement 	<p>The obligation for holders of mineral rights, community, and government to implement the mine closure plan prepared as part of the application for the exploitation license. To achieve environmental sustainability:</p> <ul style="list-style-type: none"> • Mine closure according to the reclamation plan • Creation of habitat, biodiversity, and protected areas • Ongoing monitoring and reporting for a defined period of time
L5c	<p>Social closure planning:</p> <ul style="list-style-type: none"> • Retraining • Reconversion 	<p>The obligation for holders of mineral rights, community, and government to implement the mine closure plan prepared as part of the application for the exploitation license. To achieve economic sustainability:</p> <ul style="list-style-type: none"> • Reskilling of mine workers for professional advancement and increased technological capacity • Redeployment of redundant mine labor through retraining for other sectors • Opportunities and incentives to partner with local or regional development agencies on job placement in other sectors • Opportunities and incentives for reconversion of closed mining facilities for other purposes
L5d	<p>Informal and small-scale mining</p>	<ul style="list-style-type: none"> • Clear provision of the legal status of informal and unlicensed operators, and processes by which they might register • Assistance made available to small-scale mines from larger mining operations and the government on issues of legal and administrative, health and safety training, technical training on equipment and mechanized mining, environmental protection, and access to fair and competitive markets

L6 ADMINISTRATION OF LAW

Code	Component	Description
L6a	Competent authorities: responsibilities, inspections, and controls	Ensuring that responsibilities of regulatory offices are clearly defined (Mines Inspectorate, Mining Cadastre, Geologic Survey), and that these agencies have clearly defined protocols for regulatory inspection and controls
L6b	Miscellaneous provisions: data status, mining cadastre and geological database, and access to information	<ul style="list-style-type: none"> • Data status relates to the collection and dissemination of geological and exploration data, including to whom does the data belong, which data are public domain versus confidential or classified • Mining Cadastre should have clearly defined functions and procedures • Geological database is maintained, updated, and administered by the geological survey, and that there is open, equal access to land status, mineral rights, and geologic information for investors
L6c	Classification of mineral deposits	That the government uses a recognized, industry-accepted system for the classification of mineral resources using classifiers such as commodity type, quality (coal), or industry-standard nomenclature such as rock type (quarry materials)
L6d	Provisions including miscellaneous, transitional, transparency, public inspection, confidentiality, and repeals	<ul style="list-style-type: none"> • Miscellaneous includes the obligation of transparency, availability of information for public inspection, confidentiality, and consistency of the mining regulations with the mining law • Transitional includes the promulgations of regulations, establishment of data inventories, and treatment of existing mineral rights • Transparency includes the EITI, a program sponsored by DFID to increase transparency over payments by companies to governments and government-linked entities, as well as transparency over revenues by those host country governments • Public inspection means that the state shall compile and make publicly available reports concerning mineral rights, mineral production, state revenues and other direct or indirect economic benefits received • Confidentiality includes the confidential treatment by the state or sector ministry of technical, geological, or financial data as submitted by the holders of mineral rights and as may be required by law. The period of confidentiality will be defined within the mining regulations • Repeals means those laws that have been nullified through changes to the current set of laws The entitlement of holders of mineral rights to build and maintain infrastructure required for the activities connected with the mineral rights

L6 ADMINISTRATION OF LAW continued

Code	Component	Description
L6e	Authorizations for construction of infrastructure	The entitlement of holders of mineral rights to build and maintain infrastructure required for the activities connected with the mineral rights
L6f	Processing, transportation, and sale of mineral products	The entitlement of holders of mineral rights to process mineral substances, transport and store mineral products, and sell products at freely negotiated prices
L6g	Clearly defined violations and penalties	Clearly defined: <ul style="list-style-type: none"> • Violations defined according to the statutes of the mining law and corresponding mining regulations • Offenses established by the sector ministry punishable by civil (fines) or criminal (fines and imprisonment) penalties • Powers of enforcement and courts of competent jurisdiction clearly defined

COMPONENTS DESCRIPTION: GENERAL

G1 CONSTITUTIONAL AUTHORIZATION

Code	Component	Description
G1a	Reference to the constitution and its guiding principles	<ul style="list-style-type: none"> • Equality of people (including gender equality) • People have the right to live in clean communities • People have the right to own property, and those rights are protected • People have the right to information

G2 OTHER LEGISLATION: TAX AND FISCAL

Code	Component	Description
G2a	Reference to direct taxes: income and sales	Includes references to other laws containing general provisions for the assessment and payment of taxes, basis for calculation of taxes, taxpayers affected, jurisdictions, and powers of the government to levy taxes
G2b	Indirect taxes: value added tax and presumptive business	Includes references to other laws containing provisions relating to assessment and payment of taxes, basis for calculation of taxes, taxpayers affected, jurisdictions, and powers of the government to levy taxes
G2c	Investment and banking	Includes references to other laws containing provisions for: <ul style="list-style-type: none"> • Protection of investments, foreign exchange and state guarantees, and treatment of domestic and international bank accounts • State guarantees including the freedom for holders of mineral rights to organize and conduct business as they see fit, import and export goods and services, and the free circulation of personnel according to international conventions
G2d	Customs duties and tariffs	Includes references to other laws containing duty and tariff schedules for the temporary and permanent import and export of goods, and state guarantees for the free movement of those goods as is required for the activities connected with the mineral rights

G3 OTHER LEGISLATION: REGULATORY AND MISCELLANEOUS

Code	Component	Description
G3a	EIA, EMP, and guidelines for reporting	<p>A clear statement regarding regulatory authority and the use of EIAs and EMPs in safeguarding the environment during exploration, exploitation, and post-mining activities</p> <ul style="list-style-type: none"> • EIA is an instrument to identify and assess the potential environmental impacts of a proposed project, evaluate alternatives, and design appropriate mitigation, management, and monitoring measures • EMP is an instrument that details the measures to be taken during the implementation and operation of a project to eliminate or offset adverse environmental impacts, or to reduce them to acceptable levels, and the actions needed to implement those measures • Reference to an atmospheric pollution prevention act • Reference to a waste management act
G3b	Water regulations	A clear statement regarding regulatory authority for the protection and use of water in mining
G3c	Forest regulations	A clear statement regarding regulatory authority and applicable forest regulations that apply to the activities of mineral rights holders, including restricted and limited use areas
G3d	Protected areas including cultural and natural	A clear statement regarding regulatory authority and restrictions to the holder of mineral rights vis a vis access and permissible activities within protected areas
G3e	Health and safety	A clear statement regarding regulatory authority for health and safety issues associated with mining
G3f	Labor and social welfare, including training and reskilling, and technology transfer, resettlement, wages and pensions, union-related	<p>A clear statement regarding applicable labor and social welfare regulations as they apply to the activities of the holder of mineral rights:</p> <ul style="list-style-type: none"> • Training and reskilling includes redeployment of redundant labor through education and vocational training • Resettlement considers safeguard policies that promotes participation of displaced people in resettlement planning and implementation, and economic objectives to assist displaced persons in their efforts to improve or at least restore their incomes and standards of living after displacement
G3g	Planning and public works including construction codes and standards	A clear statement regarding regulatory authority for public works

G3 OTHER LEGISLATION: REGULATORY AND MISCELLANEOUS continued

Code	Component	Description
G3h	Urban and rural and land-use planning	A clear statement regarding regulatory authority for land-use planning at the federal, regional, and local scale and any coordinating bodies that would assist in mine planning in this regard
G3i	Inspection and control	A clear statement regarding regulatory authority for agencies to inspect, monitor, and control mining activities
G3j	Workforce movement	A clear statement regarding regulatory authority for the importation of labor and control of migration associated with mining activities
G3k	Local regulations	A clear statement regarding regulatory authority for local authorities with respect to mining activities
G3l	Emergency response planning	A clear statement regarding regulatory authority for civil defense to protect and otherwise safeguard mines during emergencies

- i On May 21, 2001, the Board of Directors of the International Council on Metals and Environment (ICME) agreed to broaden the groups' mandate and transform itself into the International Council on Mining and Metals (ICMM), and to move its headquarters from Ottawa, Canada, to London.
- ii See www.icmm.com/sd_framework.php.
- iii World Bank Revised Operational Policy and Bank Procedure on Indigenous Peoples (OP/BP 4.10) available at web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTINDPEOPLE/0,,menuPK:407808~pagePK:149018~piPK:149093~theSitePK:407802,00.html.
- iv See ICMM Mining and Indigenous Peoples Issues Review, available at www.icmm.com/library_pub_detail.php?rcd=175.
- v Language drawn from the South African Department of Minerals and Energy's "Social and Labour Plan Guidelines for the Mining and Production Industries."
- vi This establishes the requirement for a "social and labor plan," which must accompany an application for a new mining right or for the conversion of an old order right (Part II: Social and Labour Plan, paragraphs 40–46).
- vii This obliges all stakeholders to "undertake to create an enabling environment for the empowerment" of historically disadvantaged South Africans.

CREDITS

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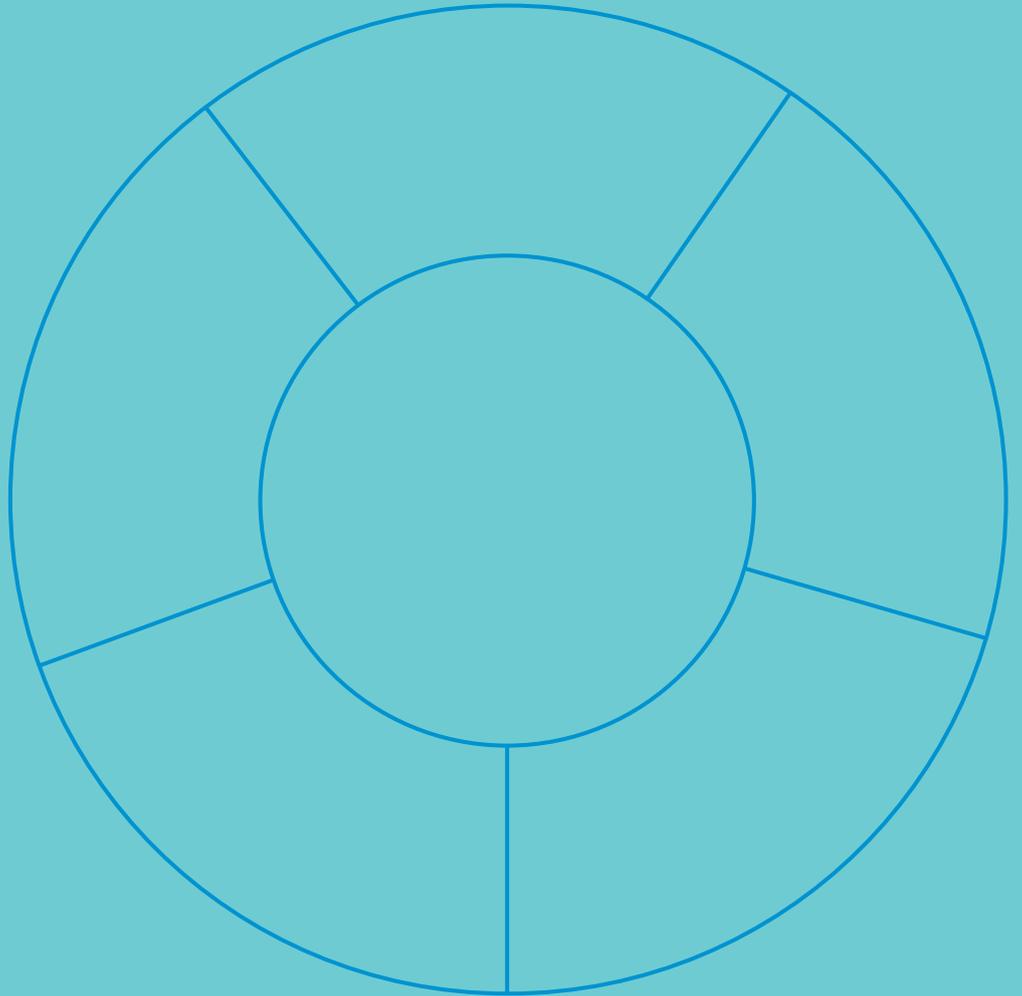
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