The group facilitator Dr Cornis van der Lugt reminded participants of what has been identified as key issues for the mining industry in an international multistakeholder facilitated by the International Institute for Environment and Development (IIED) in a partnership with the mining industry at the time of the Johannesburg Summit for Sustainable Development (WSSD) in 2002. These have recently been found to remain equally relevant, with greater emphasis put today on air polluting emissions and climate change, water scarcity and increased resource nationalism. Based on these, key environmental topics for the extractive industries remain the following:

- Environmental Impact Assessments (*quality, credibility*)
- Energy Use (*incl GHG emissions, climate change, declining ore grades*)
- Water Use (*incl availability / scarcity in shared river basins, and quality / acid drainage*)
- Land Use (*incl habitat destruction, critical ecosystems*)
- Mine Wastes (*incl tailings dams, toxics – cyanide and sulphuric acid*)
- Metals & the Environment (*incl arsenic, mercury, metalloids in food chain*)
- Mine Closure & Legacies (*incl rehabilitation, socio-economic transition*)

Considering the background paper on environmental sustainability and community rights to natural resources prepared by Ledum Mitee, the facilitator encouraged participants to unpack the “natural resource base” and consider the categories of ecosystem services provided by nature as defined in the Millennium Ecosystem Assessment (MA 2005). Commissioned by the United Nations (Secretary General Kofi Annan), the MA process involved over 1000 scientists worldwide and did a global audit of the world’s forests, wetlands, and other ecosystems.

1. The groups ten defined the following as **Key Issues** for the extractive industries in Africa today:

1. Community involvement from the beginning is not effectively provided for in national legal frameworks, including early agreement of prevention of negative impacts and levels of compensation. This is part of the failure to give local communities a real voice in policy and legislative developments.

2. Absence of an environmental agency with power, adequate funding and independence, not dominated by other arms of Government seeking to rush extractive projects without proper due diligence. Recent experience
has again shown how oversight responsibilities can be vested in government agencies that are compromised by extractive industry companies, predominantly serving their industrial development interests.

3. Limited or weak engagement of civil society in Environmental Impact Assessment (EIA) processes, including monitoring of project development and industry behaviour. Related to this, the group noted that there is typically pressure on government departments of trade and industry to attract investment, as a result of which due diligence in ensuring best practices gets sacrificed. A recent example is Ghana’s Jubilee Fields where an announcement of exploration of oil was made before due process was completed.

4. Low capacity in Government, for example to effectively do integrated resource management and development planning with long-term horizons in mind. This includes informed decision-making on extractive projects that can run over a hundred years, with significant implications for the natural resource base and the capacity of its ecosystems to serve local livelihoods. The knowledge deficit, coupled with the lack of appropriate regulatory interventions, leads the ‘resource curse’ to becoming a self-fulfilling prophecy.

5. Requirements found in bilateral trade and investment agreements between host governments and foreign donor governments, the implications of which is often ill understood. Of special concern is requirements that fail to ensure local developmental goals and environmental standards are also applied consistently to foreign investors and extractive industry companies.

6. Provisions in constitutions for “right to a clean and healthy environment” are either absent or not effectively applied through legislation and public policies. The absence of a Human Rights Commission that recognizes and supports such a right is an additional shortcoming. In response, it was cautioned not to lose sight of the indivisibility of the various rights, so that environmental rights are not treated in isolation but rather in an integrated manner.

7. Gaps in the application of recognized standards (in for example environment, health and safety - EHS) by industry, notably by artisanal and small-scale mining (ASM). This poses in particular risks for local entrepreneurs and communities. Of all industries, ASM represents the single largest demand for mercury and is the largest source of mercury pollution to the air and water. In Ghana, unmonitored releases of mercury - used in the gold-amalgamation process - have caused numerous environmental problems. Cases have been found of severe pollution of the environment through the release of heavy metals from small-scale mining operations into streams that are a source of drinking water downstream.
2. The group considered the following as **Possible Solutions** in addressing the dominant environmental issues faced by the extractive industries:

1. As part of the EITI process, regulators should be expected to disclose information not only about for example investment, revenues and taxes but also about resource extraction planning and the environmental impacts of projects licensed. This includes information on the economic costs and benefits of environmental impacts and dependencies involved. Of special interest would be large-scale project developments, including ones that imply or may be in the proximity of environmental hotspots and protected areas (IUCN Management Categories I-IV) or UNESCO World Heritage Sites.

2. Provide technical assistance to officials in regulatory bodies and local government, so that EIA processes are appropriately managed and impacts well understood. This includes the ability to pursue more integrated approaches and pursuing not only environmental but also **environmental and social impact assessments (ESIAs)**, with follow up programmes that take cognizance of the socio-economic and cultural realities of local communities.

3. Support local actors and communities in the development and interpretation of financial and cost-benefit analysis (CBA) studies on alternative resource development options involved. As an example where local players were not effectively involved from the start, participants noted recent experience in the Philippines where local communities rejected houses provided to them by mining companies since they were left out of the planning process.

4. Promote donor support for good governance at regional and local government level. This has to include support for improved communications to deal with complex and technical or scientific information, and making relevant information accessible in a timely fashion and user-friendly format to local communities. A related aim would be to promote open and informed discussion among equals.

5. Governments need to provide funding – possibly create Trust Funds – to support the development of technical expertise and research for EIA. This includes involvement of local research capacity at universities and professional bodies, networked with their foreign counterparts. The state has a moral duty to fund research for this purpose and ensure that impact assessments are adequately conducted. The integrity, sensitivity, objectivity and understanding for long-term developmental solutions on the part of consultants and researchers involved needs to be promoted.
3. The group discussion concluded with reflection on what activities could be done in **Collaboration with the Ford Foundation** in rolling out solutions such as those proposed:

6. Support National Planning Commissions in education and training, including skills gap analysis followed by executive courses (for example on contract negotiations) as has been done in Nigeria. This can included participation by managers in courses in the US on themes such as integrated resource management, ESIA and natural resource economics.

7. Support the engagement of local communities in local level monitoring, building on their “on the ground” knowledge and proximity to extractive sites as opposed to the often-removed views of CSOs based in cities. Consider experience from Indonesia where the EITI developed a local environmental monitoring tool for use by local communities.

8. Identify and support local champions to advance environmental care in project planning and development, with special consideration of community dependence on local natural resources for their livelihoods. Consider the provision of grants to support such champions (entrepreneurs) in running income generation projects such as waste management. Experience gained from this in Zimbabwe can be considered, as well experience elsewhere in creating jobs in local, environmentally sustainable industries such as sustainable agriculture and ecotourism.

9. Collaborate with the Foundation in local research to check claims made by corporations in their environmental disclosures and annual reporting, checking possible discrepancies between policies, information or data reported and site level realities. This includes examination of environmental or sustainability reporting by oil & gas or mining companies, highlighting inconsistencies between corporate policies and site level performance. It also includes examination of lack of accuracy in information reported, without due consideration to national and local context. Examples would be failure to report on how country specific, local natural resource scarcities and the impact on local communities involved are dealt with.

10. Run initiatives in support of the formalization of the artisanal and small-scale mining (ASM) sector, recognizing their legitimate role in local economic development and supporting them in applying appropriate EHS safety standards (including the phase out of mercury use). This includes giving due consideration to development in areas of marginal mineral deposits, and making licensing offices accessible to remote communities. Participants stressed that simply viewing the activities of ASM miners as criminal, as happened recently in South Africa, only worsens the situation. The solution to this is education so that artisanal miners are not seen as encroachers but as legitimate entrepreneurs whose activities have to be
formalised. It is estimated that 6 - 8 million people are directly employed in ASM in Africa, with a potential 20 million population depending on the sector.

11. Consider engaging the tail end of the value chain, mobilizing supportive pressure from consumers abroad and CSOs they support. This requires, among others, communicating cases of environmental destruction, slack standards and community costs to such allies abroad in order to put pressure on headquarters where foreign corporates are based. It also requires engaging other partners in the chain such as dealers and buyers.