



International  
Institute for  
Environment and  
Development



**Mining, Minerals and  
Sustainable Development Project**

# **THIRD MEETING OF THE MMSD ASSURANCE GROUP**

## **(Part 4: Annexes 7-9, Work Group Presentations)**

**Santiago, Chile  
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## **ANNEX 7: LD: WHAT KIND OF INSTITUTIONS SHOULD WE BUILD?**

### **Who should build it?**

- “We” does not mean MMSD
- but the various groups with a vital interest in the industry

### **Governance**

- Globalisation
- Liberalisation of Trade
- Political Aperture

### **Premises**

- All major actors must be subject to some form of checks and balances
- In a globalised world the limitations on national government have been exposed
  - Territorial Jurisdiction
  - Lack of capacity
- Effective supranational systems have yet to keep pace

### **Sustainable Development requires Rules and Institutions**

- “Governance” not necessarily “Government”, although Government does have a role
- Focus on the agenda of economic opportunity, social development, safeguarding the environment
- An exciting opportunity to start with a relatively clean slate and avoid past mistakes

### **Emerging Sets of Rules and Institutions**

- Private Sector
- International Organisations
- NGOs

The very multiplicity of these proposals is overwhelming

Can we start a process of convergence?

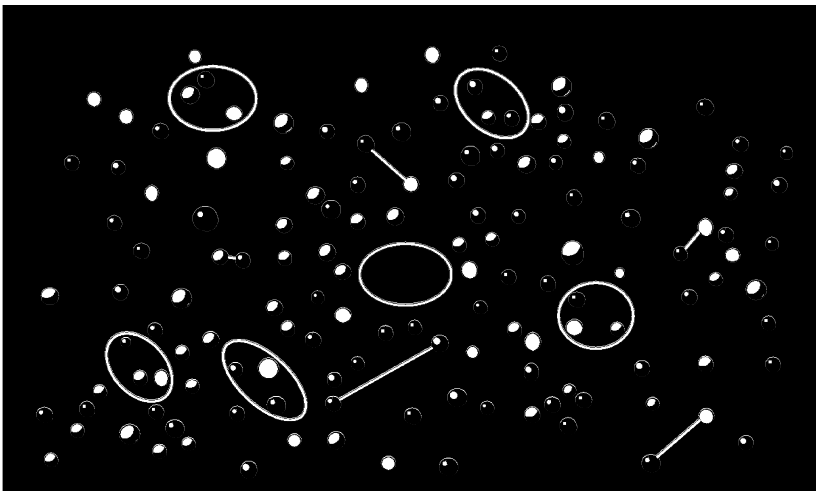
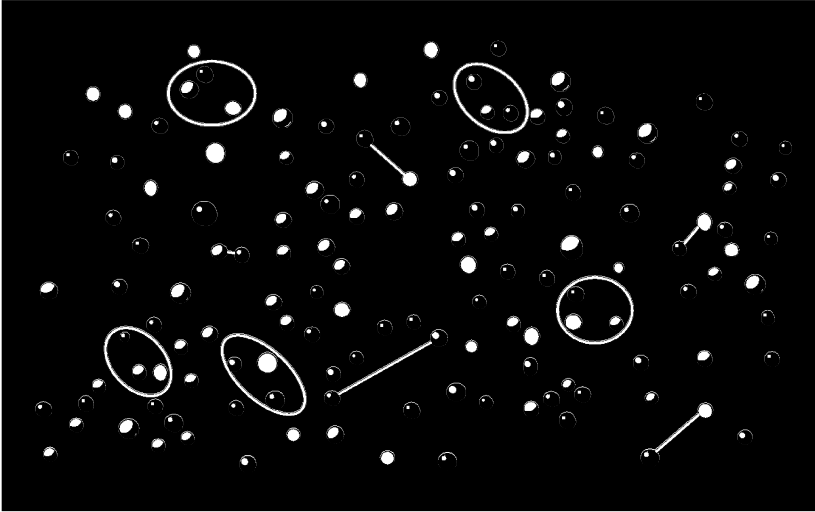
### **Premises**

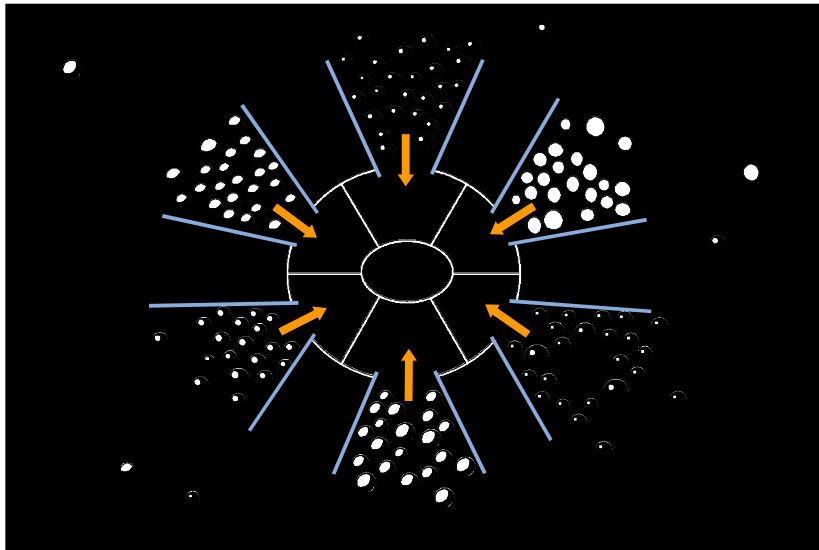
- We cannot avoid conflicts
- But conflict can be creative
- We should look not to avoid conflict, but to build creative and effective institutions which can manage it in ways consistent with our values

## Characteristics of those Institutions

1. Capable of fluid communication with all important actors
2. Not controlled by any of them

## The World





### **Potential Functions of this Facility**

3. Developing guidelines, standards, norms or best practice concepts
4. Continuing review and improvement of those norms
5. Validating compliance with the above
6. Resolving conflicts

### **Is it in the interest of the different actors to have such a system?**

#### **Examples**

7. Finance sector
8. Customers
9. Government
  - a) Consuming countries
  - b) Producing countries
10. NGOs
11. Various industry sectors
12. Labour

#### **Conditions for Success**

- Open to all interested parties
- Shared management and control
- Goals set by consensus

## **ANNEX 8: LW: AG REVIEW OF FIRST INTERIM REPORT – *PLANNING FOR OUTCOMES***

### **Why are we Preparing for Outcomes?**

- Focus on where process should be heading
- Sustain achievements
- Inform the research agenda
- Engage stakeholders
- Maintain momentum
- Ensure longer term sponsorship

### **What have we Done so Far?**

- Meeting of experts – July 2000
- Stakeholder consultation
- Preliminary review of literature & similar initiatives
- Interim Report

### **Proposed Workplan**

- *Interim Report*: Review of current practices & ideas
- *In-depth review* of potential outcomes
  - analysis of existing mechanisms
  - results emerging from MMSD activities
- *Workshops & meetings* with stakeholder groups
- Identification of *concrete MMSD outcomes* & design of practical mechanisms

### **Interim Report: *Planning for Outcomes***

Objective – to assist all elements of MMSD to consider implementation

- Framework for consideration of potential outcomes
- Spectrum of potential outcomes including MMSD process as outcome
- Criteria & considerations for selecting outcomes

## Categorisation of Outcomes

Norms & Instruments	Processes	Institutional Responses
<ul style="list-style-type: none"> <li>• Legal and Policy measures</li> <li>• Market-Based Mechanisms</li> <li>• Voluntary Initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder Processes</li> <li>• Capacity Development</li> <li>• Technological Development</li> </ul>	<ul style="list-style-type: none"> <li>• Institutions</li> <li>• Knowledge Management</li> <li>• Financial Mechanisms</li> </ul>

## Mechanics of Review

- Form Committee to oversee *Planning for Outcomes* & coordinate AG input?
  - Review interim report
  - Advise on Work Plan
  - Review forthcoming products

## ANNEX 9: RESEARCH AND ANALYSIS

### How can we get the Report Done? Part II

#### Where are we now?

#### Status of Contracting

- Several major research themes launched
- Independent advisory committees
- Expressions of interest/proposals being assessed
- Research fellows working on background documents/literature review/baseline assessment
- Continuous redrafting of report outline and concept notes on major research activities

#### Activities in Progress

- Mining company survey
- Life cycle analysis
- Mineral resource availability
- Economic benefits of mining
- Large volume waste
- Global finance dialogue

- Biodiversity
- Small-scale mining

## **Other Activities in Planning**

**We are now developing other specific activities.**

### **Priorities include**

- Managing mineral wealth
- Access to information
- Indigenous peoples
- Human rights
- Environmental concerns over metals and the relationship to trade and markets
- Economic, social and cultural impact on local communities

### **Next Steps**

- Co-ordinate with regional partners
- Circulate draft background research documents
- Identification of gaps in research contracting
- Organisation of activities, e.g. advisory committees, workshops, reviews
- Review proposals submitted in response to Request for Statements of Interest
- Contract relevant individuals/institutions
- Identify remaining gaps in research
- Continue research fellow work programme
- Draw on company resources through the newly formed industry liaison committee