How to engage the extractives sector - inspirational stories from civil society

Webinar: 28th March 2018

IUCN Business and Biodiversity Programme
biobiz@iucn.org
Agenda

1. **Welcome, introductions, agenda** - Nadine McCormick, IUCN Global Business and Biodiversity Programme

2. **Approaches to engaging the extractives sector** – Samir Whitaker, Zoological Society of London, Business and Biodiversity programme

3. **Case studies**
   - "Environmental Rehabilitation: Learnings from Artisanal Miners in Mongolia" Jonathan Stacey, formerly with The Asia Foundation, now with Levin Sources
   - “New protocol to help industry generate a positive impact on biodiversity", Rachel Asante, IUCN Business and Biodiversity Programme

4. **Q&A and discussion**

5. **Wrap up**
Poll #1 – Who are you?

• Which type of organisation are you with?
  – Civil society organisation (CSO)
  – Non-governmental organisation (NGO)
  – Government
  – Academia
  – Other
Local action – global learning

The PANORAMA “Solution-ing“ Methodology

PANORAMA Solutions …

Feature different approaches, tools and processes, highlighting “building blocks” that work and inspire action by being…

- impactful
- scalable
- responsive to conservation and development challenges in an integrated, constructive manner.

495 Solutions  400+ Providers

1,200+ Building Blocks  70 Countries

Development Partners:
Business engagement Solutions

Explore 30 Solutions

Business engagement approach

- Direct engagement with a company
- Direct engagement with associations
- Indirect through consumers
- Indirect through financial institutions
- Indirect through government
- Indirect through legal actors

30 solutions

Landscape Level Biodiversity Vulnerability and Landuse Assessment, Namibia
New protocol to help industry generate a positive impact on biodiversity
Environmental Rehabilitation; Learnings from Artisanal Miners in Mongolia
Responsible Marine and Coastal Tourism Business Cluster Development
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Poll #2 – How much experience do you have engaging the extractive sector?

- No experience
- A little experience
- Lots of experience
Approaches to engaging the extractives sector

Samir Whitaker
Zoological Society of London, Business and Biodiversity programme
Structure of the guide

Engaging the extractives sectors - Shared Resources, Joint Solutions webinar #2
Enabling conditions

- Operational
  - International operators
  - Regulatory pressure

- Reputational
  - Consumer awareness
  - Consumer pressure
  - Active civil society
  - Certification standards

- Marketing and product
  - Strong legal frameworks

- Legal and regulatory
  - Equator Principles/World Bank financing
  - Informed taxpayers (public companies)

- Financial
  - Diversified finance and lower rates
Deciding how to engage (existing)

1. Artisanal
   - Legal?
     - Yes: Organised?
       - Yes: Reactive to discussion?
         - Yes: Try direct engagement
         - No: Indirect engagement
     - No: Inform Authorities
2. Industrial
   - Legal?
     - Yes: EIA?
       - Yes: Reactive to discussion?
         - Yes: Try direct engagement
         - No: Indirect engagement
     - No: Inform Authorities
Mitigation Hierarchy

- **Positive**
  - Global and local Capacity and support
  - Net Positive Impact
- **Negative**
  - **Avoid**
  - **Minimise**
  - **Restore**
  - **Offset**

**Tools**: Guidance, Expertise, Tools

**Biodiversity Impact**: No Net Loss
Direct CSO engagement with a company

Operational
Marketing and product
Legal and regulatory
Reputational
Financial

Engaging the extractives sectors - Shared Resources, Joint Solutions webinar #3
Direct

- Tsitongambarika (TGK) Forest: an Important Bird Area and Key Biodiversity Area
- Close to current and planned Rio Tinto ilmenite mining operations
- BirdLife partner (Asity Madagascar) already working to secure permanent protection status

- Rio Tinto was exploring potential for an offset within TGK
- Partnership developed to explore joint conservation planning
- Trials of funding mechanisms including carbon funding and other PES
- Offset management role given to BirdLife Partner
- Relationship ongoing
Indirect CSO engagement with a company

Operational
Marketing and product
Legal and regulatory
Reputational
Financial

Engaging the extractives sectors - Shared Resources, Joint Solutions webinar #3
Indirect

Market Summary > Northern Dynasty Minerals Ltd
TSE: NDM

0.93 CAD +0.20 (27.40%) ↑
7 Nov, 16:00 GMT-5 - Disclaimer

1 day   5 days   1 month   6 months   YTD   1 year

18.34 CAD  28 Jan 2011

Mitsubishi pulls out
Anglo American pulls out
Rio Tinto pulls out

Engaging the extractives sectors - Shared Resources, Joint Solutions webinar #2

IUCN
What next?

- 16 April – Draft for comment - Samir and Nadine will finalise “road map” resource document
- 7 May- Review - If you would like to comment on the draft and be acknowledged, please indicate in the post-webinar survey
- 11 or 12 June - Soft launch in Cambridge
- 18 or 19 June - Launch at EITI in Paris (TBC)
Questions or comments?

Please ask your questions using the question box in the control panel on the right hand side of the screen.
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4. Q&A and discussion

5. Wrap up
New protocol helps industry generate a positive impact for biodiversity

• **Context**
  – Following a commitment by the mining company Rio Tinto, IUCN and its Members worked with the company to develop and trial a new protocol that could help track the company’s progress towards reaching a Net Positive Impact (NPI) or biodiversity net gain (BNG).
  – The protocol was tested as three different mining operations in Australia, Madagascar and Mongolia.
  – The collaboration evolved over time and IUCN found that voluntary commitments proved to be challenging.

• **What did we do?**
  – IUCN, along with its Members and partners, worked with the company to:
    • Developed an NPI assurance tool
    • Piloted test the assurance tool
    • Produced technical papers
    • Shared lessons learned
New protocol helps industry generate a positive impact for biodiversity

• **What happened? (the change/impact)**
  – An NPI Alliance with IUCN, Rio Tinto, Shell and The Nature Conservancy produced two papers on the business case and conservation case for NPI.
  – IUCN examined how NPI could be applied to other sectors, piloting the approach in agriculture and forestry.
  – These pilots informed IUCN’s development of the first-ever biodiversity offset policy and led to IUCN establishing a Global Inventory of Biodiversity Offset Policies, which is open to the public.
  – IUCN produced a Review Protocol for Biodiversity Net Gain, which helps companies monitor their progress as well as meet lender and regulatory demands. The protocol is now being tested by other companies.

• **What were the building blocks of success?**
  – Securing a corporate commitment and resourcing
  – Piloting the application
  – Involving host communities

See full solution [here](#)

Solution provider: Rachel Asante-Owusu, Programme Officer, IUCN
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Environmental Rehabilitation: Learnings from Artisanal Miners in Mongolia

• **Context**
  – Artisanal and Small-scale Mining (ASM) practices are largely informal and can significantly degrade the environment by: deforestation, soil, water & air pollution, soil loss and hydrological degradation, etc.
  – At the same time, however, ASM sustains 150 million people in the world and creates jobs to 40 million people
  – It is a difficult sector to engage with given its informality and lack of institutional identity.
  – Efforts to regulate the sector can promote adoption of environmental best practices as an incentive to formalisation, and a key tool to achieve this is the Frugal Rehabilitation Methodology

• **What did we do?**
  – Working with the local communities, local governments and the Ministries of Environment and Mining and other stakeholders to ensure that the formalised ASM sector operates to a higher standard of environmental responsibility.
  – Our solution, Frugal Rehabilitation Methodology (FRM), is a practical approach to rehabilitation that is economically affordable, socially acceptable and ecologically viable. FRM is comprised of the following six steps:
    1. Preparation and planning
    2. Technical Rehabilitation
    4. Biological Rehabilitation
    5. Mitigation Hierarchy/Whole Mine Cycle Approach
    6. Handover of completed rehabilitation site to relevant government administrations for approval/sign-off
Environmental Rehabilitation: Learnings from Artisanal Miners in Mongolia

• What happened? (the change/impact)
  – Successful siting, development, implementation and monitoring of 17 Frugal Rehabilitation Demonstrations
  – projects across 11 of Mongolia’s 16 ecological zones
  – Development of a guide to apply FRM in other contexts
  – Improved rehabilitation commitments by ASM in Mongolia
  – Capacity-building of multi-stakeholder in inclusive approaches to environmental governance
  – FRM went through an exhaustive consultative process with national government and other stakeholder advisors, resulting in an approved attachment to a revised Regulation for Artisanal and Small-scale Mining to be passed by the government

• What were the building blocks of success?
  – Ministerial and Sectoral Alignment: a partnership-based approach to developing a FRM
  – Establishment of National FRM working group with government and sectoral stakeholders
  – Frugal Rehabilitation Demonstration (FRD): developing and adapting the methodology (FRM) through action-research

See full solution here

Solution provider: The Asia Foundation (Mongolia); Swiss Agency for Development and Cooperation, Mongolian Ministry of Mines, Ministry of Environment and Tourism of Mongolia, Levin Sources
Presenter: Jonathan Stacey
Additional case studies on extractives
Questions or comments?

Please ask your questions using the question box in the control panel on the right hand side of the screen.
Discussion

• Which of the building blocks mentioned today do you think are most relevant in your context and why?

• You can “raise your hand” using the Control Panel so we can unmute your microphone.
Wrap up and next steps

1. Please complete the post-webinar survey

   • 2. Submit your solutions
     • especially on engaging the agri-business sector

   • 3. Next webinar 27 June 2019 (TBC)

Thank you!

See Business Engagement portal here: