



UNITED NATIONS

ENVIRONMENT MANAGEMENT GROUP

EMG



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Office for the Environment FOEN



UN
environment
programme

UN Environment Management Group

Nexus Dialogue

Mineral Resource Governance

November 17, 2020

Outcome Document

The fourth session of the United Nations Environment Assembly (“UNEA-4”), which took place in Nairobi, Kenya, from 11-15 March 2019 adopted the Resolution No. UNEP/EA.4/Res. 19 on Mineral Resource Governance, recognizing the importance of mining towards the achievement of Sustainable Development Goals (SDGs), and the dependence of low-carbon clean technologies on metals and minerals.

Resolution UNEP/EA.4/Res.19 requests the United Nations Environment Programme (“UNEP”) to, inter alia, collect information on sustainable practices, identify knowledge gaps and options for implementation strategies, and undertake an overview of existing assessments of different governance initiatives and approaches on sustainable management of metal and mineral resources, and report to the fifth session of the UNEA (February 2021). With this resolution, the UNEA encourages the UN system, governments and other stakeholders to promote awareness about mineral resource governance and calls for due diligence along the supply chain, including the continuous increase of transparency. This is a call to action, supported by the United Nations Environment Management Group Secretariat (“EMG”).

In pursuance of the UNEA-4 resolution, UNEP initiated a process to engage governments, national, regional and global stakeholders through virtual consultations from July through October 2020. The consultations contributed to the implementation of the resolution and to consideration of future action on the topic. The consultations also created ownership of the outcomes among all Member States.

Against this background, the UN EMG, in close collaboration with UNEP and with the assistance of the Federal Office for the Environment (“FOEN”) from the Swiss Confederation and The University of Queensland’s Sustainable Minerals Institute, organized a Nexus Dialogue intended to substantively discuss the outcomes and implications of the consultations with high- and expert-level stakeholders from the UN system and focal points from relevant international organizations in the mineral resource governance arena.

The Nexus Dialogue presented key policy messages from current governance frameworks, discussed best practices from representative member states, shared recommendations and assessed on-going capacity gaps on good governance across key mineral value chains. The outcome document pursues the strategic implementation of the UNEA-4 resolution and will be presented to UNEA-5.



UNITED NATIONS

ENVIRONMENT MANAGEMENT GROUP

EMG



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Office for the Environment FOEN



Key messages noted during the Nexus Dialogue, include:

Twelve expert-level panelists were represented (in alphabetical order): Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF); International Labour Organization (ILO); International Women in Mining (IWIM); Organisation for Economic Co-operation and Development (OECD); UN Development Programme (UNDP); UN Economic Commission for Africa (UNECA); UN Economic Commission for Europe (UNECE); UN Economic Commission for Latin America and the Caribbean (UNECLAC); UN Environment Programme (UNEP); UN Educational, Scientific, and Cultural Organization (UNESCO); and the UN Office on Drugs and Crime (UNODC). The session was moderated by a representative of The University of Queensland's Sustainable Minerals Institute. Panelists spoke about specific institutional and systemic challenges, including:

- **There is a lack of an integrated, holistic, and comprehensive mineral resource governance vision and framework** which recognizes the challenges, opportunities, and initiatives of minerals and other types of mining that aligns with both the SDGs and COVID-19 recovery pursuits.
- Compounding an absent common approach, **there is a lack of institutional coordination in policy and legislation applicable to mining in many countries**, thereby resulting in many government ministries working in silos, at cross-purposes, and on case-to-case contract negotiations.
- **Mining requires international attention for its timeliness in “Building Back Better” efforts, and in the process of decarbonizing economies**, and these efforts should include the articulation of procedural environmental rights, sustainable supply chains of mineral resources (protection of the environment), and the involvement of affected communities (protection of human rights).
- **Another systemic issue in mineral resource governance is that of corruption, organized crime, and other economic crimes**, e.g. gold trafficking, illegal mining, and cash smuggling. For instance, UNODC found that in Colombia, 66% of gold that was mined over 3-5 years was extracted through illegal or unregulated means and, in Central Africa, corruption creates vulnerabilities which affect the successful impact of UN programmes and intentions.

Specific capacity gaps which directly influence the future of sustainable mineral resource governance, as well as opportunities to plug these gaps were identified:

- **The recognition and application of procedural human rights remain a capacity gap in the successful governance of mineral resources.** The rights of access to information (on environmental policy or decisions), to justice and remedies, and to meaningful stakeholder participation are crucial for the governance of mineral resources. The UN should leverage its convening power to assemble different parts of government, including National Human Rights Institutions (NHRIs), parliaments, and the justice sector to strengthen the recognition and implementation of procedural environmental rights in the extractive sectors.
- **Regional progress and initiatives benefit from cross-pollination to ensure sufficient knowledge-sharing.** Currently, regional roundtables are being organized by the UN Deputy Secretary-General on the topic of mining and extractives. Following their conclusion, there may be an appetite to



UNITED NATIONS

ENVIRONMENT MANAGEMENT GROUP

EMG



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Office for the Environment FOEN



bring regions together for an exchange on best-practices and to identify opportunities for collaboration.

- **The private sector has considerable influence on mineral resources, and the UN system may benefit greatly from partnering with the sector.** The OECD enjoys a strong working relationship with the private sector and could facilitate connection to the sector for the UN, if the UN can support outreach to producing and exporting countries to ensure that international standards on Responsible Business Conduct are being implemented by the private sector.

Despite challenges and capacity gaps, continued work on mineral resource governance is contributing to solutions and initiatives that advance the sustainable management of mineral resources and associated extractive industries. A number of initiatives were highlighted during the discussion:

- **UNEP** was tasked by the UN Environment Assembly (UNEA) to coordinate work on Mineral Resource Governance (UNEP/EA.4/Res.19), which also has a strong connection with sustainable infrastructure (UNEP/EA.4/Res.5), and innovative pathways to advance sustainable consumption and production with a focus on circularity (UNEP/EA.4/Res.1). This specific combination of thematic areas may yield unexplored opportunities. Another insight from the consultations relates closely to the integration and importance of the human rights agenda, stakeholder engagement in decision-making, and community inclusion on mineral resource governance.
- Together with **GRID-Geneva**, **UNEP** has been supporting the sand agenda. In partnership with **GRID-Arendal**, **International Council on Mining and Metals (ICMM)**, and **Principles for Responsible Investment (PRI)**, **UNEP** is progressing work on tailings management, including the development of the global industry standard on tailings management with ICMM and PRI.
- The Organisation of **African, Caribbean and Pacific States (OACPS)** have a European Union-funded programme with **UNDP** on Development Minerals, currently being implemented in 40 countries.
- The **Intergovernmental Forum on Mining, Minerals, and Sustainable Development (IGF)**, hosted by **IISD** developed the Mining Policy Framework (MPF) to help governments assess/understand international practices (e.g. strengths, weaknesses, gaps, and best practices). In addition to providing a global platform on mineral resource governance, IGF also provides guidance and technical support to its rapidly-growing member base, including on managing artisanal and small-scale mining (ASM), legal frameworks, tax policies, local content policies, Environment and Social Impact Assessments (ESIA) and environmental management in mining governance. The IGF, with 76 resource-rich countries, is currently the leading global platform working on mineral resource governance and sustainable development.
- In pursuit of “Building Back Better,” **ILO** has embarked on discussions regarding transitioning both workers and enterprises from business-as-usual towards a green economy. Starting with coal and the oil and gas industry sectors, ILO is focused on ensuring the sector-applicability of their guidelines and ensuring assets are not stranded, including skilling/reskilling of workers.
- **UNESCO** is working with social scientists and member states to enhance the development of educational policy and capacity in order to facilitate the early careers of mineral resource practitioners. UNESCO is also supporting the scientific community, on issues such as mineral



UNITED NATIONS

ENVIRONMENT MANAGEMENT GROUP

EMG



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Office for the Environment FOEN



resource management, global geoparks and world heritage sites, including through the long-running International Geoscience Programme.

- **UNECA** is one of the vicechairs of the regional collaborative platform to promote the achievement of the African Union's Agenda 2063. Within the platform, there is the Opportunity Issue-Based Coalition No.5, which strengthens climate change action, natural resource governance, and enabling the energy transition for off-grid solutions. The Coalition has two flagship initiatives which speak to mineral resource governance in extractive sectors and a just transition to a green economy.
- **UNECE** directly supports governments to map mine tailings (including orphaned/abandoned sites), and identify safety issues, natural disaster prevention, and preparedness measures required at site locations to decrease risk to the environment and surrounding communities. UNECE is addressing mineral resource governance as a natural resource challenge, and building two globally-applicable standards: 1) UN Framework Classification for Resources (UNFC) – a classification system that provides common terminology across resources; and 2) UN Resource Management System (UNRMS) – to provide a common methodology for developing resources in an integrated and sustainable manner.
- **IWiM** advocates for women in mining across all global forums. Recently, it launched the Women in Mining Global Exchange, a discussion forum convening international and development organizations to promote gender equality in extractive industries, and facilitate collaboration on policy, best practices, and initiatives to accelerate positive impacts for women.
- **UNODC** is reinforcing the implementation of the 2019 UN General Assembly resolution 74/177, which called on Member States to strengthen national legislation and make trafficking in precious metals, stones and other minerals involving organized criminal groups a serious crime, as defined by UN Convention on Transnational Organized Crime.¹ UNODC is further working to implement ECOSOC resolution 2019/23 "Combating transnational organized crime and its links to illicit trafficking in precious metals and illegal mining, including by enhancing the security of supply chains of precious metals" by developing legislative and criminal justice system measures to minerals-related crimes to support the integrity of mineral supply chains.

The following recommendations are suggested, including as actionable next steps, for the international community on the subject of mineral resource governance:

- **To manage the faceted issues underpinning mineral resource governance, it is recommended to establish, in the short term, an Issue Management Group (IMG), which could lead to discussions on establishing an international minerals agency in the long-term.** This build upon the existing expertise from UNECA, UNECE, IGF, OECD, UNEP, EMG, and other agencies. This recommendation was informed by the IRP Report on Mineral Resource Governance in the 21st

¹ <https://undocs.org/en/A/RES/74/177>



UNITED NATIONS

ENVIRONMENT MANAGEMENT GROUP

EMG



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Office for the Environment FOEN



Century,² in which the concept of the Social Development License to Operate (SDLO) was articulated, which may form a viable groundwork for the IMG's activities.

- **In the short-term, the IMG should seek to build a set of principles which are applicable and cut across existing initiatives and standards.** These could be broad, e.g. act in the best interest of the circular economy/circularity, moving towards a zero-waste, zero-harm environment, and implement programmes using the precautionary approach. In the absence of an IMG, UNEA-5 should develop a structured coordination mechanism to bring together similar initiatives across relevant intergovernmental agencies.
- In addition to establishing an IMG, there is a need to address the current lack of an integrated, holistic, and comprehensive mineral resource governance framework approach, therefore **there is a request to establish a Common Framework Approach for Mineral Resource Governance, building upon the IGF's Mining Policy Framework³, which may comprise the IMG's Terms of Reference (TOR). The Approach could:**
 - **1)** Support the enabling public policy environment and close implementation gaps by strengthening systemic, institutional, and individual capacities;
 - **2)** Include integrated policy-making tools which observe all three dimensions (social, economic, and environmental), and their trade-offs for different stakeholder groups over time across the mining cycle;
 - **3)** Include procedural rights for access to information, access to justice, and access to meaningful engagement;
 - **4)** Institutionalize methods of working together with the private sector and civil society organizations;
 - **5)** Strengthen capacities for inter-ministerial coordination, including between ministries of mining, energy, environment, economy, and finance, and other line ministries such as labour and social protection, as well as the judicial and parliamentary arms of government;
 - **6)** Strengthen the necessary technical capacities, e.g. ESIA, gender equality, monitoring and enforcement, transparency, and other operational capacities, e.g. negotiation, contracting, financing, closure, and benefit sharing; and
 - **7)** Ensure and concretize connections with other national policy frameworks, including Nationally Determined Contributions (NDCs), National Biodiversity Strategic Action Plans (NBSAPs), and land use planning and regional development.
- Mining sectors hold immense potential in contributing to a greener economy and society. However, **this necessitates deep-dive conversations to translate visions into a roadmap for**

² IRP (2020). Mineral Resource Governance in the 21st Century: Gearing extractive industries towards sustainable development. Ayuk, E. T., Pedro, A. M., Ekins, P., Gatune, J., Milligan, B., Oberle B., Christmann, P., Ali, S., Kumar, S. V., Bringezu, S., Acquatella, J., Bernaudat, L., Bodourogrou, C., Brooks, S., Buergi Bonanomi, E., Clement, J., Collins, N., Davis, K., Davy, A., Dawkins, K., Dom, A., Eslamishoar, F., Franks, D., Hamor, T., Jensen, D., Lahiri-Dutt, K., Mancini, L., Nuss, P., Petersen, I., Sanders, A. R. D. A Report by the International Resource Panel. United Nations Environment Programme, Nairobi, Kenya.

³ IGF Mining Policy Framework: Mining and Sustainable Development (October 2013), <https://www.igfmining.org/wp-content/uploads/2018/08/MPF-EN.pdf>



UNITED NATIONS

ENVIRONMENT MANAGEMENT GROUP

EMG



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Office for the Environment FOEN



action, which includes and engages with relevant stakeholders. The stakeholders were identified during the UNEP consultations to be: ministries with environmental and mining mandates (for a balanced perspective); mining companies and the finance sectors (to understand how these sectors can give important signals across supply/value chains); manufacturers; civil society organizations; impact communities; and consumers. **A key recommendation could be for the UN system to convene representatives of the aforementioned stakeholder groups to design a zero draft of the roadmap for action.**

- With the projected increase in the development of mineral resources, **the UN system has an opportunity to support member states to the adoption, implementation and monitoring of the appropriate legislations, support the use of existing instruments, and foster a stronger awareness of how various issues within mineral resource governance intertwine.**

To keep the momentum up on the efforts to realize sustainable Mineral Resource Governance, several follow-up actions were recommended, including the establishment of an **Issue Management Group**, development of a **Common Framework Approach for Mineral Resource Governance**, and the **design of a zero draft of the roadmap for action**, including and engaging relevant and affected stakeholder groups.

We would like to thank the following high-level and expert panellists and organizations for their valuable contributions to the Mineral Resource Governance Nexus Dialogue:

- Dr. Ligia Noronha, Director of the Economy Division of UNEP
- Mr. Greg Radford, Director, IGF, IISD
- Mr. Tim Scott, Senior Policy Adviser, UNDP
- Ms. Camila Pereira Rego Meireles, Technical officer: mining, extractives, energy & manufacturing, ILO
- Dr. Özlem Adiyaman, Programme Specialist, UNESCO
- Mr. Antonio Pedro, Director: Subregional Office, Central Africa, UN Economic Commission for Africa
- Ms. Valeria Torres Larranaga, Economic Affairs Officer, ECLAC
- Ms. Franziska Hirsch, Secretary, Convention on the Transboundary Effects of Industrial Accidents, Environment Division, United Nations Economic Commission for Europe
- Mr. Harikrishnan Tulsidas, Economic Affairs Officer, UNECE
- Mr. Louis Marechal, Policy Advisor, Responsible, Business Conduct Unit, OECD
- Ms. Ludivine Wouters, Director, International Women in Mining
- Ms. Olga Kuzmianok, Programme Officer on Environmental crime - ICCWC Partnership, UNODC
- Mr. Lamine Diouf, Directeur du Contrôle et de la Surveillance des Opérations Minières, Republic of Senegal
- Ms. Carmen Hagens, Deputy Director - Inclusive Green Growth, Ministry of Foreign Affairs, Netherlands



UNITED NATIONS

ENVIRONMENT MANAGEMENT GROUP

EMG



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Office for the Environment FOEN



Special thanks to UN EMG, UNEP, FOEN, IISD, and University of Queensland teams for the organization and coordination:

UN Environment Management Group Secretariat

- Mr. Satya Tripathi, UN Assistant Secretary-General and Head of New York Office, UNEP and Secretary, EMG Secretariat
- Mr. Hossein Fadaei, Head of Office, EMG Secretariat
- Ms. Jannica Pitkanen, Programme Management Officer, EMG Secretariat
- Ms. Nina Arden, Nexus Dialogue Consultant, EMG Secretariat
- Ms. Fatema Johara, Administrative Assistant, EMG Secretariat

UN Environment Programme

- Ms. Elisa Tonda, Head, Consumption and Production Unit, Economy Division, UNEP
- Ms. Angela Kariuki, Programme Officer, UNEP

Federal Office for the Environment – Swiss Confederation

- Ms. Martine Rohn-Brossard, Head of Section/Deputy Head of Division, FOEN, Switzerland
- Ms. Laura Platchkov, Senior Policy Advisor, FOEN, Switzerland

University of Queensland

- Prof. Daniel Franks, Program Lead – Development Minerals, Sustainable Minerals Institute, University of Queensland
- Ms. Julia Keenan, Research Fellow, Sustainable Minerals Institute, University of Queensland

International Institute for Sustainable Development

- Mr. Greg Radford, Director, IGF, IISD
- Ms. Isabelle Ramdoo, Deputy Director, IGF, IISD