

Extractive Industries Technical Advisory Facility (EITAF)

Community Benefit Sharing

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Overview

Mining Brings Social Hazards and Risks

- Companies - communicate, warn, minimize and mitigate
- Government - set regulatory requirements, procedures and standards with which companies must comply
- Communities – become familiar with “IFC Standards”

Mining also Brings Benefits and Opportunities

- Companies - engage with community regarding the limits of company responsibilities and what community wants
- Companies – harness/maximize benefits for the community
 - Preferential employment and local procurement
 - Skills training for mine requirements – electricians, plumbers
 - Community infrastructure development
- Government - facilitate the process
- Government - provide services, transfer income, fund projects

International Finance Corporation (IFC)

- The World Bank works with governments
- The IFC is the arm of the World Bank that makes investments in and provides loans to private sector companies
- The IFC has issued a set of “Performance Standards” which must be followed by companies that IFC invests in or lends to
- www.ifc.org search for “**Sustainability Framework**”
- The IFC prepares “Good Practice” Guides and Handbooks for companies

Engagement and Consultation

IFC Stakeholder Engagement Guide

What the Community Can Do

- Early preparation and consultation: organize yourself; identify priority “opportunities”; establish points of contact; be inclusive (consulting with men only tells half the story); offer practical, selective and achievable plans for company support
- Build two way trust; document meetings; seek partnerships; insist on grievance procedures; arrange company-community forums; propose regular “task force” meeting schedule
- Prepare and present your information requirements (local employment; local procurement; water use, availability and quality; safety statistics; production statistics; financial statistics)

Local Procurement

IFC Guide to Getting Started in Local Procurement

- Find out: Who in the company is responsible for local procurement? Is there a company local procurement policy? Has it been turned into a plan to increase/maximize local procurement
- Get the company to do Annex 6 “Tool to Identify and Prioritize Local Business Opportunities” and share the results with the community. What does the company need? What can the community supply now? later? (beware adverse impacts e.g. driving up local food prices)
- Community look at Step 1A . Identify what the community can provide now and later. Identify skills training needs.
- Get the company to provide training on procurement contracts and what is expected of suppliers (reliable time and quality ; cost competitiveness)
- Be practical and selective; but also progressive

Corporate Social Responsibility

IFC Strategic Community Investment Guide

- **Strategic** – benefit for community and benefit for company (win win); be selective; include both short term and long term; link to stage of mine development (exploration is different from construction from operation)
- **Aligned**- get the views of different groups in the community – including the poorest and most vulnerable; prepare and present the communities (not just the leader(s)) development priorities; not just investment but also capacity (a new road or skills training); align with and complementary to what the government is providing
- **Multi-stakeholder driven** – build a partnership – company, community and government;
- **Sustainable** – avoid becoming dependent on company “handouts”; find ways to develop self-reliance; seek support to build and strengthen local organizations
- **Measurable** - identify outcome indicators; work out how they will be measured; a participatory activity; arrangement for results review meetings and follow up

Barrick Gold website

- The launch by [African Barrick Gold of the Maendeleo Fund](#), the largest corporate community development fund in Tanzania. The Maendeleo Fund, which will have an annual budget of \$10 million, represents an increase in ongoing community investments and will support development, health, education, environment, water projects and skills and training programs.
- Read the new edition of *Beyond Borders* at barrickbeyondborders.com

Other Useful Materials

- International Council on Mining and Metals
 - www.icmm.com
 - *Mining Partnership for Development Toolkits*
- Mining Company Websites
 - Rio Tinto www.riotinto.com
 - *The Way We Work*
 - *Why Gender Matters*
 - Anglo American www.angloamerican.com
 - *SocioEconomic Assessment Toolkit (SEAT)*