Community Perspectives in Mining

Chandra Kirana, Revenue Watch Institute Asia Pacific Regional Coordinator – For the Expert Meeting on MCDA, CORDAID, June 10, 2011.
DIFFERENT WORLDS AND IMAGINATIONS

The Immediate Relationship - Lost in translation

Corporate talk:
• Equator Principles?
• Global Reporting Initiatives?
• Voluntary Principles of Human Rights?
• CDMAs?
• EITI?
• Reputational risks, social license, profits

Community talk:
• Forests are our soul
• As far as you can see, to the end of the horizon – this is our land.
• The mountains and the rivers are sacred
• After the mine closes the land will again be ours
• Livelihoods – jobs - survival
Challenges Faced by Communities in Mining

1. Immediate challenges:
   - Environmental
   - Social
   - Economic

2. Long term development challenges

   - Most CDMA’s primarily focus on the immediate challenges, sometimes at the cost of the long term interests of sustainable development.
   - Communities and Corporations both thinking short term.
Immediate VS Long Term Challenges

Adapting to scale and speed of change:
• Livelihoods
• Jobs
• Changing landscapes
• Displacement
• Community conflicts
• Sudden influx of cash
• Gender and generational issues
• Large scale accidents
1. In most cases better than national and sub-national mining policies and regulations.
2. Corporate Standards ‘invisible at the project level’ to governments, communities and NGOs.
3. CDMAs in most cases address immediate challenges, NOT enough thought into long term sustainability building.
The Context: The Political Economy

1. Sub-national:
   - Corruption
   - No or poor laws and regulations
   - Very short term economic interests

2. National
   - Need investment for growth
   - Need good macro economic indicators
   - More and more reputational issues

3. Global
   - Energy and food crises
   - Commodity prices and market volatility
REALITIES FACED BY COMMUNITIES: LOSE OF VOICE, LAND, OPPORTUNITIES
How Communities are Trying to Deal

• Learning the language of corporations – Experimenting with Social Accountability in Extractive Industries.

• Working with stakeholders to develop, and implement EITI inspired transparency models at the sub-national level:
  o Environmental reporting
  o Social, CDMA, CSR reporting
  o Revenue Transparency

• Learning how to survive in the world economy: Revenue Management Training.
Making Change Possible:

- World views
- Corporate best practice standards, gov, NGOs, communities
- International, Regional, National and sub-national governance complexities
- Economies, etc