



**8th Alternative Mining Indaba Concept Note
6th to the 8th of February 2017,
Double Tree by Hilton, Upper Eastside Hotel,
Cape Town**

Introduction

The Alternative Mining Indaba (AMI) is an international platform that was formed in 2010 by civil society in their efforts to provide an alternative voice emanating from the investing in Africa Mining Indaba that has been hosted for over 20 years. The platform goes beyond profits, mergers and acquisitions with a focus on community development strategies, calling for good governance of revenues and in particular seeks to define and find ways to implement ethical policies in the extractive sector value-chain, thus creating conditions for a positive economic and social outcome, while avoiding any negative environmental and social effects. Over the years the AMI has grown from being a platform for communities to tell their stories and expose the atrocities being committed by mining companies to an advocacy and lobbying space where by all mining stakeholders meet to strengthen advocacy work and develop strategic tools to address challenges faced by the sector.

Context and background

The AMI is a platform that was created by Faith Based Organizations, and Civil Society Organizations (CSO)'s that are concerned with the social injustices that are prevalent in the African mining industry. This initiative was triggered by the fact that every year for over 20 years, mining companies, investors, financiers and governments have been meeting at the African Mining Indaba in Cape Town to discuss the future of African Mining, yet important stakeholder communities directly affected by mining are not invited to this platform. Therefore the AMI was created in 2010 to give African mining communities a platform to be capacitated and voice their concerns about African mining. The AMI has, since its inception seven years ago, advocated for equity and justice in the way in which the benefits of these mining resources are shared, as well as calling for good governance, transparency and accountability in the sector. The AMI has also become a platform to strengthen advocacy work and develop strategic tools to address challenges faced by the sector.

Over the past seven years, the AMI has significantly grown from hosting slightly over 40 participants during the first AMI in 2010, to approximately 350 participants in 2016. The AMI is receiving increasing recognition and acceptance as a legitimate platform for key non-state actors and or stakeholders in the extractive industries. AMI is also viewed as the first and only platform for the continent, where community voices are given space to air their views at an international platform, on issues that directly affect and or have an impact on them. Community groups are now also able to speak on their own and are being heard, without having to have other groups do it on their behalf.

Working with the Christian Councils in Southern Africa as well as with its Civil society partners, the AMI platform has not just grown in numbers at the regional level but at the national and provincial level with National Mining Indabas (NAMIs) being hosted in Tanzania, Zimbabwe, Zambia, Malawi, Mozambique and Botswana since 2012. These national Indabas have played a big role in empowering communities as they have had an opportunity to engage their local and national governments in a unified voice regarding their key concerns and demands. As a result tangible wins have been achieved in these countries, for example in Zimbabwe, community ownership trusts have been developed as a result of hosting national and provincial mining indabas since 2013. In Zambia, government officials and mining companies have been actively engaging with CSOs and community members and are willing to address their concerns.

The hosting of the NAMIs has also facilitated a bottom up approach whereby the issues discussed at the regional Alternative Mining Indaba are drawn from issues that arise from the national processes. This has allowed delegates to leave the AMI with viable recommendations on addressing their national issues.

The AMI platforms have proved that mining history on the continent tells a tale of revenue mismanagement and mining communities are often being displaced and reaping little or no benefit from the minerals extracted. The major challenge is the inability to exploit natural resources within a sustainable development framework, where all the relevant stakeholders benefit from the resource extraction, in a transparent and accountable manner which has minimal environmental degradation.

The increase in the number of participants from numerous countries and civil society has created an opportunity to put pressure on both governments and companies to adhere to international norms and standards of good governance, transparency and accountability.

Our engagement with the International Council of Metals and Mining (ICMM) since 2013 has also proved to be a strong advocacy tool as this has brought the issues facing communities to the attention of the regional mining companies and government.

Problem statement

The African continent is endowed with a wide variety of precious natural resources that could be utilized for its growth and development. According to one study the continent has 10 percent of the world's reserves of oil, 40 percent of gold, and nearly 90 percent of the chromium and the platinum metal group, and much more yet to be discovered. However, the history of mining on the continent tells a tale of poor governance and

revenue mismanagement with mining communities often being displaced and reaping little or no benefit from the minerals extracted. One major challenge is the lack of transformation from the colonial structures of the extractives industry that were designed to exploit natural resources from the continent with minimal benefit for the local citizens. This has resulted in African countries lacking the capacity to exploit natural resources within a sustainable development framework, where all relevant stakeholders benefit in a transparent and accountable manner.

The commodity boom that started in the early 2000 driven by increased demand in mineral resources and oil by China, India and other emerging economies, led to an influx of foreign direct investment from multinational companies and mining companies in mineral rich countries in Africa, such as Mozambique, DRC and Zambia. As a result, these countries have been recorded amongst the fastest growing economies in the world. This gave resource rich countries hope that focusing their economies on the extractives industry could be the ticket to sustainable economic growth and development for poor countries. However, after a decade of the commodity boom the extractives-led growth model has proved to be inefficient, as it has resulted in poor governance in the sector due to the enrichment of minority elite groups, at the expenses of the majority. (Chatman House, 2015).

Empirical evidence from resource rich countries across the globe shows that the majority of the citizens particularly communities close to mining areas do not benefit from the activities of the industry. Their livelihoods are stripped off from their very hands as they are forcibly evicted from their ancestral, agricultural and grazing land and relocated to infertile land, without compensation, thus pushing them further into poverty. Community members employed by the mining companies are often underpaid and not adequately compensated for health risks associated to resource extraction. Extraction activities have also led to major environmental degradation, such as water and air pollution, as well as soil erosion and depleted water bodies.

Over and above the fact that the continent and its citizens have not reaped real benefit from natural resource extraction, African countries have lost a great deal of their fair share of revenue from natural resource extraction. This is owing to the aggressive tax planning that mining companies and Multinational Enterprises (MNEs) are engaging in which include base erosion and profit shifting as well as trade misinvoicing, which deprive developing countries of the much needed revenue for social and economic development. Research by Global Financial Integrity has shown that 65% of the estimated USD50 to 80 billion lost to Illicit Financial Flows (IFFs), from Africa alone are attributed to international commercial transactions such as tax evasion, trade misinvoicing and abusive transfer pricing. More than half of the total IFFs recorded from 2000-2009 have been attributed to the mining and extractives industry (ATAF, 2015).

It is evident that although resource rich African countries have experienced some level of economic growth, in actual sense, very little benefit has been realized as a result of increased financial outflows, environmental degradation and the violation of the human rights associated to extraction. Now that the commodity boom has come to an end, the prices of commodities are decreasing, resulting in reduction in economic growth for resource rich countries. The reality of the commodity price slump has left resource rich countries at a risk of falling deeper into poverty due to the increased environmental

degradation and the inability of community members to sustain their livelihood caused by extraction.

The recent Panama Paper scandal also exposed the global problem of MNEs and high net worth individuals HNWI taking advantage of loopholes in the global economy by using aggressive tax avoidance mechanisms such as Base Erosion and Profit Shifting to reduce their tax obligation to the country of economic activity. African countries are the most affected by this phenomenon as a result of their dependency on the complex extractives industry for revenue generation.

African governments have made efforts to break the historic chain of revenue mismanagement and displacement of its communities with no compensation by developing policies such as the SADC Mining Protocol, and the Africa Mining Vision to manage these non-renewable natural resources within a sustainable development framework, while maximizing social developments and mitigating the social and environmental effects of mining. However the implementation and monitoring of these documents is slow and sometimes nonexistent.

Taking into consideration the complexities and some of the problems in the extractives industry mentioned above, one would assume that extractive industry stakeholders, including community members would meet and discuss the future of mining at the annual African Mining Indaba in Cape Town. However for many years, mining affected communities have been side-lined by the exorbitant Mining Indaba registration fees (£1,211/\$1800 per person for registration only), and have had their future decided for them in their absence. Having realized the importance of including the voices of affected communities in the extractives industry discourse, faith based organizations and civil society host an Alternative Mining Indaba on the side-lines of the Investing in African Mining Indaba conference.

The AMI has over its seven year lifespan offered mining affected communities and the broader citizenry from the SADC region and beyond, a platform to voice their concerns to governments and mining companies, as well as be capacitated to fight for their rights in their own constituencies. It has also provided platforms for communities and civil society to engage with the mining companies through the annual International Council of Metals and Mining (ICMM) and AMI side meetings that have been held since 2015. The AMI platform has also added the community voices the implementation of the Africa Mining Vision. Overall the AMI is also an important space for learning, sharing, networking and solidarity amongst community members and civil society organizations working on resource extraction

This national indaba have also serve a purpose of strengthening the regional AMI, since the issues discussed at the AMI are drawn from the issues that are brought out to be of great concern in the national processes. This bottom up approach has allowed delegates to leave the AMI with viable recommendations on addressing their national issues.

As the AMI platform continues to grow, it is drawing the attention of various extractives industry stakeholders such as extractive industry businesses, academics and regional government bodies such as the AU commission. This has necessitated the steering committee to design a strategy on how to engage with the various stakeholders while

maintaining the status of it being a platform of where communities affected by natural resource extraction can share and learn from each other's experiences and be capacitated to fight for their rights.

One of the main challenges in achieving this was the ability to raise adequate funds to support the participation of a large number of community representatives to the AMI. Therefore it was agreed that in order to ensure that the platform maintains its initial objective, it is necessary that national and provincial mining indabas are largely represented by community members so that the selected few that attend the AMI become true representatives of the communities affected by the extractives industry. The AMI secretariat (EJN) was also tasked to strengthen the linkages between the national processes and the regional AMI platform so as to ensure that the NAMIs held throughout the year build up to the regional AMI held in February every year thus making the AMI a process and not just a platform. In our endeavor to achieve this, the Secretariat aims to attend all national AMIs as well as sponsor the participation of two community representatives from the five countries that host NAMIs to the 8th Alternative Mining Indaba.

In 2017 the 8th AMI will be held from the 6th to the 8th of February in Cape Town under a theme that will be decided on towards the end of October so as to align it to the national mining indabas.

The main goal and objectives of the conference are presented below:

Goal and objectives

The main goal is to present an alternative voice, the community voice, to that of corporates who meet yearly during the Mining Indaba. Furthermore it is hoped that the AMI will, through effective advocacy, enhance transparency and accountability in the governance of natural resources and lead to a continent that extracts minerals sustainably and distributes natural resources revenues equitably.

Objectives

- To provide a platform to empower communities affected and impacted by the extractives industries to reclaim their rights through the formulation of alternatives.
- To advocate for transparent, equitable and just extractives practices in the management, governance and distribution of national resources through policy and legislative reform.
- To create meaningful decision making processes for communities, advocating for just national and regional policies and corporate practices.
- To provide space for engagement for the inter faith communities, governments, CSO's and private sector to share information and experiences.
- To provide space for the inter faith community to lead and accompany affected and impacted communities.

Desired outcomes:

- Attracting more than 350, SADC and abroad community representatives, civil society organizations, and multi-lateral organizations and other stakeholders to actively participate in discussing and providing viable recommendations for the future of natural resource extraction in Africa.
- Publish the Communiqué in national and regional media so as to gather the support of the African citizens.
- The development of an action plan that has ownership from all the representatives present as a follow up to the declaration of demands.
- Solidarity amongst regional mining affected communities, inter-faith organizations, civil society and other likeminded organizations against the injustices in the extractives sector through Marching to the Cape Town International Conference Centre (CTICC) to the Africa Mining Indaba with a clear and progressive Communiqué.
- Lobby key government bodies and corporates such the African Commission and the ICMM respectively to take into account the message from the AMI community.
- At least 50 percent of communities attending the AMI receive tangible legal advice from lawyers at the mining legal clinic so as to capacitate them on their legal rights.
- Increased engagement with the AU commission through the AMDC and holding discussions with mining affected communities as a result of their activities around reclaiming their rights
- The AMI platform widely known in economic bodies such as SADC and AU as a vehicle used by CSOs and FBOs and communities to demand for transparent, just and equitable practices in the management of our natural resources
- At least 2 discussion and engagement opportunities created each year, as a result of the AMI, that brings together the inter faith communities, governments, CSO's and private sector
- At least 5 reports shared that highlight efforts by inter faith community to accompany affected and impacted communities

Strategy and key activities

In order to achieve the above mentioned desired outcome, the major activity would be the hosting of the Alternative Mining Indaba in Cape Town on the side-lines of the Investing in Africa Mining indaba conference from the 6th to the 8th of Feb. This would give businesses and government officials attending the Investing in Africa Mining Indaba the opportunity to interact with the communities and CSOs that will also be in Cape Town at the same time.

The secretariat of the AMI, EJN, also aims to attend all the National Mining Indabas as well as other African conferences and make a presentation on the AMI so as to attract more participants to attend the conference. The programme at the AMI will ensure that an ongoing mining legal clinic will be available to community members with regional and international human rights lawyers that will be able to assist the communities from across the region.

The AMI will also be held in collaboration with regional partners from FBOs and CSOs that form part of the SC as well as funding partners. The secretariat will also hire an event coordinator who will assist with the planning of the event so that they can be in constant contact with delegates as well as send the SAVE THE DATE to the previous year's mailing list.

We would also aim to invite the AU commissioner as well as the president of ICMM to attend and address the AMI delegates so as to give the delegates a platform to engage with the business and government representatives.