

REQUIREMENTS FOR COMMUNITY DEVELOPMENT IN MINING LAWS

This table includes "requirements for community development" contained within domestic laws relating to mining or, occasionally business activities more generally. Such laws include requirements for companies to contribute to the development of, or provide socio-economic benefits to, community members located on or near the concession area. Such contributions may include revenue sharing or other monetary compensation, improvements to educational or health services, opportunities for training or other livelihood diversification, and construction or repair of infrastructure, among others. In some cases, legal requirements for sub-national transfers or national funds dedicated to community development are also listed for added context.

Country	Legal Requirement for Community Development/ Proposed Legal Requirement ¹	Type ²	Focus ³
Afghanistan	 Minerals Law (August 16, 2014, Issue No. 1143): A Minerals Development Contract, which is entered into with the Ministry of Mines and Petroleum, shall contain a Community Development Plan (Art. 23(1), (5)(4)). A material breach of a Community Development Agreement can result in a license being revoked (Art. 33(1)(5)).⁴ "Community development" shall be carried out with a view to the interests of both license holders and local communities (Art. 92(1)). Community development may be carried out "for the purpose of assisting the local communities affected by Mineral Activities in order to promote sustainable local economic development, the general welfare and quality of life of the local communities, 	Plan/ Agreement and Fund (G)	Local / Regional

¹ This table is based on work done by Kendra Dupuy. See Kendra E. Dupuy, "Community Development Requirements in Mining Laws," *The Extractive Industries and Society* 1(2014): 200-215. CCSI thanks Kendra for sharing her work with us in order to make this information available. This table was revised by Adrienne Ho, with Perrine Toledano and Sam Szoke-Burke in 2017. It builds on the original version of this table, which was prepared by Marcela Duque Penagos, with Jacky Mandelbaum and Perrine Toledano.

² Range of "Types" will be as follows: Plan or Agreement when there is a specific requirement for one or the other, Fund (G) or Revenues (G) when there is a requirement for nationally managed fund or sub-national transfer dedicated to community development, Fund (C) or Revenues (C) when the company pays directly to the local level, General when the requirements do not stipulate any of the above or are too general on the above.

³ The Focus will be local when local communities are directly targeted or regional otherwise.

⁴ The legislation's wording is inconsistent in using both "plan" and "agreement" to describe community development arrangements.

recognizing and respecting the rights, customs and traditions of local communities" (Art. 92(2)). Holders of exploitation or small-scale mining licenses "shall, in consultation with local communities and affected persons, prepare and implement a Community Development Agreement that shall include a detailed Environmental and Social Impact Assessment or Screening Report and an Environmental and Social Management Plan for the different phases of the Mining operations" (Art. 92(3)). Environmental, social and community development reports/studies, which are submitted by license holders, are not confidential (Art. 92(5)).

The government shall set aside 5 per cent of mining revenue for economic, social and environmental development purposes for provinces with mines (Art. 84).

Mining Regulations (Feb. 14, 2010): Before commencing any exploration activities, the license holder shall submit, amongst other items, financial insurance documentation. This financial insurance should be adequate to cover many costs, including the protection of affected communities (Art. 86). Amongst the bidding documents submitted for an exploitation license, the bid can include a commitment to prepare a development plan that encompasses proposed investments and proposals for socio-economic contributions to affected communities (Art. 37(1)(5)). License holders have to respect communities' rights, customs and traditions as well as contribute to community development (Art. 42(1)(11)-(12), Art. 60(1)(7)). Development plans should propose "approaches for ensuring adequate housing, sanitation, roads, medical facilities, power and water supply, educational facilities, religious facilities and recreational opportunities.... also address economic development, employment and job creation in local communities, taking into account employment requirements established under the Minerals Law....[and] establish funding and implementation commitments" (Art. 87(1)(3)). Activities should comply with internationally recognized standards regarding the promotion of sustainable development (Art. 88(1)). Compensation should be provided where there has been damage to individuals or property (Art. 91).

National Mining Policy (undated): This policy describes the government's practices with respect to mining sector development (s. 3). The government will work towards establishing a fund with mining revenue, which will go towards community development (s. 7.2). The Ministry of Mines must review social impact and mitigation measures where communities might be negatively impacted by mining; the community, government and company may have to come to an agreement on resettlement, rehabilitation and compensation measures where required (s. 13.3).

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	The Ministry of Mines will work with stakeholders to facilitate community development through such strategies as fostering long-term business relationships and using local labor (s. 18.2).		
	Social Policy Guidelines for Mining Sector in Afghanistan (finalized August 2011): ⁵ This policy is meant to provide guidelines on social development. It describes community development, noting that it includes assessing the community's needs, capacity building, and providing direct employment (pages 4, 14-15).		
Burkina Faso	Mining Code (2015, Law No. 036-2015/CNT) A community development fund should be created and funded from royalties (Art. 26).	Fund (G)	Local
Canada	Section 35 of the Canadian Constitution (the "Constitution") recognizes and protects Aboriginal and treaty rights. ⁶ Case law has developed interpreting section 35, including defining the scope of both the federal and provincial governments' (the "Crown") duty to consult Aboriginal peoples. ⁷ Although the ultimate responsibility to consult (and accommodate, where applicable) lies with the Crown, mining companies may be involved in the process. ⁸ Companies may also enter into impact and benefit agreements ("IBAs") with a view to provide some benefits to Aboriginal communities. ⁹ The approach to community development and engagement with Aboriginal communities varies across Canada, evolves with the common law, and is a function of numerous factors including applicable provincial/federal legislation, whether Aboriginal title has been established, and whether the mine is located in a province or territory. Some jurisdictions, such as Nunavut, have some form of a government resource revenue sharing ("GRSS") agreement. ¹⁰ In the Northwest	Agreement	Regional/ Local

⁵ "Social Policy Guidelines for Mining Sector Finalized," Islamic Republic of Afghanistan, Ministry of Mines and Petroleum, last modified August 14, 2011, https://mom.gov.af/en/news/2774.

⁶ Constitution Act, 1982, s 35(1).

⁷ Aboriginal Engagement Guidebook: A Practical and Principled Approach for Mineral Explorers: Revised Edition – May 2015 (Association for Mineral Exploration British Columbia, 2015), ss. 4.2 & 4.3, http://www.amebc.ca/docs/default-source/AE-Guidebook/aboriginal-engagement-guidebook-(revised-may-2015).pdf. ⁸ Ibid. See also Haida Nation v. British Columbia (Minister of Forests), 2004 SCC 73 at paras 53-56.

⁹ Norah Kielland, *Supporting Aboriginal Participation in Resource Development: The Role of Impact and Benefit Agreements* (Parliament of Canada: Library of Parliament Research Publications, 2015), http://www.lop.parl.gc.ca/Content/LOP/ResearchPublications/2015-29-e.html?cat=aboriginal. See also Irene Sosa & Karen Keenan, Impact Benefit Agreements Between Aboriginal Communities and Mining Companies: Their Use in Canada (Canadian Environmental Law Association, 2001), 2, http://www.cela.ca/sites/cela.ca/files/uploads/IBAeng.pdf.

¹⁰ Government Resource Revenue Sharing with Aboriginal Communities in Canada: A Jurisdictional Review (Prospectors & Developers Association of Canada, 2014), 5, http://www.pdac.ca/docs/default-source/default-document-library/pdac-grrs-report-2014.pdf?sfvrsn=0.

Territories, however, agreements regarding community benefits are signed by the government of the Northwest Territories, the developer, and local communities.¹¹ The legal requirements are fluid; that said, some of the provincial statutory requirements and guidelines are highlighted below.

1) British Columbia:

There is a GRSS agreement.¹² Regional advisory committees review mining applications (*Mines Act*, R.S.B.C. 1996, Ch 293, section 9). Policy guidelines issued by the British Columbian government indicate that Aboriginal representatives are invited to be a member of these advisory committees. These guidelines also describe the ideal role for mining companies and that government staff will monitor mining companies' consultation with Aboriginal communities. The government can require companies to carry out additional consultation where previous consultation efforts are deemed inadequate.¹³

2) Ontario: There is not a GRSS agreement.¹⁴

Mining Act. R.S.O. 1990, c M.14: The purpose of mining legislation is to ensure that mining occurs "in a manner consistent with the recognition and affirmation of existing Aboriginal and treaty rights" under the Constitution (s. 2). For example, in considering whether to issue an exploration permit, the government can see whether Aboriginal consultation has taken place (s. 78.3(2)). The government can impose restrictions on mining rights if the land is considered under the law to be a site of "Aboriginal cultural significance" (s. 51(4)). Finally, companies are to act as if all mining leases include protection for Aboriginal or treaty rights, as recognized by the Constitution (s. 86.1).

3) Saskatchewan: There is not a GRSS.¹⁵

¹¹ See e.g., *Snap Lake Diamond Project Socio-Economic Agreement* between De Beers Canada Mining Inc, The Government of the Northwest Territories, Dogrib Treaty 11 Council, Yellowknives Dene First Nation, Lutsel K'e Dene Band, and North Slave Metis Alliance, Art. 8. A copy of the agreement is available through the Government of the Northwest Territories, last accessed June 27, 2017, http://www.iti.gov.nt.ca/sites/www.iti.gov.nt.ca/files/de_beers_canada_-_snap_lake_mine_sea_-_may_2004.pdf. ¹² *Government Resource Revenue Sharing with Aboriginal Communities in Canada: A Jurisdictional Review, supra* note 8 at 5.

¹³ See Proponent Guide to Coordinated Authorization for Major Mine Projects, Version 1.0 (Province of British Columbia, 2013) at 14-15, 68,

http://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/natural-resource-use/natural-resource-major-projects/major-projects-

office/guidebooks/major-mines/proponent_guide_coordinated_authorizations_major_mine_projects.pdf.

¹⁴ Government Resource Revenue Sharing with Aboriginal Communities in Canada: A Jurisdictional Review, supra note 8 at 5.

¹⁵ Ibid.

	 Government of Saskatchewan First Nation and Métis Consultation Policy Framework (June 15, 2010): This policy lays out the framework for consultation to be carried out by the Saskatchewan government, which in turn may impact mining companies' activities.¹⁶ The government can impose additional conditions or consultation requirements on companies prior to granting permits.¹⁷ 4) Quebec: There is a GRSS.¹⁸ Mining Act, C.Q.L.R. c M13.1: The government has to consult with Aboriginal communities and take into account their rights and interacts (so. 2.1, 2.2). The government is to grant a policy that 		
	take into account their rights and interests (ss. 2.1, 2.2). The government is to create a policy that specifically addresses Aboriginal consultation in the mining industry (s. 2.3). Mining lessees are to create a committee, which must include at least one member of the public, to encourage local community involvement; where the government has consulted with an Aboriginal community, they should be represented on the committee too (s. 101.0.3).		
Central African Republic	Law No. 09-005 of 2009 (Mining Code): A mining license application, whether for a large or small mine, should be accompanied by a social compliance certificate ("un certificate de conformité sociale"), a community development plan, an action plan with a budget for the movement and relocation of people as well as proof of the opening of a local bank account agreed to by the government to deposit semi-annual taxes to contribute towards social and community development (Art. 34).	Plan	Local
	Decree No. 09-126 (implements Law No. 09-005 of 2009): A management plan, which is a condition to obtaining a mining license, should describe both positive and negative socio-economic impacts such as jobs and infrastructure, risks to community health, as well as the disturbance of cultural/historical sites (Art. 306, 307 & 309). The government is to address a copy of the mining application to local communities to obtain their opinion on the impact of the planned mine. With respect to quarry mining licenses, this opinion is deemed to have been		

¹⁶ See Mineral Exploration Guidelines for Saskatchewan 2012 (Government of Saskatchewan, 2012), 81, http://publications.gov.sk.ca/documents/66/86271mineralexploration.pdf. ¹⁷ *Ibid* at 84.

¹⁸ Government Resource Revenue Sharing with Aboriginal Communities in Canada: A Jurisdictional Review, supra note 8 at 5.

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	obtained where a response has not been received within 90 days of mailing of the demand (Art. 119 & 212).		
China	<u>Mineral Resources Law of The Peoples Republic of China (1996)</u> : Anyone who carries out mining activities have to compensate or provide remedial measures if their operations result in a losses to a person's livelihood (Art. 32). Where mining occurs in minority "nationalities' autonomous areas," the state should "make arrangements favorable to the areas' economic development and to the production and livelihood of the local minority nationalities" (Art. 10).	General	Local
Colombia	There has been judicial recognition that Colombia's Constitution supports mandates regarding territorial autonomy and citizen participation, as well as recognition of fundamental rights such as a healthy environment, food security and protection of watersheds. There is an insufficient protection of these rights in mining laws and regulations (like the Mining Code), but now there are some legislative proposals in the Parliament, which pretend to fulfill this lack of protection, especially in terms of territorial authorities' participation in extractive projects (<i>ie</i> mining and oil). ¹⁹	General	Regional/ Local
Democratic Republic of Congo	 Law 007 of 2002 (Mining Law): Where mining rights are obtained by tender, bid criteria include socio-economic advantages for the local community (Art. 33). Exploitation license applications should include reports on consultations with local communities and on how the project will contribute to the local community's development (Art. 69(f), (g)). Mining royalties paid to the local government are to be used for the construction of basic infrastructure in the community's interests (Art. 242) Local communities can use roads built in or near the mining perimeter, subject to fair compensation agreed to by them and the license holder (Art. 213). Compensation for occupation of land may be required (Art. 281). Total or partial relinquishment/renunciation of an exploitation license, including for quarries, does not relieve holders of their obligations to the local community (Art. 79, 164). Decree No. 038/2003 (Mar. 26, 2003): The local population should be provided with a summary of an environmental impact study in the local language that summarizes both the positive and negative impacts of the mine and any proposed rehabilitation measures. The license holder should establish good relations with the affected community by getting to know them and 	Plan/ Revenues (C)	Local

¹⁹ For a discussion about Columbia, see Milton Fernando Montoya, "Participation of Territorial Authorities in Mining Activities in Colombia," in *Sharing the Costs and Benefits of Energy and Resource Activity: Legal Change and Impact on Communities*, ed. Lila Barrera-Hernández et al. (Oxford: Oxford University Press, 2016), 355.

	their values, keeping them informed, consulting them about mitigation and rehabilitation measures, compensating affected persons, and putting in place socio-economic development programs (Art. 451, 452(e), 477). A constructive dialogue needs to be maintained with affected communities (Art. 477). Affected communities are determined according to criteria set out in the regulation such as the proximity of the community to the mine and whether the community has fishing or cultural activities on the site (Art. 480). The annexes to the regulation reinforce the notion of contact with local authorities (see <i>e.g.</i> , Annex III, Art. 3 and Annex VIII, Art. 9). Specifically, Annex IX sets out a directive for the environmental impact study, notably the identification of local communities, their sources of revenue, literacy rates as well as measures to mitigate the negative socio-economic impacts (Annex IX, Art. 38, 39, 43). 10% of the 16% of the rental fees will go to local communities affected by small-scale mining (Art. 402).		
Ecuador	Law No. 45 of 2009 (Mining Law): Where there is a service contract between the mining company and the government, the latter should fund community development projects with 3% from the sales revenue of minerals (Art. 40). Mining royalties should be used to finance development projects and be given to local indigenous authorities (Art. 93). ²⁰	Revenues (G)	Local
Equatorial Guinea	Law No. 9/2006: During the duration of its mining permit, the Contractor has to perform "social works in the Township District, Neighborhood Community, or Municipality" where it operates (Article 54).	General	Local
Ethiopia	<u>Mining Operations Proclamation No. 678/2010</u> : Mining licensees and "as appropriate, exploration license [sic]" shall participate in a community development plan and set aside funds for such expenses (Art. 60(3)). Community development projects are monitored and coordinated by the Environment and Community Development Directorate within the Ministry of Mines (established in 2007 by Article 14 of Environmental Protection Organs Establishment Proclamation No. 295/2002). ²¹	General/ Plan	Local
Ghana	Minerals and Mining Policy of Ghana (November 2014): This policy establishes various guidelines, including that traditional rulers should be consulted, mining companies should	General/Fund (G)	Local

²⁰ See Dupuy, *supra* note 1 at 212.

²¹ See Ministry of Mines (Ethiopia), "Federal Democratic Republic of Ethiopia Ministry of Mines Environment and Community Development Directorate (ECDD)" (February 2012), http://www.mom.gov.et/upload/Brosure.pdf.

support community development, and infrastructure for local communities should be paid for by royalties from the Mineral Development Fund. (ss. 10.8, 11 (17), (18)).

Guinea Agreement/ Law 2011/006 (Mining Code of 2011, amended in 2013 by Law L/2013/053/CNT): Mining Local Operation Title holders must conclude a Local Development Agreement ("LDA") with the local Fund (C) community. The state is involved in the development of LDAs. In addition to containing provisions such as training for locals and developing social projects, LDAs should establish conditions to aid in the management of a Local Economic Development Fund and community health programs. Mining titleholders must contribute between 0.5% to 1% of their turnover to the Local Development Fund. The percentage depends on the type of mineral being extracted (Art. 130). Applications for mining permits should include a community development plan that addresses such aspects as roads, water supply and training (Art. 30). (See also Decree D/2014/015/PRG/SGG, 2014, Article XI for similar provisions). Decree D/2014/014/PRG/SGG (Decree on the adoption of a directive to perform an environmental and social impact assessment of mining operations, 2014): Companies should carry out an environmental and social impact study that includes a survey of region. including architectural sites, the local economy, and the health of the local population as well as ways to mitigate the negative impacts of mining activities (Art. 2.1, 2.2, 4.7.9.4, 4.8.2 of the Directive implementing the Study of the Environmental and Social Impact of Mining Operations, which is incorporated by reference into Art. 1 of the Decree. See also Art. 142 of the Mining Code which requires applicants for mining licenses to conduct an environmental and social impact study). India Fund (C)

The Mines and Minerals (Development and Regulation) Act, 1957 (No. 67 of 1957, consolidated in 2012, subsequently amended in 2015 & 2016): The 2015 amendments created a District Mineral Foundation. Holders of mining leases have to pay into the District Mineral Foundation of the district where the mine is located. The fund is established for the benefit of peoples and areas affected by mining operations. (The Mines and Minerals (Development and Regulation) Amendment Act, 2015 (No. 10 of 2015), s 9).

Model State Mineral Policy, 2010: Mining activities should be conducted in a manner that "minimizes adverse impact particularly to vulnerable sections including tribals, poor, women and children" (s. 18). Companies should place 3% of their previous year's net profit in a Corporate Social Responsibility Scheme and are encouraged to work with the district administration,

Local

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	Panchayats (village councils) and local NGOs (s. 18). The government should make sure that mine closure plans adequately address reclamation and/or restoration efforts in collaboration with local communities (s. 20). The plan will also include "adequate provision for long-term sustainability of host populations and for the best possible use of the mined out areas based on the needs of the local communities" (s. 9). "Old and disused mines…shall be restored or rehabilitated using funds generated from royalties so as to enable local communities to regain the use of such lands" (s. 20).		
Indonesia	Law No. 4 of 2009 (Mineral and Coal Mining Law) implemented by Government Regulations 78 and 22 of 2010: Companies should have development and empowerment programs, which are developed in consultation with the government and local communities, for the latter's benefit (Art. 95 and 108). In carrying out reclamation activities, companies should observe local social and cultural values (Reclamation and Post-Mining, R.I. Government Regulation 78 Year 2010, dated December 20, 2010). See also Government Regulation 23/2010, Articles 106-109. ²² It is expected that Law No. 4 of 2009 will be amended or replaced by new legislation sometime in 2017.	Plan	Local
Kazakhstan	Law on Subsoil and Subsoil Use (2010 No. 291-IV): Both bids and contracts are required to address spending on social and economic development for the region as well as on infrastructure (Art. 50(3)(3), 60(3), 61(2)(27). "The application for subsoil use rights on extraction should include the amount of expenditure on social and economic development of the region and its infrastructure" (Art. 58 (3)(3)).	Revenues (C)	Local / Regional
Kenya	The Mining Act. No. 12 of 2016: Holders of a mining license have to sign a community development agreement ("CDA") in accordance with prescribed regulations (s. 109(i)). Section 47 also provides additional requirements where the mine is a large-scale operation; these include carrying out "social[ly] responsible investment for the local communities" (s. 47(2)(f)). Where the mineral rights are granted over community land, consent has to be obtained from the authority that administers the land or the National Land Commission, where the land is unregistered. Consent is also deemed to have been obtained where the registered owners of the land enter into an agreement with the company or the government (ss. 38(1), (2)). A mineral	Agreement	Local

²² See Indonesia Mineral, Mining Sector Investment and Business Guide, Volume 1: Strategic Information and Regulations (Washington: Global Investment Centre, 2015), 117.

	right may be granted subject to the condition of community development (s. 42(1)(c)). Where the government and a mining license holder have entered into a mineral agreement, it shall address community development plans (s. 117(2)(j)). Community Development Agreement Regulations. 2016 (draft) If enacted, these regulations would provide detailed guidance on many aspects such as the consultation process, the appointment of representatives, and the possibility of suspension of a mining license should a holder fail to comply with a requirement set out in the regulations (ss. 7, 10 & 22). Mining (License and Permitting) Regulations 2016 (draft): If enacted, these regulations would require holders of mineral rights to submit reports on community development (ss. 41(1)(e), 101(b)(iv)). Should mineral rights be surrendered, a report on the progress of the implementation of the CDA may be required (s. 49(5)(a)(ii)(b)(7)). An application for a prospecting license should include a signed statement concerning financial resources set aside to cover community development (ss. 72(2)(n)(iii)). Where an application is made for a mining license, a financial institution has to testify that the applicant's financial resources can sufficiently cover its CDA commitments (s. 98(2)(k)(iv)).		
Kyrgyzstan	 Law of the Kyrgyz Republic "on subsoil" (effective since Sept. 17, 2012): The terms and conditions of a tender shall indicate: for foreign investors, the proportion of locally contracted specialists and workers in the total workforce; and the documents necessary for participation, information about financial capacities to undertake the works, including the program of investments into social and living conditions of the local community such as employment, training programs, and infrastructure construction (Art. 24(7)). Provision on procedure of subsoil use licensing, No. 834 (Dec. 14, 2012): Subsoil license holders have to submit to the government a "subsoil use social package" which lays out community investment initiatives for local community development, such as training, employment of local people, and building infrastructure; this must be approved by an authorized representative of the local community taking into account potential problems of the local community (Art. 105). 	Plan	Local
Laos	Law on Minerals (Revised Version) No. 02/NA (Dec. 20, 2011): Investors in mineral activities must carry out certain measures and practices, including: creating a resettlement plan for those impacted by mining activities; paying compensation for damages incurred from the impact of the	General	Local

	mining activity; striking a balance between mining operations and socio-economic development activities; developing skills for local people; providing "community development," focusing on job creation for local people and aiming to create gradual economic development; and directing contributions to community development and sustainable development (Art. 60, 61, 65(9)). Mining operators for projects mining special categories of minerals must compensate for removal, land and agricultural products cost, management of resettlement, and to provide an appropriate place for the livelihood of affected people; and must direct contributions for community development of the mineral area (Art. 67(4) & (7)).		
Liberia	 Minerals Policy of Liberia (March 2010): One of the goals of the Liberia Revenue Code is to establish a fiscal regime which provides mechanisms to ensure local processing, the development of local supplier industries, increased training and employment of locals (s. 5). An environmental and social impact assessment has to be conducted, evaluated and approved by the government. Plans to manage social impacts upon closure of the mine as well as for sustaining community livelihoods thereafter (s. 7). The development of local small, micro and medium-scale enterprises (SMMEs), especially in the procurement of goods and services, will be encouraged (s. 8). The facilitation of local equity participation in mining ventures could also help in enhancing social acceptance of mineral projects (s. 12). Because mining resources are finite, the maximum local linkages need to be ensured during the life of the mine (s. 14). The goals of the Minerals Policy include the creation of inclusive sustainable employment, the improvement of social infrastructure, and positive impacts on local communities (s. 15). Regulations Governing Exploration Under a Mineral Exploration License of the Republic of Liberia (March 2010): A Licensee may conduct mineral searches on private lands within the licensee area only if the Licensee has delivered the Landowner or Occupant the Licensee's written agreement to provide full and complete compensation for any damage to the Land or any crops or improvements thereon (including compensation for the expected market value of growing crops) or any long term loss in value of the Land caused by or resulting from the Licensee's activities. Any such agreement must: include a bona fide estimate of fair compensation to the Landowner or Occupant for the costs and damage sustained by the Landowner; and state that if the amount paid is less than fair compensation for such costs and damage, the Licensee will pay the additional amount on demand by the Landowner or Occupant. The estimated compen	Fund (G)	Local

	Licensees must encourage economic and social development in or adjacent to their License Areas during the term of the License and must provide for regular meeting with representatives of local communities affected by Exploration operations. Licensees must spend at least 2% of their budget each year on the building or maintenance of schools or clinics in the License Area or within other local communities affected. The Licensee must consult with local officials and traditional leaders regarding the facilities but will retain control over all expenditures (s. 9.3). Minerals and Mining Law (April 3, 2000): A Mineral Development Fund is established for purposes including financing of local and advanced training of personnel (s. 18.3(d)). The Fund is funded by fees and royalties paid by holders of mining licenses, among other sources (s 18.4), and shall be administered by the government (s. 18.5).		
Mali	 Law No. 2012-015 of February 27, 2012 (Mining Code): Mining firms must file a community development plan with their mining license applications (Art. 63 & 150). Developed in consultation with local communities and local authorities, the community development plan must also be updated every two years (Art. 151). The mining authority must establish a Technical Committee on Local and Community Development to approve and implement the community development plan (Art. 153). Consent must be obtained when mining occurs near villages (Art. 78). Decree No. 2012-311/P-RM of June 21, 2012 (amended by Decree No. 2013-690/P-RM, Aug. 	Plan	Local
	28, 2013): The community development plan should cover items including: construction of roads, water supply services, health centers, and schools; promotion of employment for local residents; and support for rural activities and reforestation initiated by local populations. The company should consult with the Technical Committee on Local and Community Development on all modifications and additions that would have an important impact on the CDA (Art. 141 & 143).		
Mongolia	Minerals Law (2006, amended by Law on the Amendments on the Mineral Law (2014)): An Investment Agreement can be signed with firms that invest at least USD \$50 million during the first five years of a mining project. This Agreement must outline plans for regional development and job creation (Art. 29.1.8), as well as compensation for any damage caused (Art. 29.1.9). License holders shall fully compensate owners and users of, for instance, dwellings, wells, winter animal shelters, and cultural landmarks for damages or, if necessary, for relocation costs that arise as a result of mining or exploration activities (Art. 41). License holders should work with local	Plan	Regional/ Local

	administrative bodies on such matters as job creation and infrastructure development; they should also convene a public forum on these issues. The community can elect a representative to monitor the license holder's activities (Art. 42). If more than 10% of the company or subcontractor's employees are foreign, employees of the company or subcontractors exceed 10%, the license holder has to pay 10 times their monthly salary into a fund for educational and health sectors (Art. 43). ²³		
Mozambique	Mining Law (Law no. 20/2014): Companies must pay families or communities established at mine areas "fair and transparent compensation," the value of which is determined in a memorandum of understanding between the government, the company and the community. The memorandum of understanding is a requirement for the allocation of mineral exploration rights. The government is responsible for ensuring "the best terms and conditions in favour of the community, including the payment of fair compensation" (Art. 30). The government may enter into a mining contract with the license holder, which should include provisions regarding local employment and technical-professional training programs, "social responsibility activities" to be developed by the license holder, the aforementioned memorandum of understanding, and the way communities of the mining area will be engaged and will benefit from the mine (Art. 8(2)(e), (f) & (h)). The government must spend a percentage of the revenue that it earns from mining on local community development. The percentage is to be specified in the annual state budget (Art. 20). CSR Policy (Resolução 21/2014 Governo de Moçambique, 2014): ISO 26000 is chosen as a guideline, and the intent of the policy is to promote CSR programs. ²⁴	Revenues (G)/ Agreement (MOU)	Local
Namibia	Part 4 - additional conditions for mining and exclusive prospecting licenses (2016): The	General	Local
	Ministry of Mines has also posted on its website documents adding additional conditions that		
	must be met prior to the issuance of a mining or prospecting license. ²⁵		

²³ For an overview of the amendments, see MinterEllison "Amendments to the *Minerals Law* (2006)," 2,

http://www.wimmongolia.org/uploads/2/0/9/4/20941268/overviewbyminterellison.pdf (accessed Feb. 14, 2017).

²⁴ Friedrich Kaufmann & Claudia Simons-Kaufmann, "Corporate Social Responsibility in Mozambique" in *Corporate Social Responsibility in Sub-Saharan Africa: Sustainable Development in its Embryonic Form*, ed Stephen Vertigans et al. (Springer, 2016), 39.

²⁵ See "Publications Centre (DM)," Ministry of Mines and Energy, Government of Namibia, last accessed July 2, 2017,

http://www.mme.gov.na/publications/?designation=dm. See also *Part 4 – Additional Conditions (ML)*, Ministry of Mines and Energy, Government of Namibia, last accessed July 2, 2017, http://www.mme.gov.na/files/publications/1f0_Additional%20Conditions%20ML.pdf.

	There should be proposals for poverty eradication, particularly for Namibian youth and women (section 9(b)). The government can make counter-proposals or impose conditions on the license in order to meet the government's "empowerment and poverty eradication objectives" (s. 10-11). Minerals Policy of Namibia: The government will encourage the mining industry to address social responsibilities through support programs, training and community participation (Article 2.2.6).		
Nicaragua	Law No. 387 of 2001 (Special Law for Exploration and Exploitation of Mines) and its bylaws in Decree No. 119-2001: Concession title-holders must pay a 3% royalty. These royalties are distributed between the Atlantic region and the rest of the country. In both cases, 15% of the corresponding amount must go to the Mining Development Fund, which is managed by governmental institutions (Art. 71).	Fund (G)	Regional
Niger	Mining Code of 1993 (as updated in 1999 and 2006): The government is to redistribute 15% of mining income to mining-affected areas to fund local development (Art. 95 as amended by Law No. 2006-26, August 9, 2006). The company is required to enter into a mining agreement with the government (Art. 51). A sample mining agreement annexed to the code includes a provision according to which the company undertakes to contribute to the development of municipalities in which it shall carry out its activities, by contributing to the funding of "collective infrastructure" (Sample agreement, Art. 18.2).	Fund (G) Revenues (C)	Regional
Nigeria	<u>Minerals and Mining Act (2007)</u> : Prior to commencing operations, the holder of a mining/quarry lease has to enter into a Community Development Agreement ("CDA") with the host community. The CDA's purpose is to provide socio-economic contributions to the community. Where applicable, the CDA should also address issues such as educational scholarships, training and job opportunities for indigenes of the communities; financial or other types of support for infrastructure development and maintenance of services like education, health, roads, water, and power; assistance in creating small scale/micro enterprises; advertising agricultural products; and mechanisms for "environment and socio-economic management," as well as "local governance enhancement" (s. 116). The CDA is binding, and subject to review once every five years (s. 116(5)). It must also address consultation and monitoring mechanisms, as well as how the	Agreement	Local

community can participate in decision-making such as, for instance, in the management and
implementation of activities under the CDA (s. 117).

	Minerals and Mining Regulations (2011): The holder of a mining/quarry lease shall hold consultations with the host communities in implementing the CDA and shall submit a community development action plan to the Mines Environmental Compliance Department. Any dispute airing from implementation of the CDA shall be referred to the Minister responsible for the regulation of the extraction of mineral resources ("the Minister") for amicable settlement. The "host community" is defined as the community located on or nearest to the mineral title area. Where this is not easily ascertainable, the Minister, in consultation with various public entities, shall determine which community is the host community. Every CDA is to be approved by the Minister after it is signed. And before commencement of operations. If the community and the holder are unable to agree on any aspect of the CDA, the matter shall be referred to the Minister for resolution (s. 193). Mineral title holders have "social obligations," which include meeting with community leaders, sensitizing them to the likely benefits to the community and measures to be taken to prevent hazards and risks, emphasizing such benefits including employment creation and education, and partaking in the community's social/cultural activities in an effort to build a relationship with the community (s. 13). Failure to pay appropriate compensation for damage to land and crops within six months of the commissioning of the project shall lead to the government suspending the holder's title (s. 162). Rehabilitation and resettlement requirements include that the area where households are resettled is to be provided with facilities including schools, a bank, a hospital, and sewage disposal and sanitation (s. 181).		
Oman	<u>Ministerial decision 39/2013</u> : Local authorities will receive 5% of mining licensees' net annual profits for corporate social responsibility initiatives that benefit the local community. ²⁶	Revenues (C)	Local
Papua New Guinea	Mining Act (No. 20 of 1992): Prior to granting a "special mining lease," the government has to host a "development forum", where those affected by the project can express their views. The government shall invite company representatives, landowners, the national government, and the provincial government (s. 3).	General	Local

²⁶ Conrad Prabhu, "Ministry introduces new mining regulations" (23 November 2014) Oman Daily Observer (online), http://2016.omanobserver.om/ministry-introducesnew-mining-regulations/.

	The holder of a tenement is liable to pay compensation to landholders for all loss or damage suffered or foreseen to be suffered by them from the exploration or mining or ancillary operations (s. 154). The amount of compensation payable may be determined by agreement and included in a "compensation agreement." For the agreement to be valid, and before the parties sign it, the agreement must be submitted to the Chief Warden for approval and then to the Registrar who shall register it (s. 156).		
Peru	Reglamento de Protección y Gestión Ambiental para las Actividades de Explotación, Beneficio, Labor General, Transporte y Almacenamiento Minero (Decreto Supremo No. 040-2014-EM): General principles espoused by the legislation for mining companies include contributing to local social development, strengthening local institutions, respecting and adapting to local lifestyles/culture, and promoting citizen participation (Art. 57). Mining companies are expected to consider social aspects in their evaluation of the environmental impact of mining activities, including through the development of a social management plan (Art. 56). The Social Management Plan should set out specific targets, including plans for community development, social investment, and monitoring of social impacts (Art. 60).	Plan	Local
Philippines	Philippine Mining Act of 1995: No ancestral land shall be opened for mining operations without the prior consent of the indigenous cultural community concerned (s. 16). Applications for a mineral agreement shall not be allowed on land covered by small-scale miners unless with the prior consent of the small-scale miners (s. 19(e)). Where an agreement with an indigenous cultural community or artisanal miners is entered into, royalties must be paid into a trust fund for the socio-economic wellbeing of the community, and the amount of royalties shall be agreed upon (s. 17, 19(e)). A mining contractor shall assist in the development of its mining community, the promotion of the general welfare of its inhabitants, and the development of science and mining technology (s. 57). Expenditures for development of mining communities include any activity or expenditure measures for development not already required by law or agreement with the community and the development of relevant geosciences and mining technology (s. 58). Contractors shall maintain training programs for Filipinos, and give preference to using indigenous goods and services and employing Filipinos (s. 62).	Fund (C)/Plan/ Agreement	Local

Revised Implementing Rules and Regulations of RA 7942, otherwise known as the
"Philippine Mining Act of 1995", consolidated administrative order No. 2010-21:

Contractors/permit holders/lessees ("companies") should create, in consultation with local communities, a social development and management program ("SDMP"). The SDMP is to be reviewed by the government every five years (s. 136-A). The SDMP is a five-year plan with a view to create "responsible, self-reliant and resource-based communities capable of developing, implementing and managing community development programs, projects, and activities in a manner consistent with the principle of people empowerment" (s. 5(co)). Companies are to allot at least 1.5% of their operating budgets to implement the SDMP along with educational and mining technology programs (s. 134(a)-(d)).

If the company is in the exploration stage, it should implement a community development program ("CDP") with funds equal to at least 10% of the budget of an approved two year Exploration Work Program. The CDP must be developed in consultation with the community and approved by the government (s. 136-A).

Both the CDP and SDMP are subject to monitoring by the company's community relations office and the host and neighboring communities (s. 136-D). Acceptable expenditures under the CDP and SDMP include building roads, funding educational scholarships, and providing health facilities (ss. 135, 136 & 136-A). Companies should also set up a Community Relations Office to implement the SDMP (s. 136-C).

Penalties for failing to implement the SDMP can include fines or even suspension of operations (s. 136-F).

Informed, prior consent for operations on ancestral lands should be obtained in a way that accords with indigenous communities' customary laws. Royalties of at least 1% of gross output will be placed in a trust fund set up for, and managed by, indigenous communities (s. 16).

Sierra Leone Mines and Minerals Act (2009): Both small and large-scale mining license holders have to promote sustainable development of local communities and respect their rights, customs and traditions (s. 138). All license holders must have a community development agreement ("CDA") with the primary host community where certain criteria are met, such as where the annual output from alluvial deposits exceeds 1 million cubic meters or where combined run-of mine ore and

Agreement/ Local Fund (G) waste production from underground mining operations annually exceeds 100,000 tons (ss. 139(1)). The company must spend at least "one percent of one percent of the gross revenue earned by the mining operations in the previous year" to implement the CDA (s. 139(4)).

The CDA terms have to be negotiated with the community and should address the company's obligations, including contributions to help sustain the community; efforts to establish incomegenerating activities such as making goods that the community needs; and consultation with the community regarding mine closure (s. 140(1)). The CDA may also include terms concerning agriculture, environmental and socio-economic management and local governance enhancement (s. 141(2)). The CDA must not only outline how the community will participate in planning and monitoring it but also be reviewed by the community and the license holder every five years (ss. 140(1)(e), (f)). CDAs cannot, for instance, provide cars or goods to individuals or their family. (s. 140(3)).

Regulation to the Mines and Minerals Act 2009: Where the rate of production or the employment at a proposed small-scale or large-scale mine is expected to exceed certain limits, an application for a small-scale or large-scale mining license should be accompanied by a CDA with the primary host community (s. 73).

Diamond Area Community Development Fund (DACDF) policy (2001): The government of Sierra Leone levies a 3% tax on the value of all diamonds mined by holders of artisanal mining licenses. 25 % of that 3% is allocated by the government to the DACDF. This Fund redistributes a percentage of diamond revenue to communities where diamonds are mined for development purposes.²⁷

South Africa	Mineral and Petroleum Resources Development Act ("MPRDA") (Act No. 28 of 2002,	Plan/
	amended in 2005 and in 2008 (No. 49 of 2008): Applicants for mining rights must provide a	Revenues (C)
	"social and labour plan" (s. 23(1)(e)). The Government can put in place conditions to further the	
	community's rights and interests and can impose a requirement that the community participate	
	(s. 23 as amended by Act No. 49 of 2008). Where royalties have been paid to communities, the	
	government may impose conditions on its use, which must include the manner in which the	
	royalties will be used to promote rural, regional and local economic development and the social	

²⁷ Dupuy, *supra* note 1, 208.

Local

	 upliftment of the community (Schedule II, Transitional Arrangements, s. 11(7)(a)). Where the holder of a relevant mining permission, right or permit faces certain barriers to access the land in question, and the owner or occupier of the land has suffered, or is likely to suffer loss or damage because of the holder's activities, the Regional Manager may be required to request that the holder and the landowner or occupier reach an agreement for compensation (s. 54). Communities can also apply to obtain a "preferent right" to prospect or mine land and must illustrate how such a right would contribute to the community's development and social upliftment (s. 104). Mineral and Petroleum Resources Development Regulations (April 2004). amended in 2004, 2006, 2011 & 2015): An application for a mining right has to be accompanied by "a social and labour plan." This plan must include a local economic development program, which should address items such as a human resources development program, infrastructure projects, as well as measures to eradicate poverty, address employees' housing and living standards, and ameliorate the social and economic impact of mine closure or downsizing (ss. 42(2) & 46). Codes of Good Practice for the South African Minerals Industry (April 2009): This is a general code of guidelines made pursuant to the MPRDA (MPRDA, s. 100(1)(b)). The code provides a scorecard for mine community and rural development (s. 2.6.2). Non-compliance with the code is equivalent to breaching the MPRDA and could result in the cancellation or suspension of licenses (s. 4.1.5). 		
South Sudan	Mining Act 2012 : Large-scale mining license title holders have to enter into Community Development Agreements ("CDAs") with communities near to of affected by operations (s. 68(1)). The license title holder shall not commence any operations until it has entered into a CDA (s. 80(1)(c)). Substantial non-compliance with the CDA by the license title holder can result in suspension of the license (ss. 68(2), 80(1)(c)). Mining title holders have to implement a corporate social responsibility program and contribute to the development of communities near to or affected by its operations through measures like providing schools, clean water, and health services (s. 128). Title holders of small-scale mining licenses must compensate land owners, and holders of rights of occupancy or use over the land for damage to land and property resulting from the mining operations (ss. 5 and 61(1)(m)). Where a mining license is granted over community or private land or land subject to customary use, the license holder can enter into a private license, compensation or resettlement agreement with the landowner or right holder or request the government to revoke, expropriate or otherwise extinguish the preexisting right over the land in	Agreement	Local

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	accordance with the Land Act or any other appropriate authority (ss. 140 and 141). Fair and reasonable compensation has to be paid as required by the Land Act (s. 142).		
	Mining (Mineral Title) Regulations 2015 : Large-scale mining title holders must submit monthly reports to the government on the status of implementation of community development activities, including terms of CDAs they have entered into (s. 48(1)(f)). An exploration license title holder shall submit to the government within three months of the end of a dry season a report detailing its community development and local procurement activities (s. 28(1)(d)). Mine closure plans have to include provisions on how the title holder will consult with communities with which it has entered into a CDA (s. 73(5)(i)). When a large-scale mining title holder relinquishes an area, it is still liable to pay for any commitments made for community development and local procurement (s. 46(9)).		
Togo	Reform of Law 96-004/PR (Mining Code, amended by Law No. 2003-012, October 2003); Law No. 2011-008 (Mining company contribution to local and regional development ("Relative à la contribution des entreprises minières au développement local et régional"), May 2011): Holders of exploitation permits (large or small scale), artisanal exploitation authorizations are required to contribute to local and regional development. "Local" pertains to the village or canton affected by the exploitation and "regional" refers to the prefecture concerned (Art. 1). This contribution consists in financial contributions (payable annually at the end of each year of exploitation) and the realization of socio-economic and community works in the prefecture concerned (Law No. 2011-008, Art. 1-2).	General	Local/ Regional
Vietnam	Mineral Law (Order No. 17/2010/L-CTN, November 30, 2010): The government will allocate part of the mining revenue to support socio-economic development in localities in which minerals are exploited (Art. 5(1)). Mining companies are required to build "welfare works" for localities in which minerals are exploited, combine mining activities with the building of technical infrastructure, and repair or maintain or build new facilities or pay compensation for damage incurred and work (Art. 5(2)(a)-(b)). Mining companies must give priority of employment to local labor and coordinate with local authorities in assuring the change of jobs for local people whose land is "recovered for mining"(Art. 5(2)(c) and (d)). Compensation, support and resettlement for land users whose land is recovered for mining projects comply with the Land Law and other relevant regulations (Art. 5(3)).	Revenues (G)/ General	Local

Yemen	Law No. 24 of 2002 (Law of Mines and Quarries; revised in 2007, updated in 2010 as the Law No. 22 Concerning Mines and Quarries): One of the requirements for a mining or quarry license for a large-scale project is to sign a community development agreement ("CDA") (Art. 2, 30(2) and 41(2)). The mining or quarry licensee undertakes to execute the terms of the CDA (Art. 31(4) and 42(4)).	Agreement	Local
Zambia	Mines and Minerals Development Act, 2015 (No. 11 of 2015, amended in 2016): One of the principles that shall apply to the mining and development of minerals is "development of local communities in areas surrounding the mining area based on prioritisation of community needs, health and safety" (Art. 4). In considering an application for a large-scale mining license, the government shall consider the applicant's undertaking for the employment and training of citizens and promotion of local business development (s. 31(1)(f)). A large-scale mining license holder shall implement the local business undertaking attached to the mining license (s. 35(1)(d)(i)). A license holder shall be strictly liable for any harm or damage caused by mining operations or mineral processing operations and shall compensate any person to whom the harm or damage is caused, including for any negative impact on the livelihood or indigenous knowledge systems or technologies of any community (s. 87(1) and (5)(b)).	General	Local
Zimbabwe	 Indigenisation and Economic Empowerment Act (2007) and General Notice 114 of 2011: The Indigenisation and Economic Empowerment Charter, which applies to a fund established to provide assistance to indigenous Zimbabweans regarding economic participation in business, includes the fundamental principle of "accelerated rural development" (Fourth Schedule (Section 16), Principle 1(d)). The Charter's Code of Ethics also states that in order to achieve the objectives of the Act, all stakeholders undertake to abide by the principle of social responsibility, which entails that all businesses should contribute socially to the communities they serve (Fourth Schedule (Section 16), Principle 3). Indigenisation and Economic Empowerment (General) Regulations, 2010 (SI 21 of 2010): When considering business notifications regarding the extent of indigenization and business indigenization plans, the government shall publish by notice in the gazette what weighting (expressed as a fixed percentage that may be added towards the fulfillment of the minimum indigenization and empowerment quota) to assign to socially and economically desirable objectives in favor of the business operating, including the undertaking of specified development 	Fund (C)	Local

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work in the community in which the business in question carries on its business; technology and skills transfers to Zimbabwe and Zimbabweans amongst others (s. 5(4)(c)).