

The Value of Early Stage Social Assessment during Mineral Exploration

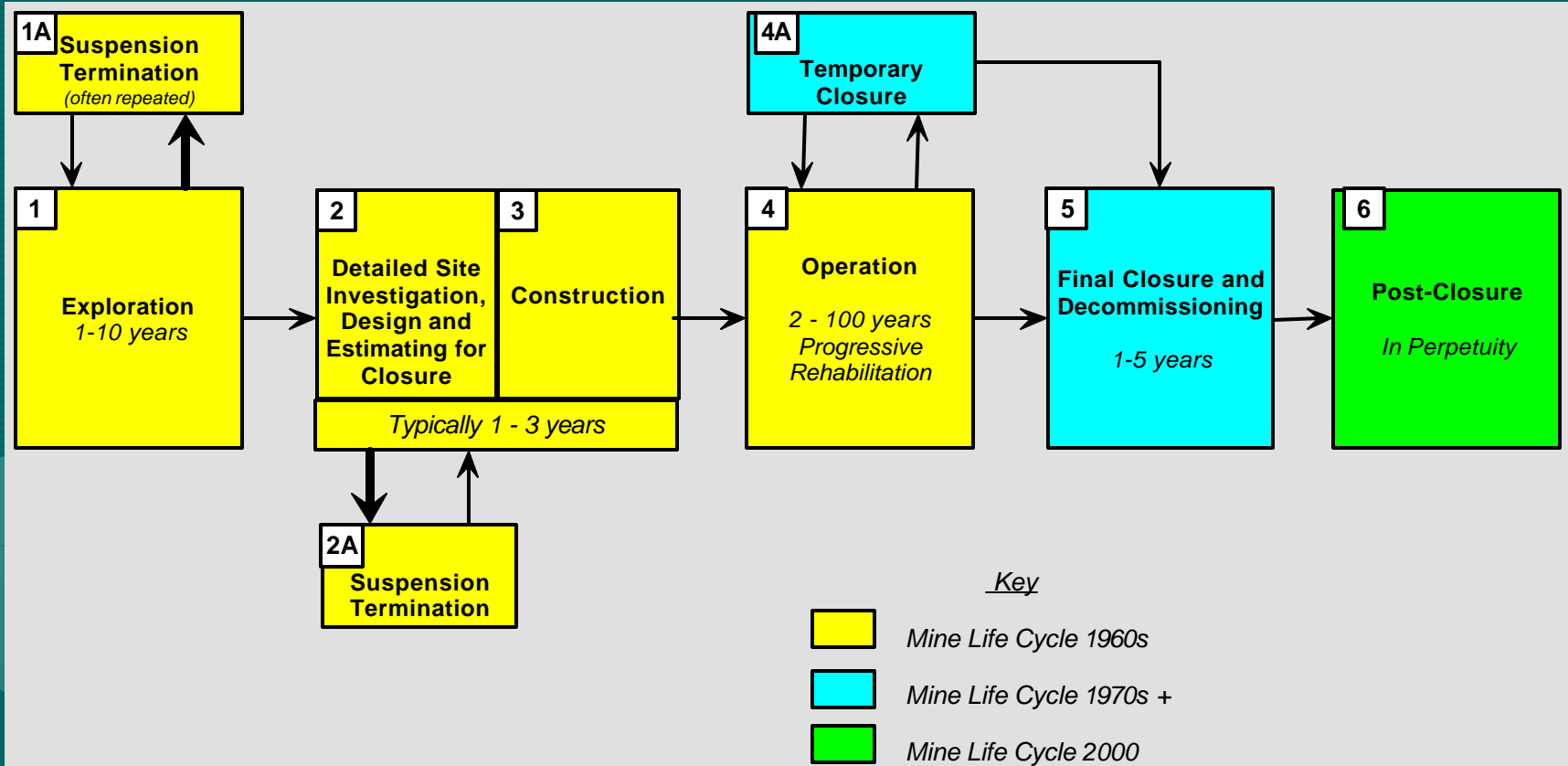
Presented at 2004 IAIA Annual Conference

April 26 – 28, Vancouver, BC

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The Full Mine-Project Life Cycle



From: MMSD North America

Challenges to doing early Social Assessment

- No regulatory requirement
- 1/ 1000 projects become a mine
- Industry structure
 - junior sector
 - Performance criteria for exploration divisions
- Exploration cultural constraints – sacred cows
 - Secrecy, minimal disclosure, low profile
 - ‘unnecessary spending’ during exploration

Social and E conomic Impacts during E xploration Stages

- Humans anticipate, develop expectations and will act on the basis of those
- Mineral exploration affects an already dynamic situation
- Cause changes internal to communities as well as between them
- Participatory processes and sound decision making for community futures requires time

Case Examples – Early Social Assessment

Indigenous Identity

1. Done late in exploration, but ineffective because company did not accept findings
2. Done early in exploration, effective to date

Resettlement Planning

1. Weak baseline and social assessment done, failed to capture complexities of situation
2. Participatory assessment to be done mid-stage exploration

Indigenous Identity 1

lowlands Latin America

- SA done in Pre-Feasibility Stage
 - Few impacts to date due to isolation of project
 - Emergent indigenous movement nearby due to other industrial projects
 - No self-identification as indigenous in communities closest to mining project
 - No title to communal lands, colonization and deforestation pressures
 - Isolation and lack of services

What Happened?

Opportunity Lost

- Company did not act on recommendations to assist communities in land titling
- Increased presence of titled large land holders
- Communities assisted by and now strongly allied to regional indigenous organizations
- Achieved land titles and recognized legally as indigenous communities
- In hostile relationship with current mine project using ILO 169 and other tools as pressure

Indigenous Identity 2

Lowlands Latin America

- Company sensitized
- Rural area with no known indigenous people
- SA finding:
 - ‘hidden’ indigenous communities in process of self-identifying
 - History of marginalization and abuse
 - Lack of secure land tenure
 - Rapidly growing Indigenous Movement

Opportunity Found?

- Company hired full time sociologist
- Moved to engage fully with communities A N D with Indigenous Movement
- Have achieved dialogue – to what end??
- Future depends on the parties involved
- ?? What was recommended?

Resettlement 1 - Andes

- Lack of robust SA of individual families or communities
- SA done while mine being developed
- Communal lands purchased
- Families resettled based on individual deals with company
- Poor knowledge of complex interrelationships between different ecological zones

Resettlement 1

0 ongoing social and economic dislocation

- Cash payments to subsistence families lost or not invested in productive resources
- Cash payments to communities – variable results
- Failure to identify many levels of impact and loss of access
- Fast and aggressive process led to serious cultural shock for many, especially elderly
- Lack of good baseline makes it difficult to determine when resettlement obligations are fulfilled

Resettlement 2 – Andes

- Communal lands with traditional uses, authorities and rotations
- Complex relationships, socioeconomic differentiation very high within community
- Internal conflicts but support exploration
- Conflicts with political authorities
- Latent land conflict with neighboring community at risk of being rekindled

Resettlement 2 – Andes

managing change and expectations?

- Educating on realities of mining
 - Failure rate
 - Social problems
- Participatory assessment of resource use, residency and resettlement impacts
- Community desire to manage resettlement
- Potential for early focus on alternative economic opportunities

Challenges to Effectiveness of Early Social Assessment

- Realities of mining – on/ off, failure rates, etc
- Handoffs of projects within and between companies – institutionalized memory?
- Interaction/ cumulative effects with other social change processes
- Ethical dimensions:
 - confidentiality agreements
 - contractual relationships
 - the end for which social assessment is done