

Towards an International Resource Governance Alliance (IRGA): A solutions-based platform

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A growing 'governance gap'

- Good governance lies at the heart of effective resource management and of reliable mineral supply.
- But we face a growing 'governance gap'.
- Partly this arises from the usual sources, weak institutions, poor law and poor implementation of laws, jurisdictional issues (e.g. between centre and periphery), arbitrary political interference in investor terms and conditions (e.g. taxation, export conditions) etc.
- However, the governance gap also arises from a mismatch between the scale and international nature of the industry and the capacity of producer economies to deal with broader international pressures.

Clusters of problems in need of global action in the mining industry



Organisations currently addressing aspects of the governance gap

Intergovernmental organisations

- Intergovernmental Forum on Mining, Minerals & Sustainable Development (IGF)
- UN Environmental Assembly (UNEA)
- UN Environmental Programme (UNEP) - International Resource Panel
- UN Conference on Trade and Development (UNCTAD)
- International Metals Study Groups - ILZSG, ICSG, INSG
- World Bank – Extractives Global Programmatic Support (EGPS), GOXI

International non-governmental organisations

- World Resource Forum Association (WRFA)
- Natural Resource Governance Institute (NRGI)

Multi-stakeholder initiatives

- Extractive Industries Transparency Initiative (EITI)
- European Innovation Partnership (EIP) on Raw Materials

Grounds for believing that more needs to be done

- Information not getting to those who need it (dissemination of best practice)
 - Lack of a multilateral forum for producers and consumers to come together
 - Lack of international political leadership in addressing the governance issue
 - Need to strengthen international trade rules on exports
 - Lack of encouragement for resource and product efficiency and recycling
 - Need for access to independent advice when making new extractives agreements
 - Need for independent ombudsman for resource disputes settlements
 - Need for greater global coordination to address issues of growing interconnectivity
 - Absence of global convention governing environmental impacts of extraction
- A common unifying theme is that the challenges of the mineral resource sector, and the governance thereof, are growing and becoming more global.

Towards an International Resource Governance Alliance (IRGA)?

The idea of an IRGA emerges from the pulling together of several distinct threads:

- An acknowledged, and growing, governance gap
- Recognition of the need for a ‘strategic dialogue’ on the mining sector (RMI)
- The absence of an existing forum for mineral producers and consumers
- An evident interest in the EU to contribute to this agenda (EIP, STRADE)
- The need for a practical approach focused on specific problems and their solutions

What might an IRGA look like?

“...the IRGA is conceived as a solutions-based intergovernmental platform for designing and implementing practical solutions to a range of cross-border natural resource governance problems in a format that encourages innovation and collaboration between a range of actors (local and international, business and government, international organisations and academia).”

“IRGA would be structured as a continuing dialogue between mineral producing and consuming countries on key issues of mutual interest with a view to promoting good industry practices and the efficient operation of the mineral market value-chain from exploration and investment through to end-use.”

“[This approach] should ensure that solutions arrived at in the IRGA are the realistic products of a process incorporating the expressed views of all parties having an interest in the resources sector and facilitate the adaption of the organisation’s agenda to important contemporary issues.”

Possible IRGA agenda items: problems looking for solutions

- Legacy mines
- Financial assurance for rehabilitation
- Conflict minerals
- Mining related infrastructure
- Local supplier development
- Lack of grievance mechanisms for disaffected workers/communities
- Spread best-practice for tailings dam construction/management

Outstanding questions?

- Do we really need a new organisation here?
- Can't existing organisations be developed to address them?
- Post-boom has the need for this not gone away?
- Why the EU? What is its role in all this?



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