

ACP-EU JOINT PARLIAMENTARY ASSEMBLY

ACP-EU/100.156/fin.

RESOLUTION¹

on the social and environmental impact of mining in the ACP countries

The ACP-EU Joint Parliamentary Assembly,

- meeting in Horsens (Denmark) from 28 to 30 May 2012,
- having regard to Article 18(1) of its Rules of Procedure,
- having regard to the ACP-EC Partnership Agreement ('Cotonou Agreement') and in particular to Article 8(4) on non-discrimination,
- having regard to the UN Global Compact and the OECD Guidelines for Multinational Enterprises which articulate principles of responsible business conduct,
- having regard to the 2005 International Labour Organisation (ILO) Global Initiative for Eliminating Child Labour in Mining and Quarrying,
- having regard to the Africa Mining Vision adopted by the African Union Heads of State in February 2009,
- having regard to the Brussels Declaration on the Sustainable Development and Management of the Mineral Resources Industry of the ACP States (ACP/89/008/10) adopted at the 1st Meeting of ACP Ministers in charge of the Mineral Resources Industry held from 13 to 15 December 2010, in Brussels, Belgium,
- having regard to the scope and activities of the United Nations Environment Programme (UNEP) International Panel on the sustainable management of natural resources,
- having regard to the study of the International Labour Organization on 'Child labour in gold mining: The problem' (June 2006),
- having regard to the EP resolution of 15 December 2010 on the future of the EU-Africa strategic partnership following the 3rd EU-Africa Summit (P7_TA(2010)0482),

¹ Adopted by the ACP-EU Joint Parliamentary Assembly on 30 May in Horsens (Denmark).

- having regard to the EP resolution on an effective raw materials strategy for Europe (P7_TA(2011)0364),
 - having regard to the EP resolution of 25 November 2010 on corporate social responsibility in international trade agreements (P7_TA(2010)0446),
 - having regard to the African Trade Policy Centre study on Mineral Exploitation, Environmental Sustainability and Sustainable Development in EAC, SADC and ECOWAS Regions (2009),
 - having regard to the United Nations Experts Group report on Natural Resources and Conflict in Africa: Transforming a Peace Liability into a Peace Asset (2006),
 - having regard to the UN resolutions on blood diamonds, in particular to UN Security Council resolution 1459 (2003) on the Kimberley Process Certification Scheme,
 - having regard to the ILO Declaration on Fundamental Principles and Rights at Work, adopted in 1998,
 - having regard to Directive 2006/21/EC of the European Parliament and of the Council of 15 March 2006 on the management of waste from extractive industries,
 - having regard to the principle of Policy Coherence for Development as formulated in the Treaty of Lisbon (Art. 208 TFEU) and the legal PCD obligation to consult ACP countries (Article 12 of the Cotonou Partnership Agreement),
 - having regard to the report of the Committee on Social Affairs and the Environment (ACP-EU/101.156/A/fin.),
- A. whereas, according to UNCTAD, non-renewable mineral resources are classified in three categories: energy minerals such as oil, gas, uranium and coal; metallic minerals such as copper, cobalt and bauxite; and non-metallic minerals such as precious stones (diamonds);
 - B. whereas most ACP countries, particularly in Africa, are endowed with abundant mineral resources such as metals, oil, diamonds, gold, iron, cobalt, uranium, copper, bauxite and silver, but despite this wealth the majority of the population lives in poverty;
 - C. whereas most minerals are exported in bulk ore or concentrates or metals without much added value in the ACP producing countries;
 - D. whereas the opacity and confidentiality of the mining contracts or agreements have contributed to the manipulation of weak States and the overriding of parliamentary scrutiny;
 - E. whereas, in the absence of governments with an awareness of the problem and their associated responsibilities in regulating and controlling the mining sector,

mining companies' activities in ACP countries have significantly damaged local environmental, social and health conditions;

- F. whereas mining activities by governments, domestic and transnationally owned companies have led to land-grabbing, displacing indigenous peoples and limiting the scope for the local population to ensure food security through agricultural activities;
- G. whereas mining causes severe physical and psychological health issues, leading to critically high mortality among miners;
- H. whereas revenues from illegal mining are known to fuel internal conflicts; whereas the illegal exploitation of natural resources in conflict-prone and conflict-ridden countries continues to be one of the causes of conflicts and their recurrence, such as in Angola, the Democratic Republic of Congo, Sierra Leone and Liberia;
- I. whereas the 2010 study requested by the European Parliament's Development Committee on the possible use of radioactivity-contaminated mining materials in the construction of residential homes from open-pit uranium mines in Gabon and Niger indicates that substantial problems exist in these countries with respect to the operation of the uranium mines and the safety of mines for the local population; whereas this study criticises a lack of transparency regarding company data on radioactive pollution and, in one case, claims that radioactive materials have been used for construction and that water sources and soil around the mining villages have been affected;
- J. whereas child labour is still widely practised in small mining operations in particular, and these activities expose children to serious risk of injury, exposure to toxic chemicals or death; whereas previous initiatives by the relevant governments have often failed to have the desired effects;
- K. whereas the Extractive Industries Transparency Initiative (EITI) - a voluntary body composed of mining companies - underlines the importance of transparency by governments and companies in the extractive industries and the need to enhance public financial management and accountability;
- L. whereas from the 1990s to 2008 world production of 14 major minerals grew from 1 million to about 2.5 million tonnes; whereas global demand is expected to increase significantly as the population will reach 9 billion by 2050 in a context of growth, urbanization and consumption patterns; whereas demand for copper, iron ore and aluminium is expected to double over the next 15 - 20 years;
- M. whereas the African Trade Policy Centre concluded that 'many mining companies keep most of their earnings in offshore accounts, leaving very little in local accounts to cover local operating costs';
- N. whereas the concentration of people in small scale mining areas results in poor sanitation, leading to epidemics of malaria, dysentery and other diseases; whereas the increase in migrant labour to these areas has been associated with an increase

in prostitution, that has inevitably led to increased teenage pregnancies, single parenting, and sexually transmitted diseases, particularly HIV/AIDS, such as in Ghana and in Togo (ILO 2006);

1. Expresses its deep concern that despite the fact that many developing countries, particularly African countries are endowed with rich mineral resources, the current trade pattern, whereby developing countries export raw materials and buy manufactured products from industrialised countries, and national economic structures and development strategies of the countries concerned have made no contribution to combating poverty;
2. Calls on ACP-EU governments to put an end to the 'resource curse' and put the abundant mineral resources of ACP countries, particularly in Africa, at the heart of their development strategy to benefit the entire population, instead of enriching investors and elites without benefiting ordinary citizens;
3. Calls on ACP countries to examine existing contracts for compliance with international standards on the sustainable use of national resources in the public interest, to offer investment incentives and to make existing tax systems more efficient, to comprehensively fight corruption in state administrations and supervisory authorities, and to invest the profits gained from the export of resources in the development of the country concerned (infrastructure, social system, manufacturing industry, etc.);
4. Urges ACP countries to deploy skilled and experienced experts when negotiating mineral contracts with mining companies;
5. Stresses the important role that national parliaments and civil society organisations can play in overseeing mining agreements or contracts with a view to assuming their responsibility vis-à-vis their citizens, breaking the culture of secrecy and fighting corruption at all levels; calls on ACP governments to meet their obligations to provide information to national parliaments and to include local decision-makers and representatives of civil society in decision-making processes in relation to the use of national resources;
6. Stresses the need for strong, transparent and enforceable legislative and regulatory frameworks governing the mineral resources industry in ACP countries; calls on ACP countries' governments and parliaments to enact policies and regulate foreign direct investment (FDI) in the public interest, in consultation with civil society, in a way that provides a stable legal environment which encourages foreign direct investment, benefits the local economy, creates domestic added value and fosters development;
7. Calls on the ACP governments to put an end to the massive financial outflows from their countries, given that illicit financial outflows from Africa, including tax evasion, are estimated at \$865 billion from 1970 to 2008, according to Global Financial Integrity (GFI);
8. Insists on addressing the issue of money laundering, which according to the Director of the Intergovernmental Action Group Against Money Laundering in West Africa (GIABA), represents €337 billion in West Africa alone, including a

significant amount through tax evasion, while the 10th European Development Fund for ACP countries amounts to €22 682 million, covering five years (2008-2013);

9. Insists, in this context, on the need to create, or highlight and defend quality public services, particularly in combating capital flight, money laundering and tax evasion, as a means of combating illicit profits from the income generated by mining;
10. Welcomes the discussions at European level in relation to the establishment of a European transparency initiative, the proposal for a directive of the European Parliament and of the Council on annual financial statements, consolidated financial statements and related reports of certain types of undertakings, which were triggered by the Dodd Frank Act, obliging all oil, gas and mining companies listed in the USA to publish what they pay to government and to report the use of conflict minerals; calls on all international partners to work to introduce similar requirements;
11. Welcomes the European Commission's proposals to amend the Transparency and Accounting Directives requiring EU publicly-listed companies as well as large unlisted companies active in the extractive industry and the logging of primary forests to report on a country-and-project basis the payments they make to local, regional and national governments in third countries; urges the European Commission to come forward with EU legislative proposals comparable to section 1502 of the Dodd Frank Act, which requires US companies sourcing minerals from the DRC and surrounding areas to exercise due diligence in their supply chains;
12. Calls on ACP and EU governments, in their respective capacity, to present a legislative proposal on the automatic disclosure of transnational corporations' profit and tax payments in each individual developing country in order to bring an end to tax havens, tax evasion and illicit capital flights;
13. Stresses that ACP countries should ensure that mining licences should include legally-binding provisions for social and environmental standards; calls on the EU to include obligations and duties for foreign investors operating in developing countries, to respect human rights, environmental and ILO core labour standards; considers that companies active in third countries should be legally bound by the same rights and obligations as in their home countries;
14. Points out that artisanal and small-scale mining (ASM) can play a vital role in local life, providing employment and incomes to a large number of people; calls on ACP countries to regulate this sector, legislate against the use of internationally banned toxic substances such as mercury and cyanide, and provide safe working conditions for Artisanal and Small-Scale Miners by facilitating access to micro credits to equip themselves with healthy and environmentally-friendly technologies and to respect their human rights;
15. Recalls that child labour is still widely practised in small mining operations in particular, and that these activities expose children to serious risk of injury,

exposure to toxic chemicals or death; stresses the need for information campaigns dealing with the health risks to children from working conditions in small mining operations; urgently calls on the ACP countries and development partner countries, including the European Union, to implement initiatives to combat child labour;

16. Calls on ACP governments to take the necessary steps to ensure that mining waste is managed in such a way that human health is not put at risk and no potential environmentally harmful processes or methods are used and in order to prohibit the uncontrolled dumping or disposal of waste;
17. Urges development partners, including the European Union, to provide technical assistance to ACP mining countries to assess the past and present environmental and social impact of mining activities, to establish accountability for environmental and health damage at all levels, to compensate victims and rehabilitate the ecosystem according to the 'polluter pays' principle; stresses the need to place the protection of wildlife and environmental concerns above commercial concerns when it comes to mining and urges ACP countries to think twice before granting prospecting licences in areas which are home to rare or endangered wildlife, for example the Virunga national park in Uganda;
18. Recalls that the European Union finances programmes designed to maintain biodiversity in the ACP countries, for example in the context of the tenth and the upcoming eleventh European Development Fund, the aims of which are counteracted by the establishment of oil extraction and mining undertakings in the areas designated for protection; calls on the relevant ACP governments to undertake to comply with national environmental legislation and international conventions;
19. Regrets that mining activities sometimes lead to land-grabbing, resulting in the eviction of people from their original land; insists that mining companies provide resettlement and relocation plans when this is the case and do not abandon shafts/pits, without rehabilitating them;
20. Emphasises that community land rights, in their various forms (individual or collective) should be recognised by law to protect community members and provide adequate protection in case of investment in mining or other sectors;
21. Calls on ACP countries and EU member States to work toward the banning of toxic substances prohibited at international level in mining and to participate in the Intergovernmental Negotiating Committee mandated to develop a global legally binding instrument on mercury under the auspices of the UN Environment Programme (UNEP);
22. Encourages ACP countries to establish or strengthen national agencies for science, technology and innovation together with the monitoring capacity to promote green technologies and know-how in exploration and mining;
23. Underlines the importance of the EU's raw materials policy taking fully into account sustainable economic growth in the developing countries (as enshrined in

Article 208 TFEU) and ensuring consistency between development policy and the RMI; believes therefore that the EU should also support developing countries in diversifying their economies, reducing their dependency on raw materials exports and increasing the value of their products through domestic manufacturing and processing;

24. Urges EU and ACP governments to address the issue of child labour, as it represents a high risk for children working at a very early age in dangerous environments, mostly lacking basic rights and protection;
25. Instructs its Co-Presidents to forward this resolution to the ACP-EU Council of Ministers, the European Parliament, the European Commission, the Presidency of the Council of the European Union, the African Union, the Pan-African Parliament, and the UN Human Rights Council.