

### 4.3 Managing impacts and sharing the benefits of mining through agreements

For indigenous groups, there are a number of advantages of entering into a negotiated agreement with mining companies over the use of their land. For example it provides a structured, usually legally binding, mechanism through which their rights and interests are documented and respected, and they can obtain a satisfactory share of the benefits that mining can bring. Well-designed agreements can provide indigenous groups with some level of assurance and accountability to ensure that the company will manage environmental, cultural and social issues and impacts to high standards. This increasingly includes participatory monitoring programs, which actively involve people from indigenous groups and draw on their traditional knowledge.

In addition to impact management, negotiated agreements often provide indigenous groups with a broad range of financial and non-financial benefits. While many indigenous groups welcome such benefits, companies cannot automatically assume that the kinds of benefits commonly offered by mining projects, whether these are employment and business opportunities or new roads, will automatically be welcomed or needed by all Indigenous Peoples. Consultation with Indigenous Peoples about what they want is therefore essential, and some indigenous communities may choose to maintain their traditional lifestyle, as opposed to new jobs in the mining project, for example.

The main benefits of negotiated agreements are detailed in the sections below.

#### Strengthening the community asset base

A common objective of many negotiated agreements is to contribute to the community's asset base (the stock of physical, economic, human, social and natural capital)<sup>29</sup> and general well-being through community and social investments. A stronger asset base assists the long-term sustainability of the community, which can be one of the major benefits provided by a mining project. The community's well-being is also linked to the sustainability of the community and can enhance the quality of the relationship between the mining company and the community.

Negotiated agreements provide a mechanism by which mining companies can play a role in strengthening this asset base. Common areas of focus include:

- employment and human capital
- creating new business opportunities
- improving infrastructure and services
- building capacity for community development.

Guidance on specific actions that can be taken to strengthen a community's asset base in these areas is provided in **TOOL 7**.

#### Preservation and enhancement of cultural heritage

Broader community concerns and aspirations around the preservation and enhancement of cultural heritage can also be dealt with in community development plans and agreements, rather than only through cultural heritage management plans. Actions that companies can take in this regard include:

- funding the recording of languages, stories and songs (eg Barrick's Shoshone Youth Language Apprenticeship Program in Nevada, USA, which aims to revitalize the Shoshoni language in Western Shoshone communities)
- helping to establish cultural centres or cultural houses as places for communities to meet for cultural activities and receive visitors; these can also serve as "keeping places" for cultural artefacts
- supporting cultural workshops to maintain or stimulate traditional skills and arts to young people
- sponsoring festivals to promote traditional dance and ceremonies
- helping to generate a market for traditional arts and crafts
- incorporating cultural rituals (eg smoking ceremonies and "welcome to country") into workforce inductions and company events.

#### RELEVANT CASE STUDY

**Raglan mine: Company–community committee to govern agreement (Glencore), see page 119.**

<sup>29</sup> See the UK Department for International Development's sustainable livelihoods approach for further details on the five capitals (physical, economic, human, social and natural), and strengthening an individual's livelihood opportunities and asset base.