

## **The Alternative Mining Indaba**

### **"Our Resources, Our Future, Putting Local People First"**

**Cape Town, South Africa 4<sup>th</sup> to 6<sup>th</sup> February 2014**

#### **Declaration**

We, representatives of Civil Society Organisations; Faith Based Organisations, Pan-African Networks and Organisations, Labour Movements, media, international partners and Community Based Organisations;

Having gathered at the Ritz Hotel, Cape Town on the occasion of the 5<sup>th</sup> Alternative Mining Indaba (AMI) from 4<sup>th</sup> to 6<sup>th</sup> February, 2014, express our deep concern in how development is shaping investment including extractives and the continued limited contribution of the extractive sector in the development agenda of African Countries especially to the lives of ordinary people.

The representative persons from organisations in Africa, Latin America, Asia, and Europe met and reaffirmed their belief in a society that puts people first before profits. Once again we find ourselves confronted by corporate greed and the lack of government will in protecting the environment, social and economic well-being of communities.

We stand in solidarity with workers, women and men, young and old, who have lost their lives and livelihoods as a result of unscrupulous mining companies, and demand the protection of the rights of communities and particularly defenders of rights, who continuously suffer under oppressive regimes. We are especially saddened by the mining deaths yesterday of 8 miners at Harmony Gold mines in South Africa and a woman at Grootvlei mine.

We note with dismay the continued rush for profits by rent-seeking Trans-national Corporations (TNCs) at the cost of both human and animal life and the complete destruction of the environment and other sources of life such as rivers and the air;

Above all else, we are appalled by the inhumane attitude displayed by the leaders of the corporations towards other forms of life and fellow humans and the poor stewardship over the land and environment.

We continue to note with concern, that the African Mining Indaba (being held at the International Convention Centre in Cape Town), has once again excluded the true owners of the land from their conference, and warn that severe hardship, social conflicts and unsustainability will result, when our land and heritage is sold at the altar of foreign governments and transnational corporations.

Conference organisers reported at the African Mining Indaba has over the past year attempted to stop us from using the phrase Alternative Mining Indaba, which runs contrary to free speech granted by our constitution. As civil society representatives,

committed to building a society based on socio-economic and political justice and the values of Ubuntu, we have an inalienable right to speak and organise wherever we want. It is worth mentioning that the word Indaba is not a thing to be privatised. For us it is not just a word, but a means of Africans getting together, thinking, sharing and working out solutions together. This was evident in our deliberations.

We further acknowledge

That African government leaders, through the African Mining Vision, are attempting to rationalise how mining in Africa is done. The AMV is the primary framework for mining in Africa and a source of hope for leveraging the development of the continent. It must take its starting point the lived experience of mining in our continent, as well as the aspirations of equitable sustainable development.

In addition, to ensure the AMV works we must deal with the power of TNCs who are a source of conflict in Africa. We also warn all governments and investors, to not only see mining as a cure for all our socio-economic and political ills. We have learnt that mineral extraction is used for perpetuating inequalities rather than bringing about a solidarity society.

The Alternative Mining Indaba deliberated on a range of themes that included community rights-a key to empowerment; mining and social protection, extractives – illicit financial flows, oil, gas and forestry sector. These are some of our concerns:

### **1. Community rights-a key to empowerment:**

- i. We note with concern that communities continue to be marginalised in matters affecting their own lives. In South Africa for example, communities are excluded from being participants in Social and Labour Plans, matters which speak about community infrastructure and economic well being. This is anti democratic, and reinforces colonial and Apartheid practices. A truly democratic legislation will ensure that people remain the centre of their own development.
- ii. We continue to learn of the continued impoverishment of mining communities, and labour sending communities, in contrast to the mass profits of the shareholders and chief executive officers.
- iii. Communities continue to cry out against the the new rush for mining and extractives profits, which defy all norms of fair play, consultations and negotiations with communities.
- iv. We have observed a blatant disregard for human rights and a continued externalisation of mining costs. Whilst profits are privatised, the true costs to health, environment, ecology, economy and social wellbeing of workers and communities is ignored in law and practice by the elites in our communities;
- v. Instead of Free Prior and Informed Consent (FPIC), we find sham consultations and agreements with un mandated elites circumventing full participation of the communities in determining whether mining should take place or not. For us

FPIC, is not a once-off process, but continuous processes of negotiating and consulting with communities on matters of importance to them. FPIC also means the right to say NO to mining and we urge governments to ensure that communities' wishes are respected and the alternatives funded, so that communities are not punished for choosing alternatives to mining.

- vi. We have resolved to name and shame companies that are found to have violated Human Rights and Environmental Rights at every gathering we have, which will be followed by cases being laid against the company

**On customary law:**

- vii. We reject the current practice which gives individual and unelected chiefs all the powers over the resources to his or her community.
- viii. We further call on governments to mobilise the political will and recognise and use customary law which will assert the customary laws and entitlements of the community as equal to statutory regulation. This will grant communities greater rights than corporations to own, and utilise their own natural resources. We trust our governments and law makers will read into these values of our progressive constitutions such as community entitlement, anti racism, anti sexism and equal rights for women.

**2. Mining and social protection.**

- i. Whilst shareholders and CEOs have raked in millions, mining communities remain trapped in extreme poverty and inequality. We call for extreme and urgent measures to relieve hardships in the short term, and to lay the basis for sustainable socio economic development which does no harm to the ecology, local communities and their wellbeing.
- ii. We call for a critical review of the whole system of revenue collection and distribution, royalties, to evaluate if it works, where it works, and how it works on the continent. Participants acknowledge that the implementation of these are adhoc, non transparent and generally yield no benefits to communities.
- iii. We also call on governments to regulate the corporations without fear or favour, and ensure that mining and other extractive companies are held accountable for the true costs of mining as they impact on local communities and individuals.
- iv. We learnt about the value of a universal incomes support and will be studying the possibilities for a SADC wide Basic Income Grant as a temporary measure to alleviate destitute poverty as more comprehensive forms of sustainable decent work are being explored

**Fighting Corruption, maladministration**

- v. Corruption and mismanagement of our natural resources undermines sustainable development and is a loophole for corrupt and unscrupulous individuals in

government and in corporations. We call for community vigilance in exposing these acts and ask the law enforcement agencies to prosecute those found wanting.

- vi. Communities are debating setting up a Community fund to galvanise their resources and strategies to effectively challenge corporate power. One area of work is litigation which we hope will systematise how we challenge corporate abuses of the environment and communities in our countries, on the continent and in international tribunals.

### **Beneficiation**

- vii. In lieu of the three spheres of sustainable development, namely environment, social and economic impacts, the governments should embrace the concept of beneficiation that entails value addition and the transformation of a mineral to a higher value product, which can either be consumed locally or exported.
- viii. We call on all the national governments of different countries to beneficiate all the minerals with a large share of development being vested for hosting communities as prescribed by negotiations with the communities; the beneficiaries of all extractives must first of all, benefit communities before other so called stakeholders, but it must cause no harm to the ecology.

### **3. Extractives - Illicit financial flows.**

The Alternative Mining Indaba expressed outrage, when they learnt that more than half (56%) of IFFs (estimated at USD 50 billion per annum) from the African continent arose from oil, precious metals and minerals, iron and steel and copper. These illicit flows in the extractive sector are by and large facilitated by corruption, illegal resource exploitation and tax evasion and avoidance. Thereby benefitting corrupt government officials, TNCs and their subsidiaries.

- i. We call on African governments to prioritize the scourge of illicit financial flows in the mining sector by strengthening the capacity of regulatory institutions in order for these Institutions to effectively carry out their work in identifying and curbing illicit financial flows.
- ii. Governments must redouble their commitment to strengthening and enforcing tough disclosure measures that are timeous, transparent, and accountable to parliament and communities. We believe it is high time, to enact legislation that promotes mandatory reporting of revenue payments on production figures, sales, profits and taxes paid by all Transnational Corporations in all jurisdictions where they operate in their audited annual reports and tax returns and for governments to make public this information to the general citizenry. For this to be effective, government should build the capacity of regulatory institutions to carry out their own independent audits to validate reports of the companies.
- iii. We call upon all governments in particular african to enact legislation that prohibits public officials from engaging in business activities, owning shares or sitting on a board of a company or companies that will conflict with or

compromise their public responsibilities in the sectors that they are supposed to be regulating.

- iv. We demand complete transparency of Beneficial Ownership/registry of TNCs in order to make public the control, accounts of companies, Trusts and foundations in each jurisdiction they operate in.
- v. We call on our governments to embrace Automatic Exchange of Tax Information amongst governments. This shall be done by collecting data from financial institutions on the financial assets within their domain and automatically provide it to governments where the non-resident individual or entity beneficially controlling the structure is located.
- vi. We call upon African governments to harmonise laws that deal with the offences for money laundering including tax evasion and fraud, as well as crimes committed both at home and abroad.

#### **4. Oil, gas and forestry sector**

- i. We note the new fad that is taking root in the world, is fracking. We oppose fracking, because it pollutes the water supply and distorts the ecosystems supporting our livelihoods.
- ii. Land and Agrarian transformation. Communities spoke out against current inequitous land laws in many countries where ownership only refers to surface land. We also learnt that the new scramble for Africa's resources start with land grabbing - which undermines not only our food sovereignty, but also communities capacity to sustainable livelihoods. We demand genuine land reform, and fair and equal compensation for those evicted to make way for mining. Even this decision must be subject to communities' approval. It is women and child who are most affected by evictions and displacements caused by these land grabs.
- iii. Energy. More resources must be made available to poor communities to reduce their reliance on charcoal burning. The concept of energy sovereignty which provides for small-scale, community-owned, participatory, renewable energy solutions must be provided. These alternatives including solar, wind, water, etc can be sources of energy that put the needs and aspirations of people and their communities, and the environment above the race for profits.

#### **Way forward**

We, civil society, Faith Based organisations and communities, from Zambia, Zimbabwe, South Africa, Tanzania, Botswana, Namibia, Kenya, Malawi, Burma, Brazil, Mozambique, United Kingdom, Sweden, Canada and Norway, Lesotho, Swaziland, Angola, ;

- Commit to fight for these demands and will meet again to evaluate our progress next year. To ensure implementation of this programme, we call on communities to meet in national mining indabas which will build unity amongst various communities and other civil society organisations so that we can effectively

monitor and ensure corporations become accountable to communities, and the wider society.

- Recognise that our strength lies best in unity, we have resolved that to best achieve the results we will rally more faith communities to join hands with us in the struggle to protect integrity of creation as God has bestowed trust in all of us, particularly the faith community who are best placed to exhort the fulfilment of the prophetic role as we pray and advocate for change.