



**Asia-Pacific
Economic Cooperation**

**Independent Assessment
of the
APEC Mining Task Force**

**Report to the APEC SOM Steering Committee
on Economic and Technical Cooperation**

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Prepared by:

Mr Vincent Hudson
Principal Consultant
Auspex Strategic Advisory
PO Box 31
Curtin ACT 2605
Australia
Email: vhudson@auspexadvisory.com.au

Produced for:
Asia Pacific Economic Cooperation Secretariat
35 Heng Mui Keng Terrace Singapore 119616
Tel: (65) 68919 600 Fax: (65) 68919 690
Email: info@apec.org Website: www.apec.org

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ABBREVIATIONS AND ACRONYMS

ABAC	APEC Business Advisory Council
ACT	Anti-Corruption and Transparency Working Group
AIMP	APEC Information Management Portal
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
BMC	Budget Management Committee
CTI	Committee on Trade and Investment
EC	Economic Committee
ECOTECH	Economic and Technical Cooperation
EWG	Energy Working Group
HRDWG	Human Resources Development Working Group
MAG	Market Access Group
MRT	Ministers Responsible for Trade
MTF	Mining Task Force
PPFS	Policy Partnership on Food Security
PPST	Policy Partnership on Science, Technology
PPWE	Policy Partnership on Women and the Economy
RCG	Regulatory Coherence Group
SCCP	Sub-Committee on Customs Procedures
SCE	SOM Steering Committee on ECOTECH
SCSC	Sub-Committee on Standards and Conformance
SOM	Senior Officials' Meeting

EXECUTIVE SUMMARY

The APEC Mining Task Force (MTF; ‘the group’) was established in 2007 following the 3rd Minister’s Responsible for Mining (MRM3) meeting held in Perth, Australia.

The MTF has previously been reviewed through an independent assessment report in August 2011. This independent assessment examines the operations and outputs of the MTF since the 2011 review and makes recommendations to assist with enhancing the capacity and effectiveness of the group.

The formal status of the MTF as a working-level forum under the Senior Officials’ Meeting (SOM) Steering Committee on Economic and Technical Cooperation (SCE) is a key and threshold issue. There are a number of perspectives within the membership on this issue, ranging from views that the MTF should be ‘upgraded’ to a working group through to the activities of the MTF being merged into that of other established APEC sub-fora. There is a sentiment in the group that the task force’s short-term mandate impedes the MTFs effectiveness and ability to set and implement longer-term initiatives. There is however, broad acknowledgement within the membership of the need for the MTF to enhance its substantive contribution and impact within APEC. This will require a greater focus on MTF activities that demonstrate relevance and practical progress towards achieving APEC goals. This, in turn will require enhanced engagement, cohesive leadership and cooperation within the group itself to progress projects and activities.

Mining is a key industry sector in the APEC region. The sustainable development, use and trade of minerals and metals generates significant economic and social benefits as well as important environmental considerations. The mining lifecycle involves all APEC economies, with the region consuming 60% and producing 70% of the world’s minerals and metals¹. Given the scale and importance of mining activities in the region, there is significant scope for the MTF to enhance its relevance and contribution to APEC’s agenda. To date this potential has not been realized. There is no other mining focussed organization that brings together the major producer, processor and consumer economies in the Asia-Pacific region to cooperate and build capacity. Given the global importance of the sector within the Asia-Pacific region, were there not an APEC forum looking at mining issues then there would be a valid case for establishing one.

Interest and engagement in the MTF has fluctuated since its establishment. Concerns about the effectiveness of the MTF in meeting APEC objectives were expressed in 2011. There is currently however a renewed level of interest in the MTF from member economies and also the private sector through the APEC Business Advisory Council (ABAC). This was evident from observations at the MTF8 meeting in Beijing, including involvement from economies that had not previously attended MTF meetings and also substantial industry engagement through the ABAC hosted APEC Mining Policy Public Private Dialogue held on 26 June 2014. The challenge for the MTF will be to sustain this renewed level of interest through the

¹ Nickel Institute, 2013

development of a substantive agenda and activities that deliver outcomes of broad relevance to APEC economies.

The broad sentiment within the membership is that the MTF is a useful mechanism but significant efforts will need to be made in order to realise outcomes and practical achievements. The weight of views across the membership indicates support for renewal of the MTF's mandate. On balance, it is recommended the SCE give consideration to renewing the MTF mandate for four years. Over this period, greater effort will be required from the membership to translate the current renewed level of engagement into a solid platform for mining cooperation based upon practical project outcomes and activities that clearly demonstrate the group's contribution to APEC goals.

There have been some challenges in terms of both cohesion with the leadership and continuity of support from the Program Director role of the MTF. Project progress has been modest and MTF activities have tended to be focused at times on issues of relevance to a narrow subset of the membership. More focus should be given to determining and progressing activities that are of benefit to a broad range of members with a particular focus on capacity building initiatives.

The assessment identified useful information on the membership's view of MTF's priority issues/ topics. It is recommended MTF focus its limited resources onto those priority issues of interest to most of the membership. This will ensure the broadest engagement and impact of MTF activities should the group's mandate be renewed over the short to medium-term.

A key concern arising from the review is inadequate access to sustainable APEC funding for MTF projects. Specifically, the focus of most concern is the lower priority categorisation of sustainable mining projects as 'Rank 3' for consideration by the Budget Management Committee (BMC) under the 2014 APEC project criteria. The assessment recommends senior officials consider reviewing APEC funding criteria in 2015 to improve opportunities for sustainable mining projects to access APEC funding. Disciplined, well-coordinated and low-cost approaches in MTF will likely characterise the group's next successful projects. Better access to funding (APEC, self-funded, and non-APEC sources) will be required to sustain the renewed momentum of the group and undertake successful capacity building initiatives in the medium-term.

There is a good sense among the membership that MTF to date has served as a useful platform for policy and regulatory information exchange – particularly in more recent times. There is also a widely held view that MTF should be seeking to transition from rigid, procedural exchanges to a more dynamic and outcome-focused agenda. Such an agenda would include well-supported projects and more active dialogue on relevant mining issues.

While there are some notable differences in perspectives within the MTF, there is evidence of a genuine sense of goodwill among delegates to work together to progress the group's agenda. However, a widely held view among the membership is that the MTF has suffered from a lack of clear direction and purpose, at times drifting from one meeting to the next. The fact that the MTF only meets once a year also compounds this issue and intersessional

engagement needs to improve. The group should also continue to recognize and afford priority to establishing strong professional networks among mining officials within the MTF and provide opportunities for networking.

The report recommends the group give more focus and coordination to developing projects to take forward MTF priority activities. The establishment of an Advisory Committee comprised of members with APEC experience and project understanding is suggested. Noting previous interest in establishing a Friends of the Chair (FotC) group, the Advisory Committee would also assist the Chair to drive priorities and progress linkages with other APEC fora, including efforts to raise the profile of MTF achievements with senior officials. Such an approach recognises that resources are scarce and current funding criteria unfavourable for securing APEC project funds for sustainable mining activities. Therefore, the MTF will need to draw upon internal expertise, experience and resources (self-funding/ in-kind). Progress in the short-term will largely be dependent on well coordinated, and targeted self-funded or non-APEC funded projects and activities.

The assessment also finds there is generally good policy alignment between APEC goals and objectives and those articulated in MTF's key governance documents: terms of reference; strategic plan; and work plan. There is however; scope to improve MTF's implementation and realization of these goals. Given the short-term mandate of the group, the strategic plan is viewed largely through a compliance lens.

There is also scope for improving awareness within the membership of APEC gender objectives and in encouraging the participation of women in all MTF activities.

Greater linkages with other priority APEC groups and collaboration with priority non-APEC organizations will also be important to advancing MTF's objectives and maximizing its contribution in the region. There is good scope for enhancing MTFs engagement with the private sector. Particularly, through increased engagement and joint activities with the mining sector through ABAC. This engagement would benefit from broader participation of the mining industry across the mining supply-chain and member economies and it is recommended that the membership take steps to encourage greater involvement from the private sector within their home economies consistent with sentiments expressed by the Ministers Responsible for Mining at MRM5. It is recommended that Senior Officials give consideration to issuing guidance and promoting best practice in sourcing appropriate non-APEC funding contributions to assist working-level fora such as MTF.

It is the conclusion of the independent assessment that the MTF is not a candidate for streamlining or merger with other APEC fora at this time. It is suggested that senior officials give consideration to further extending the MTF mandate for four years. This would be on the understanding that the future status of the group will be subject to it demonstrating enhanced and cohesive contributions to achieving APEC goals and objectives as determined by senior officials and the next independent assessment process.

OVERVIEW

From 1996 until 2007, APEC dealt with mining issues through the Group of Experts on Mineral and Energy Exploration and Development (GEMEED). From 2005 until 2007, mining was also considered through the Non Ferrous Metals Dialogue (NFMD).

In 2007, APEC Ministers endorsed the establishment of the Mining Task Force (MTF). The MTF derives its mandate from priorities set by APEC Leaders and Ministers and from directions provided by Ministers Responsible for Mining.

At the 15th APEC Economic Leaders' Meeting in Sydney in 2007, Leaders endorsed further economic integration in the Asia-Pacific region and agreed to accelerate efforts towards this objective by, "facilitating integration in sectors such as transportation, telecommunications, mining and energy."²

In 2007, the Ministers Responsible for Mining Statement gave direction to economies and the MTF regarding future work. Ministers agreed to APEC Mining Policy Principles, including:

- Pursue policies that enhance the sustainable production, trade and consumption of minerals and metals thereby improving the economic and social wellbeing of our people.
- Foster regular exchange between member economies about experiences with regulations, policies and practices and about significant developments in each economy's minerals and metals sector.
- Foster investment certainty in the APEC minerals sector through the pursuit of open minerals and metals markets and the articulation of clear and predictable investment policies.
- Promote cost effective, evidence based, transparent and objective-based measures which improve the efficiency in the regulation of the minerals industry to contribute to economic, environment and social development outcomes.
- Encourage, support and promote initiatives by the minerals and metals industry and stakeholders that contribute to national and international sustainable development goals.
- Support capacity building activities for sustainable development so that all APEC Economies are able to maximise the benefits and minimise the impacts from minerals resource development.³

² 2007 APEC Leaders' Declaration

³ APEC MTF website, www.apec.org/Groups/SOM-Steering-Committee-on-Economic-and-Technical-Cooperation/Task-Groups/Mining-Task-Force.aspx; accessed 6/7/14

The Senior Officials' Meeting (SOM) Steering Committee on Economic and Technical Cooperation (SCE) coordinates and manages APEC's economic and technical cooperation (ECOTECH) agenda, which is outlined in the Osaka Action Agenda. In 1996, an APEC Framework for Strengthening Economic Cooperation and Development was adopted to guide members in implementing the Osaka Action Agenda.

The SCE supervises the independent assessment of APEC fora on a four-year rolling basis to identify ways to improve the operation and function of the group and to strengthen their strategic priorities and direction for future work. The MTF was identified by SCE for an independent assessment to be completed in 2014.

1. Methodology

The independent assessment was designed to address a wide range of needs of the MTF in order to strengthen its work process.

Mr Vincent Hudson, an independent consultant from Australia, was contracted by the APEC Secretariat to undertake the independent assessment of MTF for the SCE. The independent assessor worked with the MTF Chair and members, ABAC, the SCE, and the APEC Secretariat, to provide the analysis in this report of the work and operations of the group and recommendations for ways to ensure the overall goals and objectives of APEC are met.

In meeting the Terms of Reference for the independent assessment, the following methodology was employed:

The assessment was intended to cover a wide range of issues and identify opportunities for the MTF to improve its processes and work towards realizing APEC goals. The following areas of focus informed the survey design, research questions and interviews/ consultations for data collection and analysis.

The independent assessment involved three main elements:

1. A desktop review and evaluation of available policy and project documents detailing MTF activities: meetings, workshops/ conferences, work plans, terms of reference, project proposals and reports. The assessor also reviewed previous APEC fora independent assessments for SCE. There were no non-official assessments available to consider. Documents were sourced by the consultant through publicly available material and in liaison with the APEC Secretariat.

2. To gain insights into the group's operation, the assessor attended and presented as an expert observer at the 8th MTF meeting held in Beijing 24-25 June 2014. The MTF was briefed on the independent assessment process and the consultant's role. To inform the independent assessment, consultations and interviews were conducted in the margins of the meeting with 10 individual member economy delegations, the MTF Chair, Secretariat, ABAC and non-member observers and guests.

3. An internet-based questionnaire was designed by the consultant to survey MTF member economies. The survey comprised 32 questions (provided at Appendix) and was designed to further inform the assessment and augment the desktop document review, observations at the 8th MTF meeting and individual consultations. The survey was sent out by email (via SurveyMonkey) to MTF representatives on 11 June 2014. One response only was requested per member economy. Following an extension of the deadline for responses till 4 July 2014, 15 member economies provided responses – an excellent response rate.

The survey covered questions to provide information/ data relating to:

- whether MTF is operating effectively and efficiently;
- whether the group's Terms of Reference or operation could be modified to better respond to APEC ECOTECH priorities and contribute to the achievement of APEC goals;
- identify ways to strengthen MTF's strategic priorities and direction for future work;
- provide recommendations on how the forum can better focus and more efficiently and effectively manage its tasks and assure that its capacity building activities are providing benefits according to Leaders' and Ministers' priorities;
- identify ways to develop synergies among the work of the MTF and other relevant APEC groups;
- identify opportunities and provide recommendations for greater collaboration with non-APEC parties, including the private sector, civil society and other international organizations;
- identify ways for MTF to tap resources for programs; and
- explore how MTF can better take into account the APEC commitment to give gender greater consideration in accordance with directions outlined by the Policy Partnership on Women and the Economy.

The openness and willingness of the membership to engage with the independent assessment process both through face-to-face consultations in Beijing and the online survey reflects a very high level of engagement and member interest within MTF. The consultant extends his sincere appreciation for the time taken by members to provide thoughtful responses and input. This independent assessment is much richer thanks to these efforts.

2. Alignment with APEC Priorities

The MTF has a limited number of activities and project outcomes against which to assess policy alignment. It is noted that since the last independent assessment was completed in 2011, only two projects have been undertaken by the MTF and a further workshop in association with MTF6. Since the group's inception in 2007 there have only been six formal projects progressed under the MTF. Given the limited number of MTF activities, an assessment of policy alignment has also been made against formal meetings, the group's policy documents, and interview/ survey results. The survey revealed a good level of satisfaction within the membership regarding MTF's broader APEC policy alignment.

A. Alignment of Forum Outputs with APEC priorities

The work of MTF has good overall alignment with APEC's goals. APEC was founded in 1989 with three objectives: to develop and strengthen the multilateral trading system; to increase the interdependence and prosperity of member economies; and to promote sustainable economic growth. Of the three founding goals, MTF has clearest alignment with the goal of promoting sustainable economic growth.

Leaders and Ministerial Statements

There is good policy alignment between MTF objectives and the directions of Leaders and Ministers, including Ministers Responsible for Mining. This alignment is well framed in the MTF governance documents (Terms of Reference, Strategic Plan and Work Plan).

The survey results demonstrate the membership considers there is good alignment between APEC Leaders' and Ministerial priorities and the MTF Terms of Reference, Strategic Plan and Work Plan (86% of respondent economies, with 14% unsure). Comments from some members did however suggest that while there is alignment in terms of the MTFs intent, there is little practical follow-through seen to date in the form of project work or activities.

The group's objectives support the overarching goals envisaged by APEC Leaders and Ministers. Specifically, in Sydney, Australia in 2007, APEC Leaders' agreed to accelerate efforts towards facilitating further economic integration in the Asia-Pacific region in sectors such as mining under the objective of Regional Economic Integration.

In 2008, in Lima, Peru, APEC Leaders noted that Corporate Social Responsibility (CSR) can reinforce the positive effects that trade and investment have on growth, competitiveness and sustainable development. They also welcomed future work to promote CSR awareness and capabilities in the region that would encourage dialogue on CSR among relevant stakeholders. CSR has been a focus area for MTF activities to date and it also remains a high priority for Ministers Responsible for Mining.

In St Petersburg, Russia in 2012, the APEC Ministerial Meeting Joint Statement recognized that APEC economies are among the main producers and consumers of metals and that the development of legislation and regulation pertaining to metals and their alloys must be transparent, based on sound science, and should be no more trade restrictive than necessary. This objective has been supported and progressed through the MTFs project

and 2012 publication on the Socio-Economic Study of Impact of EU Nickel Compounds Classification on APEC Economies.

Ministers Responsible for Mining at the recent MRM5 meeting held in Beijing, China 27-28 June 2014, also stressed the importance of promoting open, transparent, and well-operating markets in the mining sector and reaffirmed the Leaders' commitment in Bali in 2013 to eliminate barriers to international trade and investment in the region and reaffirm the APEC Trade Ministers' 2014 Joint Statement on Supporting Multilateral Trading System.

Observations at the MTF8 meeting indicated a level of concern over efforts to progress MTF initiatives that could be viewed as contrary to APEC goals on promoting open and transparent markets. It is suggested that project proposals that raise such concerns be considered on the basis of consensus and carefully assessed against alignment with APEC goals and objectives.

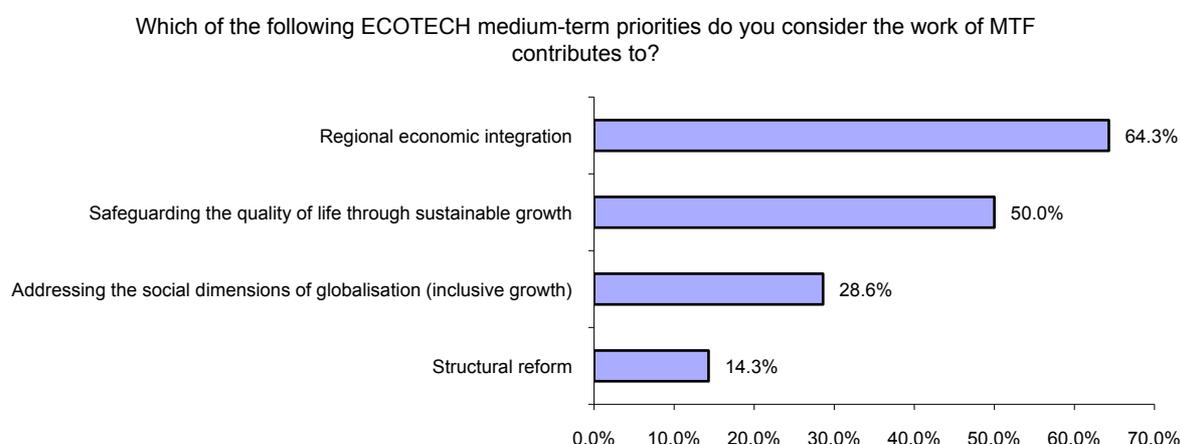
ECOTECH

The current medium-term priorities from the 2010 SOM Report on ECOTECH are:

- Regional economic integration
- Addressing the social dimensions of globalization (inclusive growth)
- Safeguarding the quality of life through sustainable growth
- Structural reform; and
- Human security

The survey results in Table 1 below indicate the membership considers the work of MTF contributes most strongly to the medium-term priorities of: regional economic integration (64%); safeguarding the quality of life through sustainable growth(50%); addressing the social dimensions of globalisation (inclusive growth) (29%); and human security (14%).

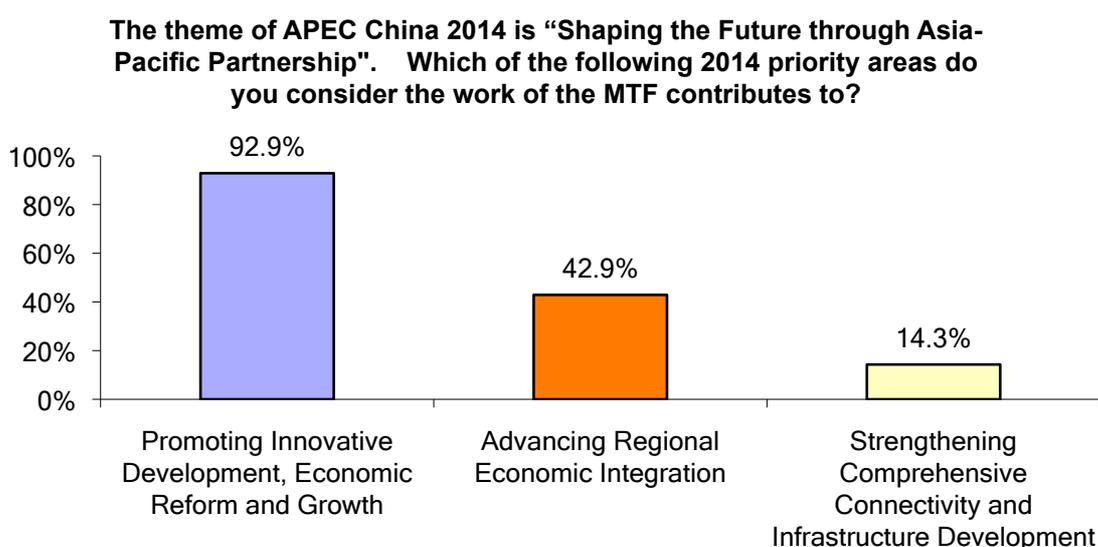
Table 1: MTF contribution to ECOTECH medium-term priorities



APEC China 2014

The theme of APEC China 2014 is “Shaping the Future through Asia-Pacific Partnership”. As shown in the Table 2, when surveyed on which of the three 2014 priority areas the work of MTF contributes to, the membership considered the best alignment was with the priority of ‘promoting innovative development, economic reform and growth’ (93%), followed by ‘advancing regional economic integration’ (43%), and then ‘strengthening comprehensive connectivity and infrastructure development’ (14%).

Table 2: MTF contribution to APEC China 2014 priority areas



Gender

Since the endorsement of the 1999 Framework for the Integration of Women into APEC, Leaders and Ministers have outlined a commitment to increasing women’s participation in APEC activities. Women are critical to the achievement of economic integration in APEC.

In 2011, Leaders endorsed the San Francisco Declaration, which called for APEC members to take concrete actions to realize the full potential of women, integrate them more fully into APEC economies, and maximize their contributions towards economic growth. In 2013, APEC Leaders again acknowledged the critical role of the inclusion of women in achieving economic prosperity. In May 2014, in Beijing, China, the APEC Women and the Economy Forum issued a Joint Statement. APEC Ministers, heads of delegations, senior officials, representatives of non-governmental organizations and private sector leaders reaffirmed Leaders commitments on gender. They recognized that all APEC fora and economies would benefit from integrating gender responsive programs and policies into all economic, commercial, business, and development activities and by taking concrete actions and reforms to advance gender equality⁴.

⁴ 2014 APEC Women and the Economy Forum Statement APEC

There is a level of awareness and focus within the MTF membership on APEC gender priorities. Specific engagement and incorporation of these priorities is however not evident in MTF activities.

A gender analysis of participants attending MTF meetings since 2011 (MTF6, MTF7 and MTF8) indicates there is a relatively stable percentage of women engaging directly in the MTF – averaging some 28% of women attendees, or approximately one-third of attendees. Based upon the 2011 independent assessment this would indicate a slight increase in the rate of participation since the MTF was established⁵.

The MTF could give further consideration to the role of women in the mining sector through sharing of member economy experiences and approaches to gender issues and through exploring the potential benefits that sustainable mining activities can provide to women in local communities. A number of members suggested the MTF direct more focus to gender in forthcoming projects and activities, including surveying the membership and considering a session focussed on the topic at the next meeting.

It is recommended the group continue to raise its awareness of gender issues and encourage involvement of women in all of its activities. In doing this, it is suggested that more focus be given to incorporating APEC gender priorities into MTF projects and activities.

Recommendation MTF1: The group should continue to raise its awareness of gender issues; and encourage involvement and consideration of women in all MTF projects and activities.

B. Alignment of Forum Projects with APEC Priorities

Quantitative/ Qualitative Analysis of Projects and Activities

According to the APEC Project Database, there have been a total of six formal MTF projects progressed since establishment in 2007. Since the last independent assessment in 2011 only two additional projects have been undertaken by the MTF. These include the self-funded project sponsored by Chinese Taipei 'APEC Seminar on Marine Mining Development' and the current project 'Capacity Building of Mining Stakeholders in APEC Economies on Corporate Social Responsibility (Phase 2)' sponsored by the Philippines.

The Marine Mining Development seminar was progressed in recognition of the rising importance of ocean-related issues in APEC. This project involved the hosting of a seminar in May 2013 to highlight that marine mining cooperation among APEC economies was an important way to advance APEC ocean-related issues and the advancement of prosperity in the region. At the same time, the seminar addressed issues, such as sustainable development, capacity building and regulatory cooperation, in line with the 2013 MTF work plan. The workshop was well attended with 80 participants and seven APEC economies giving policy presentations. The impact of the workshop is likely to be limited to the government and expert participants.

⁵ Independent Assessment of the APEC Mining Task Force, August 2011

^{*} Note - comparison is made against the Table 3 'APEC MTF Meetings Economy Participation' which details gender data for MTF1, MTF3, MTF4 (accuracy of gender data is unclear and therefore omitted from comparison), and MTF5.

The 'Capacity Building of Mining Stakeholders in APEC Economies on Corporate Social Responsibility (Phase 2)' project has been extended and is expected to result in the publication in 2014 of a CSR Trainers Guidebook to assist with facilitating training programs. The impact of this project can be expected to have broad benefits in terms of enhancing the awareness and practice of CSR in mining in the Asia-Pacific region.

In addition to these projects MTF activity also included a Workshop on Sustainable Nickel Processing and Refinery by Education and Training Agency hosted by Indonesia in June 2013. The summary record notes that the workshop was well attended with 78 participants from ten APEC member economies.

The workshop included discussion on downstream and value-added processing, environmental management, waste treatment and handling of hazardous metals. It also provided the opportunity for sharing views on common issues and challenges of APEC economies in relation to: sustainable nickel processing including technical and non-technical risks associated to nickel operations; sustainable mining projects, particularly from CSR and community development programs, and private-government-community partnerships. The workshop also addressed the regulatory frameworks impacting on Nickel classification such as the EU classification by REACH and discussed creating awareness on how to deal with mounting pressure for APEC economies in adopting similar instruments and framework in regulating nickel compounds. The workshop was one of a number of MTF activities addressing EU regulations relevant to nickel compounds. A good example of the MTF coordinating trade and regulatory interests that linked with Ministers directives. The previous independent assessment and views in the membership noted that this issue had received significant focus in the MTF but was considered most relevant to only a sub-set of the membership.

It is recommended that the MTF refocus on progressing projects and activities that are of clear interest and priority to most members. Consultations and survey responses noted that there has been a tendency to progress some issues and topics with a narrow or limited focus of relevance to a limited number of economies. At this stage of the MTFs development, it is suggested that renewed efforts are made to progress high quality projects and activities that are of relevance to most MTF members and have broad support from the MTF membership. This will be the most substantive way to clearly demonstrate the contribution and relevance of the group to delivering outcomes to the APEC agenda. If this can be achieved, and a solid track-record be established over the next few years, then project and activity outcomes will speak for themselves when it comes to the issue of supporting the ambition to upgrade to a working group.

It is also suggested that project completion reports be produced for all self-funded MTF projects and lodged in the APEC Project Database. While this is not a formal requirement for self-funded projects, it is considered best practice. This would ensure project outcomes are captured and can also serve to highlight and raise awareness of MTF achievements within APEC.

Project Funding Challenges

The global economic challenges experienced in recent years have impacted on the resources available to progress international cooperation initiatives. International multilateral organizations and member economies have also faced tightening budgets. In recent years, all organizations (public and private) have had to look ahead and seriously consider what budget sustainability means for their organization in such an environment.

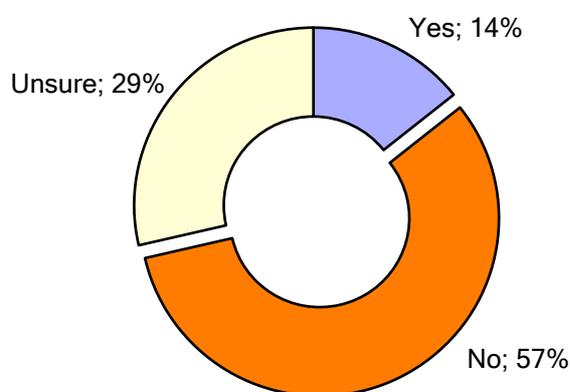
There are broad drivers impacting on funding availability within APEC. Ongoing global economic challenges are likely to continue to be reflected in budget tightening, efficiency drives and resource challenges across APEC member economies.

Project work is the core activity and output of APEC fora. MTF should be seeking to demonstrate greater progress through projects. It will be important for MTF projects to be well supported and executed in order to demonstrate the renewed focus and contribution of the group.

Under the ECOTECH agenda, MTF should be looking to bring forward projects aimed at enhancing the capacity of participating economies (particularly developing economies) to adopt more efficient and effective sustainable mining policies and practices.

Table 3: Opportunities for MTF projects to source APEC funding

Do you consider there are adequate opportunities for MTF projects to source APEC funding?



As indicated in Table 3 above, only 14% of the MTF membership survey respondents consider there are adequate opportunities for projects to source APEC funding. Over half (57%) of the respondents considered there are not adequate opportunities.

A key concern among the membership is how to access funding through the current APEC project criteria. The current criteria assigns sustainable mining focused projects as Rank 3 (lowest priority) for funding consideration by BMC - resulting in limited opportunities to secure project funding. There is a strong view in the membership that the current criteria discourages the MTF from considering APEC funded project proposals as even well-supported project concept notes from the group for capacity building activities would be

unlikely to be approved for funding by BMC. A number of developing economy members noted that this situation was ‘disheartening’ for potential capacity building activities.

It is recognized that the MTF is not the only forum whose projects are categorized as lower priorities for consideration of APEC funding. It is understood that senior officials determine the project funding criteria each year in consultation with the Host Economy

The reality of the current APEC funding framework for projects on sustainable mining presents a challenge to the sustainability and effectiveness of the MTF. The current APEC project funding criteria invariably hampers the group’s effort to source APEC funds. Should new and sustainable sources of APEC funds not become more available to MTF activities in the medium-term, the consultant considers the effectiveness of the group’s projects – particularly capacity building initiatives - could be in question.

The short-term mandate afforded to the MTF by virtue of its status as a task force also effectively precludes it from contributing to Multi-Year Projects (MYPs) on cross-cutting issues jointly with other APEC fora. Ministers and officials have acknowledged that the purpose of MYPs is to reinforce the importance of longer-term, more strategic projects as a way of more effectively building capacity in member economies to make the most of international trade.⁶ Similarly, it is common for APEC project development to take 2-3 years - from planning to completion.

Should the MYP pilot initiative be continued, and the MTF mandate be extended for four years, then the group should also give careful consideration to the potential to partner with other APEC fora on relevant cross-cutting issues through a MYP. This would both enable the MTFs contribution to enjoy wider exposure within APEC and also leverage the skills and experience of more established APEC fora.

Corporate Social Responsibility (CSR)

CSR is an example of a priority cross-cutting issue that could be considered further under a jointly funded or MYP arrangement. It is noted that there is currently an MTF project ‘Capacity Building of Mining Stakeholders in APEC Economies on Corporate Social Responsibility (Phase 2)’ underway to develop and publish a CSR Trainers Guidebook to assist with facilitating training programs. Such training programs would provide a venue for sharing of experiences between mining stakeholders to further foster dialogue and alliance building between the different stakeholders in different stages of mining operations. This project followed on from a Phase 1 project under the Human Resources Development Working Group (HRDWG).

The HRDWG was identified in the survey as a priority (Tier 1) fora for the MTF to further explore collaboration opportunities with (see Table 10). This, coupled with calls from Ministers Responsible for Mining at MRM5 for industry to take actions on CSR and share best practices through seminars and training activities in the mining sector, and the renewed

⁶ APEC Project Guidebook 9th Edition

industry interest in joint projects through ABAC could provide fertile ground for a collaborative CSR project. The MTF could leverage off the outcomes of the current Phase 2 project and develop a strong project proposal that delivered train-the-trainer and CSR outreach workshops in key developing member economies. It would further be useful in strengthen MTF projects contribution to APEC gender priorities to include a gender focus to such a project as recommended in this assessment. It is suggested that priority consideration be given to developing such a proposal inter-sessionally with ABAC and HRDWG as part of the Action Plan to be developed from MRM5.

Recommendation MTF2: Priority consideration be given to developing a joint CSR project in collaboration with ABAC and HRDWG under the Action Plan to be developed from MRM5

The current low ranking for projects related to sustainable mining under the APEC funding criteria effectively means that the MTF will need to look to sources other than APEC to fund its activities and project work in the short-term, should its mandate be renewed. There is some evidence of self-funded projects in the MTF over the review period, such as the workshop on marine mining hosted by Chinese Taipei in June 2013. The survey indicated there remains a willingness to consider self-funded, part-funded and in-kind contributions. The majority of economies indicated a willingness to possibly consider part-funding or in-kind project contributions.

Project-work is at the heart of APEC working-level engagement. More focus will be required on progressing self-funded or non-APEC funded projects if the MTF is to demonstrate a substantive work plan and agenda. The quality and impact of MTF projects will be a key determinate of the group's ability to translate the renewed interest in its activities into practical outcomes.

In terms of both ensuring that MTF project proposals have broad member support and that the benefits and profile of project outcomes are showcased within APEC and externally (as appropriate) it is recommended that all self-funded projects receive endorsement of the MTF (inter-sessionally as required) and that project proponents adhere to the Guidebook on APEC Projects in terms of requirements for self-funded project to submit a coversheet into the APEC project database before commencement of the project and also the recommendation to submit project completion reports.⁷ Following this guidance will better enable project outcomes and benefits to be captured in APEC systems and assist in efforts to raise the profile and achievements of the MTF.

It is recommended that senior officials give consideration to reviewing the ranking of sustainable mining projects under the 2015 APEC funding criteria to ensure that well considered and strongly supported MTF projects have better prospects of securing funds.

Recommendation SCE1: Consider reviewing the ranking of sustainable mining in APEC funding criteria for 2015 to enable MTF project proposals better access to resources.

⁷ Guidebook on APEC Projects, 9th Edition, Feb 2014

It is incumbent on the group to look within and draw upon its own resources in progressing the MTF work program. Member-driven and resourced efforts have the potential to meet the immediate demand for some project progress. This will require good organization of effort and sufficient support being provided by individual economies within the membership. The assessment indicates there is scope for self-funded and in-kind collective efforts to progress the MTF work program in the short-term.

In order to maximize the potential to secure APEC funding, the MTF membership will need to collectively focus on submitting well-considered and drafted project proposals that best align with BMC funding criteria, including through emphasizing project contributions to cross-cutting issues that are considered to be of a higher priority (Rank 1).

Increased attention should be given to jointly developing project concept notes that have broad and strong support within the membership. Similarly, member economies with self-funded projects should also be encouraged to engage the membership early to ensure that the focus of such projects has broad support within MTF prior to consideration for endorsement. To assist this process on a practical level, it is recommended that all self-funded project proposals be submitted by proponent economies on the self-funded project proposal coversheet. It is also good practice to ensure that completion reports are submitted in order to capture the outcomes and benefits of the project activity once concluded.

It is also recommended that MTF representatives enhance efforts to raise awareness of the importance of MTF projects with relevant senior officials in their own individual economies, within APEC, and also externally in liaison with Communications and Public Affairs Unit as appropriate. MTF members should also consider directly engaging with their BMC representatives to raise awareness of MTF priorities and contribution of well-considered MTF projects to sustainable growth in APEC.

Recommendation MTF3: Enhance efforts to raise awareness and profile of MTF activities – both within individual economies, APEC, and externally in liaison with the Communications and Public Affairs Unit.

In-kind funding

The survey results indicated a strong level of willingness among the membership to consider in-kind project contributions. In the survey, 38% of respondent economies indicated they would consider contributing in-kind funding to projects (e.g. staff/ personnel time) and a further 60% of economies would possibly consider doing so. With such a willingness to consider contributing in-kind funding within MTF, there would seem to be potential for some membership-driven progress in the short-term.

Capacity building needs

All cooperative activities promoted by MTF should be designed to enhance the capacity of members to develop and adopt more efficient and effective sustainable mining policies and practices. While the survey indicated that capacity building was the highest priority issue for MTFs focus (see Table 7), there has been limited progress demonstrated to date.

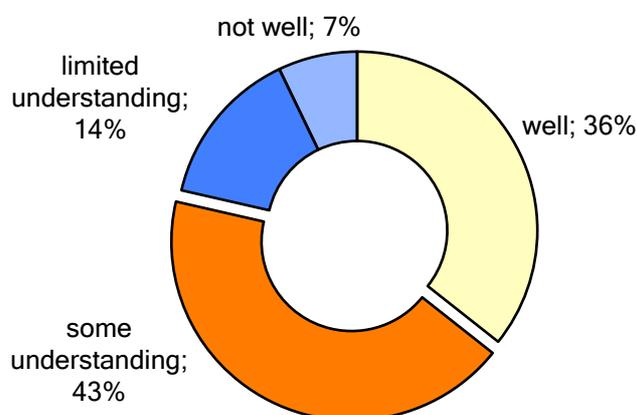
The SCE Chair's Letter 2013, notes a renewed focus on improving the quality of capacity building within APEC and the development of a set of APEC capacity building guidelines.⁸ In 2013 SOM3 also made a recommendation to ask fora to include capacity building needs in group's strategic and annual plans.

Noting that MTFs governance documents will be required to identify capacity building needs, it is recommended the MTF consider and identify the capacity building needs of the developing economy members as a priority.

Recommendation MTF4: Consider and identify the capacity building needs of developing economy members as a priority.

Table 4: Level of understanding of APEC project funding

How well do you understand the APEC project funding process?



As detailed in the Table 4 above, 43% of responding member economies in the survey had 'some understanding' of APEC project funding process and 21% had either limited understanding or did not have a good understanding. This result indicates that more training and awareness of APEC project processes is required in order to enhance the effectiveness of the group. The assessment acknowledges the efforts made by the Secretariat in this area previously, including for example training opportunities held during SOM in 2013. Such opportunities should continue to be made available to MTF representatives to enhance knowledge of APEC funding processes and ultimately improve the quality of MTF project concept notes and prospects to secure APEC funding.

Consideration of focused and practical briefing from the BMC and Secretariat could also be considered for a forthcoming MTF meeting. This could be delivered either in the form of a presentation by the Secretariat or a separate training module/ workshop held separately in conjunction with a MTF meeting.

Recommendation SCE2: The Secretariat continue to raise awareness in the MTF of APEC project funding processes.

⁸ 2013 APEC SOM Report on Economic and Technical Cooperation

C. Forum Operations

Structure of the forum

The MTF is a voluntary grouping comprised of interested members of the 21 APEC economies. Some 16 economies regularly attend MTF meetings. The group's Chair is Mr Rodrigo Urquiza and its work is supported by the APEC Secretariat Program Director, Ms Romy Tincopa.

Status and Mandate

The MTF was established in 2007, following the 3rd Minister's Responsible for Mining (MRM3) meeting held in Perth, Australia. At that time, Minister's noted the proposal to establish a Mining Working Group to replace the activities previously conducted in the Group of Experts on Mineral and Energy Exploration and Development (GEMEED) and the Non Ferrous Metals Dialogue (NFMD)⁹.

The MTF is currently the only formal task force operating in APEC. As a senior officials' task group the MTF has operated under a short-term mandate of two to three years.

In 2012, SCE endorsed an MTF mandate extension for a period of three years (2012-2014), noting that it was willing to consider a formal proposal to change the MTF status into a working group at a future meeting¹⁰. The APEC Secretariat anticipates discussion of the MTF mandate extension at SCE3 in August 2014¹¹.

Mining is an important sector in the Asia-Pacific region. There are key and distinct roles for governments and industry in contributing to regional economic integration and sustainable growth.

There is a view in the membership that the current status of the group as a task force, and the associated short-term mandate, impedes the level of ambition and potential of the MTF. Having a 'standing' mining focussed working group in APEC would also provide the opportunity for the APEC mining agenda to have better alignment with the longer-term realities and challenges of the mining sector in the Asia-Pacific. In a similar sense, a number of members expressed the view that 'upgrading' to a working group would confer upon the group an enhanced profile and an improved ability to access APEC project funding.

An alternative perspective is that without a more focused agenda and tangible outcomes, the group's status (either as a task force or working group) is not the issue in question, but rather what the group practically achieves and its contribution to furthering APEC priorities and goals.

The trend of APEC working group reform in recent times has been for consolidation and

⁹ Ministerial Joint Statement – 3rd APEC Ministers Responsible for Mining Meeting, 2007

¹⁰ 2012 Senior Officials' Report on Economic and Technical Cooperation

¹¹ 2014/SOM2/SCE/005

rationalization of groups with diminishing levels of interest and support. The MTF has suffered at times from fluctuating levels of interest and has demonstrated relatively modest outcomes since its establishment. However, from observations at the MTF8 meeting and clear feedback from the membership, there is continued support for a distinct mining-focused group in APEC. It is also noted that this sentiment is reflected in the level of political engagement as represented by the frequency in which the Ministers Responsible for Mining meetings have been held (five times since MRM1 in 2004, on average every couple of years). While practically this can present some challenges for progressing the APEC mining agenda at the working-level (as detailed elsewhere in this assessment), it is another measure of the levels of support for the activities and validity of the MTF.

The renewed interest and continuing levels of support within the membership, together with the scope for the MTF to make greater contributions to APEC objectives, leads the assessment to suggest senior officials give consideration to extending the MTF mandate further for a period of four years (2015-2018). This suggestion is made recognizing there is no formal APEC policy guidance on the management of task forces. And that while it has been general practice for senior officials' task groups to operate on two-year mandates, that in the case of the MTF, discretion was employed by senior officials in 2012 to extend a three-year mandate.

A further four-year mandate would provide the opportunity for the MTF to consolidate on renewed levels of engagement and demonstrate its ability to make clear contributions and progress towards APEC goals. This timeframe would also align with the rolling schedule for independent assessments of SCE fora.

There is some logic, and an expressed preference from within the membership, for the activities of the MTF to ultimately be merged back into the Energy Working Group (EWG). This assessment does not consider such an approach to be a preferable or workable option at this time given the levels of support the MTF is currently enjoying.

It is also useful to recall some of the history and rationale behind the current APEC architecture for mining related activities. GEMEED was originally an Expert Group that reported to the APEC Energy Working Group (EWG). In 2006, it was determined that the issues addressed by GEMEED did not fit with EWG responsibilities in addressing regional energy security and as such it was split from the EWG¹².

The MTF was in the end formed as a result of the 2007 SCE review recommendation to merge the then two mining and metals-focused groups – GEMEED and MFMD. In this process it was noted that as the new MTF would not be considering energy related issues that it did not need to report to the EWG. Similarly, one of the key recommendations of the 2011 independent assessment was to examine the possibility of integrating the MTF with the EWG under a proposed new umbrella forum called the Extractive Industries Working Group. This proposal did not receive endorsement from the SCE. It was also noted that given the

¹² 2011 APEC SOM Report on Economic and Technical Cooperation – Annex 12

history, the EWG membership was unlikely to be supportive of re-establishing formal linkages with the MTF.

Should the MTF mandate be extended and the group not be able to demonstrate enhanced efforts and contribution to the APEC mining agenda at the end of this period, then revisiting the option of streamlining the MTF with the EWG would likely be considered a more practical option for SCE to consider.

Recommendation SCE3: Consider further extending the MTF mandate for a period of four years (2015-2018), to allow the group to demonstrate an enhanced contribution to APEC priorities and goals.

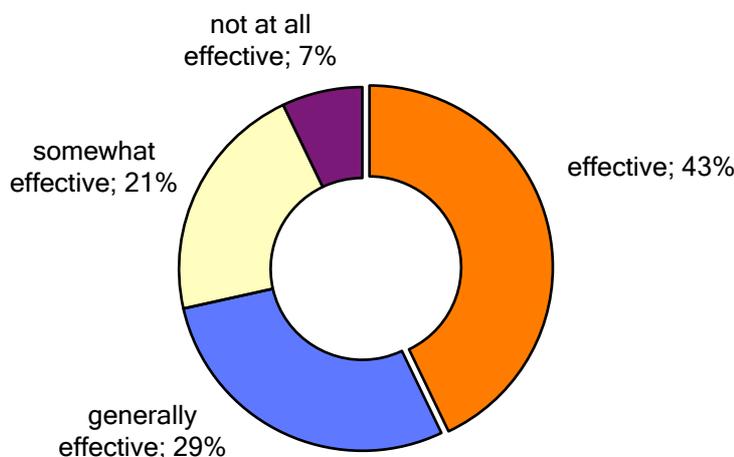
Effectiveness

There is significant scope for the MTF to improve its overall effectiveness. The survey indicated the membership has lower levels of satisfaction with the overall effectiveness of the MTF than would be desired. As detailed in Table 5 below, less than half of the membership (43%) considered that the MTF was 'effective' and almost one-third of the members (28%) indicated that the group overall was only 'somewhat' or 'not at all effective'. A number of comments indicated that the modest number and impact of MTF projects (also linked to the level of access to APEC funding) was a key indicator for the group's effectiveness.

Support from the Program Director (PD) was also raised as an area where enhanced efforts could be made in terms of ensuring continuity of Secretariat personnel. It was commented that there have been four different PDs for the MTF over the last 18 Months. It is acknowledged that all organizations have to manage staffing against priorities and staff movements. It is hoped that the new PD remains in the role for an extended period to ensure that the MTF can be well supported at this key point in its development.

Table 5: Overall effectiveness of MTF

How would you rate the overall effectiveness of the MTF to date?



Relevance of the Terms of Reference

The Terms of Reference (ToR) of the MTF are considered relevant by the membership. Survey results indicate that 79% of responding member economies considered the ToR either relevant or highly relevant for their economies. Only 21% of economies considered that the ToR were only somewhat relevant to their economies. There are views in the membership that the current ToR should be reviewed and streamlined to provide a more targeted focus to the MTFs activities and better align with its capacities. The assessment finds that while the ToR are broad, that a review not be conducted at this time as it would potentially further distract the MTF from moving forward. The group is better placed to move forward with the current momentum and focus its efforts on developing substantive projects and activities that better contribute to the APEC mining agenda within the existing ToR.

Strategic Direction

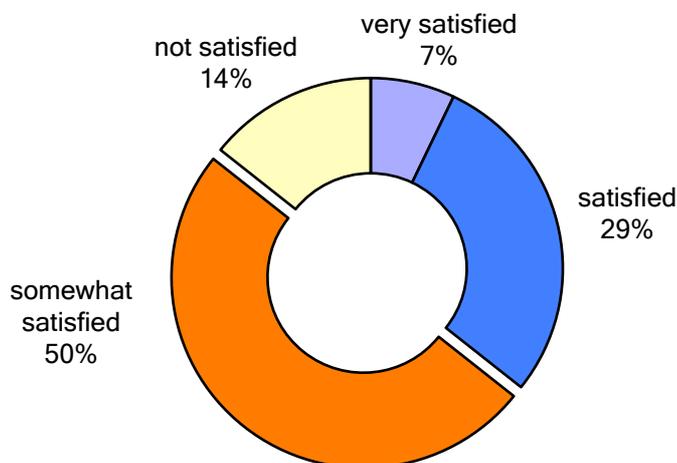
The survey indicated low levels of satisfaction with the strategic direction of the group. As detailed in Table 7, 50% of members were somewhat satisfied and 14% not satisfied.

It is noted that the MTFs first strategic plan was discussed and adopted at the MTF8 meeting. Consultations and feedback indicate this is largely viewed as a compliance activity to meet SOM requirements. The current short-term mandate of the group as a task force precludes any genuine strategic focus. Strategic direction by its nature requires a longer-term focus.

The 10 Mining Principles articulated by MRM3 and reaffirmed at the recent MRM5 meeting in Beijing provide a good strategic basis for the work of the MTF. While these principles are recognised in the recently endorsed MTF Strategic Plan, more work is required for the MTF to realise achievements towards these principles. The misalignment with the groups' short-term tenure and a strategic outlook will likely persist while it remains a task force with a 2-3 year mandate.

Table 6: Satisfaction with the MTF strategic direction

How satisfied are you with the strategic direction of the MTF?



It is suggested the group continue to enhance and build capacity for strategic discussions of cross-cutting issues in APEC relevant to mining.

Priority topics/ issues for MTF

To assist with determining the priority areas for MTFs work focus, the assessment sought to identify which topics and issues the membership considered most important. 20 individual topic/ issues relevant to MTF's mandate were identified from the policy document review. The survey asked respondents to rank the relative importance of these 20 individual topic/ issues.

The survey yielded useful information on those issues the membership consider most important, as detailed in the chart below. Using the survey results, Table 7 below has been developed to further group the results into four categories of priority.

Table 7: Most important topics/ issues for MTF's focus

Priority	Ranked topics/ issues
Tier 1	<ol style="list-style-type: none"> 1) Capacity building 2) Policy/ regulatory dialogue exchange 3) Corporate Social Responsibility 4) Sustainable development 5) Trade liberalisation
Tier 2	<ol style="list-style-type: none"> 6) Establishing strong links between APEC officials dealing with the mining sector 7) Sustainable mining practices 8) Mining industry engagement 9) Environmental protection/ conservation 10) Research and technological innovation (incl. academic linkages and education)
Tier 3	<ol style="list-style-type: none"> 11) Market data exchange and monitoring 12) Mine Safety 13) Responsibility sharing in the mining life-cycle/ supply chain 14) Investment and Financing 15) Artisanal mining
Tier 4	<ol style="list-style-type: none"> 16) Poverty reduction 17) Small and Medium enterprises (SMEs) 18) Engagement with local community and Indigenous peoples 19) Human resources/ capital 20) Clean energy

It is recommended that MTF focus its limited resources initially on Tier 1 and then Tier 2 topics and issues.

One potential way to enhance the group's performance in this area could be to draw upon in-kind resources of lead economies and develop short MTF policy/ position papers on such subjects. These position papers could be internal working documents intended to collect and articulate the range of views and perspectives within membership on specific priority issues.

It is suggested the MTF engage with the APEC Policy Support Unit (PSU) to explore the potential for assistance with research and policy analysis on MTF priority issues. For example, seeking agreement for the PSU to prepare an APEC policy paper on development of APEC Principles for CSR drawing upon existing materials (including the forthcoming CSR Trainers Guidebook) and the work and efforts of other international organizations (e.g. ASEAN, OECD, International Study Groups), industry bodies and academics in the Asia-Pacific region to assist in realising directives from MRM5. Such policy guidance would make a strong contribution to progressing regional mining dialogue. It is also noted that SCE wants sub-fora to make greater use of the PSU, especially to support efforts that promote regional economic integration¹³ – the ECOTECH medium-term priority the work of MTF contributes most strongly to (see Table 1).

Recommendation MTF5: Explore the potential for the APEC Policy Support Unit to assist with research and policy analysis on MTF priority issues/ topics – e.g. development of APEC Principles for Corporate Social Responsibility (CSR).

Professional Networks

A number of members commented that while there is good potential for professional networking and engagement among APEC mining officials in the margins of MTF meetings, that this opportunity is currently underutilized. For some members, it was noted the MTF was the only opportunity their economy had to directly engage with counterparts of a number of other key mining economies, as there were no bilateral dialogue arrangements in place. A specific suggestion from the membership to assist in this area is to make available a full list of registered delegates in advance of MTF meetings – this information should include full designation and email contact details to facilitate enhanced networking.

Broader experience indicates that this area is an often unarticulated, but key, benefit of APEC sectoral fora. Establishing and maintaining strong professional networks among officials enhances the productivity and tone of sectoral focused initiatives and also builds genuine trust and mutual appreciation for differences in approach and regulatory and policy capacity across APEC economies. Such productive networks enhance capability for practical cooperation and capacity building among sector specific officials. It is recommended the MTF acknowledge, place emphasis on, and enhance opportunities to build professional networks in the MTF.

¹³ 2013 APEC SOM Report on Economic and Technical Cooperation

A critical, and often unarticulated, measure of success for APEC fora is the quality and depth of professional relationships and networks that arise from engagement in its activities. APEC is at its most effective when initiatives are being collaboratively driven and supported at the working-level by established networks of officials. The benefits of strong professional networks of relevant focused officials across APEC economies can be seen in mature working groups.

The survey responses identified the establishment of strong professional networks amongst MTF officials as a priority issue (Ranked 6th in Table 7 above). The benefits of such networks are also not limited to progress only within the APEC framework, but also bolster and enhance relationships and communication between economies outside of the formal APEC structures.

It is recommended the group recognize the value of continuing to foster good links and trust between APEC officials dealing with mining issues.

Recommendation MTF6: Recognize the value of continuing to foster good links and trust among MTF officials and seek to enhance opportunities for networking.

Compliance with APEC policies

The assessment found no significant instances of non-compliance with the APEC Guidelines and Policies.

MTF Leadership

There have been varying levels of leadership focus and continuity in the MTF. The Chair has been held by a number of economies since 2011, including the need for an interim Chair in 2013, pending selection of a new Chair. Chile undertook to Chair the MTF for 2014-2015. The current Chair is Mr Rodrigo Urquiza. Following a period of some uncertainty in the governance of the MTF, the membership considers the current arrangements have improved the coordination and direction of the group. New MTF Chair and Vice-Chair arrangements were adopted in 2013 based on APEC guidelines. The Chair is selected on a two-year term and the Vice-Chair rotates to the Host Economy.

At this point in the MTFs development, it will be important to provide clear leadership and direction in order to sustain the current renewed levels of interest and momentum of the group. It is understood that the establishment of a Friends of the Chair (FoTC) group has previously been considered in order to assist with driving MTF priorities. Similarly, that a Steering Committee has been utilized to engage on MRM preparation.

It is suggested the MTF consider establishing an Advisory Committee to assist, support and provide continuity in the tasks and responsibilities allocated to the MTF Chair. Such a committee could be made up of volunteer economies and be asked by the Chair to assist in progressing priority elements of the MTF work plan, drawing upon the expertise and in-kind contributions of its members (e.g. staff time/ resources). Significant progress going forward will largely be determined by the drive and level of engagement of individual economies within MTF.

An Advisory Committee could assist the Chair to ensure the group's priorities and objectives are advanced and also assist in developing high quality project proposals. Such roles could also lead discrete work tasks or identify and coordinate lead contributors from the membership to progress the MTF work plan.

The assessment suggests that the Advisory Committee membership be on a voluntary basis with some consideration to encourage participation from developing economies to provide a range of perspectives and viewpoints of economies across the mining supply-chain and also assist in identifying capacity building needs.

Recommendation MTF7: Consideration be given to establishing an Advisory Committee comprised of volunteers from the membership to assist the Chair in driving priority issues and project development.

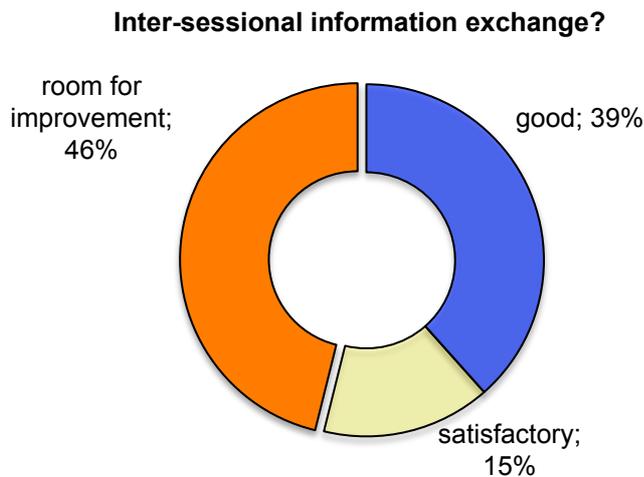
Meeting and inter-sessional arrangements

The MTF meets once a year, normally in association with Senior Officials' Meetings. Observations at MTF8 indicate the MTF meeting runs for two days in total; with one and a half days held in plenary and an associated half-day field trip/ technical tour.

The current scheduling arrangements for formal meetings should be enhanced. A number of members suggested there be two MTF meetings a year. As the group matures and considers more substantive work programs, the conduct of meetings and agenda would benefit from allowing more opportunities for interactive dialogue and engagement within the group. The current annual MTF meeting scheduling arrangements provide limited scope to create such opportunities, although increasing the time afforded to meetings would provide some more scope.

As detailed in Table 8, members indicated improved inter-sessional communication and information exchange as the key area for improvement (46%). Particular feedback was received regarding economies receiving presentations and meeting papers with sufficient time to be able to consider and form a perspective/ position, which could then inform more active dialogue in formal meetings. That said, member economies rated 'meeting preparation' highly in the survey – with 71% of respondents rating this aspect as good or excellent.

Table 8: Inter-sessional information exchange



There are some structural and administrative aspects of the current MTF practice that impede cohesion and follow-through. In this sense, a key issue is the frequency with which the MTF meets and also that of the MRM. The MTF currently meets annually. Since establishment in 2007 there have been eight MTF and two MRM meetings.

Consultations and observations at MTF8 indicated that the alignment and frequency of MTF and MRM meetings had left little time in the formal agenda for officials to focus on delivering working-level outcomes and dialogue. Ministerial-level meetings are important to ensure political engagement, support and direction to the APEC mining agenda. There is also the practical reality that in seeking to best support and facilitate valued and positive ministerial engagement on mining issues, MTF officials need to devote significant meeting time to MRM related matters - from drafting and negotiating text for ministerial statements to administrative issues. This is both understandable and necessary. However, given the MTF only meets once annually, this has the result of diminishing the group's capacity to progress and drive the APEC mining agenda at the working-level. The MTF Chair, in consultation the APEC host economy, should seek wherever possible to schedule MTF meetings in association with SOM meetings. This is in accordance with current APEC Secretariat guidance and good practice. It is acknowledged that there are potential pros and cons in such an approach.

It is recommended that consideration be given to increasing the frequency with which the MTF engages to more actively consider and drive the APEC mining agenda. This could be achieved through different options:

- Increase the frequency of MTF meetings to twice a year (held in association with SOM1 and SOM3);
- Hold two MTF meetings in years when there is also a MRM meeting;

- Implement new MTF structures and voluntary arrangements within the membership for driving projects and activities inter-sessionally – including consideration of utilizing the Remote Participation System currently under development.

Ensuring that MTF meetings are scheduled in association with SOM meetings would also raise the profile of the groups activities within APEC, provide greater opportunities for direct engagement with other APEC fora, and enable delegations to be better supported by senior officials, particularly on key aspects of MRM preparation. This approach is also consistent with the APEC Policy on Scheduling of Sub-fora Operations to Enhance Effectiveness.

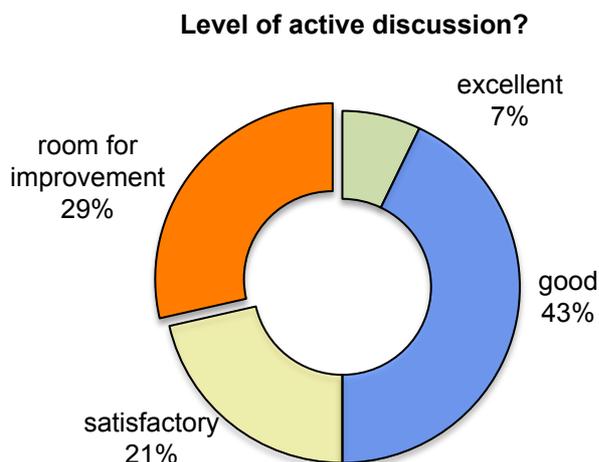
Recommendation MTF8: Consideration be given to enhanced MTF engagement – including through increasing the frequency and scheduling of meetings.

Policy dialogue

To seek to increase active discussion in MTF meetings, it is recommended that a procedure be adopted whereby MTF would adopt a new standing ‘policy dialogue’ agenda item under which the group would have a detailed policy discussion on a pre-agreed contemporary topic. It is suggested this discussion be coordinated and facilitated by a lead member from within MTF on a voluntary or rotational basis in consultation with the Chair and Host Economy for the next meeting. This approach works well in other APEC fora.

As shown in Table 9 below, members identified the ‘level of active discussion’ as the area for greatest improvement when asked to rate aspects of the administration and conduct of MTF meetings.

Table 9: Level of active discussion in MTF meetings



Recommendation MTF9: Adopt a procedure whereby a contemporary policy topic is agreed in advance of forthcoming MTF meetings to facilitate an active ‘policy dialogue’.

Candidate for streamlining/ merger

The assessment does not find the MTF is a candidate for streamlining / merger with other APEC fora at this time.

D. Cooperation

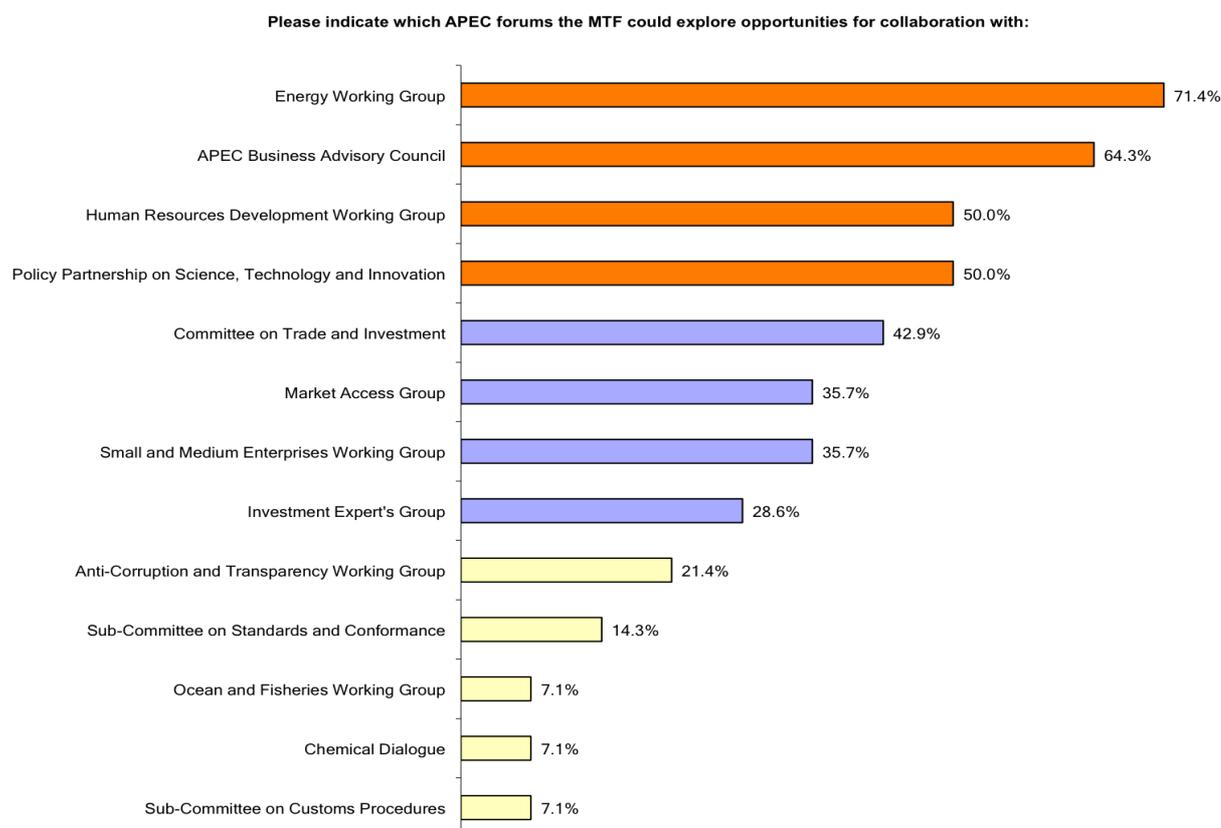
With other APEC fora

There is strong interest and potential value in enhancing MTFs cooperation with other relevant APEC fora. The survey indicates that 93% of responding economies consider the MTF should enhance collaboration with other APEC fora.

The survey results in Survey Table 10 below indicate the top ranked priorities for MTF exploring opportunities for collaboration with other APEC groups are:

1. Energy Working Group (71%);
2. APEC Business Advisory Council (64%);
3. Human Resources Development Working Group (50%); and
4. Policy Partnership on Science, Technology and Innovation (50%).

Table 10: APEC forums for potential collaboration with MTF



The MTF should adopt an approach to efficiently further explore the relevance and potential areas of cooperation with identified priority APEC fora. An implementation suggestion is that where possible, MTF representatives be tasked with attending other relevant priority APEC fora on behalf of the Chair to present on MTF's objectives and priorities. A reciprocal invitation could then be extended to the other forum to attend MTF meetings. The MTF representative could subsequently report back to the next meeting on relevant issues. Another option could be to further conduct a desktop review of other groups ToR and Strategic Plans to identify synergies and issues of mutual relevance. Initially, such approaches may require some in-kind contribution in terms of individual member economies time and potentially travel expenses. This approach would also be enhanced should MTF meetings be routinely scheduled in association with SOM meetings as per guidance from the APEC Secretariat and also the suggestion in this assessment for increasing the frequency of MTF meetings (*Recommendation MTF8*).

Recommendation MTF10: Consideration be given to enhanced engagement and potential collaboration with APEC: EWG, ABAC, HRDWG and PPSTI as initial priorities.

Recommendation MTF11: Adopt an approach to efficiently explore the relevance and potential areas of cooperation with priority APEC fora.

With the private sector

Industry engagement is a key priority for APEC. The survey identified that mining industry engagement is a priority (Tier 2) area for the MTF. The assessment considers there is good scope for enhanced cooperation with the private sector.

APEC Business Advisory Council (ABAC)

While ABAC is considered to be an organ of APEC, as its role is to facilitate business sector cooperation it is considered in this section of the report.

The survey indicated the MTF considers ABAC a top ranked group with which to further explore collaboration opportunities within APEC (see Table 10).

A number of ABAC representatives attended the MTF8 meeting and presented on the Council's mining interests and suggestions for cooperation. ABAC has commissioned a study on the Asia-Pacific mining sector study. The study is intended to provide APEC with a high-level yet comprehensive overview of the mining sector within APEC's 21 member economies and will serve as a useful resource document for the MTF.

Given APECs trade-related emphasis, effective engagement with stakeholders who actually undertake the mineral and metals trade in the region will be an important indicator of the future success of MTF efforts.

ABAC sponsored the 'APEC Mining Policy Public Private Dialogue: Laying the Foundation for Successful and Responsible Investment in Mining' held in association with MTF8 in Beijing, China on 26 June 2014. The Dialogue provided an excellent opportunity for the membership to engage with industry, involved 47 participants and was attended by MTF

representatives from eight member economies. It was a useful activity and opportunity for industry representatives to provide perspectives on investment and best practice in responsible mining. It also afforded the opportunity for exchanges and dialogue between industry and MTF representatives. The Dialogue represented what ABAC proposed to be the first of an ongoing annual event in association with the MTF meeting.

ABAC further recommended to MTF consideration of joint projects (i.e. workshops, study) and to seek to include supportive language in MTF and Ministerial statements committing to stronger partnership with ABAC and business community.

The MTF has significant potential for productive linkages and collaboration with the private sector. For the most part, it is the private sector throughout the mineral and metals supply-chain that makes decisions relating to exploration, investment, risk, undertakes trade, employs skills, engages with communities, remediates the environment and is keenly aware of the practical impacts of mining policy and regulations. The MTF arguably holds the greatest opportunity of all the APEC sectoral initiatives for deep industry engagement and collaboration.

The importance of the mining sector in the Asia-Pacific and the industries long-term investment and commercial horizon underscore the opportunity for long-term and strategic partnerships with the MTF. Cross-cutting issues and topics that have broad relevance across economies and commodity/ product sectors will have the greatest impact and should be the focus of collaboration efforts. Deeper engagement with the private sector will serve to enhance the practical contributions of the MTFs projects and activities.

In order to strengthen engagement with industry, it is suggested that each MTF member economy inter-sessionally undertake consultations with their respective private sector stakeholders to identify the level of support (including willingness to provide funding contributions) and areas of greatest need and shared priority for cooperation with the MTF. Member economy efforts could then be notified to the broader membership at the next MTF meeting and form the basis for taking forward industry cooperation activities. In this regard, the role and purpose of ABAC could be highlighted in industry consultations and its membership potential broadened based on enhanced industry awareness and interest. It is noted that currently there are 10 ABAC mining business members from 8 economies. Expanding the coverage and number of mining members would further enhance the opportunities to deliver stronger outcomes for both the MTF and ABAC.

Recommendation MTF12: Support and acknowledge ABAC initiatives to enhance mining industry cooperation in APEC. Including: formalizing an annual Private Public Policy Dialogue; seeking to broaden the ABAC mining membership; and identifying specific focus areas for funding and progressing joint projects.

Recommendation MTF13: Undertake and report on industry consultations within member economies seeking to identify areas of greatest need and shared priority and levels of support for MTF cooperation.

With other international organizations

There is strong interest and potential value in enhancing MTFs cooperation with other relevant non-APEC fora. The survey indicates that 100% of responding economies think that MTF should enhance collaboration with other non-APEC fora.

The survey asked members to indicate which non-APEC groups MTF could explore opportunities for collaboration with. The survey results have been organised into the following table indicating the relative priority for exploring collaboration opportunities. Table 11 below categorizes non-APEC organizations into a three-level priority ranking (percentage of responding economies provided in brackets). Such a list should be used by MTF to explore opportunities for cooperation with priority non-APEC organizations. It is recommended that MTF adopt an approach to efficiently explore the relevance and potential areas of cooperation with priority non- APEC fora. A similar approach to implementation as that suggested for APEC fora could be considered.

Table 11: Non-APEC priority organizations for exploring joint cooperation

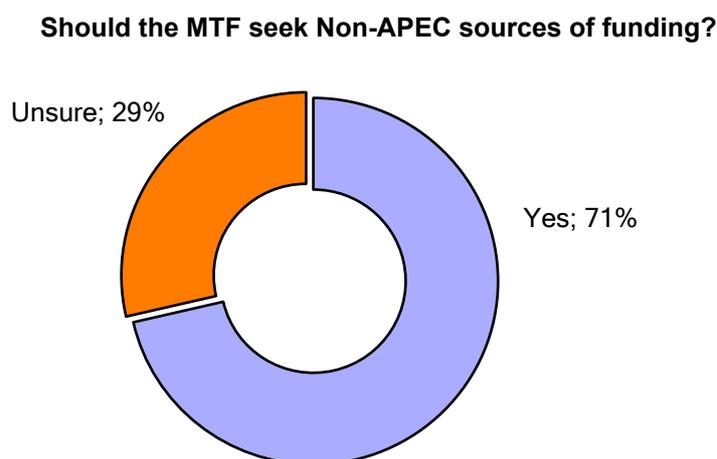
Priority	Non-APEC Organization
Tier 1	Association of Southeast Asian Nations (ASEAN) (71%) International Lead and Zinc Study Group (71%) International Copper Study Group (71%) Organisation for Economic Cooperation and Development (64%) International Nickel Study Group (57%) Industry/ Trade Bodies (50%)
Tier 2	United Nations Conference on Trade and Development (UNCTAD) (43%) World Bank (43%) Universities (43%) Non-APEC Economies (29%) Indigenous Peoples Groups (29%) Asian Development Bank (29%)
Tier 3	World Trade Organization (21%) Pacific Economic Cooperation Council (PECC) (21%) Environment/ Conservation Organizations (21%) Civil Society/ Non-Government Organizations (7%) European Union (7%) Common Fund for Commodities (7%) International Finance Corporation (7%)

Recognizing the current challenge for the MTF in securing APEC funds, it is noted that a number of international and regional funding institutions were considered for exploring collaboration. Specifically, in Tier 2 the World Bank and Asian Development Bank and additional suggestion from the membership in Tier 3 with the Common Fund for Commodities and International Finance Corporation. Given this, non-APEC engagement by

MTF that has significant co-funding objectives may benefit from also focusing on some of these organizations.

Recommendation MTF14: Adopt an approach to efficiently explore the relevance and potential areas of cooperation with priority non-APEC fora.

Table 12: Should MTF seek non-APEC sources of funding?



The survey indicated there is strong support and acknowledgement of the need to secure non-APEC sources of funding, with 71% of economies indicating this should be sought. The survey results also indicated that while 100% of economies considered MTF should explore cooperation with non-APEC organizations, a significant proportion (29%) of respondent economies however were unsure about whether the group should also seek funding from non-APEC sources. Specific concerns were raised during the member consultations about potential for conflicts of interest or perceptions of undue influence associated with industry sources of funding for a multilateral forum such as the MTF.

It is understood the BMC is currently seeking to capture information about self-funding of APEC projects, many of which in practice include industry contributions. Currently there is no policy either encouraging or prohibiting industry funding of APEC projects. Recalling a previous independent assessment recommendation to address similar issues, it is recommended that senior officials give further consideration to issuing guidance on fora soliciting and managing non-APEC project funds.

Noting the increasing emphasis in APEC on public private partnerships, it is recommended the Secretariat consider issuing a supporting statement or policy guidance on best practice for APEC fora seeking financial support from non-APEC organizations. This could also include possible case studies detailing successful fora experiences with tapping non-APEC

sources of funding. While such guidance would be useful to the MTF membership, it would also likely have wider value across APEC fora.

Recommendation SCE4: Consider issuing a supporting statement or policy guidance on best practice for APEC fora seeking financial support from non-APEC organizations.

3. Summary of Recommendations

Recommendations for SCE:

SCE1: Consider reviewing the ranking of sustainable mining in APEC funding criteria for 2015 to enable MTF project proposals better access to resources. (p11)

SCE2: The Secretariat continue to raise awareness in the MTF of APEC project funding processes. (p13)

SCE3: Consider further extending the MTF mandate for a period of four years (2015-2018), to allow the group to demonstrate an enhanced contribution to APEC priorities and goals. (p16)

SCE4: Consider issuing a supporting statement or policy guidance on best practice for APEC fora seeking financial support from non-APEC organizations. (p29)

Recommendations for MTF:

MTF1: The group should continue to raise its awareness of gender issues; and encourage involvement of women in all MTF activities. (p7)

MTF2: Priority consideration be given to developing a joint CSR project in collaboration with ABAC and HRDWG under the Action Plan to be developed from MRM5. (p11)

MTF3: Enhance efforts to raise awareness and profile of MTF activities – both within individual economies, APEC, and externally in liaison with the Communications and Public Affairs Unit. (p12)

MTF4: Consider and identify the capacity building needs of the developing economy members as a priority. (p13)

MTF5: Explore the potential for the APEC Policy Support Unit to assist with research and policy analysis on MTF priority issues/ topics – e.g. development of APEC Principles for Corporate Social Responsibility (CSR). (p19)

MTF 6: Recognize the value of continuing to foster good links and trust among MTF officials and seek to enhance opportunities for networking. (p20)

MTF7: Consideration be given to establishing an Advisory Committee comprised of volunteers from the membership to assist the Chair in driving priority issues and project development. (p21)

MTF8: Consideration be given to enhanced MTF engagement – including through increasing the frequency and scheduling of meetings. (p23)

MTF9: Adopt a procedure whereby a contemporary policy topic is agreed in advance of forthcoming MTF meetings to facilitate an active ‘policy dialogue’. (p23)

MTF10: Consideration be given to enhanced engagement and potential collaboration with APEC: EWG, ABAC, HRDWG and PPSTI as initial priorities. (p25)

MTF11: Adopt an approach to efficiently explore the relevance and potential areas of cooperation with priority APEC fora. (p25)

MTF12: Support and acknowledge ABAC initiatives to enhance mining industry cooperation in APEC. Including: formalizing an annual Private Public Policy Dialogue; seeking to broaden the ABAC mining membership; and identifying specific focus areas for funding and progressing joint projects. (p26)

MTF13: Undertake and report on industry consultations within member economies seeking to identify areas of greatest need and shared priority and levels of support for MTF cooperation. (p27)

MTF14: Adopt an approach to efficiently explore the relevance and potential areas of cooperation with priority non-APEC organizations. (p28)

APPENDIX

APEC Mining Task Force: Independent Assessment: Survey

Welcome

Dear APEC Mining Task Force representative

Following is an online survey designed to inform the independent assessment of the APEC Mining Task Force (MTF) for the APEC Steering Committee on ECOTECH (SCE).

The survey has 32 questions and should take approximately 15-25 mins to complete. Your assistance in taking the time to provide considered responses and input to the survey is greatly appreciated, and will contribute to the important objective of enhancing the MTF's effectiveness and efficiency.

The assessment is being undertaken by Mr Vincent Hudson (Independent Assessor).

NOTE:

Please limit survey responses to ONE PER MEMBER ECONOMY (please liaise and coordinate with colleagues within your Economy as required).

Please also note that individual Economy responses will NOT be attributed or identified in reporting the results of this survey

Respondent Details

* 1. Survey Respondent Details:

(NOTE: One survey response only per Economy)

Economy

Member Economy

Email address

* 2. Name:

* 3. Job Title:

* 4. Organisation:

MTF Meetings

***5. How many MTF meetings has your Economy attended to date?**

- | | |
|-------------------------|-------------------------|
| <input type="radio"/> 0 | <input type="radio"/> 4 |
| <input type="radio"/> 1 | <input type="radio"/> 5 |
| <input type="radio"/> 2 | <input type="radio"/> 6 |
| <input type="radio"/> 3 | <input type="radio"/> 7 |

Effectiveness & Satisfaction

*6. How would you rate the administration and conduct of MTF meetings?

	excellent	good	satisfactory	room for improvement	poor	N/A
Meeting preparation? (eg document availability, draft agendas, presenters etc)	<input type="radio"/>					
Management of the agenda?	<input type="radio"/>					
Conduct of the meeting?	<input type="radio"/>					
Level of active discussion?	<input type="radio"/>					
Summary Records of Meetings?	<input type="radio"/>					
Inter-sessional information exchange? (ie between formal meetings)	<input type="radio"/>					
Support from the APEC Secretariat/ Program Director?	<input type="radio"/>					

7. Do you have any suggestions on how the administration and conduct of the MTF could be improved?

*8. How would you rate the overall effectiveness of the MTF to date?

- highly effective
 effective
 generally effective
 somewhat effective
 not at all effective

Additional comment:

***9. What do you consider works well in the MTF?**

***10. What does the MTF need to do to improve its overall effectiveness?**

***11. In general, how satisfied are you with the progress of the MTF to date?**

- very satisfied satisfied somewhat satisfied not at all satisfied

Additional comment:

APEC Mining Task Force: Independent Assessment: Survey

MTF Topics/ Issues

***12. What do you consider are the most important topics/ issues for the MTF to focus on?**

(please rank or mark those considered not relevant as N/A)

<input type="text"/>	Policy/ regulatory dialogue & exchange	<input type="checkbox"/> N/A
<input type="text"/>	Capacity building	<input type="checkbox"/> N/A
<input type="text"/>	Corporate Social Responsibility (CSR)	<input type="checkbox"/> N/A
<input type="text"/>	Trade liberalisation	<input type="checkbox"/> N/A
<input type="text"/>	Market data exchange and monitoring (e.g. demand and supply information)	<input type="checkbox"/> N/A
<input type="text"/>	Establishing strong links between APEC officials dealing with the mining sector	<input type="checkbox"/> N/A
<input type="text"/>	Mining industry engagement and cooperation	<input type="checkbox"/> N/A
<input type="text"/>	Investment and Financing	<input type="checkbox"/> N/A
<input type="text"/>	Artisanal mining	<input type="checkbox"/> N/A
<input type="text"/>	Mine safety	<input type="checkbox"/> N/A
<input type="text"/>	Research and technological innovation (incl. academic linkages and education)	<input type="checkbox"/> N/A
<input type="text"/>	Sustainable mining practices	<input type="checkbox"/> N/A
<input type="text"/>	Responsibility sharing in the mining life-cycle/ supply-chain	<input type="checkbox"/> N/A
<input type="text"/>	Poverty reduction	<input type="checkbox"/> N/A
<input type="text"/>	Sustainable development	<input type="checkbox"/> N/A
<input type="text"/>	Environmental protection	<input type="checkbox"/> N/A
<input type="text"/>	Clean Energy	<input type="checkbox"/> N/A
<input type="text"/>	Engagement with local community & indigenous peoples	<input type="checkbox"/> N/A
<input type="text"/>	Small and Medium Enterprises (SMEs)	<input type="checkbox"/> N/A
<input type="text"/>	Human resources/ capital	<input type="checkbox"/> N/A

13. Do you consider there are other important topics/ issues (not listed above) that the MTF should focus on?



APEC Alignment

*14. How relevant are the MTF Terms of Reference for your Economy?

- highly relevant relevant somewhat relevant not relevant

*15. How satisfied are you with the strategic direction of the MTF?

- very satisfied
 satisfied
 somewhat satisfied
 not satisfied

Additional comment:

16. Do you have any suggestions for ways to strengthen the MTF's strategic priorities and direction for future work?

*17. Do you consider the MTF Terms of Reference align with APEC Leaders and Ministers priorities and objectives?

- Yes
 No
 Unsure

Additional comment:

***18. Do you consider the MTFs Strategic Plan and Work Plan align with APEC Leaders and Ministerial priorities and objectives?**

- Yes
- No
- Unsure

If No, please indicate why

***19. Which of the following ECOTECH medium-term priorities do you consider the work of MTF contributes to?**

- Regional economic integration
- Addressing the social dimensions of globalisation (inclusive growth)
- Safeguarding the quality of life through sustainable growth
- Structural reform
- Human security

***20. The theme of APEC China 2014 is “Shaping the Future through Asia-Pacific Partnership”.**

Which of the following 2014 priority areas do you consider the work of the MTF contributes to?

- Advancing Regional Economic Integration
- Promoting Innovative Development, Economic Reform and Growth
- Strengthening Comprehensive Connectivity and Infrastructure Development
- None of the above

Additional comment:

21. How can the MTF better take into account the APEC commitment to give gender greater consideration?

MTF Cooperation

*22. Do you think the MTF should enhance collaboration with OTHER APEC FORA?

- Yes
- No

Additional Comment:

*23. Please indicate which APEC forums the MTF could explore opportunities for collaboration with:

- Market Access Group
- Committee on Trade and Investment
- Energy Working Group
- Investment Expert's Group
- Sub-Committee on Standards and Conformance
- Sub-Committee on Customs Procedures
- Human Resources Development Working Group
- Anti-Corruption and Transparency Working Group
- Small and Medium Enterprises Working Group
- Policy Partnership on Science, Technology and Innovation
- APEC Business Advisory Council
- Other (please specify)

MTF Cooperation

*24. Do you think the MTF should enhance collaboration with other NON-APEC ORGANISATIONS?

- Yes
- No

*25. Please indicate which NON-APEC ORGANISATIONS the MTF could explore opportunities for collaboration with:

- Industry/ trade bodies
- Non-APEC Economies
- Organisation for Economic Cooperation and Development (OECD)
- United Nations Forum on Forests (UNFF)
- European Union
- Association of Southeast Asian Nations (ASEAN)
- United Nations Conference on Trade and Development (UNCTAD)
- World Bank
- Asian Development Bank
- World Trade Organization (WTO)
- International Nickel Study Group
- International Lead and Zinc Study Group
- International Copper Study Group
- Civil Society/ Non-Government Organisations
- Environment/ Conservation Organisations
- Indigenous Peoples Groups
- Universities
- Other (please specify)

Funding

*26. How well do you understand the APEC project funding process?

- very well well some understanding limited understanding not well

27. Do you consider there are adequate opportunities for MTF projects to source APEC funding?

- Yes
 No
 Unsure

Additional comment:

28. Do you have any comments on the APEC funding priorities for work on mining related projects?

*29. Would your economy consider contributing self-funding MTF projects? (please tick all responses considered appropriate)

	fully self-funded	part funding	in-kind funding (eg staff/ personnel time)
Yes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Possibly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Additional Comment

***30. Should the MTF seek Non-APEC sources of funding?**

- Yes
- No
- Unsure

If Yes, please indicate views on which organisations/ non-member economies could be considered

31. Please suggest any ways in which additional resources could be obtained for MTF project activities.

(eg specific opportunities for joint funding with other APEC fora; or multi/ shared funding partnerships; suggestions for partnering opportunities with private sector or Non-APEC organisations/ economies)

32. Do you have any additional comments to inform the independent assessment of the MTF?

THANK YOU

Thank you for your time and responses to the survey.

Your input is valuable and will be used to inform the analysis for the independent assessment process and contribute to further enhancing the effectiveness and efficiency of the MTF.

Following analysis of Member Economy's survey responses and observations/ consultations at the MTF8 meeting a draft report on initial findings will be submitted to MTF members by 22 July 2014 for one round of comments.

The final report and recommendations will be delivered to the SCE3 meeting in mid-August 2014.

Thank you again.

Vincent Hudson
Independent Assessor