



**Asia-Pacific  
Economic Cooperation**

# **Independent Assessment of the APEC Mining Task Force (MTF)**

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

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## 1. Executive Summary

The APEC Mining Task Force (MTF) was established in 2007 on the recommendation of the third Ministers Responsible for Mining (MRM3) meeting held in Perth Australia. Before that APEC dealt with mining issues through the Group of Experts on Mineral and Energy Exploration and Development (GEMEED), which sat under and reported on its activities to the APEC Energy Working Group and from 2005 until 2007, mining was considered through the Non Ferrous Metals Dialogue (NFMD). Five MTF meetings in 2008, 2009, 2010 and 2011 considered ambitious work plans and activities, many that were not followed up with the exception of Sustainability and Corporate Social Responsibility in mining.

The MTF was led by APEC economies most concerned with mining development on a governmental level often dealing with local special interest issues. The developed economies, where mining was led by the private sector, did not have that concern and played an, often, nominal role in the MTF. As a result the MTF's work and performance over the last 4 years was comparatively weak in respect to other APEC groups. The fact that MTF is a Task Force relegates it to a minor position in APEC groupings. Although there was some progress, MTF meetings did not have the full benefit of their APEC Ministers/ Leaders and significant key mining industry participation and input, so it was operating somewhat in a vacuum on the sidelines of APEC SOM meetings with minimal impact.

This Final Report of the 2011 Independent Assessment of the APEC Mining Task Force (MTF) commissioned by the Asia-Pacific Economic Cooperation (APEC) Secretariat includes recommendations for action by the MTF and by the APEC Senior Official Meeting (SOM) Steering Committee on Economic and Technical Cooperation ECOTECH (SCE). The Assessment was intended to address a wide range of issues and identify opportunities for the MTF to strengthen its work processes. The following areas formed the structure that was used to develop the research and inform the analysis. It specifically explores the following 5 factors relating to MTF:

### 1. Outcomes

Meetings focused on covering the MTF Terms of Reference (ToR) and the 10 Mining Policy Principles (MPP) under changing APEC guidelines. Ambitious but unrealistic plans set up priorities within the mandate terms that could not be fully developed or implemented. The exception was the sustainable development (SD) in mining priority, which was raised at every MTF Meeting since 2008 as a timely response to the global mining critical concerns, attentions and actions. As a result, the SD Conference that was held prior to MTF 3 in Singapore was an important milestone for MTF activities as being relevant and practical. This led to a successful SD workshop and field demonstration held 'on the ground' in Seoul, Korea in 2010 that considered innovative mine reclamation issues. The first important MTF Report on Sustainable Development in Mining in APEC was submitted to UNCSD in 2011.

Another relevant activity related to the responsibility in mining priority was the successful CSR Workshop held in Peru in 2009, which with the HRDWG, was the only MTF APEC inter - fora activity. This Workshop included essential participation of stakeholders from government, industry and civil society. Investment best practice, sustainable development indicators and low carbon mining project proposals are still to be approved and self – funding and non – APEC funding sources should be explored.

## 2. Impact of MTF activities on the ground in APEC member economies

The SD outcome record demonstrates that this activity had the most impact in regard to the Conference, Workshop and the UNCSD submission. With the participation of a range of stakeholders, the CSR Workshop should have had a beneficial impact. The SD Conference was well attended due to the fact it was held prior to MTF 3 in Singapore to the advantage of the attending members especially from SE Asia. The impact on these economies cannot be quantified but should have been substantial. The SD Workshop held in Korea had more impact as it dealt with ‘on the ground’ case studies and field inspections of mine closures so that the estimate of people involved would be in the hundreds. The Peru CSR Workshop would have had an ‘on the ground’ wide impact as stakeholders were involved.

## 3. Strategic direction and gender

MTF strategies are based on general APEC as well as global mining concerns in areas like trade and investment, regulation transparency, technology, best practice, sustainability, social responsibility and other emerging issues such as green technology. The MTF record shows that sustainability is the most strategic and should be further maintained and strengthened. New strategic directions that could be considered in the future include more dialogue and interaction with the mining industry as well as small - scale miners, communities, indigenous people and other stakeholders that are involved in and affected by mining projects. In terms of gender the meetings and other activities always have had female participants some in leading roles, however usually well outnumbered by males. Increased female participation and their contribution on all levels in policy development and practice should be encouraged

## 4. Capacity building and the effectiveness and efficiency of the MTF

MTF meetings and activities are perceived to be well managed and effective to its members in regard to the APEC and MTF objectives. The Conference and Workshops provide a means of educating the members and participants in current mining policy, technology and socio – economic developments. What is lacking is the organization of more practical learning and refresher events such as workshops, seminars and short courses presented by invited policy and technical experts as part of the MTF meeting. To build up the capacity of the MTF a website, portal and / or E Newsletter should be developed to keep members informed intersessionally. All these activities are assumed to be cost efficient and value for money and the SD Conference and Workshop as well as the CSR Workshop indicate that these activities are sustainable and replicable.

## 5. Collaboration between MTF and other APEC fora and non-APEC parties

MTF meetings in the past have been open mainly to MTF member economy delegations with just the occasional APEC inter forum guest and non – fora participant. The Conference and Workshops have invited outsiders such as a presenter from the World Bank. The MTF 5 Meeting changed all this with mining industry executives as part of the delegation of the USA and Russia. Attempts to make contact with IFI’s and like international mining groups have often been met with little if any positive responses. Special issues such as nickel compounds being labeled dangerous by the EU is under discussion. Other contacts are now being developed with various Metal Study groups and more contact should be made with international mining organizations such as Extractive Industries Transparency Initiative (EITI) and the International Council on Mining and Metals (ICMM).

### The Key Initial Findings from the Independent Assessment of the MTF:

- There is a need to substantially uplift MTF's standing in the APEC region and globally to be recognized as a key mining development player even though it is a young and relatively unknown group and critical consideration must be paid to its future long term role in APEC.
- Within APEC the MTF is perceived as a relevant forum that is meeting the needs of member economies. It is often well attended, but only a few key economies are taking an active participatory role in its activities. There is a need to strengthen and broaden its mandate and upgrade its position to serve the full range of the extractive industries, that are essential to the APEC economies, not only in mining, with metals as its focus, but also in the industrial minerals, coal and the oil/gas sectors.
- MTF is considered effective and efficient in the implementation of its limited number of activities and projects that only partially deal with its wider ambitious priorities and objectives as set out in its ToR, the Ten MPPs and in response to its mandate as directed by APEC Leaders.
- There is a recognized need to move away from discrete time-limited and individual-economy-centric projects to more innovative, long-term, strategic and regionally focused integrated projects especially with business and mining industry involvement.
- Secretarial and technical support needs to be strengthened as APEC moves through a perceived period of significant change in the future to ensure that the MTF continues to function effectively.
- The increasing number of costly projects makes it difficult to secure APEC funds in an increasingly competitive market and there is a need for projects to seek alternative or self - funding sources.
- Administration processes need to be strengthened to ensure that outcomes of MTF activities are communicated in a timely manner.

This MTF assessment's chief recommendation is to have a major review of MTF in 2011 or 2012 since it was formed in 2007, at the next MRM4 meeting or another appropriate venue, to consider the MTF's future as it stands or to build a new stronger and broader Working Group with APEC oil/ gas and coal energy partners that can better deal with the full range of minerals and energy issues of the APEC economies and contribute to economic integration.

This may require the establishment of a new APEC Working Group, the Extractive Industries Working Group (EIWG) forum with two complementary task forces;

- 1) Minerals / metals mining task force, the new invigorated MTF
- 2) Oil / gas fossil fuels (which could be organized in consultation and in agreement with the Energy Working Group EWG, inter – fora partner) the new FFTF

It is suggested that the MTF and FFTF would have commonality and purpose and would meet concurrently under the EIWG.

## **2. Background Information on the Study**

### **2.1 Introduction**

This Final Report of the 2011 Independent Assessment of the APEC Mining Task Force (MTF) has been commissioned by the Asia-Pacific Economic Cooperation (APEC) Secretariat. This report includes recommendations for action by the MTF and by the APEC Senior Official Meeting (SOM) Steering Committee on Economic and Technical Cooperation ECOTECH (SCE). The analysis and recommendations in this report reflect the independent views of the Assessor and incorporate findings from previous MTF mandate reviews. They also incorporate the feedback from MTF members and others received during the course of the assessment. The assessment process has included:

- Participation in the APEC MTF 5 meeting in Big Sky, Montana on May 7<sup>th</sup> – 8<sup>th</sup>, 2011 where consultations were held with member economies and other guests and participants during and on the side-lines of that meeting
- The circulation of a Questionnaire to MTF members before the MTF 5 meeting on April 13<sup>th</sup> and a subsequent reminder after the meeting on May 12<sup>th</sup> 2011
- Draft Final Report was submitted to APEC HQ on July 21<sup>st</sup> 2011
- Final Report will be presented and discussed at the APEC SOM meeting in San Francisco in September 2011

### **2.2 APEC – SOM/SCE ECOTECH Priorities and APEC Strategies**

APEC objective is to enhance economic growth and prosperity in the region and to strengthen the Asia-Pacific community. APEC's broad agenda, encompassing trade liberalisation, trade facilitation and economic cooperation has worked to free up trade in the region. APEC leaders are committed to the Bogor Goals of free and open trade and investment by 2010 for industrialised economies, and by 2020 for developing economies. APEC economies engage in economic and technical co-operation to attain sustainable growth and equitable development in the Asia-Pacific region, to reduce economic disparities among members and to improve overall economic and social well-being. SOM/ SCE coordinates and manages APEC's ECOTECH agenda,

The objectives of the SCE are to:

- Strengthen the implementation of APEC's ECOTECH activities by prioritizing work based on Leaders' and Ministers' commitments, and coordinating and providing oversight to the work of APEC fora
- Provide policy guidance on ways to contribute to APEC's ECOTECH goals
- Coordinate ECOTECH objectives and priorities between the APEC Economic Leaders' Meeting and Ministerial Meetings

In 2010, Senior Officials endorsed a new framework and five areas have been identified as medium-term ECOTECH priorities:

1. Regional economic integration ;
2. Addressing the social dimensions of globalization (inclusive growth) ;
3. Safeguarding the quality of life through sustainable growth;
4. Structural reform and
5. Human security

In 2010 the APEC Leaders formulated a New Growth Strategy to match the changing economic environment that aims to achieve

1. Balanced,
2. Inclusive,
3. Sustainable,
4. Innovative, and
5. Secure Growth.

These desired regional growth attributes are deeply interconnected

As APEC host in 2011, the United States will prioritize concrete initiatives that build a Seamless Regional Economy by achieving outcomes in specific 2011 Priority Areas, including:

1. Strengthening regional economic integration and expanding trade;
2. Promoting green growth; and
3. Expanding regulatory cooperation and advancing regulatory convergence

These APEC priorities and strategies form important guidelines for MTF activity planning and implementation.

### **2.3 Mineral Sector in the APEC and MTF Member Economies**

APEC has 21 members referred to as member economies and it is used because the APEC cooperative process is predominantly concerned with trade and economic issues, with members engaging with one another as economic entities. APEC's 21 member economies are: Australia; Brunei (Brunei Darussalam); Canada; Chile; China (People's Republic of China); Hong Kong (Hong Kong China); Indonesia; Japan; Korea (Republic of Korea); Malaysia; Mexico; New Zealand; PNG (Papua New Guinea); Peru; Philippines (The Republic of the Philippines); Russia (The Russian Federation); Singapore; Chinese Taipei; Thailand; USA (United States of America) and Viet Nam. APEC member economies account for 41% of the world's population and 55% of world GDP, with 49% of the world's trade. This region includes some of the world's largest producers and consumers of minerals resources; consuming 60% and producing 70% of the world's minerals and metals. APEC derives important economic and social benefits from the development, use and trade of mineral and metal commodities.

The minerals sector (Table 1) makes a significant contribution to the GDP in a number of larger and more advanced APEC MTF economies, such as Australia and Canada. Similarly, the minerals sector is well established in Indonesia where it contributes to more than 3 per cent of GDP. Notably, the contribution of the minerals sector to economic activity varies significantly on a provincial/ state basis within economies such as Australia, Canada and the USA and in more local levels in Indonesia.

Other APEC MTF economies with considerable mineral resources but with significant unrealized development potential include the Philippines and Viet Nam, where the minerals sector contributes only 1.6 per cent and 1.1 per cent of GDP respectively. At the other end of the spectrum are the economies with limited mineral resources and in which the contribution of the minerals sector to the economy is relatively small. Brunei, Hong Kong, Singapore (non MTF members) and Chinese Taipei do not have significant domestic mining sectors and rely heavily on imports of mineral commodities.



The mineral exploration policy potential index (PPI) (Fraser Institute Annual Survey of Mining Companies, 2010/2011) considers mineral policy jurisdictions of Central Governments and State and Provincial Governments (Canada, USA, Australia) in their survey. The PPI is based on survey answers to the question whether a jurisdiction under their current mineral policy encourages or discourages mineral exploration ( Table 1 )

There is a large variation among the MTF member economies mineral sector which indicates at least six tiers of activity and potential.

1. Developed economies with largely an import based minerals sector – Japan, China, Korea, Chinese Taipei
2. Resource developed economies with mature minerals sectors and high PPI – Australia, Canada, USA, New Zealand
3. Resource developed economies with mature minerals sectors and low PPI – China, Russia
4. Resource developed economies with underdeveloped minerals sector and high - medium PPI – Chile, Mexico, Peru
5. Resource developed economies with underdeveloped minerals sector and low PPI – Indonesia, PNG, Philippines, Viet Nam
6. Resource underdeveloped economies with limited minerals production – Malaysia, Thailand

Their standing also influences their behavior and responses to MTF initiatives. It should be noted that the APEC economies of Brunei, Hong Kong and Singapore were not included as they are not full MTF members and have virtually no mining industry although they do import mineral commodities for their industries.

**Table 1 Mineral Sector in the APEC Region – (ABARE research report 07.3, 2007)**

APEC MTF Economies - Minerals	GDP ~ US \$ b/ GDP / person ~\$	Mineral Sector ~ GDP %/ Status	~ PPI ( Top State- S/Province - P ) / 100
Australia - Export	750/ 36,000	5 / developed	S (S. Australia) 75
Canada - Export	1,300/ 39,000	4/ developed	P (Quebec) 87
Chile - Export	16/ 8,500	19/ developing	82
China - Import	2,600/ 2,000	11/ developing	30
Indonesia - Export	350/ 1,600	3/ developing	20
Japan - Import	4,500/ 35,000	0.1/ developed	n/a
Korea - Import	900/ 18,000	0.3/ developed	n/a
Malaysia -	150/ 5,500	0.8/ developing	n/a
Mexico - Export	800/ 7,500	2/ developing	50
N. Zealand - Export	100/ 24,500	n/a/ developed	60
PNG - Export	4/ 660	high / developing	30
Peru - Export	90/ 3,000	7/ developing	40
Philippines - Export	120/ 1,300	2/ developing	30
Russia – Export	1,000/ 7,000	n/a/ developed	20
Chinese Taipei – Import	350/ 15,500	low/ developed	n/a
Thailand -	200/ 3,000	0.3/ developing	n/a
USA – Export/Import	13,300/ 45,000	n/a / developed	S (Nevada ) 90 S (Montana) 40
Viet Nam -	55/ 650	1/ developing	35

## **2.4 APEC Mining Task Force (MTF)**

From 1996 until 2005, APEC dealt with mining issues through the Group of Experts on Mineral and Energy Exploration and Development (GEMEED). From 2005 until 2007, mining was 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. (MRM). At the 15<sup>th</sup> APEC 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."

### **2.4.1 MTF Terms of Reference, Mining Policy Principles, Scope of Activities and Structure**

The MTF has been mandated for a renewable two years to cover the activities in the field of minerals exploration, mining and metals including relevant activities previously conducted by the GEMEED (excluding energy issues) and NFMD and will report through the SOM/SCE and the MRM.

#### **Terms of Reference (ToR)**

- To serve as a platform for Member Economies to strengthen policy dialogue and capacity building;
- To enhance market transparency in accordance with the Mining Policy Principles agreed in the Third Meeting of APEC Ministers Responsible for Mining;
- To assist in enhancing minerals exploration, mining and metals industry development through action – oriented programs and activities that are focused and strategic;
- To ensure that mining, minerals and metals-related concerns are adequately addressed within the APEC processes
- To advance the 10 APEC mining policy principles adopted by Ministers Responsible for Mining during their third meeting on February 14, 2007, in Perth, Australia

#### **Mining Policy Principles (MPP)**

- 1 Pursue policies that enhance the sustainable production, trade and consumption of minerals and metals thereby improving the economic and social wellbeing of our people.
- 2 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.
- 3 Promote the best possible functioning of global markets for minerals and metals, through support for market transparency and facilitation of trade. Export restrictions should be employed only in exceptional cases, and in accordance with WTO rules.
- 4 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

5. Promote cost effective, evidence based, transparent and objective-based measures that improve the efficiency in the regulation of the minerals industry to contribute to economic, environment and social development outcomes.
6. Encourage, support and promote initiatives by the minerals and metals industry and stakeholders that contribute to national and international sustainable development goals.
7. Encourage research to develop and apply new minerals exploration, extraction, and pollution control technologies that are more cost effective, efficient, economically sound, environmentally responsible and socially acceptable. Promote information exchange and cooperation on such technologies.
8. In partnership with all life cycle participants, ensure that materials and products made from minerals and metals are produced, consumed, recycled or disposed of in a responsible manner.
9. Encourage all participants in the life cycle of a material or product to take direct responsibility for their area of action, and a shared concern over other stages of the life cycle.
10. 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.

### **Scope of Activities**

The MTF will address issues considered relevant and important to Member Economies related to greater integration of mining operations and applications (supply chain) of mineral and metal products, including:

- Exploration and extraction of minerals and associated sustainable development issues for mining;
- Industrial processing and recycling of minerals and metals; and
- Trade and investment issues related to mineral and metal commodities.

The MTF will provide Member Economies with opportunities to exchange information, views, experiences and analyses on mining, minerals and metals-related issues in the APEC Region and address the recommendations of the relevant Ministerial Meetings and Leaders' Declarations as they relate to minerals exploration, mining and metals issues, and other recommendations that may arise within the APEC process, including through the APEC Mining Industry Forum.

The MTF will provide recommendations to the Ministers Responsible for Mining Meeting and the SOM on the short, medium and long term programs that could assist mining, minerals and metals industry development and how to best implement them within the APEC process and will ensure that the activities initiated by the Group do not duplicate those undertaken by other bodies within or outside the APEC process.

The MTF will work closely with the business sector and industry bodies to ensure that the Group's work is practical and focused on improving the business climate for entrepreneurs within and among Member Economies.

## **Structure of the MTF**

MTF will be composed of policy officials of member economies responsible for the mining, minerals and metals industry. Industry representatives may be invited to participate in accordance with the Guidelines on Non-Member Participation in APEC Activities. A Chair and Vice Chair will be selected and undertake duties in accordance with the Guidelines for Lead Shepherd/Chair and Deputy Lead Shepherd/Chair of APEC Working Groups and SOM Task Forces. The MTF will meet at least once a year in conjunction with the APEC annual meetings and the achievements of the MTF will be reviewed at the conclusion of its every two year mandate against its stated objectives and output.

## **2.5 Assessment Terms of Reference**

Since 2006, a number of APEC working groups and task forces have been independently reviewed, with recommendations developed to ensure each forum is responsive to APEC's current work priorities and contributes to the achievement of the Bogor Goals. To continue with the program of regular reviews, the Budget and Management Committee has approved the 2010 SCE project proposal on the independent assessment of MTF. This independent assessment will address a wide range of needs of MTF in order to strengthen its work process. The recommendations of the assessment are expected to be presented at an SCE meeting in the United States of America in 2011.

- 2.5.1** Review MTF meetings, projects and activities; assess the outcomes of these activities and how they support the main objectives/goals of MTF and APEC; assess the impact of the MTF work program "on the ground" in APEC member economies;
- 2.5.2** Evaluate 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;
- 2.5.3** Identify ways to strengthen MTF's strategic priorities and direction for future work;
- 2.5.4** 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;
- 2.5.5** Identify ways to develop synergies among the work of MTF and relevant APEC fora;
- 2.5.6** Identify MTF 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; opportunities to profile and share programs or projects;
- 2.5.7** Explore how MTF can better take into account the APEC commitment to give gender greater consideration;
- 2.5.8** Finalize an array of recommendations on the above-mentioned areas. Recommendations are to be provided in two lists: the first list containing a maximum of 5 decision points for consideration by SCE to provide further instruction to the group, and the second list covering those recommended actions that can be further discussed for implementation by the group itself.
- 2.5.9** Provide a draft report on initial findings, of no more than 30 pages, written clearly and containing robust analysis to be conveyed to the APEC Secretariat, members of SCE and MTF.
- 2.5.10** Analyze member economies' responses to the draft report on initial findings;
- 2.5.11** Produce and present the final report employing a clear and diplomatic style of presentation.

### **3. METHODOLOGY**

#### **3.1 Approach**

This independent assessment of the MTF was commissioned to improve its operations and ensure activities are targeted; effective, efficient and responsive to the current work priorities of APEC and contributing to the achievement of its Bogor Goals.

The assessment was intended to address a wide range of issues and identify opportunities for the MTF to strengthen its work processes. The following areas formed the structure that was used to develop the research questions and inform the analysis, and the sections of this report essentially follow a format that reflects these areas: It specifically explores questions relating to MTF:

- 1 Outcomes and the level of satisfaction with the MTF's work
- 2 Impact of MTF activities on the ground in APEC member economies
- 3 Strategic direction and the level of satisfaction
- 4 Capacity building and the effectiveness and efficiency of the MTF
- 5 Collaboration between MTF and other APEC fora and non-APEC parties

#### **3.2 Information**

The assessment involved four key pieces of work:

1. The desktop analysis of the APEC website MTF database which had a complete public record of all activities from the establishment of the MTF in 2007 till 2011. This data included information on the 5 MTF meetings, conferences and workshops as well as work plans, reviews, reports and project applications. Previous recent independent assessment reports for other APEC fora were also consulted as a preparation guideline and included the EWG, HWG, TWG and the HRDWG

Key MTF 2008 - 2011 documents include:

- Terms of Reference – 1<sup>st</sup> MTF Meeting, Arequipa, Peru, 2008
  - Chairs Summary Report – 3<sup>rd</sup> MTF Meeting, Singapore 2009
  - Review of Mandate 2009 – 2011, 3<sup>rd</sup> MTF Meeting
  - Report of the Mining Task Force – 3<sup>rd</sup> MTF Meeting
  - 2009 – 2010 Work Plan- 3<sup>rd</sup> MTF Meeting
  - 2010 APEC Report on ECOTECH
  - 2010 SCE Fora Report to SCE and SOM
  - Work Plan – 4<sup>th</sup> MTF Meeting, Sapporo, Japan, 2010
  - Medium Term Work Plan – 3<sup>rd</sup> SOM/ SCE Meeting, Sendai, Japan
  - Review of Mandate 2012 – 2013, 5<sup>th</sup> MTF Meeting, Big Sky, Montana, USA, 2011
  - Work Plan and Medium Term Work Plan – 5<sup>th</sup> MTF Meeting
2. Participatory observation as a guest at the 5<sup>th</sup> MTF meeting at the APEC SOM2 Big Sky, Montana, USA in May 2011 where a briefing on the assessor's role 'Independent Assessment of the MTF' was presented. The meeting afforded the opportunity to follow the agenda items and issues of main concern, to gauge and assess the discussions and comments and to consult with the MTF member economies as well as other invited participants.

3. Data collection through meetings and interviews with members during the MTF 5 meeting and the survey Questionnaires (Appendix 1) that were sent out before and after the MTF 5 and subsequent data analysis of results which were compiled into this report.
4. Contacts with APEC HQ and internet searches on the mineral sector developments in the Asia Pacific region and reference to the ABARE Reports and the Fraser Institute Annual Survey of Mining Companies in APEC member economies that are relevant to the MTF

### **3.3 Assessment Work Plan**

On the basis of the Independent Assessment of the MTF's Terms of Reference a detailed Work Plan was submitted in late April and after comments in regard to various deadlines and time frames, a more final copy was prepared after receiving more information at the MTF 5 and sent out on May 16<sup>th</sup>. Although the assignment term was originally between March 22, 2011 on the signing of the contract to December 2011 the time frame was put forward to meet the APEC SCE Meeting in San Francisco in September (Appendix 2, Table 2)

## **4. ASSESSMENTS**

### **4.1 MTF Activities**

The MTF yearly Meetings and Annual and Mid Term Work Plans and related special Conferences and Workshops were the main directions to follow and are based on the Terms of Reference of the MTF in the context of the MPP outcomes, deliverables and other initiatives considered and agreed to be essential in addressing mining issues in the APEC region in conformity with APEC and ECOTECH priorities and strategies.

MTF meetings and Work Plan discussions were held in 2008 in Arequipa – MTF 1 and Lima, Peru - MTF 2, in Singapore, 2009 - MTF 3, in Sapporo, Japan, 2010 – MTF 4 and in 2011 in Big Sky, Montana, USA.- MTF 5. Of the 21 APEC economies most meetings had a quorum of 12 – 16 with 40 – 55 participants with males readily outnumbering females. International, National and State private sector mining companies and officials were invited to be part of the delegations at the 5<sup>th</sup> MTF in Big Sky, Montana, USA (Table 3). A 'Sustainability in Mining Conference' was held in conjunction with the MTF 3 in Singapore in 2009 and a 'Workshop on Corporate Social Responsibility' was held later that year in Peru. Another Workshop on Sustainability in the Mining Sector was held in Korea in 2010.

Prior to the formal MTF meetings, which started up in 2008 and in conjunction with the MRM3 Meeting in February 2007, Australia delivered two 2 day Workshops in November 2007 as follows:

- "Life of Mine Planning for Improved Sustainable Development Outcomes" with 100 private and public sector participants from 11 APEC economies in Jakarta, Indonesia
- "Stewardship - Lifecycle Partnerships" with 90 private and public sector participants from 11 APEC economies in Beijing, China

### 4.1.1 MTF Meetings Participation Assessment

MTF meetings participation (Table 3) indicates that Australia, China, Japan, Korea and Russia are the most active of the APEC economies, regularly present and Russia and China chaired the first two MTF terms. It should be noted that the most developed and mineral – rich members Australia, Canada, and the USA are conspicuous by their nominal attendance at best (except for MTF 5 which was hosted by the USA) and their absence, in the case of Canada, at worse and Mexico, New Zealand and the Philippines also fall into this bracket. Australia’s interest is influenced by its place in the Asia Pacific and its mining sector, which relies heavily on the export of minerals to its important trading partners Japan and China. MTF meeting venues attract the most local members for example MTF 1 in Peru - Chile, MTF 3 in Singapore - Indonesia, Japan, Korea, Malaysia, Thailand and Viet Nam, MTF 4 in Japan - Indonesia, Korea and PNG. China, Russia, Japan and Korea attend all MTF meetings with relatively large delegations. The attendance record indicates levels of interest and input into Work Plans and projects (Table 3) and show:

- A quorum of over 80% of economies has attended most meetings of the MTF.
- Participants have remained relatively consistent although a notable drop of economies attended the MTF 5
- In terms of gender representation, males form the majority of delegates.
- MTF members provided the majority of delegates and others are lacking or missing
- Except for MTF 5 few guests and observers attend the meetings

**Table 3 APEC MTF Meetings Economy Participation  
(No data for MTF 2 – 10 economies - 56% and no record for Brunei and Singapore)**

Economy / total	MTF 1 Arequipa Peru, 2008		MTF 3 Singapore, 2009		MTF 4 Sapporo, Japan, 2010		MTF 5 Big Sky, USA, 2011	
	M	F	M	F	M	F	M	F
Australia/ 4	1		1		1		3*	
Canada / 3	1	1			1			
Chile / 7	2	2	1	1	1			
China/ 16	2		3		6#		4	1
Hong Kong/ 1	1							
Indonesia /14	1		3		5	3		2
Japan / 22	1		3	1	12#		4	1
Korea / 17	3		4	1	4#		5	
Malaysia / 7			1	2	2		2	
Mexico / 1					1			
New Zealand / 2	1		1					
PNG / 5			1		4			
Peru/ 10	4	3	1		1		1	
Philippines /3	1		1				1	
Russia / 26	4	1	6	3	5	1	7^	1
Chinese Taipei / 6	1		1		2		2	
Thailand / 7			2	3	2			
USA / 3 till MTF 5	1		1		1		12@	3
Viet Nam / 10	3		2	1	2		1	1
ABAC Etc	1	1					1	
APEC HQ	1	1	2	1	1		1	
Total	34 from 15 economies -83%		44 from 16 economies – 89%		54 from 16 economies – 89%		50 + from 12 economies – 67%	

M – male F – female (according to name and unsure # ) non – (not MTF full member)

\* includes industry participants from Metalitics, Frontier Economics

^ includes industry participants from Norilsk Nickel, London & Nickel Institute, Brussels

@ Includes industry and academic participants Stillwater, Freeport, Cloud Peak, Revett Mining Companies, National Mining Association and Montana Tech

#### **4.1.2 MTF 1 & 2 Peru 2008 / Work Plan 2008- 2009**

The first MTF meeting was held in Arequipa, Peru on 23-24 May 2008

Discussions on the MTF's scope of activities included; fostering investment in the APEC minerals sector through the pursuit of clear and predictable investment policies; regular exchanges concerning experiences with regulations affecting the minerals sector and the promotion of transparency and the availability of a skilled workforce. Two projects were proposed; 1) Sustainable Development in Mining (SD) in APEC, 2) Best Practices in Mining and in Further Processing of Iron Ore and the establishment of a Group of Experts named "Friends of the Chair" (FoTC) to undertake a study on issues affecting the ability of APEC economies to attract investments to the mining sector.

The Work Plan for 2008 -2009 responded to calls for greater engagement with the business sector and other organizations/stakeholders, including appropriate consultations with International Financial Institutions (IFIs), Asian Development Bank and the World Bank and to develop an APEC position on sustainable development policies in the mining sector for submission to the United Nations Commission on Sustainable Development (UNCSD) as part of its review of mining in 2010-2011. The Work Plan also encouraged active participation of relevant sectors from across APEC economies in the MTF, in order to avoid unnecessary duplication of work, maintain contacts with similar intergovernmental groups elsewhere, where the same mining issues are likely to be discussed and in which APEC economies might be members. MTF will also support the work of other APEC fora HRDWG in implementing a CSR project and to collaborate with SMEWG.

The second MTF meeting was held in Lima, Peru on 26-27 August 2008 on the margins of the SOM3 meeting soon after MTF 1 and members agreed to develop a 'Report on the situation in mining sector including new developments, important events, trends and other initiatives in mining sector' for every meeting and commenced the implementation of two projects; Sustainable Development in Mining in the APEC Region and Creating a Framework for Corporate Social Responsibility (CSR) Stakeholder Dialogue: Mining Industry Operations

#### **Assessment**

**MTF's first two meetings included consideration of most, if not all, of the Mining Policy Principles (MPP) with priority given to SD and CSR issues that are important, timely and of great concern to the APEC member economies. MTF consideration of APEC ECOTECH priorities covered Regional Economic Integration - Safeguarding the Quality of Life through Sustainable Growth and Structural Reform. The Chair was held by Russia, which also had the largest delegation outside of Peru and this group was the most active. It should be mentioned that all the representatives were from Central Government institutions even though the mining jurisdictions of economies such as Australia, Canada and the USA are governed by the States and Provinces and in the case of Indonesia by even more decentralized local authorities. The role of state and local governments in the MTF should be considered by these economies.**

**The main focus was on matters current and relevant to the global mining sector – investment, SD and CSR. Other important issues such as mine safety (eg China) and mining impact on indigenous rights (eg Australia and Canada), which were mentioned in the MRM 3 meeting held in Australia, were not raised. The role of small scale mining in the APEC region in economies such as PNG, Peru, Indonesia and the Philippines**



could have been an excellent prospective project with the SMEWG as an inter - fora activity. The Friends of the Chair (FoTC) is an important channel to get other stakeholders involved, especially the private sector mining companies operating in the APEC economies that are the main drivers of mineral development and their advice and input would be essential for the MTF in making their activities more strategic and practical. Other stakeholders such as NGOs and community representatives should also be present to provide an important balance.

The first two meetings initiated and trialed the MTF processes responsive to, however somewhat constrained by the MTF ToR, MPP and APEC guidelines. Realistic and relevant APEC mining issues were considered and activities and proposals set in motion. The MTF, however, is unique in APEC as the only Mining Sector Group with its own special interests that have little overlap and duplication with other APEC fora with the exception of the Energy Working Group (EWG) where its fossil fuels component, the EGCFE, makes it a prospective Extractive Industry (EI) partner in addressing the full range of the APEC economies mineral and energy sectors.

#### **4.1.3 MTF 3 Singapore 2009 / Work Plan 2009- 2010/ Conference and Workshop**

The third MTF meeting was held in Singapore 26-27 July 2009

The meeting discussed the current situation in the mining sector and members reviewed the past work and to establish new contacts with the International Nickel, Copper, Lead and Zinc Study Groups, and the OECD Steel Committee. The MTF expressed its concern with the European Union's classification and labeling of nickel-containing substances as being dangerous. The 2009 – 2010 Work Plan considered a new Report on the Anti-Crisis Measures in Mining and the Development of the MTF Annual Report to SOM

The APEC MTF Conference on Sustainable Development of Mining Sector in APEC was held in Singapore July 23-24 prior to MTF 3 and a number of key themes emerged; that MTF is the appropriate forum for SD and CSR in the APEC Mining Sector, the need to address shortages of water and human resources and the need for adequate mine reclamation. A consensus was reached that in spite of the current economic downturn companies, and all stakeholders, cannot afford to postpone SD activities as they are integral to the financial performance of companies. Regarding CSR, a representative of the HRDWG forum made a presentation on its Workshop “ Creating a Framework for Corporate Social Responsibility Stakeholder Dialogue: Mining Industry Operations”. The Workshop was held on 23-24 September 2009 in Lima, Peru to intensify the dialogue among governments, industry, and civil society groups regarding how best to improve the efficiency, transparency and accountability concerning the SD of an economy's natural resource endowment at the local, regional and national levels.

#### **Assessment**

**Important outcomes were the two successful activities, one that preceded MTF 3 the SD Conference and the other CSR Workshop held later in Peru in collaboration with the HRDWG forum. The Meeting Chair was held by Russia, which also had the largest delegation and this group was most active at the Meeting and at the Conference. The main focus was on SD and CSR issues and new themes in water shortage, human resources and mine reclamation. The FoTC is an important channel to get other stakeholders involved however this potential has yet to be fully realized.**

**The Review of Mandate – 2007 – 2009 was submitted for a further 2 years 2010 – 2011 and endorsed. As it usually takes 2 -3 years from the planning and proposal stage to final implementation of projects a case should be made to extend the mandate for a longer term.**

**The organization of an important APEC MTF SD Conference a couple of days before the MTF 3 should serve as a model for future MTF meetings to have a similar event before, during or after the meeting. The Conference emphasized the role of APEC member economies in global mining and metallurgy to provide forecasts for the mining sector and to offer a new model equilibrium state approach to the measurement of SD processes. The Conference recommended that the Draft Project Report should be submitted to the MTF for its response, in advance of a decision to submit a Final Report from APEC to UNCSD. The CSR Workshop was an important MTF development as a first practical and relevant collaborative project with another APEC forum, the HRDWG and it also addressed the essential role of stakeholders in mining industry operations.**

#### **MTF 4 Sapporo, Japan 2010 / Work plan 2010/ Workshop**

The fourth MTF Meeting took place during APEC SOM2 which was held in Sapporo, Japan, between 26 - 27 May 2010.

MTF considered its role in APEC's new Growth Strategy for the region in regard to Balanced; Sustainable; Inclusive and Knowledge – based Growth. The meeting also considered organizing a peer review of the current situation of mining sector in one member economy. Work Plan Initiatives include new issues such as addressing the 2009 ABAC recommendations in particular with regard to promoting post crisis recovery, facilitating trade flows, enhancing investment flows, ensuring access to labor and addressing energy security and climate change in mining; encourage mining and metallurgy industry of member economies to develop business recommendations to the MTF Action Plan to make it more strategic oriented; Identify the opportunity to hold Mining CEO Summit back to back with the next MRM4; Workshop on Mining Policy and Information Sharing among APEC member economies; Development of new project proposals:

“Investment Facilitation in Mining”; Russia and Chile

“APEC Region’s Mining Information Exchange and Portal Web Site Development”; China

“Building Capacity for a Low-Carbon Mining in APEC Region”; China

“Capacity Building for Sustainable Development Indicators for Mining and Mineral Industry”; Malaysia and Thailand

A Workshop on "Balancing Competing Demands of Mining, Community and the Environment to achieve Sustainable Development in the Mining Sector." was held September 1 - 2, 2010 in Seoul, Korea and targeted government officials and industry representatives in developing APEC economies to develop reference database and technical guidelines related to mine rehabilitation, reclamation, and mine closure and to build capacity to establish best practices with deeper consideration of environmental and social issues. This activity resulted in a first MTF project publication that acknowledged financial support by APEC.

## Assessment

MTF 4 considered the APEC New Growth Strategy with priority given to SD and investment issues. There may be problems in the future where the best fit of the APEC MTF ToR and MPP guidelines do not necessarily match up with overall changing APEC strategies and directions and a timely review is due at the next MRM meeting. The Meeting Chair was held by China, which also had the second largest delegation along with Russia and these groups were the most active. The main focus was the on going and relevant SD issue. In all, it is recommended that MTF needs to provide a timeframe for its activities and goals in regard to the ambitious 2010 Work Plan that may need a longer term of review of the MTF mandate to be fully developed and implemented. It should be noted that leading mining industry economies such as Australia, Canada, Chile and the USA were under represented (Table 3).

One important outcome was the successful activity led by Korea, the Workshop on ‘Balancing Competing Demands of Mining, Community and the Environment to achieve Sustainable Development in the Mining Sector’ thus further consolidating SD as a top priority issue with more specific attention paid to developing a reference database on mine reclamation and closure and environmental and social impact best practice. The Workshop was well attended which indicated continued interest in spite of the fact that almost a quarter of the participants were from the host economy Korea.

### MTF 5 Big Sky, Montana, USA / Work plan 2010 – 2012/ Presentations

The fifth MTF Meeting took place during APEC SOM2 which was held in Big Sky Montana, USA between 7 – 9 May 2011.

#### APEC SOM2 2011

US Senator Max Baucus was responsible for bringing the APEC summit to Big Sky to promote the State of Montana and the USA in expanding the State’s trade and economic relationships. The mining sector was an important focus as Montana alone exports 150 million dollars worth of minerals and ores to the APEC economies. To further this promotion several mining companies were invited to act as sponsors and USA delegation special participants including Cloud Peak Energy, Revett Minerals, Stillwater and Freeport-McMoran as well as Montana Tech School of Mines and the National Mining Association (NMA). The NMA presentation ‘American Mining Showcase’ of the USA and Montana was one of the highlights of the MTF 5 meeting. The mining company executives made their professional presentations at the social events, which were very well received by the MTF member economies and important contacts were made for mutual benefit. An important post meeting field trip to the Rio Tinto talc mine furthered this mining company input.

#### MTF 5

The meeting was briefed on objectives and key outcomes of MTF in the past years, future challenges for APEC and the MTF, expected outcomes for 2012/2013. The Chair briefed the meeting on MTF 2011 and the medium-term 2010-2015 Work Plans and informed the economies that the Work Plans have been endorsed by SOM1 and any revision depends on the MTF’s decision on the proposal by China to hold the MRM4 on November 3-4, 2011, Beijing with the theme “green, technology, cooperation and win-win “. The list of APEC events for 2012 in Russia includes a MRM meeting in June-July 2012 in Vladivostok. MTF decided that China and the Russian Federation should submit their respective topics and proposals to the APEC Secretariat.

Economies were invited by MTF Chair to discuss MTF's contribution to proposed APEC New Growth Strategy for achieving: Green Growth and Innovative Growth

#### Independent Assessment of the MTF

A presentation briefed the members on the Independent Assessment of the MTF and in addition information was passed on to the meeting of two MTF SD and CSR relevant conferences in 2011 that were held in APEC member economies: Social Responsibility in Mining, Chile in September and Mine Closure, Canada in October. The absence of both Chile and Canada at the MTF 5 should be noted. To meet new challenges in APEC's mining agenda, the MTF will continue intersessional consultations to reach consensus so that it can recommend that SCE/SOM to endorse the extension of the MTF mandate for a further 2 years. There was concern that the mandate renewal is tied to the outcomes and recommendations of the current ongoing Independent Assessment of the MTF however it was noted that the decision on the MTF establishment was made by MRM3 in 2007 so that the final assessment of the MTF work efficiency should be made at MRM 4.

#### 2011 – 2012 and Medium-term 2010-2015 Work Plans

A proposed Work Plan for 2011 in response to Leaders/Ministers/SOM/SCE Priorities and Decisions and to ABAC recommendations was presented to address Leaders/Ministers resolve for the APEC New Growth Strategy with regard to Mining, and in particular: APEC New Strategy for Structural Reform (ANSSR): Green Growth and Innovative Growth .The Work Plans also addressed the business sector and other organizations/stakeholders, including the International Finance Institutions (IFIs) and other international organizations and to identify cross cutting issues and explain how they will be coordinated across Fora.

#### Expected Outcomes/ Deliverables For 2011.

- China plans to host MRM4 November 3<sup>rd</sup> - 4<sup>th</sup> of this year in Beijing. The meeting is expected to endorse the "Joint Statement of the Fourth Meeting of APEC Ministers Responsible for Mining" and to draw the blueprint of APEC mining cooperation in the next three to four years. A multi-year program will be carried out to promote the mining industry in line with environment friendly development and implement the outcomes of MRM4. Japan has concern that it has insufficient time for MRM4 preparation due to the earthquake.

- MTF 6<sup>th</sup> meeting in Russia in 2012
- Development of new project proposals;
- FoTC annual report on the current situation in mining sector including major events, trends, problems/issues of the sector, forecast for the future;
- Development of MTF Annual Report to SOM.

#### Report on the Implementation of APEC ABAC 2010 Recommendations

The APEC Secretariat on behalf of ABAC summarized the actions that ABAC recommends APEC undertake to achieve balanced, inclusive, sustainable, innovative and secure growth for all in the region. The APEC Secretariat also briefed two meetings in China and for energy efficiency in Korea and proposed several issues for MTF consideration.

#### Project Activities

The meeting was briefed by Russia on "Current Status of the APEC Report to UNCSD on Sustainable Development of Mining Sector in APEC" that was presented to UNCSD in February 2011. This fact underlines APEC contribution to the world sustainable development process and makes the organization more important in the international arena.

Korea briefed the meeting about the implementation and achievements of the project 'Balancing Competing Demands of Mining, Community and the Environment to Achieve

Sustainable Development in Mining Sector’. Russia presented the progress report on the APEC MTF project on socio-economic analysis of the impact of the classification of some nickel containing substances by the EC as dangerous to the APEC member economies. The progress report has shown that the project is developing on time and according to the required standards. The Russian Federation reported to the group that a final report, a detailed presentation, and the full results of the study would be presented at the next APEC MTF meeting in Moscow in 2012. Indonesia circulated the Indonesia Mining Policy document which explained the current conditions, regulations and investment opportunities.

The Meeting reminded MTF members of the previous 3 project proposals endorsed in MTF4:

- “Building Capacity for a Low-carbon Mining in APEC Region” by China and
- “Capacity Building on Sustainable Development Indicators for Mining and Mineral Industry” by Malaysia and Thailand. and
- “Factors & Best Practices of the Investment Attracting in Mining” by Russia

### **Assessment**

**The fifth MTF meeting considered all of the Mining Policy Principles especially as they relate to the APEC New Growth Strategy and New Strategy for Structural Reform (ANSSR) in Green and Innovative Growth with priority given to SD and new technology information exchange issues which included mine safety. Much attention was given to the MTF mandate renewal for 2012 – 2013 and this was linked to the Independent Assessment of the MTF and to the MRM 4 Meeting planned for November 2011 in Beijing, China. The Assessment Final Report and Recommendations should be submitted to the SCE/SOM in September for presentation to the MRM 4 and that should assist the Ministers timely review of the APEC MTF ToR, MPP record, performance and standing since its establishment by the MRM 3 in 2007.**

**Out of the 21 APEC economies only 12 attended MTF 5 with 50 participants (Table 3), which indicated some lack of interest and about 30% of the participants were from the host economy USA. The Meeting Chair was held by China which also had the third largest delegation along with Korea and Russia which had the second largest and these groups were the most active. Leading mining member economies such as Canada and Chile were absent. The main focus was the on going and relevant SD issues which resulted in the submission of the Final Report on Sustainable Development in Mining in APEC to UNCSD in February 2011. A progress report was discussed on the impact on APEC member economies of the EU classification of some nickel compounds as dangerous to health.**

**MTF 5 set an important precedent by the presence of mining industry executives as participants especially in the USA delegation. Their presentations were well received as a demonstration of American best practice in mining and technology applications. A tour was also organized to visit the nearby Rio Tinto talc mine after the conclusion of the MTF 5 Meeting. This visit also demonstrated the importance of industrial minerals in the economies, a topic as yet not really covered by the MTF group.**

#### **4.1.6 MTF Assessment Summary ( Appendix 3 Table 4 ) and Activity Record (Appendix 4 Table 5)**

**Outcomes were minimal as the following highlights demonstrate**

- **MTF meetings from 2008 – 2011 focused on covering the ToR and MPP under APEC guidelines and came up with ambitious plans, as is their mandate.**
- **Unrealistic annual and mid term Work Plans set up priorities within the mandate terms that could not be fully developed or implemented.**
- **One exception is the Sustainable Development in Mining (MPP 1, 6, 10) priority raised at every MTF Meeting since 2008 as a timely response to the global mining industry and stakeholders critical concerns, attentions and actions.**
- **The SD Conference, the MTF only one of its kind, was held prior to MTF 3 in Singapore in 2009 and was an important milestone for MTF activities.**
- **This led to a successful SD Workshop held in Seoul, Korea in 2010 the results leading to the first APEC MTF technical journal publication.**
- **The first important MTF Final Report on Sustainable Development in Mining in APEC was submitted to UNCSO in 2011.**
- **Responsibility in Mining (MPP 10) priority resulted in the CSR Workshop held in Peru in 2009 with the HRDWG was the only MTF APEC inter-fora activity.**
- **Practical follow ups were lacking in regard to other priority issues raised at most of the meetings including investment and regulation policies, best practice, stakeholder participation and collaboration.**
- **EU classification of dangerous nickel compounds occupies much MTF attention.**

**Five meetings, two workshops, one conference and one Report to UNCSO were the major outcomes, a modest record of one activity per year over 4 years.**

**Impacts were mostly limited to the participants and with few exceptions were not widely publicised or followed up**

- **The SD outcome record demonstrates that this activity had the most impact in regard to the Conference, Workshop and the UNCSO submission**
- **The CSR Workshop with HRDWG maintained the MTF profile and stakeholder impact ‘on the ground’ in Peru.**
- **The SD Conference was well attended due to the fact it was held prior to MTF 3 in Singapore to the advantage of the attending Meeting members and led to follow up MTF activities.**
- **The SD Workshop held in Korea had some impact as it dealt with ‘on the ground’ case studies and field inspections of mine closure so that the estimate of people involved would be substantial.**
- **All these activities are assumed to be cost effective and efficient.**
- **The Conference and Workshops indicate that these activities are sustainable and replicable.**

**Little if any impact is recognized in the APEC economies ‘ on the ground ‘ in regard to government, industry and civil society**

**Strategic directions are based on the APEC Guidelines and the MTF ToR and MPP**

- **Strategies in trade, investment, regulation, technology, best practice, sustainability, social responsibility and other emerging issues such as climate change are developed as a best fit to APEC and MTF priorities.**
- **Input by industry and other stakeholders is necessary to make MTF more strategic and practical.**
- **In terms of gender, the meetings and other activities always have female participants some in leading roles, however usually well outnumbered by males.**

**Changing APEC priorities limits MTF strategic scope in regard to the ‘real world’ mineral development policies.**

**Capacity building could be enhanced by more exchange of information and experience**

- **MTF Meetings and activities are efficiently managed and effective to its members in regard to basic information transfer and project planning.**
- **The Conference and Workshops provide a limited means of educating the Members and participants in current mining policy, technology and socio – economic developments.**
- **What is lacking is the organization of more practical learning and information transfer events such as workshops, seminars and short courses by invited experts and local mine site visits.**
- **To build up the capacity of the MTF an information website, portal and / or E Newsletter should be developed to keep members informed intersessionally**

**Projects, training programs and workshops on relevant mining development topics for APEC economies of need would contribute to capacity building.**

**Collaboration with APEC fora and non – APEC organizations are lacking**

- **MTF Meetings in the past have been closed shops open only to MTF member economy delegations with just the occasional APEC inter forum guest and non – fora participant.**
- **The MTF 5 Meeting changed all this with the active participation of mining industry executives as part of the delegation of the USA and Russia.**
- **The MTF 5 Meeting also organized a mine visit courtesy of the international mining company Rio Tinto.**
- **The CSR Workshop with HRDWG was the only APEC inter - fora activity**
- **Attempts to make contact with IFIs and like international mining groups have often been met with little if any positive responses.**
- **Special issues such as nickel compounds being labeled dangerous by the EU is under discussion with the EU.**
- **Other contacts are now being developed with various Metal Study groups.**
- **More contact with relevant international mining organizations such as Extractive Industries Transparency Initiative (EITI) and the International Council on Mining and Metals (ICMM).**
- **MTF should be represented at relevant mining meetings and conferences.**

**Many opportunities exist for collaboration that would stimulate the MTF.**

## 4.2 Questionnaire Results and Assessment (Table 6)

The Questionnaire (Appendix 1) was designed to gather information that would help inform and define the recommendations that will address a wide range of needs of the MTF in order to strengthen its work processes. It specifically explores questions related to MTF

- Outcomes and level of satisfaction with the MTF's work
- Impact of MTF activities on the ground in APEC member economies
- Strategic direction of MTF, priorities and direction and gender issues
- Capacity building and the effectiveness and efficiency of the MTF
- Collaboration between MTF and other APEC fora and non-APEC parties

Of the 19 member economies, not including Brunei and Singapore, only 9 (plus Hong Kong) or about 47% responded to the Questionnaire, which was requested before, at and after the MTF 5 Meeting. Personal thanks for those that did respond and requests for those that didn't to the members attending MTF 5 were promised. Of the 12 economies in attendance 8 replied. The returns received were limited in scope and varied in detail and substance. The lack of interest and input from many of the key economies reduces the quality of this analysis and is also indicative of major MTF problems that must be addressed.

**Table 6. Assessment Questionnaire Results Summary**

Economy – Return Comment	Outcome		Impact		Strategic Direction		Capacity Building		Collaboration	
	Rate	TOR MPP	Otg	#	P	G	EE	IS	APEC	Non
Australia	M-H	5,4,2 4,3,7	M MRM 3	high	H SD & CSR	M	M	M-H Learning	ABAC Funding Training	
China	H	1 1,4	M Wrksh/07	90	H MRM	H	H	- Regulation	Funding	
Japan - Limited by recent events	M	2 2	L MTF 4	55	L HRD	M	M		EWG, TPTWG, CTI	
Malaysia	H	1 10,2	H	n/a	H Self funded	H	H	M CSR Green, info	HRD EWG CTI	CSD WB ASEAN
Peru	H	5,1,2 1,23	H MTF 1&2 Wrksh/09	34/ 118	-	H Reserves Communities	H	H More Wrkshps Meetings	Environmental groups	
Russia	VH	5,1 1,4	M	n/a	M APEC GS, SD investment regulation	H	H	H Members responsible	fora	WB Study groups OECD
Chinese Taipei	M	- 2,3,10	M	n/a	H Update	H	H	M Timely issues	EU Reach Info exchange	
Thailand	H	- 1,7,10	L	n/a	M	M	M	H Theme frame Info exchange	EWG UNIDO ISD S&T	
USA – Late entry	VL	2 3,6	VL MTF 5	limited	L Engagements and leadership	M	M	L Limited followup	EWG ABAC	

Rating – VH – very high; H – high; M – medium; L – low VL – very low  
Otg – on the ground # - numbers of participants ( multiplier effect )  
P – priorities and direction G – Gender issues  
EE – Effectiveness and Efficiency IS – Institutional Strengthening



The survey indicate general satisfaction levels that can be summarized as follows:

- Outcomes are medium – high with one very high and one very low
- Impacts are medium with highs and lows and one very low
- Strategic Direction mainly medium - high and two lows and Gender high - medium
- Capacity Building is medium – high and one low also in Effectiveness and Efficiency
- Collaboration comments suggest more interaction within and outside APEC

The response rate is not too bad, however the leading APEC mineral developed economies, Canada, Chile and PNG did not reply. These results indicate a less than enthusiastic view of MTF with little new information and feedback, varying in details from those that did reply as follows:

1). Outcomes ToR favorite objectives:

- 2.1 strengthening policy dialogue and capacity building
- 2.2 market transparency

Outcomes MPP favorite principles;

- 2.5.1 policies that enhance sustainable production, trade and consumption of minerals and metals
- 2.5.2 regular exchange of experiences

The implication here is that MTF is considering these issues and in the case of sustainability has a record to show.

2) Impacts, especially ‘on the ground’, have a moderate influence on the economies and in some cases only a minimal effect.

3) Strategic directions are for the most part accepted as going in the right direction however ambitious in their spread. Gender comments are for more female participation.

4) Capacity building activities have been effective, though limited in their impact, and managed efficiently.

5) APEC interfora and outside APEC Collaboration is encouraged. The HRDWG is the only APEC forum that has participated in MTF activities. There is much scope for collaboration and cooperation with like international mining development organizations especially those already involved with many APEC economies.

### **4.3 MTF Best Practices of ECOTECH and APEC in the relevant areas**

In 2010, Senior Officials endorsed a new framework and five areas have been identified as medium-term ECOTECH priorities:

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

In 2010 the APEC Leaders formulated a New Growth Strategy to match the changing economic environment that aims to achieve

- Balanced,
- Inclusive,
- Sustainable,
- Innovative, and
- Secure Growth.

These desired regional growth attributes are deeply interconnected

As APEC host in 2011, the United States will prioritize concrete initiatives that build a Seamless Regional Economy by achieving outcomes in specific 2011 Priority Areas, including:

- Strengthening regional economic integration and expanding trade;
- Promoting green growth;
- Expanding regulatory cooperation and advancing regulatory convergence

These APEC priorities and strategies form important guidelines for MTF activity planning and implementation as shown from the MTF 4 and 5 Work Plans 2010 and 2011 as follows:

#### **MTF 4 Work Plan 2010**

##### Balanced Growth:

- To strengthen policy dialogue and identify best practices for regulatory and structural reforms in mining;
- To advance trade and investment facilitation and liberalization in mining;
- To assist in enhancing minerals exploration, mining and metals industry development through action-oriented programs and activities that is focused and strategic;
- To encourage member economies to implement APEC Ease of Doing Business (EoDB) Action Plan with regard to mining and metallurgy;

##### Sustainable Growth:

- To continue on-going work to identify principles and best practices to ensure progress in sustainable development in mining;

##### Knowledge-based Growth:

- To serve as a platform for member economies for information exchange on new technologies in mining, including those of environmental protection and energy-saving;

##### Inclusive Growth:

- Identify capacity building needs and enhance capacity building activities;
- Encourage member economies to develop social resilience safety nets in mining and metallurgy;

### **MTF 5 Work Plan 2011**

#### APEC New Strategy for Structural Reform (ANSSR):

- To advance structural reforms in mining and metallurgy;

#### Green Growth:

- To encourage green initiatives in mining and metallurgy and all participants in the life cycle of a material or product to take direct responsibility for their area of action;
- To ensure the long-term sustainability of resource reserves and enhance the efficacy of exploration and land recovery following mining work completion;
- To continue producing, consuming, recycling or disposing of materials and products made from minerals and metals in responsible manners;

#### Innovative Growth:

- The mining equipment, technology and services initiative can promote the industry capabilities, particularly in the areas of improving mine safety and production efficiency;
- To serve as a platform for member economies for information exchange on new technologies in mining, including those of environmental protection and energy-saving;

### **MTF 5 Medium Term Work plan 2010 – 2015 ECHOTECH Priorities**

#### Structural Reform:

- Mining and metallurgy regulatory improvement

#### Developing Stable and Efficient Markets:

- Market transparency, facilitation of trade and investment

#### Promoting the Development of Knowledge based Economies:

- Knowledge based mining and metallurgy

#### Addressing Social Dimension of Globalization:

- Sustainable development in mining and metallurgy

#### Safeguarding the Quality of Life through Environmentally Sound Growth

- Promoting and supporting of the relevant initiatives of the mining industry, metallurgy and stakeholders.

## **5. RECOMMENDATIONS**

### **5.1 Recommendations for SCE consideration**

***SCE 1*** - Encourage MTF participation and input into the APEC Ministers Responsible for Mining (MRM4) whether taking place in 2011 in China or in Russia in 2012 in order to contribute to the evaluation of MTF's record, performance and standing in APEC since MRM3 2007. This should include a review and update of the ToR and the 10 APEC Mining Policy Principles and to examine the possibility of integrating the MTF with the EWG oil/gas fossil fuel sectors to form a new and unique APEC Extractive Industries Working Group (EIWG) that would considerably strengthen, broaden and integrate the vital mineral and energy sector interests of all the APEC economies. The EIWG would have two Task Forces, the existing MTF (minerals, metals) and a Fossil Fuel FFTF (oil/gas) with the coal sector spanning both the MTF and the FFTF .

- The renewed MTF and the complementary new FFTF would be organized in consultation and in agreement with the EWG as an inter-fora partner. The EIWG meeting would involve MTF and FFTF meeting concurrently with commonality. The idea of an EIWG is to deal with similar governance and trade issues that involve the development of mining and oil gas projects in a sustainable way, as was the case of APEC GEMEED the forerunner of MTF. The EIWG has synergy with the EWG and EGCFE as it would enable the oil/ gas sector economies like Brunei, Singapore and Hong Kong and strengthen that sector in Indonesia, Thailand and Malaysia.

***SCE 2*** . – Pending the outcome of MRM4 and its recommended review of the MTF standing in APEC, respond to the Leaders and Ministers instructions to meet the new challenges in APEC's mining agenda and if agreed recommend that the SCE endorse the extension of the MTF mandate for a further 2 years and forward to SOM the request to grant the renewal of the mandate. In regard to the renewal timeframe it should be extended to a term ( 3 – 4 years ) that would allow MTF plans and projects to be fully discussed and implemented.

- Given the decision to grant MTF's renewal of mandate for 2012- 2013, it is proposed that the MTF maintains its role as a coordinating body, which undertakes work through its meetings on the margins of Senior Official's Meetings and intersessionally for the next two years or preferably for a more extended term. This would allow the Task Force to further fulfill its objectives, to work on breaking down the barriers to greater trade and investment in the minerals and metals sector, to continue its sustainable development and corporate social responsibility in mining activities, to monitor progress and build capacity in mining.

***SCE 3*** . - SCE/SOM to take note of the MTF recent progress in the development of the MTF Medium-term Work Plan addressing Leaders/ Ministers priorities and government/industry perspectives in mining and metallurgy and its contribution to the APEC New Growth Strategy in capacity building, knowledge based mining, sustainable

developments in mining and mining regulatory improvements, market transparency and trade facilitation and investment liberalization

- The endorsement by SCE/SOM of the Report on Sustainable Development of Mining Sector in APEC and its submission to UNCSO to complement its Review of Mining in 2010-2011 is a major MTF accomplishment

**SCE 4.** - Through its Friends of the Chair ( FotC ) Club which consists of private sector mining industry representatives that provide necessary expertise and evaluation of MTF's activities identify an efficient way to convert relevant findings and recommendations into useful guidance in the strengthening of the MTF and in the updating of the FotC membership and achievements.

- FotC must continue its interaction with the mining and metallurgy industry as it is FotC's main channel of communication with business and to encourage wider participation, as MTF is potentially one of the most business oriented groups in APEC. In this regard the FotC Club reported on ' Investment barriers in mining in APEC economies' and provides information on the current situation in the mining sector including major events, trends, problems/ issues of the sector and forecasts for the future. As the mining industry is an extremely important sector for the economies of many APEC countries they should be encouraged to develop business recommendations to the MTF action plans to make them more strategic and practical oriented. The MTF 5 meeting in Big Sky Montana had the opportunity to be briefed by mining executives from that State which is one of the most mineral productive of the USA.

**SCE 5.** - Economies are invited to contribute to the proposed APEC New Growth Strategy and APEC 2011 Priorities for achieving in particular Sustainable Growth, Innovative Growth and Green Growth and towards implementing ABAC 2010 Recommendations with regard to promoting post crisis recovery, facilitating trade flows, enhancing investment flows, ensuring access to labor and addressing energy security and climate change in mining. Encourage members to make presentations and publish their findings to raise the profile of APEC MTF's work.

- MTF approves and supports APEC New Growth Strategy and has been actively working on the issues of sustainability in mining. A special investigation regarding the Balancing Competing Demands of Mining, Community and the Environment to Achieve Sustainable Development was carried out as a Korean project activity and resulted in the first APEC acknowledged publication in Geosystem Engineering, March 2011.

## **5.2 Recommendations for MTF consideration**

### **MTF Planning**

**MTF 1** – Encourage all APEC member economies to actively and fully participate in leadership roles to develop the MTF Long-term Action Plan addressing Leaders/ Ministers priorities and government/industry perspectives in mining and metallurgy.

**MTF 2** - Include in annual work plans, a set of targets and objectives, which can be used to measure the effectiveness of activities in contributing to the MTF, consider how the current year's priorities for MTF align with those in the medium term work plan and provide realistic timeframes for its activities and goals.

**MTF 3 - In future, whenever a draft work plan containing the strategic priorities and directions of the MTF is being developed, a copy or copies of the document should be provided to other stakeholders and if appropriate to other relevant APEC fora for their expert opinion and input.**

**MTF 4 - Consider having templates or procedural documents for reference at MTF meetings in order to encourage more participation and contribution to the action items and the Chair needs to circulate all responses received.**

**MTF 5 - Define a leading economy to take responsibility for every MTF work stream, for example investment incentives, by planning and coordination of all relevant activities and focus on one or two to be implemented every year.**

**MTF 6 - Strengthen the protocols and conventions for the Chair's leadership role to address pragmatics and transparency and an invitation to SCE/ ECHOTECH to nominate a guest speaker for guidance.**

**MTF 7 - Consider the socio – economic and cultural differences among MTF members and focus on issues of common interest rather than on economy – specific mining laws and policies and consider the MTF economies variations in terms of their mineral sector development in intersessional and meeting discussions that take care of all their interests.**

**MTF 8 - Consider establishing a dedicated APEC MTF website or portal for exchange of information, news, promotion and expert interactive advice and appoint a lead economy manager to maintain intersessional discussions on special critical issues that arise that can reflect MTF's timely responses.**

**MTF 9 - Establish an APEC minerals database to cover high-level geological information and key market data such as production, consumption and trade on an agreed, consistent and comparable basis and should be complemented by capacity building in data collection and analysis in developing APEC economies.**

**MTF 10 - Ensure that final reports are completed and approved for publication for each project in a timely manner and future project reports should contain a summary of the outcomes of the project and a list of recommendations for future consideration.**

**MTF 11 - Design a best practice MTF scorecard for each economy minimum standards for their action plan mining policies and operations and complete peer reviews of the current situation of the mining sector in member economies.**

**MTF 12 - Explore and identify funding sources including but not limited to APEC to sponsor MTF activities and propose more self – funding projects, workshops and seminars on key issues in conjunction with every MTF meeting.**

**MTF 13 - Work closely with the public and private sector and other stakeholders to insure that the MTF work is practical and focused on improving the business climate within and among member economies and encourage mining and metallurgy industries of member economies to develop business recommendations to the MTF Action Plan to make it more strategic oriented.**

**MTF 14 - In regard to the world economic crisis and importance of mining sector for the economics of the APEC region underline necessity of further coordinated development of key themes of MTF: Market Transparency and Trade Facilitation and Mining and Sustainable Development.**

**MTF 15 - Finalize analysis on the best practices in attracting investments in mining sector to APEC economies as well as develop a methodology of competitiveness.**

**MTF 16 - Promote Corporate Social Responsibility CSR awareness and capabilities in the APEC region and future work that will encourage dialogue among all relevant stakeholders including NGOs, civil society and indigenous people.**

**MTF 17 - Consider new special SD and CSR programs that are relevant to many MTF member economies including mineral exploration, mine safety, small - scale mining, industrial minerals and sea floor mining.**

**MTF 18 - Identify key areas where capacity building and direct technical assistance are required and can be provided in mining sustainable development, corporate social responsibility and regulation compliance for the economies in need and explore additional resources from aid agencies, NGOs and universities that could provide training and other assistance.**

**MTF 19 - Identify pitfalls in practical mining operations including governance and the awareness of technological solutions and service providers and identify the role of the mining industry in the region's green technology low carbon development and pursue a low-carbon mining through capacity building.**

**MTF 20 - Recognize the special problems arising from the actual location of mining activities in protected areas and in indigenous communities.**

**MTF 21 - Explore the role of state and local authorities participation in the MTF in regard to the mining jurisdictions of economies such as Australia, Canada and the USA that are governed by the States and Provinces and in the case of Indonesia by even more decentralized local authorities.**

#### **APEC Fora**

**MTF 22 - Collaborate with IEG, HRDWG, SMEWG, EWG, TPTWG, ISTWG and other interested APEC fora on relevant issues on case by case basis by the exchange of information, and consideration of possible joint project proposals, providing relevant expertise and invite relevant APEC fora to MTF activities and coordinate cross cutting issues to avoid duplication.**

**MTF 23 - Inform MTF's progress to other APEC fora on related issues and organize activities on topics that interrelate mining with energy, industrial science and technology and investment and visa versa.**

**MTF 24 - Invite ABAC to identify stakeholders and institutions that would assist each economy to provide case study seminar on an agreed topic or on a need for their choice which is common across the region.**

#### **Non – APEC Collaboration**

**MTF 25 - Encourage MTF members to contribute strategic letters to Ministers to consider improvements in processes and regimes which apply to mining as a communication strategy and each economy should upload their profile on their mining website.**

**MTF 26 - APEC funded workshops should continue to remain open to representatives from the private sector, as and when appropriate to enhance collaboration and capacity building activities and foster and encourage greater attendance and participation of non-APEC observers and stakeholders as guests at meetings to improve collaboration and integration of the MTF activities and include them on the agenda.**

**MTF 27 - Continue on-going work to initiate dialogue with European Union on the classification of nickel compounds as dangerous substances and its potential far-reaching adverse economic impact for APEC nickel producing and consuming economies.**

**MTF 28 - Continue to ensure its work agenda avoids duplication with other international fora, and remain focused on specific areas where APEC can add value. This could be done through the MTF's role in coordinating and facilitating APEC projects regarding mining sector across all APEC fora.**

**MTF 29 - Continue cooperation with the World Bank and facilitate contacts and exchange of information with ASEAN Senior Officials Meeting on Minerals, Intergovernmental Forum on Mining, UNCSD, International Nickel, Copper and Lead and Zinc Study Groups, OECD Steel Committee, European Commission. Collaborate with UNIDO in their development of cleaner production toolkits for application to mining in member economies, continue to monitor activities of international organizations in mining and metallurgy in which the MTF members are involved in to avoid possible duplication.**

**MTF 30 - Follow up the United Nations Commission on Sustainable Development (UNCSD) Review of Mining in 2010-2011 submission of the Report on Sustainable Development of Mining Sector in APEC, monitor and disseminate information on the review process and encourage member economies to exchange information about their strategies including any activities in other mining fora.**

**MTF 31 - Consider establishing organizational contacts with ICMM and EITI internationally and with CCOP and SOPAC regionally as well as relevant NGOs and broaden stakeholder participation in MTF activities and recognize the role of NGOs and Environmental Groups in mining activities and share experiences.**

**MTF 32 - Encourage the APEC processes involved in allowing MTF members to attend relevant meetings and conferences and jointly sponsoring activities with other international organizations.**

**MTF 33 - Encourage economies that are members of the ASEAN Senior Officials Meeting on Minerals and other regional mineral groups to brief them on MTF activities and invite their cooperation and collaboration on common issues.**



**MTF 34** – Invite small – island, non – APEC economies, in the Asia Pacific region with a developing mining sector such as East Timor and some of the Pacific islands, such as Fiji, and economies like Cambodia as an observer in MTF activities.

#### **FoTC**

**MTF 35** - Continue interaction with mining and metallurgy industry through the Friends of the Chair (FoTC) group designed to be one of the main channels of communication with business and encourage wider business participation and encourage FoTC to invite the mining industry to organize an annual mining forum for input into MTC meetings.

**MTF 36** - Prepare a FoTC annual report on the current situation in mining sector including major events, trends, and problems/issues of the sector, forecast for the future.

#### **Gender**

**MTF 37** - Invite the GFPN (Gender Focal Point Network) to a future meeting to raise awareness of gender considerations and establish an ongoing collaborative relationship with this forum.

**MTF 38** - Encourage more female participation in meetings and activities and invite leading female experts and speakers. Include a section outlining consideration of issues relating to gender equality in all future project proposals.

**MTF 39** - Focus on gender issues in sustainable mining in relation to engagement by industry with communities thus having gender balance in decision-making committees

#### **MRM4**

**MTF 40** - Report results of MTF work to MRM4 Meeting on the short, medium and long-term programs that could assist mining industry development and how to best implement them within the APEC process and examine the need to establish a non-binding convention that MRMs are held more or less than every 3 years.

**MTF 41** - Identify the opportunity to hold Mining CEO Summit back to back with the next Ministers Responsible to Mining (MRM4) meeting.

**MTF 42** - Follow up MRM3 agreement to increase the participation and employment of indigenous communities in mining and that industry address the mining skills shortage common to all APEC communities.

**MTF 43** - Progress the MRM4 review of the MTF ToR priority areas to ensure that the directions of the MTF are strategic and responsive to current mining challenges experienced by the region.

## 6. Glossary

ABAC APEC Business Advisory Council  
ACT Anticorruption and Transparency Experts Task Force  
ADB Asian Development Bank  
AMP African Mining Partnership  
ANSSR APEC New Strategy for Structural Reform  
APEC Asia Pacific Economic Cooperation  
ASEAN Association of South East Asian Nations  
CAMMA Mines Ministries of the Americas  
CCOP Coordinating Committee for Geoscience Programs in East and Southeast Asia  
CSD Committee on Sustainable Development  
CTI Committee on Trade and Investment  
ECOTECH Economic and Technical Cooperation  
EGCFE Experts Group on Clean Fossil Energy  
EITI Extractive Industries Transparency Initiative  
EU European Union  
EWG Energy Working Group  
GEMEED Group of Experts on Mineral and Energy Exploration and Development  
HRDWG Human Resources Development Working Group  
HWG Health Working Group  
ICMM International Council on Mining and Metals  
IFI International Financial Institutions  
IFMMSD International Forum for Mining and Metallurgy for Sustainable Development  
ISTWG Industrial Science and Technology Working Group  
MPP Mining Policy Principles  
MRM Ministers Responsible for Mining  
MTF Mining Task Force  
NFMD Non Ferrous Metals Dialogue  
NGO Non-Government Organizations  
NMA National Mining Association  
OECD Organization for Economic Cooperation and Development  
PPI Policy Potential Index  
SCE Steering Committee on ECOTECH  
SD Sustainable Development  
SMEWG Small and Medium Enterprises Working Group  
SOM Senior Officials Meeting  
SOPAC Pacific Secretariat Applied Geosciences and Technology  
TOR Terms of Reference

TPTWG Transportation Working Group  
TWG Tourism Working Group  
UNCSD United Nations Commission on Sustainable Development  
UNIDO United Nations Industrial Development Organization  
WB World Bank

## **Appendix 1**

### **Questionnaire Independent Assessment of the APEC Mining Task Force (MTF)**

#### **Survey Invitation**

In 2006 Ministers instructed the Senior Officials Steering Committee on ECOTECH (SCE) to make efforts to improve the operations of APEC working groups, task forces and networks to ensure economic and technical cooperation (ECOTECH) activities are targeted, effective, efficient, and make the best use of scarce resources. Ministers endorsed the recommendations resulting from the SCE Review of APEC Fora, recognizing that these improvements will ensure more focused economic and technical cooperation and bring a more strategic perspective to APEC's capacity building and technical assistance. Reaffirming this course of action, the 2006 APEC Leaders statement welcomed the efforts to strengthen the implementation of economic and technical cooperation through APEC fora.

Since 2006, a number of APEC working groups and task forces have been independently reviewed, with recommendations developed to ensure each forum is responsive to APEC's current work priorities and contributes to the achievement of the Bogor Goals. To continue with the program of regular reviews, the Budget and Management Committee has approved the 2010 SCE project proposal on the independent assessment of MTF. This independent assessment will address a wide range of needs of MTF in order to strengthen its work process. The recommendations of the assessment are expected to be presented at an SCE meeting in the United States of America in 2011. This assessment is expected to produce an array of recommendations for consideration by the SCE and by the MTF itself to strengthen its work process. This survey has been designed to gather information that can help inform and define those recommendations and I invite you to be part of this evaluation.

It specifically explores questions relating to MTF:

- § Outcomes' and the level of satisfaction with the MTF's work
- § Impact of MTF activities on the ground in APEC member economies
- § Strategic direction and the level of satisfaction
- § Capacity building and the effectiveness and efficiency of the MTF
- § Collaboration between MTF and other APEC fora and non-APEC parties

The information you provide will be treated in confidence by the independent assessor, Dr. Michael Katz and there will be an opportunity to provide feedback at the 5<sup>th</sup> MTF in May 2011. The final outcomes of the assessment is planned to be presented at the SCE meeting in September 2011.

The survey can be completed electronically and submitted directly by email, no later than **Sunday May 1, 2011**. If you have any queries in relation to the assessment or the survey of the MTF, please feel free to contact Dr. Michael Katz at [M.Katz@unsw.edu.au](mailto:M.Katz@unsw.edu.au)

Thank you in advance for your time taken to participate in this survey.

Michael Katz, Mineral Development Consultant, Sydney, Australia

**Questionnaire  
Survey Participant:**

<b>Name</b>
<b>Position</b>
<b>Organization</b>
<b>Economy</b>
<b>E Mail</b>

**1. Outcomes of MTF Activity:**

1.1 How would you rate the effectiveness of the MTF in meeting its Terms of Reference (ToR) and the 10 APEC Mining Policy Principles (MPP) objectives?

Very Low  Low  Medium  High  Very High

1.2 Please list the ToR and MPP objectives in your high priority order 1 – 3

--

1.3 Please indicate any modifications to the ToR that would better respond to ECOTECH and APEC priorities and goals

--

**2. Impact of MTF Activity:**

Please answer the following questions in relation to the MTF meetings, projects and activities over the last three (3) years.

2.1 Please list the meetings, projects and activities implemented in your member economy.

--

2.2. How would you rate the level of impact that the MTF activity has had in your member economy?

Very Low  Low  Medium  High  Very High

**3. MTF Strategic Direction**

3.1 How satisfied are you with the strategic priorities and directions of the MTF

Very Low  Low  Medium  High  Very High

3.2 Please suggest ways to improve the strategic priorities and directions of the MTF for the future.

--

3.3 Please suggest ways to improve the responsiveness of the MTF to its priorities and APEC goals.

--

3.4 How does MTF rate in considerations to gender issues

33  
Very Low  Low  Medium  High  Very High

3.5 Please suggest ways to improve the level of consideration given by the MTF to gender issues and implications on policy and strategic direction.

**4. MTF Capacity Building:**

4.1 How would you rate the effectiveness and efficiency of the MTF in managing its tasks?

Very Low  Low  Medium  High  Very High

4.2 Please suggest ways to improve the management of MTF tasks.

4.3 How would you rate the effectiveness and efficiency of the MTF in assuring that its capacity building activities are contributing to the achievement of the APEC Bogor goals?

Very Low  Low  Medium  High  Very High

4.4 Please suggest ways to improve capacity building activities so that they contribute to the achievement of the APEC Bogor goals.

**5. MTF Collaboration:**

5.1 Please suggest ways to develop synergies and improve collaboration with other APEC fora.

5.2 Please suggest ways to improve collaboration with non-APEC parties, including the private sector, civil society and other international organizations.

5.3 Please suggest ways for the MTF to access additional resources and opportunities to share programs or projects.

**6. Other Comments**

6.1 Please provide any other comments you have about the MTF.

**Thank you for your participation**

## Appendix 2

**Table 2 INDEPENDENT ASSESSMENT OF THE MTF WORKPLAN**

<b>Task/ Activity</b>	<b>Details</b>	<b>Timeline</b>	<b>Comments</b>
1. Review all MTF activities and assess the outcomes and how they support the main objectives and goals	Source all available E and hard copy information and records and analyse	March 22 – April 22	Most of this information on the APEC website
2. Contact each member economies to complete a Questionnaire	Distribute <u>Questionnaire</u> addressing MTF activities and draft up recommendations, and compile the results	April 4 – May 1	MTF Group contact details and invitation to assist the Assessment by completing the survey forms by May 1st
3. Follow up the Questionnaire at the 5 <sup>th</sup> MTF Meeting at Big Sky Montana, USA	Meetings with MTF members for personal feedback and input	May 7 - 8	Arrange short meetings with key MTF members
4. Evaluation of the results of the surveys and review MTF's Terms of Reference	Record and analyse all survey results and identify ways to strengthen MTF's strategy for the future	May 10 – June 1	Draft up the results
5. Review MTF priorities and Members vision for the future	Assess stakeholders participation especially industry and communities attention to special mining development issues	June 1 - 10	Search relevant information on these issues
6. Review list of previous MTF recommendations for more efficiency and effectiveness and capacity building activities	Review and analyse the MTF members mineral policies and regulations and their requirements for institutional strengthening	June 10 - 20	Compare jurisdictions state vs central government and needs for education and training
7. Assess synergy issues with relevant APEC fora	EWG, HRDWG, GFPN, ISTWG, ACT, ABAC,	June 20 - 25	Compare MTF similarities and overlap
8. Identify opportunities for non-APEC collaboration and provide recommendations	Mining industry, IFIs, Study Groups, OECD Steel Committee and others	June 25 - 30	Search relevant websites and evaluate
9. Gender Issues in part from the survey and meetings 2. and 3. above	Assess the role of women in the MTF activities	July 10 - 15	Will be incorporated in the Draft of results
10. Draft up 1 <sup>st</sup> rough draft list of recommendations to be presented to the SCE meeting in the USA in September	Distribute 1 <sup>st</sup> Draft by July 21 to the MTF and SCE for feedback and input by August 1 <sup>st</sup> in time for the 2 <sup>nd</sup> Draft to be prepared	July 15 - 20	Deadline for feedback by August 1 <sup>st</sup>
11. Finalise the recommendations from feedback and prepare a Draft Report on the initial findings	Submit Draft Report to APEC Secretariat by August 15 <sup>th</sup> and invite Comments	August 1 - 15	Deadline for feedback Comments by September 1 <sup>st</sup>
12. Comments analysed for preparation of Final Report	Prepare Draft Final Report for SCE Meeting in San Francisco September 12 <sup>th</sup> – 26 <sup>th</sup>	September 1 <sup>st</sup> – 10 <sup>th</sup>	Power point presentation to be made available if unable to attend the meeting due to overseas trip from <b>Sept 25 – Oct 25</b>

13. Analyse the MTF response and produce and present the Final Report	Submit the Final Report by November 1st in time for the November 8 <sup>th</sup> SCE Meeting in Honolulu	October 26 – November 1	Will work and keep track of this during my overseas trip
14. Final Project Deliverables	Project close out and payments	End of November	Invoices

### APPENDIX 3

**Table 4 APEC MTF MEETING/ WORKPLAN INITIATIVES ASSESSMENT SUMMARY 2008 - 2011**

MTF INITIATIVE (MPP)/ INTEREST	MEETING-WORK PLAN/RESULT	ASSESSMENT/ COMMENT
1. Investment policies (MPP 4)/ China and Russia	MTF 1 - 5 / inactive	Strategic Direction / Specific to each economy
2. Regulation and transparency. (MPP 2) /Russia	MTF 1 - 5 / inactive	Strategic Direction / Specific to each economy
3. Skilled workforce. (MPP 10)/	MTF 1/ inactive	Capacity Building/ Generic and specific to each economy
4. Sustainable development (MPP 1, 6,10 /	MTF 1 - 5/ on going active Conference July 2009, Singapore	Outcome/ Impact/Strategic Direction/ Very important and relevant
5. Best practices (processing of iron ore.) (MPP 7)/ Russia	MTF 1 - 5/ inactive (iron ore processing not followed up)	Strategic Direction / Industry compliance
6. Friends of the Chair (FoTC) expert advice (MPP 3, 4)/ Russia	MTF 1 - 5 / established, inactive but Annual report expected	Collaboration / Lack of industry input and advice
7. Business sector and other organizations/stakeholders (MPP 6)/	MTF 1 - 5/ World Bank Participation but inactive	Collaboration / Lack of input from experts
8. APEC MTF submission to UNCSD (MPP 1,6, 10)/ Russia	MTF 1- 5/ Report on SD Mining Sector in APEC to UNCSD in 2011	Outcome/ Impact/Strategic Direction/ / Collaboration / Important report
9. ASEAN Senior Officials Meeting on Mining, the IFMMMSD, CAMMA and African Mining Partnership. CSD (MPP 10)/	MTF 1 - 5/ no response or interest from IFMMMSD, CAMMA, AMP, CSD	Collaboration/ Reflects no or little commonality
10. HRDWG CSR project (MPP 10)/ Interfora activity  SMEWG (MPP 8)	MTF 1-5/ on going active Workshop, 2009. Peru  Small-scale mining potential ?	Outcome/ Impact/Strategic Direction/ Capacity Building/ Collaboration / Successful workshop Collaboration/ interfora
11. Report developments, events, trends and other initiatives (MPP 2)	MTF 2/ inactive	Related to FoTC agenda but not realised
12. Balancing between Mining and Environment for Sustainable Development (MPP 1, 6, 7, 8, 10) / Korea	MTF 3 – 5/ active Workshop 2010, Korea and publication	Outcome/ Impact/Strategic Direction/ Capacity Building / Successful Workshop and resulting publication
13. Investment Facilitation in Mining & Research of the tax regimes in mining (MPP 4, 5, 8)/Russia	MTF 3 -5/ proposal	Strategic Direction / Published information available
14. EU classification of nickel alloys/ Russia	MTF 3 – 5/ consultation	Collaboration / Special interest with mostly European connection
15. International Nickel, Copper, Lead and Zinc Study Groups and OECD Steel Committee/ USA	MTF 3 – 5/ consultation	Collaboration / Purpose ?
16. Capacity Building for Sustainable Development Indicators (MPP 1, 6, 9, 10)/ Malaysia, Thailand	MTF 3 – 5/ proposal not approved	Strategic Direction / SD follow up
17. Anti-Crisis Measures in Mining (MPP 2, 3, 5)/	MTF 3 – 5/ proposal	Strategic Direction/ Published information available
18. MTF Annual Report to SOM	MTF 3 – 5/ proposal	Outcome/ Overdue
19. Building Capacity for Low Carbon Mining (MPP 7)/ China	MTF 4 – 5/ proposal	Strategic Direction – Green Growth /
20. Peer reviews /	MTF 4 - / recommendation	Outcome / Economy evaluations
21. 2009 ABAC recommendations (MPP 3)/	MTF 4 – 5/ noted	Collaboration/ Business sector initiative

22. Mining CEO Summit/ MRM 4/	MTF 4 – 5/ proposal recommendation	APEC MTF Review since MRM 3
23. Long-term Action Plan / overdue	MTF 4 – 5/ proposal recommendation	Outcome/ Collaboration/ Input from industry
24. Mining Policy and Information Sharing (MPP 2)/	MTF 4 – 5/ proposal	Strategic Direction/ Economies experiences
25. APEC fora IEG,HRDWG,SMEWG,EWG etc	MTF 5/ early on going	Collaboration / interfora lack of commonality
26. APEC EoDB	MTF 5/ recommendation	Collaboration/ Business

#### Appendix 4

**Table 5 Economies Activities Record** (no record for Brunei and no data for MTF2)

<b>Economy</b>	<b>MTF Meetings/ Total attendance</b>	<b>Activity - Project Number / APEC Support Fund – ASF / Operational Account - OA</b>	<b>People Affected (+ multiplier)/ Cost Effective/ Sustainable/ Replicable</b>
Australia	1,3,4,5 / 6	Hosted the APEC MRM 3 Perth, February, 2007 established the MTF	Large gathering + / cost effective/ lack of follow up to MRM 4
Canada	1,4/ 3	No record	Very limited
Chile	1,3,4/ 7	No record	Very limited
China	1,3,4,5/ 16	Workshop “Stewardship-Life Cycle Partnerships”, Beijing, November, 2007	90 private and public sector +/- cost effective/ no follow up
Hong Kong	1/ 1	Non MTF member	Unknown
Indonesia	1,3,4,5/ 14	Workshop “Life of Mine Planning for Improved Sustainable Development Outcomes” Jakarta, November, 2007	100 private and public sector +/- cost effective/ theme further developed and replicated in 2009 and 2010
Japan	1,3,4,5/ 22	4th MTF Sapporo, May, 2010	55 delegates from 16 economies
Korea	1,3,4,5 / 17	Workshop “Balancing Competing Demands of Mining, Community and the Environment to achieve Sustainable Development in the Mining Sector, Seoul, September, 2010 - MTF04/2009A / ASF	31 + from 12 economies / cost effective/ sustainable/ replicable
Malaysia	3,4,5/ 7	Project proposal with Thailand	Limited
Mexico	4/ 1	No record	Unknown
New Zealand	1,3/ 2	No record	Unknown
PNG	3,4/ 5	No record	Unknown
Peru	1,3,4,5/ 10	1 <sup>st</sup> and 2 <sup>nd</sup> MTF Arequipa, May, 2008 and Lima, August, 2008 Workshop with HRDWG “Creating a Framework for Corporate Social Responsibility Stakeholder Dialogue: Mining Industry Operations”, Lima, September, 2009 – MTF02/2009A / ASF	34 delegates from 15 economies unknown number from 10 economies 118 + from 11 economies/ cost effective/ sustainable/ replicable
Philippines	1,3,5/ 3	HRDWG proposal “Capacity Building of Mining Stakeholders in APEC Economies on Corporate Social Responsibility” - HRD03/2009A/ ASF	See Peru Workshop
Russia	1,3,4,5/ 26	“Sustainable Development of Mining Sector in APEC” Report to UNCSD, February, 2011- MTF01/2009 / OA “Socio-Economic Study Impact of EU Nickel Compounds’ Classification on APEC Economies “ – MTF01/2010S/	UN distribution / cost effective/ sustainable/  Special interest
Singapore	3/	3 <sup>rd</sup> MTF Singapore, July, 2009 Conference on Sustainable Development in Mining in the APEC Region	47 + from 16 economies Preceded MTF 3/ cost effective/ sustainable/ replicable
Chinese Taipei	1,3,4,5/ 6	No record	Very Limited
Thailand	3,4/ 7	Proposal with Malaysia	Limited
USA	1,3,4,5/ 3 till host of MTF 5 with 12	Proposal “Creating a Framework for Corporate Social Responsibility Stakeholder Dialogue: Mining	See Peru Workshop



		Industry Operations” – MTF02/2009A / ASF 5 <sup>th</sup> MTF Big Sky, Montana, May, 2011	53 from 12 economies including industry participation and presentations
Viet Nam	1,3,4,5/ 9	No record	Very limited

Note: The SD Conference was held in conjunction with the MTF 3 and had a similar attendance, while the Workshops were removed from the MTF meetings but had a good rate of participation indicating that these more practical and topical activities are popular and should be encouraged in the future preferably in conjunction with the annual MTF meetings