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**International environmental policy and
governance issues**

**Progress in the implementation of resolution 4/19 on mineral
resource governance**

Report of the Executive Director

Introduction

1. In its resolution 4/19 on mineral resource governance, the United Nations Environment Assembly of the United Nations Environment Programme (UNEP) requested the Executive Director of UNEP, on the basis of reports such as those prepared by the International Resource Panel, UNEP/Global Resource Information Database (GRID)-Geneva and GRID-Arendal, among others, to collect information on sustainable practices, identify knowledge gaps and options for implementation strategies, and undertake an overview of existing assessments of different governance initiatives and approaches relating to the sustainable management of metal and mineral resources.

2. The present report describes the progress made in the implementation of resolution 4/19 through a series of 23 consultative meetings during which more than 1,200 representatives from Member States, including through UNEP national focal points, as well as major groups and other stakeholders, were convened to identify best practices and knowledge gaps, assess governance options, and consider common elements of interest for the next steps on the mineral resource governance agenda. The outcomes of the consultation process provided the basis upon which recommendations and suggested actions are presented for consideration by the Environment Assembly. The report also describes the progress in the work of UNEP on the thematic areas covered in the reports mentioned in the resolution, namely, tailings management, sand and sustainability, and mineral resource governance in the twenty-first century.

* In accordance with the decisions taken at the meeting of the Bureau of the United Nations Environment Assembly held on 8 October 2020 and at the joint meeting of the Bureaux of the United Nations Environment Assembly and the Committee of Permanent Representatives held on 1 December 2020, the fifth session of the Assembly is expected to adjourn on 23 February 2021 and resume as an in-person meeting in February 2022.

** UNEP/EA.5/1/Rev.1.

I. Progress in the implementation of resolution 4/19

A. Consultative process on mineral resource governance

3. In response to the request contained in paragraph 4 of resolution 4/19, UNEP worked jointly with a technical partner, the Sustainable Minerals Institute of the University of Queensland, on the implementation of the resolution. Approximately \$186,000 of Environment Fund resources have been allocated to the activities described in the present report. Extrabudgetary funding was provided by the Government of Switzerland in support of the implementation of the resolution, covering the activities described above and ongoing work until February 2021.

4. A discussion paper,¹ made available in the six official languages of the United Nations, was prepared and distributed prior to a series of consultative meetings. The paper outlined the context for resolution 4/19, summarized global trends, presented key findings from the foundational studies and developed questions for consultation. The paper was downloaded more than 6,000 times. Two podcasts were prepared – the first on the role of the United Nations Environment Assembly and resolution 4/19, and the second on the issue of tailings and the Global Industry Standard on Tailings Management. The podcasts were streamed nearly 900 times.

5. Following those initial efforts, UNEP developed a strategic roadmap for consultations to identify best practices and knowledge gaps, assess governance options, and consider common elements of interest for the next steps. A total of 1,237 participants from 123 countries joined one of 22 virtual consultative meetings held between July and November 2020. The meetings were held in the official languages of the United Nations in one of five formats: (a) briefings to Governments of Member States to introduce the resolution and provide an overview of the consultation process; (b) subregional consultations that included presentations on the foundational studies and an open discussion on the core consultation questions; (c) regional consultations in which the outcomes of the subregional consultations were presented and further refined; (d) global consultations in which summaries from each of the regional events were presented and discussed; and (e) a meeting of representatives of mineral resource governance initiatives. In addition, a Nexus Dialogue on Mineral Resource Governance, organized by the United Nations Environment Management Group in collaboration with UNEP, was held to encourage coordination on the topic across the United Nations system. The entire process was open and inclusive and involved not only Governments but also United Nations system partners and multilateral organizations, as well as expert institutions and representatives of academia and civil society. A total of 111 submissions, in the form of an electronic survey and written responses to the questions presented in the discussion, were received from stakeholders from 61 countries, including 37 written submissions from Member States. Detailed information on the consultation process can be found in the dedicated section of the website of the Green Growth Knowledge Partnership.²

6. The participation of Governments and stakeholders in the activities implemented under the resolution and the wide sharing of best practices and experiences created a conducive environment to deepen international cooperation on the topic. In the consultations, a preference was expressed for distributed forms of resource governance that promote coherence and the harmonization of action at all scales. Participants noted that such approaches could take the form of building upon existing institutions and multi-stakeholder governance initiatives, as well as mainstreaming key aspects into national laws and regulatory instruments, supported by international cooperation, coordination and capacity-building.

7. Participants in the consultations also expressed concerns about governance capacity at all levels (from community to international) and with respect to several themes. Lack of capacity development was perceived as a key barrier to achieving the aspirations of existing mineral resource governance initiatives. Some of the most pressing issues raised related to artisanal and small-scale mining; transparency and accountability; environmental due diligence; tailings management; holistic project assessment and approval processes; the role of the financial sector; and the inclusion of local communities, indigenous peoples, women and vulnerable groups. Participants expressed concern regarding human rights violations experienced by people drawing public attention to environmental harm in the minerals sector and stressed the importance of ensuring that barriers to inclusion in decision-making about mining were removed. Participants also raised the importance of developing

¹ Available at www.greengrowthknowledge.org/research/discussion-paper-regional-consultations-implementation-united-nations-environment-assembly.

² Available at <https://greengrowthknowledge.org/initiatives/unea4-mrg>.

and mainstreaming circularity in mining value chains and highlighted the need to broaden the focus of mineral resources governance to include domestically consumed development minerals, such as construction materials and industrial minerals.

8. Several good practices were also presented during the consultations. Many participants were of the view that international initiatives centred on human rights and development³ and due diligence⁴ provided a strong guiding framework for the development of more specific initiatives and plans. Participants considered the Global Industry Standard on Tailings Management to be an important development and called for its successful implementation. Participants emphasized the value of sharing information on existing initiatives and collaboration to inspire adaptation and replication.

B. Tailings management

9. Following the loss of 270 lives after the catastrophic failure of a tailings storage facility at the Vale Córrego do Feijão mine near Brumadinho, Brazil, on 25 January 2019, UNEP co-convened the Global Tailings Review with the Principles for Responsible Investment and the International Council on Mining and Metals. The Review, financed by the International Council on Mining and Metals, was announced on 27 March 2019, with the aim of establishing an international standard for tailings storage facilities. An independent chair, Bruno Oberle, was appointed on 24 April 2019 to oversee the Review, supported by a seven-member expert panel and a 15-member multi-stakeholder advisory group.

10. After a public consultation process,⁵ the Global Industry Standard on Tailings Management was launched on 5 August 2020. The Standard applies to both existing and future tailings facilities and addresses issues such as project-affected people; the social, economic and environmental knowledge base; the design, construction, operation, maintenance, monitoring and closure of facilities; management and governance; emergency preparedness and response; and public disclosure and accountability. The virtual launch was attended by more than 1,500 people, and the Standard has been downloaded from the Global Tailings Review website 5,948 times.

11. Meanwhile, in January 2020, GRID-Arendal launched the Global Tailings Portal, an online information repository on tailings storage facilities.⁶ The data for the Portal were derived from a disclosure request issued on 5 April 2019 by the Church of England Pensions Board and the Council on Ethics of the Swedish National Pension Funds on behalf of 112 investors representing \$14 trillion in assets under management.⁷ The information disclosures revealed new data on more than 1,800 unique tailings facilities containing 44.54 billion cubic metres of waste material, corresponding to approximately 30 per cent of global mineral production. GRID-Arendal received budgetary support to develop the Portal from the Church of England Pensions Board, the Council on Ethics of the Swedish National Pension Funds and UNEP. More than 12,000 people have accessed the Portal.

C. Sand and sustainability

12. UNEP/GRID-Geneva continued work on sand with a view to catalysing changes in unsustainable practices associated with sand extraction and use. This work contributes to the implementation of the resolution and responds to a key recommendation of the 2019 report of UNEP/GRID-Geneva titled *Sand and Sustainability: Finding New Solutions for Environmental Governance of Global Sand Resources*⁸ to develop a comprehensive understanding of the sand value chain. UNEP/GRID-Geneva focused its work on promoting awareness, innovation in monitoring and dialogue on sand governance and has conducted a preliminary assessment of terminology and data classification relating to sand, gravel and crushed rock extraction, transport and use. UNEP/GRID-Geneva also co-hosted a high-level panel on sand governance on 13 October 2020 with the Green Growth Knowledge Partnership. Work on global sand resources and sustainability is supported by extrabudgetary support from the Government of Switzerland.

³ Such as the Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework, the Sustainable Development Goals and the United Nations Declaration on the Rights of Indigenous Peoples.

⁴ Such as the due diligence frameworks of the Organization for Economic Cooperation and Development.

⁵ For more information, see <https://globaltailingsreview.org>.

⁶ For more information, see <https://tailing.grida.no>.

⁷ The request was made in the context of the Investor Mining and Tailings Safety Initiative.

⁸ Available at <https://wedocs.unep.org/handle/20.500.11822/28163>.

D. Mineral resource governance in the twenty-first century

13. The International Resource Panel, on 17 February 2020, published the report entitled *Mineral Resource Governance in the Twenty-First Century: Gearing Extractive Industries towards Sustainable Development*.⁹ According to the report, the mining sector presents both opportunities and risks for advancing sustainable development, in particular in low-income countries. The report maps existing international governance frameworks and initiatives relevant to improving the sustainable management of mineral resources. The full report has been downloaded 5,474 times, and the summary for policymakers has been downloaded 5,139 times.

II. Recommendations and suggested actions

A. Material intensity of recovery following the coronavirus disease (COVID-19) pandemic

14. Minerals, in particular in the context of infrastructure development, and the metals associated with renewable energy will play an important role in the infrastructure-related stimulus packages to build back better following the coronavirus disease (COVID-19) pandemic. The sourcing of those minerals from sustainable and responsible mineral supply chains, in particular mineral aggregates, could play an important role in “building back better”. In that context, the Environment Assembly may wish to request UNEP to convene a dialogue on the role of mineral resources in “building back better” following the COVID-19 pandemic. That dialogue could be enhanced through parallel efforts to consider (a) the role of the minerals sector, especially construction materials, in disaster recovery and planning; and (b) the strengthening of the technical and sustainability standards of development banks for the sourcing of construction materials, including sand.

B. Platforms for cooperation and capacity-building

15. To accelerate action on sustainable mineral governance, the Environment Assembly may wish to encourage Member States to develop and advance, with the support of UNEP and in cooperation with other relevant organizations, the scoping of mechanisms to enhance implementation of existing governance initiatives, share knowledge across regional and international boundaries, and enhance connections between different stakeholder groups throughout the minerals supply chain.¹⁰ The following could be considered:

- (a) Establish an intergovernmental working group on the sustainable development of minerals and metals to identify priorities for future action and advance specific themes;
- (b) Expand and regionalize existing forums through wider participation to include environment and mining ministries; ministerial-level representation and engagement; partnership with regional economic communities; and enhanced dialogue between producers, financiers and consumers;
- (c) Dialogue with Member States and multi-stakeholder governance initiatives to set minimum standards,¹¹ which should take a holistic and human rights approach and consider effective transparency and accountability aspects, and may include options for legal remedies and minimum standards for community benefit-sharing;
- (d) Establish a funding mechanism to scale up capacity-building, knowledge-sharing and cooperation between Member States and other stakeholders in mineral resource governance.

C. Tailings management

16. The Global Industry Standard on Tailings Management was recognized as a significant advance in tailings governance, with the potential to improve safety and environmental outcomes. The Environment Assembly may wish to:

- (a) Highlight the importance of the establishment of an independent entity to oversee, support and provide assurance on the implementation of the Standard;

⁹ Available at <https://www.resourcepanel.org/reports/mineral-resource-governance-21st-century> .

¹⁰ For instance, environmental and mining ministries, mining companies, financiers, manufacturers, civil-society organizations, affected groups and others.

¹¹ In the spirit of the International Labour Organization labour standards and the International Finance Corporation Performance Standards.

(b) Encourage Member States to prioritize the decommissioning, removal and rehabilitation of unsafe facilities, in particular those with no responsible owner;

(c) Encourage continued cooperation among United Nations agencies and relevant stakeholders to strengthen tailing governance and request the Executive Director of UNEP to collate and commission further research on innovations in tailings management, reduction, recycling and re-use, in particular the potential to re-use benign tailings material as an alternative to natural aggregate in the construction and land reclamation sectors, and to further develop the Global Tailings Portal to expand access to information.

D. Harmonization and alignment of governance initiatives

17. To streamline dialogue among mineral governance initiatives, as well as among stakeholders in general, the Environment Assembly may wish to encourage and formalize discussions about the alignment and harmonization of those initiatives. Options for incorporating or expanding new areas of governance, especially enhancement of the coverage of environmental issues, could be explored with the aim of improving holistic governance of the sector. Aspects that could be further explored include the following:

(a) Dialogue between Member States and partners on potential avenues for mainstreaming existing voluntary initiatives into national laws and regulatory instruments;

(b) Collaborative initiatives for capacity-building, focusing on “building from below” in order to reduce power asymmetries at the supply base;

(c) Development and implementation of a harmonized approach to auditing existing governance initiatives to enhance efficiency and coherence;

(d) Sharing of information to enable consumers, shareholders and other stakeholders to make informed decisions.¹²

E. Artisanal and small-scale mining

18. The Environment Assembly may wish to:

(a) Encourage Member States to action and adapt to the local context the Mosi-oa-Tunya Declaration on Artisanal and Small-scale Mining, Quarrying and Development;¹³

(b) Encourage Member States and other stakeholders to conduct research and share knowledge regarding the scale and geographic extent of the artisanal and small-scale mining sector through country-wide censuses;

(c) Request UNEP to work with other United Nations agencies and other bodies to investigate the development of a standard similar to the Equator Principles to support the financing of artisanal and small-scale mining for transformation, and to investigate options for strengthening artisanal and small-scale mining associations at the international level.

F. Mine waste recycling, re-use and circularity

19. While there have been discussions on the application of circularity approaches, specific programmes and projects are needed to build on previous work calling for better systemic engagement along the minerals supply and consumption chains, incorporating all relevant actors. The Environment Assembly may wish to encourage Member States to support further research and policy actions on mine waste and circularity. Examples of areas for investigation could include the recycling and re-use of tailings and other mine waste and by-products, re-mine and re-process wastes (including from artisanal and small-scale mining), re-use of demolition waste, and incorporation of waste re-use options in mine planning and closure planning.

¹² Including by building on the findings of the UNEP report entitled *Sustainability in the Mining Sector: Current Status and Future Trends*, published in 2020 with financial support from the Government of Switzerland through a contribution of 75,000 Swiss francs (approximately \$75,346).

¹³ For more information, see www.greengrowthknowledge.org/research/mosi-oa-tunya-declaration-artisanal-and-small-scale-mining-quarrying-and-development.

G. National-level governance

20. Although significant work has been done to strengthen mineral laws, the Environment Assembly may wish to encourage Member States to continue legal reforms and support sectoral transformation by adopting laws that include aspects of public participation, remedy and redress, transparency, trade agreements, value chain and linkage development, private-sector controls, anti-corruption efforts and long-term environmental liability. Legal frameworks should also extend to minerals that are mined or quarried, processed and used domestically, which are often referred to as development minerals.
