Sustainable Development of Mining Sector in APEC

Purpose: Consideration
Submitted by: Russia
### APEC PROJECT PROPOSAL

#### Facesheet

**Name of Committee/Working Group:** Mining Task Force (MTF)

**Title of Project:** Sustainable Development of Mining Sector in APEC

**Proposing APEC Economy:** 1) the Russian Federation

**Co-sponsoring APEC Economies:** 2) Viet Nam  3) Chinese Taipei  4) Thailand

<table>
<thead>
<tr>
<th>Project number</th>
<th>Date received by Secretariat</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTF /2009</td>
<td>(To be filled in by Secretariat)</td>
</tr>
</tbody>
</table>

(Tick ✓ one)

- [✓] Project seeking APEC funding
- [ ] Progress Report
- [ ] Evaluation Report

(Tick ✓ one if applicable)

- [ ] Operational Account
- [ ] TILF Special Account
- [✓] APEC Support Fund

(Tick ✓ if applicable)

- [ ] QAF attached
- [ ] QAF not applicable
- [✓] QAF attached

#### Financial Information

<table>
<thead>
<tr>
<th>Financial Information</th>
<th>Total cost of proposal (US$): $ 266,185</th>
<th>Amount being sought from APEC funding (US$): $ 108,665</th>
</tr>
</thead>
</table>

**Type of Project:**

- [✓] seminar/symposium
- [✓] survey or analysis and research
- [ ] short-term training course
- [ ] database/website
- [ ] others: strategy/action plan development

<table>
<thead>
<tr>
<th>Project start date</th>
<th>Project end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2009</td>
<td>December 2009</td>
</tr>
</tbody>
</table>
Brief Description of Project – its purpose and the principal activities (including when and where):

In the milieu when world minerals prices have been rising, in some cases to historically high levels, while competition for access to natural resources and commodities markets has been intensifying, the task of maintaining sound and facilitative all aspects ( economical, social, environmental) of sustainable development policies in mining sector is becoming both unprecedentedly important and challenging. APEC Ministers Responsible for Mining at their third meeting in Perth, Australia, 2007 recognised, «especially in the era of globalisation, the need for closer regional cooperation for the sustainable development of the region’s minerals resources». Ministers also decided to initiate work towards formulating an APEC position on sustainable development in the mining sector and provide an input to the United Nations Commission on Sustainable Development (UNCSD) reflecting shared interests of APEC economies. The newly established APEC Mining Task Force (MTF) has been tasked with drafting a report for submission to the UNCSD process.

The project is designed, building on a comprehensive review of the latest trends in the APEC mining sector, to prepare a report bringing together views of academia, business community, government officials and corresponding to mainstream of the UNCSD process. The main elements of the project are:

- networking of experts in APEC economies with the aim of identifying the trends and drivers for minerals commodities markets which facilitate and impede the sustainable development of mining sector;
- regional analysis of these trends, forecast of the situation and compilation of proposals to ensure sustainable development in the context of APEC and UNCSD agenda;
- drafting the report based on the conducted research and analysis;
- a 2-day conference (June 2009, Singapore) to discuss the results;
- presentation to the MTF of the main research outcomes and the draft report and its subsequent submission to the APEC Senior Officials and APEC Ministers Responsible for Mining.

The proposed project will complement various APEC ECOTECH activities in the minerals and mining sector. It will respond to the capacity building needs of APEC economies by providing strategic direction on policymaking in the context of sustainable development goals.

Project Overseer: Mr. Yuriy Mikhailov, Deputy Head of Division, Industrial Policies in Metallurgy and Resources Supply to Industry, Ministry of Industry and Trade

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Tel: +7 (495) 251-9764
Fax +7 (495) 251-9764
E-mail: Mikhailov@minprom.gov.ru

Signature of Project Overseer:

(Separate written confirmation acceptable for email submission) Date: July 7, 2008

Signature of Committee Chair/WG Lead Shepherd: (Not applicable to Progress Report and Evaluation Report)

(Separate written confirmation acceptable for email submission) Date:
Details of the Project Proposal

Please provide your answers in ball points or as succinctly as possible below each paragraph heading.

A. Project Design

Project Objectives

1) Describe briefly how this project directly responds to the priorities set by APEC Leaders and Ministers and/or the vision of the host economy. Please make reference to the relevant parts of APEC documents.

Since the adoption of the APEC Economic Leaders’ Economic Vision Statement at Blake Island, Seattle, USA in November 1993 saying among other things that "our environment is improved as we protect the quality of our air, water and green spaces and manage our energy resources and renewable resources to ensure sustainable growth and provide a more secure future for our people", APEC’s commitment to advancing sustainable development in the region has been reiterated on numerous occasions.

Sustainable development has been an ECOTECH priority in APEC since 1996 and was revitalized in recent years.

An APEC High-Level Meeting on Sustainable Development was held in Santiago, Chile on 20-21 July 2006. The conclusions and recommendations of the meeting included:

- To encourage APEC Working Groups to coordinate their work on sustainable development through the exchange of information and ongoing cooperation between and among APEC economies.
- To improve the exchange of information between APEC and other international organizations, such as UN-CSD, WTO, OECD, and the World Bank.
- To consider civil society participation and dialogue in future work on sustainable development.

The issue was placed at the core of the APEC Ministers Responsible for Mining (MRM) agenda since their first meeting in Antofagasta, Chile, in June 2004. The Ministers agreed then that “the sustainable development of the mining and metals industry in the APEC Region enhances wealth creation, environmental outcomes and socially responsible development and results in enhanced value for society”. Among the early action items there was the one “to demonstrate the contribution of minerals and metals to sustainable development”.

Discussions of the sustainable development issues in mining were taken further at the second APEC MRM meeting in Gyeongju, South Korea, in October 2005. The related action tasks were specified by encouraging “information exchange and cooperation on environment-friendly mining technology, such as energy efficient technology, and mining pollution control technology as well as after-mining land management”.

The decision of the third APEC MRM in Perth, Australia, in February 2007, to establish a Mining Working Group (implemented by creating the Mining Task Force) re-emphasized the greater role the mining industry played in the economic growth of the region. The Ministers agreed «to the proposed Mining Working Group developing a draft report for submission to the UNCSD process,
for consideration by APEC Senior Officials prior to consideration by APEC Ministers Responsible for Mining at MRM4».

There is a set of requirements, established by the Commission on Sustainable Development defined:

1. reflect the overall progress in all three dimensions of sustainable development, focusing on the thematic cluster of issues…,
2. focus on concrete progress in implementation,
3. include lessons learned and best practices,
4. identify action taken,
5. highlight relevant trends, constraints, challenges and emerging issues,
6. incorporate, where relevant, the effective use of indicators for sustainable development.

APEC report is to meet these requirements.

The project proposal is designed to facilitate drafting the report by bringing together members of academia, business community and government policymakers in analyzing the latest trends of the APEC mining sector performance. The project proponents will build on the results of earlier researches in this area (including ABARE 2006 Report¹) and will ensure avoiding duplication with completed projects.

The implementation of the project will also indirectly contribute to accomplishing APEC Economic Leaders messages from the Sydney Declaration on Climate Change, Energy Security and Clean Development with regard to sustainable management of natural resources.

2) Describe the key objectives of the project – usually no more than three

The objectives of this project are:

a) Networking of experts in APEC economies with the aim to identify the trends and drivers for mineral commodities markets which facilitate and impede the sustainable development of mining sector; compilation of proposals to ensure sustainable development of mining in APEC region.

b) Drafting a report on sustainable development of mining sector for submission by APEC to the UNCSD process and its consideration to APEC MTF and SOM prior to consideration by APEC Ministers Responsible for Mining at MRM4. The report will include the corresponding indicators for the possibility of their monitoring.

The draft report after MTF approval, SOM and MRM4 consideration will submit in UNCSD as final APEC report.

3) Assessment. With reference to each objective in paragraph 2), provide the current status and expected end-of-project target, so that the success of the project can be measured over the short and medium term. The targets should be quantitative but if this is not possible then a precise description of the desirable change, where appropriate, sex-disaggregated data should be used for assessment in order to detect any differential impact of the project on men and women.

<table>
<thead>
<tr>
<th>Project objectives</th>
<th>Current status</th>
<th>Expected end-of-project status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Networking of experts in APEC economies with</td>
<td>Data handling and analysis of mining sector performance in the region was previously managed through the Expert Group on Minerals and Energy</td>
<td>Completed up-to-date review of the mining sector performance in</td>
</tr>
</tbody>
</table>

the aim of identifying the trends and drivers for mineral commodities markets which facilitate and impede the sustainable development of mining sector; compilation of proposals to ensure sustainable development of mining in APEC region

<table>
<thead>
<tr>
<th>Exploration and Development (GEMEED) that was a sub-forum of APEC Energy Working Group. The latest available outcome of its work is dated 2004-2005. The most comprehensive and up-to-date review of APEC mining sector with a particular focus on sustainable development is ABARE 2006 research report (plus subsequent addition in ABARE 2007 study) which constituted an important background material for the MRM3 in Perth, Australia, in February 2007. The UNCSD has a lot of activities, including high-level meetings and conferences, annual sessions of UNCSD, group work, national SD strategies development and implementation. The World Summit on Sustainable Development (Johannesburg, 2002) reflects the issues of mining in Plan of Implementation. Multi-year Programme of Work for CSD: 2004/2005 to 2016/2017 includes the mining in agenda 2010-2011. However, the current volatile environment and turbulent price trends at the commodities markets, as well as new task of formulating APEC position on sustainable development of the mining and metals sectors, unambiguously require a new comprehensive study of the issue.</th>
<th>APEC with analysis of short-term and long-term prospects. Stocktake of APEC economies views on managing sustainable development in the mining and metals sector.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drafting a report on sustainable development of mining sector for submission by APEC to the UNCSD process and its consideration to APEC MTF and SOM prior to consideration by APEC Ministers Responsible for Mining at MRM4</td>
<td>A preliminary APEC draft report based on UNCSD methods and requirements &amp; (after discussions and revising) draft report on sustainable development of the mining sector for submission to the UNCSD process based on the outcome of the conducted research and conference proceedings. A contribution to UN sustainable development process.</td>
</tr>
</tbody>
</table>

4) Explain who the intended beneficiaries of this project are.

The main beneficiaries of this project are

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• Policymakers in the area of mining in APEC economies. Each economy, on the basis of the present situation analysis, its development forecast and draft proposals on the development, will be able to implement recommendations of project studies and consistently upgrade domestic policies for mining industry, ensuring its sustainable and integral development.

• Enterprises of the mining industry. Businesspersons on every step of mining life-cycle – investment, exploration, extracting, industrial processing and recycling, trade – need information about possibilities and restrictions, coordinate conditions for APEC economies which guarantee sustainable development both of business and society.

• United Nations Commission on Sustainable Development. UNCSD will be provided with necessary information, conclusions and recommendations concerning the sustainable development of the mining sector in the APEC region.

• All consumers of minerals, metal ore and commodities from APEC region. Sustainable development of mining reduces risks of deliver fails and allows long-term activity planning.

• Society of APEC economies. Population of every economy is interested in reasonable distribution of benefits from mining: people-friendly ecology, health, good education, poverty reduction. Only sustainable development of mining sector can provide these requirements.

5) Describe precisely the expected project outputs. Describe how these outputs will benefit the targeted beneficiaries.

*The expected project output for this project*

<table>
<thead>
<tr>
<th>Project Stages</th>
<th>Expected Output</th>
<th>Benefits to Target beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Stocktake of APEC economies views on managing sustainable development in the mining and metals sector.</td>
<td></td>
</tr>
<tr>
<td>Discussion of investigation results and Report drafting</td>
<td>3. An APEC report on sustainable development in mining sector for submission to the UNCSD process based on the outcome of the conducted research and conference.</td>
<td>Provide possibilities of including APEC position in mining into coordinated work on world’s sustainable development.</td>
</tr>
<tr>
<td>Results dissemination &amp; facilitation of Report consideration</td>
<td>4. A contribution to UN sustainable development process.</td>
<td>Provide possibilities of acquaintance with APEC principles, points of view and suggestions in sustainable development of mining sector.</td>
</tr>
</tbody>
</table>

The draft report after MTF approval, SOM and MRM4 consideration will submit in UNCSD as final APEC report. The project executors will facilitate the consideration all version of the report.

6) For applications under the TILF Special Account: Describe briefly how this project will contribute to the APEC Trade and Investment Liberalization and Facilitation (e.g. relevance to specific parts of the Osaka Action Agenda).

Not applicable.
Linkages

7) Which other APEC fora have been consulted about this project and what were the results?

Outline of this project proposal was presented in Arequipa, Peru at the first Meeting of the Mining Task Force (May 2008) and was included in the Work plan of MTF as one of the expected outcomes / deliverables 2008.

8) Active Participation Describe how the intended beneficiaries among APEC stakeholders – APEC fora, governments, private sector and civil society, men/women- will participate in the planning, implementation and evaluation of the project.

The project proponent will collaborate with representatives of the intended beneficiaries since the early stages of the project through APEC Mining Task Force Sub-fora, including Mining Industry Forum. The core event of the project, a two-day conference to be held in June 2009 in Singapore, will bring together the beneficiaries of the project in an open exchange of opinions on the topic in question.

9) Project influence Describe how this project might contribute to any current or completed projects or activities in APEC or elsewhere. Why is APEC the most appropriate institution to fund the project?

The project will contribute to work on sustainable development as a core ECOTECH cross-sectoral priority and will reinforce its particular component that is sustainable development approaches in the mining and metals sector. It will build on the outcome of the latest capacity building initiatives and research projects implemented under the auspices of APEC Mining Task Force, Energy Working Group, Mining Industry Forum and other fora.

The project will also encourage the exchange of information between APEC and UNCSD, translating into practice an important point of the ECOTECH agenda.

APEC is the most appropriate institution to fund the project because the proposed activity is a direct response to the request of the Ministers Responsible for Mining who agreed that the Mining Task Force would develop a Report for submission to the UNCSD process. APEC funding is critical to ensure that all member economies can designate adequate level delegates to attend the conference in an effort to discuss sustainable development of mining in APEC.

Methodology

10) Describe the project’s methodology. Break down the project implementation into discrete functional steps over time with the associated outputs clearly specified. Identify the principal risks involved in each step if any, and explain how they will be managed. Risks may include major delays and failures, expected cooperation not materializing, etc.

The project will proceed in eleven steps of three stages:

<table>
<thead>
<tr>
<th>Stage 1. Expert networking and Investigations</th>
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</thead>
<tbody>
<tr>
<td><strong>Activities</strong></td>
</tr>
<tr>
<td>1. January</td>
</tr>
<tr>
<td>The project leader – senior consultant from the best Russian mining experts and local consultants will be contracting.</td>
</tr>
<tr>
<td>2. January - April</td>
</tr>
<tr>
<td>The project leader will identify the best experts of public and private sectors and policy officials as well as members of academic community from all APEC economies who are well informed and experienced in</td>
</tr>
</tbody>
</table>
### Stage 2. Discussion of investigation results and Report drafting

<table>
<thead>
<tr>
<th>Activities</th>
<th>Output</th>
<th>Risks and their prevention</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. May - June Cooperating with experts from APEC economies, the project executors will develop a preliminary draft report to UNCSD.</td>
<td>List of proposals to ensure the sustainable development in mining and metallurgy. Preliminary draft report, including the indicators and corresponding to UNCSD requirements.</td>
<td>Delays of preliminary draft report development for untimely expert’s references. The good selection of experts is the best prevention of this type risks. Besides all components of the preliminary draft report will be developed in parallel with different experts.</td>
</tr>
<tr>
<td>6. May - June The project executors will plan the Conference, invite member economies and potential participants; speakers, venue, accommodation and transfer preparing.</td>
<td>Conference plan, list of speakers with their themes of presentations, list of invited / confirmed members.</td>
<td>The unsuccessful Conference for weak participation of good speakers and appropriate officials from the APEC economies. The project executors will pay a lot of attention to Conference planning. To ensure the high level of discussions the preliminary draft report will be circulated to the Mining Task Force for review.</td>
</tr>
<tr>
<td>7. June, Singapore The project executors are responsible for holding a Conference to present the findings of the research and analysis, discuss the preliminary draft report to UNCSD, collect and analyze comments and proposals.</td>
<td>Conference proceedings will include study results, discussions results and summary. Conference report.</td>
<td>Noncompetitive quality of Conference proceedings for short activity duration. Special planning of project leader activities will be used for this risk prevention.</td>
</tr>
</tbody>
</table>

### Stage 3. Results dissemination & facilitation of Report consideration

<table>
<thead>
<tr>
<th>Activities</th>
<th>Output</th>
<th>Risks and their prevention</th>
</tr>
</thead>
</table>
| 8. June – July After the Conference the project leader will revise the draft report to UNCSD and submit it to the Mining Task Force session. | The draft report, including the indicators and corresponding to UNCSD requirements. | The main risks of the draft report submission are:  
- incomplete survey of APEC economies opinions,  
- non-full correspondence to |
Approval of the draft report by the Mining Task Force. | UNCSD requirements. Only the previous activities and analysis of UNCSD requirements must provide full range of opinions and the project executors especially will work for this need.

| 9. August – September | Dissemination of the conference proceedings. | The risks of this activity are low.
| The executors will prepare Conference Proceedings and disseminate it after approving of the draft report by the Mining Task Force. |

| 10. September – November | The final APEC report to the UNCSD. | Output of this step is not in zone of responsibility of executor. The active work of APEC Secretariat only could ensure the APEC report submitting to the UNCSD. |
| The project executors will facilitate report consideration on Senior Official Meeting and 4-th Meeting the Ministers responsible for Mining. |

| 11. Closing of the Project | Final project report for APEC Secretariat. | The risks of this activity are low. |

11) Which APEC member economies will participate in each component of this project and what contribution are they expected to make?

It is anticipated that all APEC economies will take part in identifying local experts to provide information of mining sector development and participate in discussions. Representatives from all APEC economies will be invited to participate in the Conference.

Three economies (Viet Nam, Thailand and Chinese Taipei) are the co-sponsors of the project and the experts of these economies will be the most active investigators through out all stages of the project.

Dissemination of Project Output

12) Please include a plan for the publication and dissemination of the results of the project, including:

The Conference proceedings and Final report for APEC Secretariat will be distributed in hard copy, on CD-ROM and electronically for uploading onto websites. It is expected 30-40 copies of each document will be required.

a. the nature of the target audience;

The target audience for:
Research findings – policy makers and mining / metals industry stakeholders APEC-wide.
The draft report – members of the APEC Mining Task Force.
The final report - members of the APEC.

b. the form and content;

The research findings will be made available via the Mining Task Force website, as well as in hard copy and on CD as required.

c. format (e.g. hard copies, floppy discs, internet uploading);

The primary mode of transmission of research findings will be internet uploading to the Mining Task Force website and other interested websites that may be identified.

Additional transmission through hard copies and CDs may be made to interested parties by members of the Mining Task Force.

d. number of copies for the publication;
50 hard copies and 50 CDs will initially be produced. Additional hard copies and CDs may be made by participants on an as-needed basis.

e. a publicity plan for:
   i) briefing of the general or specialist media about key components of the project;
Press releases will be prepared on key findings from the project. Additional information will be distributed subject to requests from media.
   ii) the promotion of sales or other dissemination of the final product; and
The research findings of the project will be made available via the Mining Task Force website. Task Force members will be asked to distribute copies and publicise the key findings within their economies in their respective languages.
f. a budget for publication and dissemination, to form part of the itemized budget.

Amount of $ 3,000 required.

APEC will also be invited to publicize the proposed Conference through existing APEC media outlets and communication channels.

Gender Concerns

13) Many projects have the potential to affect men and women differently because of their different roles and positions in many societies. What steps does this project take to ensure that it benefits both groups and in particular does not disadvantage women? (Common responses include:
using gender analysis to design project methodologies and inputs (e.g. surveys); including women in the planning, management, allocation of resources and implementation of a project; taking steps to ensure equitable participation by men and women; making special efforts to disseminate project results to women; and using sex-disaggregated data for project assessment.)

Women will be consulted at every stage of the project: planning, analyzing, report drafting, and dissemination of results. Generally, there is no proposed gender limits for participation in project. The views of participating women will be given full consideration in the development of the categorization framework and the project report.

14) Show how the objectives of the project provide benefits for women. APEC Ministers have indicated (Framework for the Integration of Women in APEC) that benefits might include:
increasing the involvement of women in the economy and economic institutions; integrating women into the global economy; strengthening small and medium sized enterprises; and reducing gender inequalities, including through education and training.

Participation in the project will be equally open for both genders. It is expected that gender concerns will be considered when identifying experts and nominating consultants and speakers.

Budget

15) Please attach an itemized budget for the project in the format at Annex A. Where appropriate, provide details of the project’s budget that are allocated to activities that address the specific needs of women. The budget should illustrate the assumptions adopted (e.g. unit costs) for the computations. Remember to include all self-funding and to consult the list of eligible expenses in the Guidebook to APEC Projects. Advice on budget formulation, including acceptable unit costs, can be sought from the APEC Secretariat.

See Annex A.

16) A timetable for the drawdown of APEC funding requested for the project, including details of any advance payment or installment payment requested and justifications for such requests.
<table>
<thead>
<tr>
<th>Date</th>
<th>Amount, USD</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 May 2009</td>
<td>10,600</td>
<td>Advance payment for speakers’ travel</td>
</tr>
<tr>
<td></td>
<td>42,600</td>
<td>Advance payment for participants’ travel</td>
</tr>
<tr>
<td></td>
<td>4,365</td>
<td>Advance payment for speakers’ per diem</td>
</tr>
<tr>
<td></td>
<td>29,100</td>
<td>Advance payment for participants’ per diem</td>
</tr>
<tr>
<td></td>
<td>7,000</td>
<td>Conference hosting</td>
</tr>
<tr>
<td>After conference</td>
<td>3,000</td>
<td>Speakers honorarium</td>
</tr>
<tr>
<td>01 July 2009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>01 Dec. 2009</td>
<td>12,000</td>
<td>Final payment</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>108,665</strong></td>
<td></td>
</tr>
</tbody>
</table>

17) Details of any request for waiver or exception from the normal APEC financial rules with justifications. (Examples are from tendering requirements; for advance payment; for government officials to receive funding; for active participants from travel-eligible economies to receive per diems).

A waiver is sought for the following:
- Advance payment for the Conference prepare: speakers’ and participants’ travel and rental of venue.
- Funding for government officials from all eligible developing economies;
- Funding for active participants from travel eligible economies to receive per diems;
- Participation of speakers/experts from other member economies.

Note: Non-APEC participants take part in the conference on self-financing basis.

18) **NOT required for projects for consideration at BMC II (July/August meeting) or for ASF projects but required for all others.** Give reasons for the urgency of the project. (These projects should relate to previous APEC Ministers’ or Leaders’ Declarations or current host economy’s priorities. Reasons may include the project output as contributing to one of the major deliverables for the year)

Not required.
Annex A

APEC Project

*Itemized Budget for Financial Year 2009*

This project is:

- a seminar, symposium or short-term training course
- a survey or analysis and research project

☐ neither the above but involves the provision of equipment

<table>
<thead>
<tr>
<th>Items</th>
<th>No. of Units</th>
<th>Unit Rate (USD)</th>
<th>APEC Funding (USD)</th>
<th>Self Financing (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Labour</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Speaker’s Honorarium (government officials ineligible)</td>
<td>5 speakers</td>
<td>1,000</td>
<td>3,000</td>
<td>2,000</td>
</tr>
<tr>
<td></td>
<td>Russia – 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other APEC economies - 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Translator’s Fees (materials for research and analysis)</td>
<td>1000 pages</td>
<td>8 per page</td>
<td>8,000</td>
<td></td>
</tr>
<tr>
<td>- Short-term clerical and secretarial staff remuneration</td>
<td>2 persons x 4 hrs x 80 days</td>
<td>20 per hrs for 1 person</td>
<td>12,800</td>
<td></td>
</tr>
<tr>
<td>- Senior Consultant – Project Leader from Russia</td>
<td>1 person x 8 hrs x 80 days Preliminary draft report</td>
<td>60 per hrs for 1 person</td>
<td>38,400</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 person x 4 hrs x 100 days Draft report and its consideration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Consultants and researchers Fees (from Russia)</td>
<td>5 persons x 4 hrs x 80 days Preliminary draft report</td>
<td>35 per hrs for 1 person</td>
<td>56,000</td>
<td></td>
</tr>
<tr>
<td>- Consultant Fees (from another APEC Economies)</td>
<td>5 persons x 4 hrs x 10 days</td>
<td>60 per hrs for 1 person</td>
<td>12,000</td>
<td></td>
</tr>
<tr>
<td>Travel (Speakers / Experts / Researchers)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Per Diem (incl. accommodation and &quot;additional payment&quot;)</td>
<td>2 days Conference + day of arrival = 3 days Russia – 2</td>
<td>388 *3 days+ 75% &quot;additional payment&quot; = 1,455</td>
<td>4,365</td>
<td>2,910</td>
</tr>
<tr>
<td></td>
<td>Other APEC economies - 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Airfare (these figures are)</td>
<td>5 persons: Russia - 2</td>
<td>1,500</td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>Travel (Active participants / participants / trainees) (only from travel-eligible economies)</td>
<td></td>
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<td></td>
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<tr>
<td>- Per Diem (incl. accommodation and “additional payment”) (active participants)</td>
<td>2 days Conference + 1day of arrival = 3 days</td>
<td>388 * 3 days + 75% “additional payment” = 1,455</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russia – 2</td>
<td>2 days Conference + 1day of arrival = 3 days</td>
<td>Russia – 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other APEC economies - 20</td>
<td>388 * 3 days + 75% “additional payment” = 1,455</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Airfare (restricted economy class) (these figures are tentative)</td>
<td>22 persons: 2 - Russia 12 - Asia (Indonesia, Malaysia, Philippines, Thailand, Viet Nam, China) 2 - PNG 6-America (Chile, Mexico, Peru)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 - Russia</td>
<td>2 - Russia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 - Asia (Indonesia, Malaysia, Philippines, Thailand, Viet Nam, China)</td>
<td>1,500</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2 - PNG</td>
<td>2 - Russia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-America (Chile, Mexico, Peru)</td>
<td>800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Other items</td>
<td>Publication of report (including distribution)</td>
<td>50 copies</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td></td>
<td>50 copies</td>
<td>60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment / Materials (describe briefly what is required and why)</td>
<td>Conference equipment rental</td>
<td>2 days</td>
<td>1000 per day Depending of countries’ situations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2 days</td>
<td>1000 per day Depending of countries’ situations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Photocopying (no. of copies)</td>
<td>0.1 per pages</td>
<td>1,000</td>
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<tr>
<td>Communications (Phone/ Fax/ Mail/Courier)</td>
<td>500</td>
<td></td>
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</tr>
<tr>
<td>Hosting (pl. briefly describe, e.g., conference room rental, stationery)</td>
<td>2 days</td>
<td>2,500 per day</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>266,185</td>
<td>108,665</td>
<td>157,520</td>
<td></td>
</tr>
</tbody>
</table>
Sustainable Development of Mining Sector in APEC

Project Proposal

MTF2, Lima, Peru, 26-27 August 2008

Project Features

- Proposing APEC Economy - Russian Federation

- Co-sponsors –
  - Chinese Taipei (…proposed project, we see, is an important work for our future activity of MTF…We hope this project will enhance the networking and cooperation of sustainable development of mining sector among APEC economies).
  - Thailand (We are delighted to inform that we fundamentally accept proposal… We wish to cooperate fruitfully with APEC economies for mutual benefit and sustainable development of the region).
  - Viet Nam (It is a good chance for exchanging experiences among economies in the Mining Industry)

- Sources of finance - APEC Support Fund & self-funding

- Deadline - draft Report for submission to the UNCSD process must be presented to SOM for MRM4
Proposal History

- Project Outline was presented on MTF1 and initiator obtained commission to prepare project proposals according to the APEC guidelines on projects.
- First reduction of Project Proposal was sent 7-8 July 2008 by Project overseer.
- Project Proposal was published 5 August 2008 in APEC project database and sent by APEC Secretary.
- Project Outline was essentially revised for this Proposal.

*We thank project co-sponsors for support and suggestions and special thank for Dr. Martin Walter for constructive criticism.*

Project Background (1)

- Asia Pacific region is the main driver of global economic growth and a significant producer and user of minerals and metals.
- … we recognised, especially in the era of globalisation, the need for closer regional cooperation for the sustainable development of the region's minerals resources …
Project Background (2)

Project directly responds to the priorities set by APEC Leaders and Ministers

“We, the Ministers Responsible for Mining representing APEC Member Economies, convened our Third Meeting in Perth, Australia, on 14 February 2007 …

… agreed to the proposed Mining Working Group developing a draft report for submission to the UNCSD process, for consideration by APEC Senior Officials prior to consideration by APEC Ministers Responsible for Mining at MRM4”

Project Objectives

- Networking of experts in APEC economies with the aim of identifying the trends and drivers for mineral commodities markets which facilitate and impede the sustainable development of mining sector; compilation of proposals to ensure sustainable development of mining in APEC region
- Drafting a report on sustainable development of mining sector for submission by APEC to the UNCSD process and its presentation to APEC MTF and SOM prior to consideration by APEC Ministers Responsible for Mining at MRM4
**Project beneficiaries**

- **Policymakers in the area of mining in APEC economies**
  Each economy, on the basis of the present situation analysis, its development forecast and draft proposals on the development, will be able to implement recommendations of project studies and consistently upgrade domestic policies for mining industry, ensuring its sustainable and integral development.

- **Enterprises of the mining industry**
  Business persons on every step of mining life-cycle – investment, exploration, extracting, industrial processing and recycling, trade – need information about possibilities and restrictions, coordinate conditions for APEC economies which guarantee sustainable development both of business and society.

- **United Nations Commission on Sustainable Development**
  UNCSD will be provided with necessary information, conclusions and recommendations concerning the sustainable development of the mining sector in the APEC region.

- **All consumers of minerals, metal ore and commodities from APEC region**
  Sustainable development of mining reduces risks of deliver fails and allow long-term activity planning.

**Sustainable Development**

Sustainable Development Issue in APEC

The APEC Economic Leaders’ Economic Vision Statement at Blake Island, Seattle, USA in November 1993 stated, "Our environment is improved as we protect the quality of our air, water and green spaces and manage our energy resources and renewable resources to ensure sustainable growth and provide a more secure future for our people"

This statement provides the mandate for APEC's work on sustainable development

Current Status in UN
Current Status in APEC

- In March 1994 Ministers adopted an Environmental Vision Statement and a Framework of Principles for Integrating Economy and Development in APEC.
- The APEC Economic Leaders' Declaration for Action issued in Japan in November 1995 reaffirmed the integration of environment and sustainable development into APEC activities.
- The Economic Leaders' Declaration in Canada in November 1997 stated that "Achieving sustainable development is at the heart of APEC's mandate.
- At their 1998 meeting in Malaysia, Leaders reiterated their commitment, "... to advance sustainable development across the entire spectrum of our workplan..."
- APEC Ministers in 1996 decided that APEC Senior Officials should prepare an annual review of activities of sustainable development implementation in APEC, and provide guidance to APEC fora.
- In the 2001 APEC Leaders' meeting, Ministers expressed their commitment to sustainable development in preparing for the World Summit on Sustainable Development (WSSD) in 2002 to reinvigorate the commitment in pursuit of enhancing economic growth, protecting the environment as interdependent objectives.
- The APEC High-Level Meeting on Sustainable Development was held in Santiago, Chile on 20-21 July 2006; the conclusions included:
  - To encourage APEC Working Groups to coordinate their work on sustainable development through the exchange of information among economies.
  - To improve the exchange of information between APEC and other international organizations, such as UN-CSD, WTO, OECD.
  - To consider civil society participation and dialogue in future work on sustainable development.

The main Ideological and Information Sources for Project

Note: The Ministers responsible for Mining on their 3d meeting uncharged the MTF with the task to develop a draft report for submission to the UNCSD process, for consideration by APEC Senior Officials prior to consideration by APEC Ministers Responsible for Mining at MRM4 but did not set the mission to participate in the UNCSD process itself.
**Project Outputs**

- Completed up-to-date review of the mining sector performance in APEC with analysis of short-term and long-term prospects
- Stocktake of APEC economies views on managing sustainable development in the mining and metals sector
- An APEC draft report on sustainable development in mining sector for submission to the UNCSD process based on the outcome of the conducted research and conference

*The report for submission to the UNCSD will provide implementation of APEC sustainable development initiatives and coordination with other APEC Fora*

*Preliminary and final draft reports, results of the consideration and discussion will be disseminated through APEC and MTF web-sites, electronic and paper copies*

**Project Design: Stage 1**

- The project leader – senior consultant from the best mining experts and local consultants will be contracting
- The project leader will identify the best experts of public and private sectors and policy officials as well as members of academic community from all APEC economies who are well informed and experienced in analyzing sustainable development in mining
- A group of consultants and experts will specify the structure of the analysis and design of the future report, build on the latest data available and recommendations of previous studies on the issue
- The project executors will carry out an in-depth analysis based on the general findings of the group of consultants and experts. Their purpose will be to verify the factors, estimate the trends and forecast the evolving performance of the mining industry with special focus on the sustainable development perspective
- Cooperating with experts from APEC economies, the project executors will develop a preliminary draft report to UNCSD
Project Design: Stage 2

☐ The project executors will plan the Conference, invite member economies and potential participants: speakers, venue, accommodation, etc.

☐ The project executors are responsible for holding a Conference to present the findings of the research and analysis, discuss the preliminary draft report to UNCSD, collect and analyze comments and proposals

☐ After the Conference the project leader will revise the draft report to UNCSD and submit it to the Mining Task Force session

☐ The executors will prepare Conference Proceedings and disseminate it after approving of the draft report by the Mining Task Force

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