

QIT Madagascar Minerals (QMM) Biodiversity and
Natural Resource Management Committee
Meeting of October 14-18, 2019

Recommendations

The QMM Biodiversity and Natural Resource Management Committee (BNRMC) met for seven days in Ft. Dauphin and surrounding sites (see trip report for full details). Open, frank, and constructive discussions were held with QMM staff and advisors covering a wide range of topics that relate to the Committee's Terms of Reference. Actions taken by QMM on the recommendations provided by the BNRMC at its previous meeting were reviewed; progress was made on the recommendations and many have already been fully implemented (see the recommendations tracking summary). The Committee greatly appreciated the engagement of QMM personnel, who presented carefully prepared reports, answered all questions, and engaged in lively exchange about challenges and opportunities. The Committee is also very grateful for the contributions made by communities around Tsitongambarika and Ste. Luce, in Andrakaraka and other stakeholders we met with in Fort Dauphin, which greatly enriched the Committee's understanding.

Based on the discussions that took place during the BNRMC visit, the following key recommendations were formulated and conveyed to QMM staff in the closing session:

2019.1.1.

Information on the QMM Biodiversity and Natural Resource Management Committee, along with its recommendations and trip summaries, should be clearly posted on the websites of both QMM and IUCN. Similarly, the names and biographical sketches of the committee members, as well as committee's TOR, need to be posted on both sites.

2019.1.2.

The BNRMC requests that QMM conduct a brief courtesy visit with each of the rural stakeholder groups with which committee members met in October 2019 in order to provide a brief restitution of our recommendations, and in particular Recommendations 2019.1.3, 2019.1.4, et 2019.1.5. The committee also requests that QMM provide to those stakeholders with whom we met who have internet access, an internet link to the committee's recommendations and trip summary.

2019.1.3.

Two members of the committee visited the offset site at Tsitongambarika managed by Asity (October 12-13). We were impressed with the development of the research/ecotourism camp, the alternative livelihood pilots, and the *Acacia* planting. We feel that the approach to conservation at this New Protected Area (NAP) needs careful consideration by QMM, in particular with regard to its impacts on local people. The EIES/PGES¹ for the site identifies that restrictions on resource use associated with the establishment of the PA will lead to economic displacement and could have a negative effect on food security for the local population. However, it identifies only a very small number of PAPs (project affected persons), and the identification of PAPs seems to have followed a more restrictive approach than that used in

¹ Étude d'Impact Environnemental et Social et Plan De Gestion Environnemental et Social du Projet de Création d'une Nouvelle Aire Protégée Tsitongambarika, December 2008.

other New Protected Areas elsewhere in Madagascar (including those managed directly by QMM at Ste. Luce, Petriky and Mandena). The current alternative livelihood activities are, by design, focussed on 3-4 “maîtres exploitants”, who appear to be relatively wealthy and well-informed, with the intention that these techniques will then be expanded to the rest of the population. According to Malagasy law (COAP), the objectives of protected areas must “*contribuer au développement économique et social pour la génération future*” and must include “*le respect du principe de partage équitable des avantages dans le cadre de la gestion de l'Aire Protégée*”. Recently published best practice principles for biodiversity offsets also state that people negatively affected should receive compensation so as to leave them no worse off than they would have been without the establishment of the PA². The approach adopted in the Tsitongambarika offset site may prove successful in improving livelihoods of large numbers of residents, but we see three risks if it fails to do so:

- a. marginalized, very poor households could be left worse off as a result of conservation restrictions, especially if intensified activities by a few community members or immigrants threaten other persons with insecure land tenure (a risk well identified in the EIES for Ste. Luce, for example)
- b. conservation gains could be threatened if marginalised, landless poor lack adequate alternatives, especially if management of the PA is weakened
- c. QMM's reputation may be compromised, given that QMM is likely to receive more intense scrutiny for its conservation actions than other actors involved in managing or overseeing new PAs

QMM staff correctly note the need for multi-stakeholder cooperation to achieve lasting development in these communities, which cannot be the sole responsibility of QMM. However, there is a risk that this could obscure the particular responsibilities that QMM has to cover the costs borne by local people because of conservation actions in the protected areas it supports, which may go beyond its legal obligations under the COAP. QMM claims credit for the biodiversity protected by these sites (as part of its NPI commitments), including through the prevention of activities that were already illegal prior to the establishment of the NAP (e.g. swidden agriculture). It therefore follows that QMM bears some responsibility for these costs, even if the COAP does not require their compensation. Otherwise, local populations could effectively be subsidising QMM's biodiversity commitments.

The members of the Committee are cognizant of the challenges associated with achieving equitable conservation in Madagascar³, and therefore recommend that QMM reviews the approach being used at the Tsitongambarika offset site and considers whether the level of support provided by QMM is adequate to achieve the needed conservation gains in an equitable fashion. QMM should consider interventions that are reasonably robust to wider regional conditions. In particular, QMM and its partners should guard against an over-reliance on ecotourism as a mechanism for generating benefits for local communities. Ecotourism and biodiversity research may develop to be important at the site, but they seem unlikely to benefit large numbers of people in the short term.

² <https://doi.org/10.31235/osf.io/4ygh7> (Report in English) <https://osf.io/53umy/> (Report in French) and <https://doi.org/10.1111/cobi.13184> (journal article, in English only).

³ E.g. <https://doi.org/10.7717/peerj.5106>

2019.1.4.

Similar concerns apply to the protected areas managed by QMM (offset and avoidance sites) at Ste. Luce (which we visited this year), and probably also Petriky (which was visited previously). In the case of each of these sites, PA management in accordance with *cahier des charges* established with the government of Madagascar is an obligation for QMM, which carries an added risk associated with failure to achieve effective conservation. QMM appears to have established a well-functioning system of co-management and monitoring with the federation of COBAs, enhancing their capacity. However, this currently involves a relatively small proportion of the population, while other persons may see no benefit from the protected area. Many of these issues were foreseen in the thorough ESIE/PGES prepared for the site. We recommend that QMM considers whether additional interventions are needed to provide alternative livelihoods/resources, in order to reduce pressure on the protected area in an equitable way. QMM staff should be directly involved in the planning and oversight of these activities, even if they are carried out by a contracted partner. Many of these challenges were identified in the ESIAPGES prepared for the site.

2019.1.5.

QMM has invested significant resources in communities directly affected by the mining activities at Mandena (e.g. by the *seuil de deversement*). However, to date some of these activities have not achieved the desired objectives. In addition to the risks noted in the previous recommendations (regarding livelihoods, natural resources, and QMM's reputation), best practice requires adequate compensation of those affected by mining activities, and continued failure therefore represents an additional risk. QMM must therefore ensure that sustainable economic activities are established in the communities directly impacted by the mine operation and must commit adequate resources to meet this commitment. While such activities may be implemented by contracted partners, QMM needs to ensure long-term support for activities that are appropriate for the specific context of each community concerned, and QMM should also provide for regular, direct contact with these communities to allow for timely evaluation of successes and failures.

2019.1.6

While QMM is an important actor in the Anosy region, it cannot and should not be expected to deliver wider regional development single-handedly. We recommend that QMM consider catalysing (but not necessarily leading) a liaison or coordination committee involving key stakeholder groups in the Ft. Dauphin area, including civil society and state actors. The current political transition provides an opportunity that needs to be taken immediately. This would benefit QMM by helping to:

- a. encourage the entities receiving QMM's royalty payments to allocate resources toward addressing regional and local issues
- b. promote competent civil society entities with which QMM can interact
- c. providing a forum for constructive discussion of QMM's activities

2019.1.7.

QMM has made significant progress in improving communication with stakeholders, including hosting many site visits. Nevertheless, we recommend that further improvements be sought, focusing on several themes that require attention, and which should be targeted to appropriate stakeholders, including:

- a. informing stakeholders of the sequence of decreasing availability of financial resources from exploration and construction to operation

- b. providing clarity regarding the ultimate fate of forest blocks (e.g., S8, Ste Luce) in order to avoid degradation and loss of these forests resulting from a rush to exploit resources
- c. sharing success stories, in particular those that demonstrate community involvement

2019.1.8.

QMM has made a strong commitment to providing transparency, but this should be strengthened with regard to both the public and the BNRMC. At the public level, QMM should seek to ensure the timely distribution of documents such as the ONE audit reports (which should be made available on ONE's website). With regard to the Committee, QMM should provide its members with copies of the ONE audits, the PGES and CSP.

2019.1.9.

QMM has had significant success in its rehabilitation efforts at Mandena, and we believe this will continue. The Committee notes that, in order for successful development and implementation of technical activities to be of long term value, it will be necessary to ensure that appropriate governance and management mechanisms are taken into consideration and made operational as soon as possible, with the full participation of local communities. This may require appropriate restructuring of co-management institutions (e.g. COGEMA) and the evolution of the *dina* to involve a broader range of stakeholders, which will be critical to success. This strategy has been implemented by QMM for several project components; the Committee recommends that it be adopted more generally. [This recommendation updates and replaces recommendation 2018.2.8].

2019.1.10.

QMM has encountered many successes over the last several years, and also some failures. There are many important lessons to be learned from these valuable experiences. The Committee recommends that QMM seek to capitalize on these during the planning and implementation of future activities, and that selected successes and failures be communicated, both internally within QMM and externally to appropriate stakeholders.