

## QIT Madagascar Minerals (QMM) Biodiversity and Natural Resource Management Committee

### Key Recommendations – October 8-11, 2018

The QMM Biodiversity and Natural Resource Management Committee (BNRMC) met for four days in Ft. Dauphin. 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. 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, as well as how to improve their work in order to meet QMM's obligations and commitments in accordance with company strategies and standards. The Committee also visited the mine site and the village of Mangaiky in the neighboring Commune of Ampasy Nahampona. The discussions and site visits provided a good basis for informing the work done by the Committee.

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

1. As pointed out by the BNRMC during its previous meeting, a clearly articulated, long-term vision is needed that describes project success at closure and beyond. It should depict how the landscape and social situation will look and indicate the roles and responsibilities of stakeholders. By using a participative process to develop and nurture the vision throughout the remainder of the project, thereby ensuring shared ownership, it can play a valuable role in identifying priorities and making sure that processes and actions are pertinent and appropriate.
2. QMM will be negotiating with ONE to update the PGES (*Plan de gestion environnemental et social*) by the end of 2018. Among other things, this will establish biodiversity indicators and monitoring obligations for the following five years and determine how significant resources will have to be allocated. QMM must seize this opportunity to refine the current set of indicators in order to ensure that they are effective measures of clearly identified key biodiversity values whose status must be managed, and that they are both smart and cost-effective. Indicators for monitoring should be clearly linked to obligations and commitments. In line with the committee's broader remit, we recommend that QMM consider both environmental (including biodiversity) and community elements, and that the PGES take into consideration the '*transfert de gestion*' of resources (see Recommendation 7).
3. While QMM activities are currently concentrated on Mandena, future access to mineral resources at Petriky and Ste. Luce will depend on maintaining 'license to operate' there and on respecting obligations and commitments related to the protected areas at these two sites, for which QMM has management responsibility. The Committee recommends that QMM reflect carefully on lessons learned at Mandena so that they can be used to inform activities and approaches used at Petriky and Ste. Luce. These lessons should be drawn from a full array of themes (biodiversity, environment, communities etc.) and should include both successes and failures. This information would also be useful for

discussions currently being held at a sectoral level in Madagascar through the Shared Resources Joint Solutions project, in which QMM is appropriately regarded as a pioneer and an example from which a definition of best practice in Madagascar could be developed.

4. QMM's ability to demonstrate that its planning and actions are appropriate and in compliance with obligations and commitments, and that they respect stakeholder rights and interests, is essential for maintaining good relations with civil society. QMM should seek transparency by improving its process of information sharing at the local and national levels and by being proactive. The establishment of a Madagascar-based liaison committee of NGOs and civil society groups with an interest in environmental and community development issues in the Anosy region would be an important way to help achieve this by enabling direct dialogue between QMM and concerned parties, which would facilitate timely responses to concerns. This would also help QMM to understand better the questions and concerns being raised about its operations. Site visits should be arranged for concerned parties so that they can observe first-hand how QMM is operating and what measures are being taken, and to ensure direct dialogue regarding issues and concerns.
5. QMM uses a process referred to as TARP (Trigger Action Response Planning) to anticipate potential environmental problems related to known operational risks and to implement appropriate preventative and corrective actions when needed. The BNRMC recommends that the TARP process be applied specifically to potentially sensitive operations such as: a) those requiring permission from ONE for exceptions to standards set in the PGRE, for example a reduction in the width of buffer strips; and b) when the mining operations begin to approach the Mandena protected area.
6. QMM has invested significant resources in developing alternatives for members of communities in the Mandena area whose access to natural resources has been compromised by project operations, as required by the Mining Code. These efforts have predominantly focused on improving livelihoods through stimulating community economic activities for those directly affected. While this work is necessary, it neglects certain social issues, particularly concerning the youth, which pose both challenges and risks for QMM. Today's youth will come of age within the lifetime of the project and now is the time to engage and involve them in determining what their future will look like. Education and health are, therefore, highly pertinent to QMM's operations and efforts to achieve sustainable management of natural resources. The BNRMC recommends that QMM ensure its community engagement addresses all of these vitally important aspects and that adequate time be devoted both to integrating these elements into its overall strategy and to implementing actions, which will require extended engagement in order to yield sustainable results. QMM should define needs in collaboration with the appropriate technical services (*Services techniques de l'État - STD*), as well as the local communes and other administrative authorities (regions, ministries, etc.) and develop an action plan that is aligned with sectoral policies and existing activities.
7. Large areas at the Mandena site will be planted with fast-growing non-native tree species to serve as a resource for neighboring communities. QMM is considering a '*transfert de gestion*' model for the sustainable management of these areas. The Committee supports this option, notwithstanding the complexities involved (legal, institutional, social, etc.), and recommends that a participatory planning process be

initiated now to ensure full community involvement and ownership, which will be essential for success. Specifically, this process should include the following aspects:

- 7.1. It should be fully aligned with and integrated into the landscape vision (Recommendation 1).
  - 7.2. Given the low biodiversity value of plantations using non-native species, a less risk-averse approach can and should be used compared to what has been required for the '*transfert de gestion*' of natural forests.
  - 7.3. It will be essential to be very clear with stakeholders from the start regarding the nature of the '*transfert de gestion*', including benefits for and responsibilities of each party, and the precise areas that will be managed as plantations of fast-growing species versus those that will be managed for other purposes, such as the protected area and adjacent restored forest.
8. QMM and the local communities at Mandena negotiated and signed a 'dina' that identifies specific individuals as resource users affected by QMM's operations. This has been done as part of QMM's fulfillment of its obligation under the Mining Code to indemnify displaced resource users. Looking forward, while this original rationale will remain important, the dina will now need to evolve to define how shared natural resources such as plantations in rehabilitated areas will be used by the broader community (in connection with Recommendation 7). The BNRMC recommends that QMM give careful consideration to this important task, which is likely to prove delicate and will require significant time and effort given the current level of heterogeneity within the community among the various groups with which QMM has worked to date (land owners, impacted resource users, grazers, fishermen and others).

## Technical comments from the Committee for QMM's consideration

With regard to the valorization of the temporary plantations in areas that will be mined in the coming years (temporary rehabilitation), we would note the following:

1. There is considerable scope for using this process to experiment with different harvesting and transformation techniques. For example, improved charcoal production techniques could be demonstrated and tested which might then be used by the community in the '*transfert de gestion*' involving permanent plantations of fast-growing non-native species.
2. QMM needs to conduct a thorough inventory of the exploitable resources in the temporary rehabilitation areas in order to estimate the quantity of production that is anticipated and the amount of labor that will be required for full exploitation. It seems likely that the level of production will exceed the amount required for subsistence use, making it necessary to develop and implement a plan to valorize the remainder of the exploited resource in an appropriate way that will serve as a model for the '*transfert de gestion*' of the permanent plantations.
3. Assuming that production will exceed the needs for subsistence use, some form of commercial production will be necessary. Since, under current Malagasy forest law, this will require considerable preparation (e.g., agreement with the forestry administration regarding how benefits from commercialization will be managed, discussion with COGEMA of the appropriate form of benefit sharing, etc.), this should be started immediately.
4. In considering which type(s) of exploitation to pursue (community-level management, establishment of an association, involvement of a private-sector partner, etc.), the Committee suggests that QMM emphasize: a) simplicity, allowing management by the COGEMA, which can help to build their capacity; and b) equity of benefit sharing, even if this results in more modest financial returns in the short term.
5. Careful communication will be necessary with the entire community (i.e., not just the resource users with whom QMM is already working) regarding the exceptional nature of these temporary plantations, which must be completely cleared in the coming years, to ensure that they understand how they differ from the permanent plantations involved in the '*transfert de gestion*'.