



CANADIAN ENVIRONMENTAL LAW ASSOCIATION
L'ASSOCIATION CANADIENNE DU DROIT DE L'ENVIRONNEMENT

August 21, 1998

Jan S. Barnabé
Program Officer
Institutional Cooperation Division
Canadian Partnership Branch
Canadian International Development Agency
200 Promenade du Portage
Hull, Quebec, K1A 0G4

Dear Jan Barnabé:

Enclosed with this letter is our Interim Report for **Proj # 038307 S53250 Building Community Capacity Through Mining Assessment Workshops**.

I hope it meets your requirements. If you have any questions you can contact me after September 8th at 416-960-2284 or ktraynor@web.net.

As you probably know we are presently awaiting the report from Universalialia in order to continue our review for possible program funding. At this time we intend to continue to collaborate with Cooperacion in this area of work in the next three years and will be submitting a proposal for the April 1/99 funding review.

Also we continue to get inquiries from excellently qualified recent graduates and graduate students. Are there any funds available through CIDA to assist us in using these people in internships to assist us in this work? Any leads on funding sources in this area would be much appreciated.

Yours sincerely,

Ken Traynor

Building Community Capacity Through Mining Assessment Workshops

ESDP Report August 1998 for Proj # 038307 S53250

This report covers the activities carried out by the Canadian Environmental Law Association (CELA) and Cooperaccion - Solidarity for Development and the funds received in the January - August /98 time period. Cooperation agreements and receipts are attached in Appendix 1 and detailed financial reports are on file at CELA.

Activities Carried Out

Workshops have been carried out in the La Oroya (4) and Cerro de Pasco (2) regions involving community leaders, mayors and councillors, municipal authorities, womens' organizations, students and union representatives. These have identified community problems and needs and development proposals. The workshops have helped establish trust and formalize working relationships between Cooperaccion and the communities as well as identify specific information needs to be addressed with the materials being prepared.

CELA contacted Cominco in Vancouver on behalf of the community of Vicco and Cooperaccion and facilitated a meeting in Lima with between Cooperaccion, Vicco community representatives and Cominco to address particular problems between El Brocal and the community of Vicco. These relations are continuing and Cominco is assisting the dialogue between community representatives and El Brocal.

CELA, EMCBC and Cooperaccion all participated in a Santiago meeting in April to establish the Action Network on Mining in the Americas with counterparts from all over the Americas. Cooperaccion also participated in a mining and communities workshop sponsored by IDRC in Lima in June.

EMCBC and CELA have prepared presentation reports and summaries in 4 mining-specific issue areas:

1. Industry Benchmarks: industry activities and regulatory mechanisms that represent the best existing practices in areas of mineral exploration, toxic waste management, mine reclamation, mine design, community benefits, financial bonding, and land use planning.
2. Community participation: examples of the positive role communities have played in various mine assessments, operations and clean-up initiatives.
3. Non-regulatory codes and standards: a critical analysis of various agreements and commitments made by industry associations, related institutions and multi stakeholder processes.
4. Environmental assessment experiences: case studies on the technical and procedural strengths and weaknesses of several recent assessments carried out in various regions of Canada.

CELA is translating the materials as they are finalized. These materials will be utilised in Cooperaccion's on-going work and November Lima workshop.

Keith Stewart from CELA traveled to Lima in May to observe some workshops and to discuss materials design and needs and to establish effective lines of communication .

With separate funding from the Canadian Autoworkers Projects Fund Cooperaccion has produced a video on Mining and Communities for use in the workshops and a picture exhibition on mining in the La Oroya and Cerro de Pasco which has been shown widely in the area. CELA and EMCBC cooperated with the CBC in producing a documentary report critical of Canadian mining companies and the text has been translated into Spanish and is being dubbed onto the video for use in Latin America with separate funds.

Materials preparation and the workshops have been slightly behind the planned timing. This has allowed us to use the early workshops to identify particular information needs which will be met in the Lima follow-up workshop in November.

Remaining Activities

Two workshops remain in the Cerro de Pasco region and the Lima workshop will be held on 23-25 November. A separate training session on the use of Geographic Information Systems (GIS) will be done in November in Lima involving Cooperaccion and other participants.

We will finalize research, review and translation of all workshop materials (Aug/ Sept 98) and prepare layout and printing of workshop materials (Sept 98)

Cooperaccion will bring the photo exhibit and video to Canada and Quebec in October and participate in mine visits in Quebec and the CEN Mining Caucus meetings and workshops in October.

We will use the October visit to begin planning for further collaboration which will be developed more in Lima in November and following our final evaluation of this project.

Evaluation of Workshops and materials and Final Report(Nov/Dec 98).

Distribution of materials in the Americas and posting to the Miningwatch website.

Interim Financial Report in Canadian Dollars - January - August/98

ITEM	BUDGET AMOUNT	Cash Contribution		Expenditures		Notes
		ESDP	CELA	Spent to Date	Balance Available	
Direct Project Expenses - Cooperacion						
A1. Workshop in La Oroya	9,400	9,400		2,029.19	7,370.81	See Note 1
A2. Workshop in Cerro de Pasco	9,400	9,400		2,075.04	7,324.96	See Note 1
A3. Seminar/Workshop in Lima	4,650	4,650		361.19	4,288.81	See Note 1
A4. Equipment purchase	3,475	3,475		3,440.27	34.73	
A5. Dissemination	700	700		67.60	632.40	
A6. Wages (proj.manager & coordordinators)	10,700	10,700		6,242.02	4,457.98	See Note 2
A7. Admin. Costs in Peru	3,475	3,475		1,988.10	1,486.89	See Note 2
Sub-total	41,800	41,800		16,203.42	25,596.58	
Direct Project Expenses - CELA						
B1. Mining Assessment Workshop Materials Preparation	10,000	10,000		6,650.00	3,350.00	See Note 3
B2. Travel to Peru	3,200	3,200		1,628.08	1,571.92	
B3. Prep.of materials for website	1,700		1,700	0	1,700.00	
B4. Retainer for Translation	10,000	10,000		7,460.00	2,540.00	
B5. Staff time	8,840		8,840	5,610.00	3,230.00	
B6. Communications, office costs	6,200		6,200	3,935.00	2,265.00	
B7. Mining Information Resources (In-kind)	6,000		6,000	3,960.00	2,040.00	
Sub-total	45,940	23,200	22,740	29,243.08	16,696.92	
C1. Project Evaluation (in-kind)	2,500		2,500	0	2,500.00	
C2. Canadian Administration	10,000	10,000		6,346.15	3,653.85	
TOTAL	100,240	75,000	25,240	51,792.65	48,447.35	

Financial Notes:

1. The workshops in La Oroya were accomplished significantly under budget. Through Cooperaccion participation in the local ngo coalition there we were able to utilize on the ground personnel for workshop organization and local municipal facilities for meeting space and food costs. The strategy of meeting four separate times over a period of weeks greatly reduced costs versus the earlier week long sessions we had planned. The same applies to the Cerro de Pasco region. There are still two workshops to go but significant savings for same reasons are anticipated here also. The funds saved will be used to expand participation in the Lima workshop and to help fund a separate training workshop on the use of Geographic Information systems in Lima.
2. A detailed financial report is available for Cooperaccion funds with a further breakdown of their expenditures by line item if required.
3. EMCBC was contracted for \$10,000 to assist in the design and production of capacity building workshop materials focusing on preventing and mitigating the environmental impacts of mining. A detailed accounting of these funds is available from CELA if required.

CELA SPECIAL PROJECT FORM

PROJECT TITLE: Building Community Capacity through Mining Assessment Workshops

Short form code for billing: CIDA Mining Project

Ledger account code: **Bank Account:**

Project: This project will carry out four major activities; 1. The development, testing and evaluation of effective workshop materials for assessing potential impact of mineral development. These materials will be developed and improved from existing materials and strategies used by Cooperacion, EMCBC and CELA. The material on environmental and technical aspects will be the primary responsibility of EMCBC and the community level impacts will be the responsibility of Cooperacion; 2. The translation of materials into Spanish and English, coordinated by CELA; 3. Three workshops in Peru at both the community and national level and separately funded workshops in Chile and Canada using these materials within 12 months; and, 4. Dissemination of the materials in print and electronic forms throughout the Americas.

CELA STAFF PARTICIPANT(S): Ken Traynor

CELA PARTNERS IN PROJECT: Environmental Mining Council of B.C. and the Yukon (EMCBC) and Cooperacion - Solidarity Action for Development of Peru

Contact: Alan Young - EMCBC

Address: 1216 Broad St., Victoria BC, Canada V8W 2A5

Phone: (250) 384-2686

Fax: (250) 384-2620

E-Mail: alan@miningwatch.org

Contact: José De Echave (Mining researcher) - Cooperacion

Address: Francisco Javier Mariátegui 241, Jesús María, Lima, Peru

Phone: Telefax: 011-511-265-6512

Fax:

E-Mail: cooperac@chavin.rcp.net.pe

FUNDING SOURCE(S):

NAME: CIDA ESDP Program

PROJECT OFFICER: Jan S. Barnabé

ADDRESS: 200 Promenade du Portage, Hull, Quebec, K1A 0G4

PHONE: 819-997-3555

FAX: 819-997-0513

EMAIL:

PROJECT DURATION: 1 year Jan/98 to December 31, 1998

PROJECT REPORTS DUE DATE(S)*: August 31/98 Interim report and Dec 31/98 Final Report

PROJECT ACTIVITIES TIMETABLE *:

PROJECT BUDGET TOTAL (DETAILED BUDGET ATTACHED): C\$ 100,240

*** Dates to be entered into tickler system**

Budget in Canadian dollars

EXPENSES		REVENUE			
ITEM	BUDGET AMOUNT	Cash Contribution		In-kind Contribution	
		ESDP	CELA	CELA	COOPERACCIO
Direct Project Expenses - Cooperaccion					
A1. Workshop in La Oroya	9,400	9,400			
A2. Workshop in Cerro de Pasco	9,400	9,400			
A3. Seminar/Workshop in Lima	4,650	4,650			
A4. Equipment purchase	3,475	3,475			
A5. Dissemination	700	700			
A6. Wages (proj.manager & coordordinators)	10,700	10,700			
A7. Admin. Costs in Peru	3,475	3,475			
Sub-total	41,800	41,800			
Direct Project Expenses - CELA					
B1. Mining Assessment Workshop Materials Preparation	10,000	10,000			
B2. Travel to Peru	3,200	3,200			
B3. Prep.of materials for website	1,700		1,700		
B4. Retainer for Translation	10,000	10,000			
B5. Staff time	8,840		8,840		
B6. Communications, office costs	6,200		6,200		
B7. Mining Information Resources	6,000			6,000	
Sub-total	45,940	23,200	16,740	6,000	
C1. Project Evaluation	2,500			2,500	
C2. Canadian Administration	10,000	10,000			
TOTAL	100,240	75,000	16,740	8,500	

ESDP Funding going to the South \$41,800

Percent of CELA Budget this project represents; 12%

Total cumulative ESDP Funding that we have d received since July 11, 1993: \$89,900

Budget Notes

A1 & 2 — The costs for the organization of the various phases of the workshops include: publicity and promotion, coordination, communication, travel costs, per diems, coffee and tea, work materials, secretarial support and facilitation. These costs are based on the experience from workshops done in Rancas in 1996. The budgets for the strategic planning workshop in both locations is \$2700, for the Self-Diagnostic workshop \$2700 and the elaborating community proposals workshop \$4000. Total per location \$9,400.

A3 — Cooperaccion staff organized the international meetings in Lima in February, 1997 on Community Decision Making models in conjunction with CoDev Canada and have extensive experience in such meetings. The budget items for the workshop are :

* Publicity and promotion	1,350
* Infrastructure	1,100
* Materials	400
* Facilitator	400
* Dissemination of results	1,100
* Secretarial services	300

A6 — Wages are for a half-time project manager and a 1/4 time coordinator to organize the workshops and Cooperaccion participation in this project.

B1 -- These funds are for 60 days @\$200 per day for design of materials and technical writing

B2 — Travel quotes are from a Toronto travel agency for people to go to Peru for workshop presentations.

B3 — EMCBC maintains a Mining Information Website and has received funding to upgrade it for use as an organizing tool for B.C. organizations and communities.

B4 — 500 hrs @ \$20/hr

B5 — 1 day per week for 52 weeks @\$170 per day

B6 — Communications costs and office and other support costs

B7 — EMCBC is developing extensive technical experience in G.I.S. mapping software, is developing an extensive mining information database and Website. All of these materials will be available to the project. CELA library resources and librarian available to project as well as material from our subscriptions to a number of mining information services.

C1 — CELA staff will assist in the evaluation design and analysis.



CANADIAN ENVIRONMENTAL LAW ASSOCIATION
L'ASSOCIATION CANADIENNE DU DROIT DE L'ENVIRONNEMENT

August 31, 1997

Gisèle Aubut
Program Officer
Institutional Cooperation Division
Canadian Partnership Branch
Canadian International Development Agency
200 Promenade du Portage
Hull, Quebec, K1A 0G4

Dear Gisèle Aubut:

Enclosed is a project titled Building Community Capacity through Mining Assessment Workshops which we are submitting for funding from the ESDP Program of CIDA. This project has been prepared by and is a collaboration of CELA, the Environmental Mining Council of B.C. and the Yukon and Cooperacion - Solidarity Action for Development (formerly IPEMIN).

I have enclosed the LCD Information Sheet and am also including a revised eligibility assessment sheet for non-Canadian organizations prepared by Cooperacion. I hope all this meets your information needs.

Thank you for all your assistance.

Yours sincerely,

Ken Traynor
Canadian Environmental Law Association

César Mosquera
Cooperacion

ICD PROJECT INFORMATION SHEET

1. **Name of organization:** Canadian Environmental Law Association
2. **Location:** Toronto, Ontario
3. **Project Title:** Building Community Capacity through Mining Assessment Workshops
4. **Country:** Canada and Peru
5. **Sector Code:** 08 and 02
6. **The Canadian Environmental Assessment Act**
 - A. Is an EA required under the CEAA? ☐ Yes ☐ No
 - B. Are CEAA requirements met? ☐ Yes ☐ No ☐ Does not Apply
 - C. Decision:
 - ☐ the project is not likely to cause significant adverse environmental effects
 - ☐ the project is likely to cause significant adverse environmental effects that cannot be justified in the circumstances
7. **Target Group:** 5 - Total Community
8. **WID Code:** 2 - Significant to women
9. **Affected Population:** X - All
10. **Project Description:** The challenge of setting out the terms and conditions for environmentally responsible mineral development will be a central natural resource issue in this next phase of regional development in the Americas. This project, part of a collaboration of the Canadian Environmental Law Assoc.(CELA), the Environmental Mining Council of B.C. and the Yukon (EMCBC) and Cooperacion - Solidarity Action for Development of Peru, aims to make an important contribution on this issue by carrying out four major activities; 1. The development, testing and evaluation of effective workshop materials for assessing potential impact of mineral development. These materials will be developed and improved from existing materials and strategies used by Cooperacion, EMCBC and CELA. The material on environmental and technical aspects will be the primary responsibility of EMCBC and the community level impacts will be the responsibility of Cooperacion; 2. The translation of materials into Spanish and English, coordinated by CELA; 3. Three workshops in Peru at both the community and national level and separately funded workshops in Chile and Canada using these materials within 12 months; and, 4. Dissemination of the materials in print and electronic forms throughout the Americas.
11. **Total Project Cost:** \$107,700

12. Donours:

CIDA Contribution: \$75,000

Organization's Contribution: \$27,700

Local Contribution:

Other Contributions: \$5,000

13. Contact:

A. Canadian Organization

Canadian Environmental Law Association (CELA)

401-517 College Street, Toronto, ON, M6G 4A2

ph:416-960-2284

fax:416-960-9392

email: cela@web.net <http://www.web.net/cela>

Executive Director: Michelle Swenarchuk

Contact Person in Canada: Ken Traynor

B. Overseas Partner

COOPERACCION, Solidarity Action for Development (Cooperaccion)

Jr. Pumacahua 1090 - D, Jesus Maria, Lima 11, Peru

Tel./Fax: (51) 423 5105

E-mail: cooperac@chavin.rcp.net.pe

Executive Director: César Mosquera

Contact Person: José De Echave (Mining researcher)

Building Community Capacity through Mining Assessment Workshops August 1997

Introduction:

The scope and impact of the mineral industry has become increasingly global over the last decade. Canada plays a major role in this evolution. The last several years has seen the Canadian mining industry expand its exploration and development activities both domestically and internationally. The industry, including senior and junior companies has interests in more than 8,300 properties worldwide, 3,400 of which are in 100 foreign countries. At the end of 1996 there were at least 260 Canadian mining companies in South America, 120 in Mexico, and 90 in Central America/ Caribbean.

In 1996, Canadian mining companies raised more than \$7 billion for domestic and foreign mining projects on the four Canadian securities markets in Vancouver, Toronto, Alberta and Montreal. This figure represents almost 50% of the world's exploration dollars. Significant amounts of these resources have been used for exploration in Peru.

Recent innovations in mineral extraction technology allow for the development of larger scale, lower grade mineral operations which carry the potential for larger environmental impacts. Alternatively, better mitigation and reclamation systems are being developed and applied at certain operations, primarily in North America.

Nevertheless Canadian firms have recently been involved in serious environmental problems and accidents both domestically and in countries such as the USA, Guyana, Philippines and Papua New Guinea. Similarly, Canadian environmental mining policy and regulations, although relatively advanced in comparison to many developing nations, are the subject of intense debate and, in some cases, legal challenge within Canada.

In response to these economic and technological trends there are growing connections between community and environmental groups in the North and South concerned about the future role of mining in sustainable local economies. An active exchange of contacts and information has begun around responsible mineral development techniques and technologies, policies and processes.

Over the last year CELA, EMCBC and Cooperaccion (formerly IPEMIN) participated in the development of national and international collaboration on mining issues. We also spent considerable time exchanging experiences and evaluating opportunities for cooperation to mitigate the environmental effects of mineral development in Canada and Peru.

The need to build public capacity to provide informed, proactive input towards environmentally sound mining practices and policies is common to communities in Canada and Peru. Throughout the world there is a growing demand for the public exchange of practical, accessible information on mineral development impacts, on "best practices", and on public policies and processes that promote responsibility and accountability for mining operations.

The exchange program, funded by ESDP, completed in June 1997 (see report on the Environmental Mining Exchange) allowed us to investigate means for sharing skills and developing tools to address these mineral development challenges for use in Canada and Peru. The connections and experience of the members of Cooperaccion in Peruvian mining communities where Canadian companies are now active create the opportunity to intervene in the development decisions. The technical expertise, provided by EMCBC and CELA, together with their experience in the environmental assessment of mineral development, their links with Canadian mining unions, and to community organizations engaging Canadian mining companies, can be of value to Peruvian communities and organizations and can provide leverage to influence the actions of Canadian companies.

This project will be an important start to developing the capacity to positively influence the mine development decisions

being made in Canada and Peru by developing workshop materials on the assessment of mine developments, workshops in Peru, Chile and Canada, followed by wide dissemination of the materials in print and electronically.

Project Context in Peru and Canada

Peru

The history of Peruvian mining shows us that changes in the development model for this sector have a direct influence on the living and working conditions in communities which coexist with mining activity. For example:

- The Mining Code of 1901 set a framework for the presence of foreign investment and the beginning of large-scale mining in Peru;
- In 1950, the Mining Code and the resumption of world-scale mining, led to the entrance of companies such as Southern and Marcona Mining Company into Peru.
- In the 1970s, the General Mining Act and the structural reforms of the time, which led to the so-called New Forms of Investment (NFI) in Peruvian mining, resulted in the nationalization of foreign companies and the exploitation of new deposits.
- The current General Mining Act (1992) brought about a so called liberal counter-reform in the mining sector.

All these turning points have directly affected the living and working conditions of mining communities and their development. Currently, the reforms being implemented and the attending changes in economic, legal and institutional frameworks, have sought to turn Peru into an attractive site for mining investment. This has been achieved, we believe, at the cost of ignoring the need for equitable and sustainable development for mining communities, localities and regions.

The magnitude and nature of the structural reforms applied to mining in the last few years are aggravating the trend toward deterioration of living and working conditions in mining communities, putting off indefinitely the people's aspirations for sustainable local development. The need to establish a balance between mining development and sustainable development for communities is not part of current mining policy. Extremely difficult labour conditions, low level of commitment to local development in communities and mining regions, and an environmental act pushed aside are some of the worrisome aspects attending the so-called mining boom in countries like Peru.

Canada

At the provincial and federal level in Canada, the current political emphasis on economic growth over ecological health has negatively affected environmental assessment and enforcement. The public accountability around assessment of mines in particular has been problematic at several sites across Canada. A number of trends are creating concern around the current and future environmental impacts of mining.

Some critical trends include:

- significantly reduced government resources/capacity for assessment, monitoring and enforcement of existing environmental regulations resulting in substantial compliance problems;
- limited public capacity for independent and equitable participation in development assessment processes;
- ongoing scientific and technological uncertainty for dealing with cumulative effects and long term toxics problems;
- increased corporate capital mobility and subsequent heightened regional competition (both domestically and internationally) for mineral investment, has resulted in reduced weighting of environmental and social issues.

These factors have combined to create mounting pressure on NGOs to play an active watchdog role over processes and projects. Meeting this demand requires that more resources must be applied to critical analysis of project proposals and performance. As well NGOs must take on a training function to ensure that other members of the public are able to play more effective roles in protecting ecological values from irresponsible mineral development.

Despite industry assurance that "Modern Mining" practices are benign, that companies will respect all stakeholders and that they now understand that being environmentally responsible is good business, the past year has seen a variety of

problems arise during and after the environmental assessment process.

For example, at the Huckleberry and South Kemess mines in B.C., both of which were recently permitted through the EA process, we have seen how "Modern Mining" companies perform. At these sites we have witnessed submission of false or substandard geochemical and geophysical work during the EA process. Many promises and recommendations made during the EA process have failed to be enforced. Environmentally significant changes to mine plans were made without public notification. There have been heavy sedimentation problems to fish bearing streams. There is unauthorized dumping of potentially acid generating rock. And, as is apparent from the above, there has been inadequate or absent environmental monitoring. These challenges occur wherever mineral development is going ahead.

Building Solutions

The experiences over the past several years demonstrate the need in both Canada and Peru to:

- build capacity to more actively engage in the technical and political aspects of EA processes;
- evaluate industry performance with independent monitoring;
- identify and document weaknesses in government capacity to enforce standards and;
- set precautionary precedents and advocate stronger protection from public liability.

Assessments and subsequent monitoring of mine sites in Canada over the last few years have provided many valuable lessons. Public interest priorities for environmental mine design, assessment and performance must be more systematically applied to future assessment and enforcement processes. Assessing risk, designing workable safeguards and seeing these safeguards enforced is, however, a difficult, technical and time-consuming process. There are few people with this critical experience.

Effective international networking and sharing of strategies and solutions that work can play a critical role in accomplishing better monitoring and less destructive mineral development. The recent establishment of an environmental assessment process in Peru can be an opportunity for public input and to learn from other experiences. It will only happen if active, informed, capable public organizations participate in these processes.

Our experience has shown that most of the critical questions and concepts can and should be addressed by lay people within a framework of effective public oversight. The real risks and uncertainties associated with geological science and mine planning make it essential that these assessments are not left to specialists and the overworked, politically pressured public officials.

The Evolving Roles of Communities and NGOs

Regional, national and international networks have been established to co-ordinate and exchange information and strategy between key environmental, labour and aboriginal groups. Increased access to technical experts and to electronic communications tools including geographic information systems and Internet research and communications tools have contributed significantly to these recent developments. In general, the goal is not to supplant government capacity and responsibility, but to supplement and strengthen its public interest accountability in the face of pressures brought about by globalization of investment and mobility of corporate capital.

Valuable case studies of the dynamics of decision-making around mining and environmental issues are provided by: The BHP diamond mine in the NWT recently completed a controversial environmental review and is moving to implement an independent environmental monitoring agency and, in Labrador, local Innu and Inuit are preparing to participate in the environmental assessment of the major Voisey's Bay Nickel mine (Inco).

In other communities, promising examples exist of joint (company/union/community/ government) clean up efforts on environmentally contaminated operations. In British Columbia, the Trail Community Lead Task Force was established in 1990 at a large (Cominco Ltd.) lead/zinc smelter, operating since 1916. The goal of the program was to reduce blood

lead levels in children. The program, in combination with some major refinery efficiency investments, has resulted in significant reductions in blood lead levels. The Task Force is an interesting model of cooperative community-based approach to problem solving.

Other examples of effective public involvement in mine reclamation and remediation planning include the Equity Silver Mine (Placer Dome Canada) and the Sullivan (Cominco Ltd.) copper mine. In both cases public involvement in technical and policy issues has been acknowledged by government and industry as essential to the successes of the program. These examples formed the basis of our recent mining exchange project program in Canada. Many of the lessons learned in these specific situations also form the basis for the workshop materials to be developed.

The speed and extent of the recent globalization of mineral investment have created environmental, economic and regulatory challenges that, in many regions, are overwhelming or have the potential to overwhelm community and government as well as industry capacity to protect ecosystem health. At the same time, promising opportunities and positive examples point the way for the evolution of mining's role beyond the devastating social and ecological impacts that has been an inescapable part of its history.

Due to the nature of potential ecological and economic impacts, the challenge of setting out the terms and conditions for environmentally responsible mineral development will be a central natural resource issue in this next phase of regional development in the Americas. This project can make an important contribution on this issue.

Project Description

CELA will be responsible for project coordination, financial management and accounting.

Goal/Objective	Activities/Outputs	Anticipated Results	Indicators of Results
Improve public capacity to influence mine development decisions	Develop effective mine assessment workshop materials in Spanish and English	Community representatives acquire increased understanding of mine development process	Level of environmental and mining expertise and understanding in community and partner organizations
	Carry out workshops in Peru, Canada and Chile	Workshop materials are distributed and used widely	Distribution and use of materials
	Distribute the materials widely in the Americas	Community representatives and other organizations become involved in and influence mine development decisions	Extent of public involvement and engagement with company and government decision makers
		Mine design improved and social and environmental impacts reduced	Improved community health indicators and reduced environmental impacts
		Monitoring of mine impacts increases	Extent of government and public monitoring

The project involves four major activities.

1. The development, testing and evaluation of effective workshop materials for assessing potential impact of mineral development. These materials will be developed and improved from existing materials and strategies used by

Cooperaccion, EMCBC and CELA . The material on environmental and technical aspects will be the primary responsibility of EMCBC and the community level impacts will be the responsibility of Cooperaccion.

2. The translation of materials into Spanish and English, coordinated by CELA.
3. Three workshops in Peru at both the community and national level and separately funded workshops in Chile and Canada using these materials within 12 months.
4. Dissemination of the materials in print and electronic forms throughout the Americas.

It is important to note that these specific activities are only part of a number of complimentary initiatives that the three organizations are involved in with respect to mining in the Americas.

CELA is analyzing Canadian mining laws, particularly those dealing with environmental regulation of mining impacts as part of a comparative study of Chilean and Canadian mining law in cooperation with the Observatorio Conflictos Ambientales (OCA) in Chile. The project, funded by the Centre for International Environmental Law in the USA also involves the assessment of environmental impacts of three Canadian mines in Chile and workshops on environmental impacts of mining in communities in northern Chile. CELA also is an active member of Common Frontiers and cooperates with the United Steelworkers Humanity Fund in support of Chilean unions in Canadian mining companies.

All three organizations, with Friends of the Earth Canada, the Canadian Institute for Environmental Law and Policy and CODEFF in Chile, are developing a multi-year research project on Mining and Ecosystem Health in Chile and Peru. Cooperaccion is leading the research design on community impacts and indicators of ecosystem health.

Cooperaccion staff have years of experience on mining issues in Peru. They are a member of a consortium of NGOs for local development in La Oroya and are developing educational and video materials on environmental, health and safety issues in the smelter town. This work is supported with funds from Christian Aid, SUCO, Diakonia, the European Union and the CAW Social Justice Fund.

The Environmental Mining Council is the only conservation organization in Canada working full time on mining issues. No other organization is now working on activist training or the production of a coordinated set of information on the environmental threats and challenges posed by mining. EMCBC, CELA and the Canadian Institute for Environmental Law and Policy will develop a national environmental mining strategy session in Fall/97. This year EMCBC has worked with a variety of groups to catalyze environmental mining networks linking activists from the Pacific Northwest, as well as North and South America. They have been contracted to deliver workshops on mining issues for the Canadian Environmental Network, the national WWF Endangered Spaces Program, the CPAWS National Board of Trustees, the newly formed Citizen's Mining Council of Newfoundland, the Continental Action Network on International Mining Activities, and the International Development Research Council.

Workshop Materials Design

Alan Young and Glenda Ferris from the EMCBC will be primarily responsible for developing the workshop materials. Cooperaccion staff will add Peruvian material and adapt the material for use in the Peruvian workshops. A similar adaptation will occur for the Chilean workshop to be organized by the OCA. These adaptations will be used in the Canadian workshop to add an international element to that workshop. Improvements will be made based on comments and evaluations of the materials done by workshop participant. Glenda Ferris has been involved in technical mine reviews for 15 years and has a broad range of expertise on ecological mine design, geochemistry and geo-technical issues. She was recently invited to represent the Canadian Environmental Network on the Management Committee of the national industry/government/NGO Mine Effluent Neutral Drainage (MEND) research program and was invited to make presentations at the 1997 International Conference on Acid Rock Drainage.

Peruvian Workshops

The Peruvian workshops will include two in the mining communities of La Oroya and Cerro de Pasco and a national

workshop in Lima with community representatives and others from national and regional organizations. La Oroya and Cerro de Pasco both have long histories as mining communities in Peru and both have recently seen major changes because of the privatization program of the Peruvian government. Cominco has purchased a part interest in the mine at Cerro de Pasco which is expanding and Barrick is also active exploring in the region.

This three stage methodology has been adapted from the experience of working with the community in Rancas near Cerro de Pasco in a consultation exercise reported on in our Mining Exchange Project report. There are three key steps within the workshop methodology for the La Oroya and Cerro de Pasco workshops.

1. **Strategic planning:** The first step is to analyze the overall context within which the communities must operate and to identify their strengths and weaknesses, as well as the opportunities and dangers which they face.
2. **Self-diagnosis:** The second step is to develop a more detailed local self-diagnosis through the active participation of delegates from the most representative organizations of the community in collaboration with the project team.
3. **Elaborating community proposals:** This step will design a community development proposal defining an equilibrium between mining development and community development and an evaluation of strategies adopted to date.

The Lima workshop will address four central themes:

1. **The situation of the mining industry:** Understanding current trends at the global, regional and national levels with particular emphasis on the role of transnational mining companies and the way in which the dramatic expansion of the mining frontier in Peru affects the land, resources and daily life of a large number of communities.
2. **The mining process:** Information regarding the characteristics of the different phases in the mining process will be presented to participants and the importance of addressing these variables in elaborating community strategies vis-a-vis mining projects will be discussed.
3. **The legal framework:** The distinctive legal and regulatory aspects involved in the development of mining projects will be presented. Particular emphasis will be on those aspects in which communities may become directly involved such as those which detail the environmental obligations of mining companies and the requirements regarding public participation in these environmental obligations as well as the regulations regarding conflicts over land or water between mining firms and communities, and the rights to compensation which currently exist.
4. **The impact of mining on communities:** A range of information, knowledge and experience regarding the different impacts of large-scale mining on communities will be presented. Topics to be addressed include the natural environment, access to natural resources, the local economy, culture and health.

These themes will initially be developed through seminar-style presentations by specialists and representatives of social organizations, government authorities, mining companies and non-governmental agencies before being addressed in workshop settings by participants. An important goal of the workshop is to bring together representatives from a number of mining communities in Peru and to expose these representatives and those from national organizations to detailed information on the mine development process and tools available for environmental assessment using the workshop materials prepared in this project.

Timeline

The work of this project will be carried out over a twelve month period in three stages, once funding is secured.

Stage One - Months 1- 4	Stage Two - Months 5 - 8	Stage Three - Months 9-12
● detailed workplanning ● workshop materials design ● begin translation of materials ● workshop planning and preparation ● begin community contacts and hire local coordinator	● complete translation ● hold workshops ● participant and facilitator evaluation of workshop materials	● Rework workshop materials ● Prepare materials and workshop reports for dissemination ● Evaluate project ● Prepare report ● Plan further initiatives

BUDGET — in Canadian Dollars

EXPENSES		INCOME	
A. Cooperacion (cash)		CELA (cash)	10,480
1. Workshop in La Oroya:		in-kind	5,000
* Strategic planning:	2,700	EMCBC (cash)	4,220
* Self-diagnosis:	2,700	in-kind	8,000
* Elaborating community proposals:	4,000	Brainerd Foundation (cash)	5,000
2. Workshop in Cerro de Pasco:		Sub-total	\$32,700
* Strategic planning:	2,700	ESDP	\$75,000
* Self-diagnosis:	2,700		
* Elaborating community proposals:	4,000	Total Income	\$107,700
3. Seminar/workshop in Lima:			
* Publicity and promotion	1,350	Amount of ESDP Funding going to the South	\$41,800
* Infrastructure	1,100		
* Materials	400	The percent of CELA budget this total project represents:	12%.
* Facilitator	400		
* Dissemination of results	1,100	Total, cumulative ESDP Funding that we have had	approved since July 11, 1993: \$89,900.
* Secretarial services	300		
4. Equipment (computer, printer, etc.)	3,475		
5. Dissemination	700		
6. Wages (Project manager & coord.)	10,700		
7. Administrative costs	3,475		
SubTotal	\$41,800		
B. EMCBC (cash)			
1. Mining Assessment Workshop Material			
60 days @\$200/day for design of materials and technical writing	10,000		
2. Canadian Workshop			
Planning and Coordination	3,000		
Trainee Expenses subsidy	5,000		
3. Travel to Peru for workshops 2@\$1600	3,200		
4. Preparation of materials for posting to website 10 days @ \$170	1,700		
5. Communications, administrative resources 35 days @ \$72/day	2,520		
Sub-total	\$25,420		
In-kind:			
6. Provision of access to GIS capacity and mining database maintained by EMCBC	8,000		
Sub-total	\$8,000		
C. CELA (cash)			
1. Retainer for translation of materials 500 hrs@ \$20 per hr	10,000		
2. Staff time 1 day/week for 40 weeks @\$170	6,800		
3. Communications, admin. support	3,680		
sub-total	\$20,480		
In-kind:			
4. Evaluation	5,000		
Sub-total	\$5,000		
Total	\$100,700		

Budget Notes

A. 1 & 2 — The costs for the organization of the various phases of the workshops include: publicity and promotion, coordination, communication, travel costs, per diems, coffee and tea, work materials, secretarial support and facilitation. These costs are based on the experience from workshops done in Rancas in 1996.

A. 3 — Cooperaccion staff organized the international meetings in Lima in February, 1997 on Community Decision Making models in conjunction with CoDev Canada and have extensive experience in such meetings.

A. 6 — Wages are for a half-time project manager and a 1/4 time coordinator to organize the workshops and Cooperaccion participation in this project.

B. 2 — Funds for trainee subsidies come from the Brainerd Foundation which is funding the EMCBC Environmental Mining Assessment Support Program.

B. 3 — Travel quotes are from a Toronto travel agency for two technical resource people to go to Peru for workshop presentations.

B. 4 — EMCBC maintains a Website and has received funding to upgrade it for use as an organizing tool for B.C. organizations and communities.

B. 5 — EMCBC support costs on a daily basis are \$72/day. These figures include project communication costs.

B. 6 — EMCBC is developing extensive technical experience in G.I.S. mapping software, is developing an extensive mining information database and Website. All of these materials will be available to the project.

C. 3 — 40 days @ \$92/day for admin. Support costs

C. 4 — CELA staff will assist in the evaluation design and analysis.

CIDA - Peru Mining Workshops Project Notes

Total Grant is \$75,000 \$60,000 within 5 weeks - \$10,000 in Sept/98 \$5,000 when report in due Dec31/98.

Reports due Aug 31 and final due Dec 31/98.

As soon as funds arrive \$41,800 will be transferred to Cooperacion in Peru by bank transfer and \$10,000 will be transferred to EMCBC by cheque.

A further \$3,000 will be transferred to EMCBC from the Sept. Funds.

\$7,000 is for CELA admin. costs.

I will draft contracts for Cooperacion and EMCBC for the funds transferred to them for the parts of the project they are responsible for.

We should develop a new code for this project I will be paying for the communication etc. side of the project out of the MOTT funds but I want to record them separately for reporting purposes . Michelle should get a separate MOTT number also so we can get a sense of the two sides of that project too.

Attached is the project description document, the CIDA contract and the CIDA letter. I have sent them back the signed contracts.



Agence canadienne de
développement international

Canadian International
Development Agency

200, promenade du Portage
Hull (Québec)
CANADA
K1A 0G4

200 Promenade du Portage
Hull, Quebec
CANADA
K1A 0G4

KT
RECEIVED DEC 23 1997

Votre référence Your file

Notre référence Our file

December 18, 1997

O38307 S53250

M. Ken Traynor
Canadian Environmental Law Association
517 College Street, Suite 401
Toronto, Ontario
M6G 4A2

Subject : Contribution Agreement - between Canadian Environmental Law Association and CIDA (Institutional Cooperation Division)

Concerning the project: Building community capacity through mining assessment workshops, Phase 1

For the period of: December 18, 1997 to December 31, 1998

Dear Mr. ^{Ken}Traynor,

I am pleased to inform you CIDA's Institutional Cooperation Division (ICD) has approved a contribution of \$75,000 for the above-mentioned project. This contribution is subject to the terms and conditions specified in the attached agreement and Annexes "A", "B", and "C", which form an integral part of this agreement.

Please read these terms and conditions, and if you agree to them, return the two signed copies of this Agreement to the Environment and Sustainable Development Program. Upon receipt of your signed copy, we will proceed to the first payment and, we will issue a cheque in the amount of \$60,000 as stipulated in Annex "B". Please allow at least five weeks (twenty-five working days) for receipt of this cheque. The remaining funds will be sent to you as outlined in Annex B.

Both CIDA and the organizations or projects which receive our support are well-served when the public is made aware of our participation through an effective development activity and find out how CIDA funds are used. Accordingly, we would appreciate it if you would acknowledge the financial contribution by the Institutional Cooperation Division of CIDA in any reference that you make to this Program in publications, speeches, press releases, annual reports or other materials.

Since CIDA's bilateral program is developing a linkage project between British Columbia and the Peru Ministry of Energy and Mines to deal with some of these

issues of mining and the environment and the communities, it will be important to inform the MEI (Bruce MacRae at 250-920-0783) of your activities in Peru to avoid overlapping and increase the impact of the project.

We wish you every success in this endeavor.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nalini Perera'.

Nalini Perera
Director
Scholarship, Environment & Institution
ICD Division
Canadian Partnership Branch

Program Officer: Gisèle Aubut
Tel.: (819) 953-6600
Fax.: (819) 997-0513
Attachments



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CONTRIBUTION AGREEMENT

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December 18, 1997

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copy

THIS CONTRIBUTION COST-SHARING AGREEMENT MADE IN DUPLICATE ON THIS 18TH DAY OF DECEMBER 1997.

BETWEEN: THE GOVERNMENT OF CANADA ("Canada") as represented by the Minister of International Cooperation of the Canadian International Development Agency (hereinafter referred to as "CIDA")

AND: Canadian Environmental Law Association (CELA) (hereinafter referred to as the organization) located in Toronto, Ontario

WHEREAS CIDA, as part of its development assistance programme, wishes to make a contribution to the Organization for the purpose of funding a development cooperation project Building community capacity through mining assessment workshops;

WHEREAS the purpose of this Agreement between CIDA and the Organization is to set out the terms and conditions concerning the transfer of funds to the Organization, the management of CIDA's contribution and the implementation of the Project;
This Agreement together with Annexes "A", "B" and "C" which form an integral part hereof, constitutes the entire Agreement between CIDA and the Organization with respect to the Project.

NOW THEREFORE, CIDA and the Organization agree as follows:

ARTICLE I

RESPONSIBILITY FOR THE PROJECT

1. The Organization shall be responsible and accountable for the overall management and implementation of the Project as outlined in the project submission dated November 4, 1997 as amended up to date.
2. The Organization shall be responsible for entering into such written agreements with other parties as are necessary to ensure the implementation of the Project.



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ARTICLE II

CONTRIBUTION

1. For the purpose of the Project referred to in Article I, CIDA shall contribute funds in an amount not to exceed seventy five thousand Canadian Dollars (CDN \$75,000) (the "Contribution"), representing (74%) of the estimated Canadian cost of the Project. The Organization shall provide the remaining (26%) of the estimated Canadian cost of the Project. CIDA's contribution will be made in the following manner:
 - a) CIDA agrees to make advances in accordance with the schedule found in Annex "B", and subject to submission of satisfactory reports on project activities and the budget, by the established deadlines, and subject to funds approved by the Parliament.
 - b) The Project budget as approved by CIDA and the Organization is included as Annex "A" to this Agreement.
 - c) CIDA shall issue cheques payable in Canadian dollars to the Organization. The Organization shall deposit the contribution funds placed at the disposal of the Organization by CIDA for the Project in an interest-bearing bank account.
 - d) Any interest earned by the Organization on the Contribution must be utilized for purposes related to the Project as referred to in Article I. In the context of this present agreement, "interest" signifies the amount of interest earned by the Organization on an advance payment.
 - e) Upon submission of the final report, the Organization shall return to the Receiver General of Canada through CIDA any funds contributed by CIDA under this Agreement which are not disbursed or accounted for. The amount of funds to be returned, including any interest earned, will be calculated on the basis of the cost-sharing percentages referred to in this Article.
 - f) The Organization may claim administrative expenses of up to 15% of the amount of the total Canadian value of the project.

ARTICLE III

PURPOSE AND USE OF THE CONTRIBUTION

1. The Organization shall ensure that transfers of funds to the field for the Project shall be executed on the basis of the cost-sharing percentages referred to in Article II.

Canada



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2. The Organization shall receive and utilize the Contribution exclusively to meet the costs of the Project referred to in Article I and as outlined in Annex "A".
3. The Organization shall not use its minimal cost-sharing contribution under this Agreement as a further cost-sharing component for, or duplicate charge against Canadian government funds in other activities or project submission of the Organization.

ARTICLE IV

MONITORING, AUDIT AND EVALUATION

1. CIDA reserves the right to audit or evaluate the Organization and the Project as deemed necessary by CIDA. The Organization shall:
 - a) maintain separate records and ledger accounts in respect of the Contribution funds and those disbursed by the Organization pursuant to the provision of this Agreement and retain them for a period of five (5) years from the expiry date of this Agreement;
 - b) cause such accounts and records of the Organization and of its overseas partner(s) to be accessible to CIDA, if required, during the course of the Project and for five (5) years following its completion; and
 - c) submit to CIDA, no later than three (3) months after the end of the Organization's fiscal year, the audited financial statements of the Organization and the financial schedules required by CIDA.
2. The Organization shall facilitate the visit of any authorized representative(s) of CIDA to the Project site(s) as well as to the Organization's office(s) and partner office(s) to evaluate the progress of the Project. The timing and terms of reference for such visits will normally be subject to mutual agreement.

ARTICLE V

REPORTS

1. The Organization shall provide CIDA with interim and final narrative reports, interim financial reports and final financial statements and other reporting documentation, in accordance with the timetable and formats as set out in Annexes "B" and "C". The financial reports and statements shall be quoted in Canadian dollars and shall be prepared on the basis of the cost-sharing percentages referred to in Article II.



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2. The Organization shall provide CIDA with a final financial and narrative report no later than three (3) months following the termination of the Project referred to in Article I.
3. In the event that the Organization has not provided CIDA with such financial and narrative reports and statements in accordance with the approved timetable, CIDA reserves the right to withhold payments as well as to reconsider future funding Agreements, as deemed appropriate by CIDA.

ARTICLE VI

PUBLIC ACKNOWLEDGEMENT OF CIDA'S CONTRIBUTION

The Organization will undertake to publicly acknowledge CIDA's contribution to project beneficiaries overseas and in Canada, to its constituents and to the Canadian public. Such acknowledgements can be made in the Organization's publications, speeches, press releases, etc. and should specify that the views expressed are those of the organization and that they do not necessarily reflect the views of CIDA. The Organization will be accountable for ensuring the appropriateness and accuracy of the public acknowledgement message.

ARTICLE VII

INDEMNIFICATION

The Organization shall save Canada harmless and shall keep Canada indemnified from and against all claims, demands, losses, damages, costs and expenses which the Organization may sustain or incur in consequence or arising out of the Project.

ARTICLE VIII

AMENDMENT

1. This Agreement may be modified by letter at CIDA's sole discretion in order to reflect adjustments in the Government of Canada's annual budget and to reflect as appropriate, situations such as CIDA's performance assessments, institutional evaluations, financial risk assessments and other exercises.



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2. Over the course of the Agreement, the Organization may determine that changes are required to the Project. Major modifications in project orientation, objectives, expected results, resources, time-frame and duration, budget and anticipated fund-raising results must be presented **in writing** to CIDA for approval **before** they are implemented. Major modifications to the Project which are approved by CIDA will be subject to a letter amending the Agreement.
3. This Agreement may also be modified by letter by CIDA and the Organization to take other aspects into account. CIDA and the Organization shall give full and sympathetic consideration to any such proposal to amend.

ARTICLE IX

TERMINATION

Notwithstanding anything contained in this Agreement, CIDA may at any time, by notice, in writing, terminate this Agreement in whole or in part in which event the Organization shall have no claim against the Government of Canada by reason of such termination. However, this does not apply to payments of actual expenses or commitments under this Agreement to the date of such termination, less any sums previously paid on account thereof.

ARTICLE X

DURATION OF AGREEMENT

This Agreement shall come into force and effect upon the date of the last signature and shall expire on December 31, 1998.

ARTICLE XI

COMMUNICATION

1. Any notice to be given to either party with respect to this Agreement shall be deemed effectively given if delivered or sent by letter addressed to the party at the address mentioned below and any notice shall be deemed to have been given within three (3) days of expedition by registered mail, or by fax, when transmitted. The address of either party may be changed by notice in the manner set out in this provision.

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2. Any notice to CIDA shall be addressed to:

Scholarships, Environment and Institution Program
Institutional Cooperation Division, 11th Floor
Canadian Partnership Branch
Canadian International Development Agency
200, Promenade du Portage
Hull, Québec
CANADA K1A 0G4
FAX: (819) 997-0513

3. Any notice to the Organization shall be addressed to:

M. Ken Traynor
Canadian Environmental Law Association
517 College Street, Suite 401
Toronto, Ontario
M6G 4A2
FAX: (416) 960-9392

ARTICLE XII

GENERAL PROVISIONS

1. No member of the Canadian House of Commons shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom.
2. This Agreement shall not be assigned by the Organization without the prior consent of CIDA.
3. CIDA funds shall not be used for activities of a partisan political or religious nature nor for activities geared to organizational promotion or fund raising.
4. In accordance with CIDA's "Policy on annual fee increases under multi-year contracts or contribution agreements", CIDA's contribution to the Project cannot be applied to support an Organization's staff salary increases or fee increases paid to consultants providing services to the Organization on activities financially supported by CIDA under this agreement. This policy will be in force until March 31, 1998 or until further notice.
5. The Organization shall ensure that travel costs related to CIDA funded projects (i.e. transportation, per diem, accommodation, other expenses, etc.) do not exceed Treasury Board Travel Directives.

Canada 



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6. Based on CIDA's Policy for Environmental Sustainability, the Organization must systematically integrate environmental considerations into its decision-making process and its project activities.

The Organization shall comply with the *Canadian Environmental Assessment Act (CEAA)*. Prior to carrying out a project subject to CEAA, the Organization shall conduct or ensure that an environmental assessment of the project is conducted in accordance with the CEAA and its regulations. The Organization shall provide to CIDA the recommendation of the course of action that should be followed, based on the environmental assessment of the project. The Organization shall provide to CIDA, as soon as reasonably possible, the environmental assessment report and all related documentation in order that CIDA may place the documentation in a public registry.

The Organization shall advise CIDA which exemptions of the Access to Information Act or the Privacy Act could apply to any document or any part of a document submitted to CIDA.

CIDA reserves the right to conduct an environmental audit on the project that it has supported. The Organization shall provide assistance.

7. In its proposals and reports to CIDA, the Organization shall indicate the manner in which women will benefit from and participate in its development activities. The Organization will reflect this concern in the planning and implementation of the Project and will gather data pertaining to the impact of the Project on women.
8. Without restricting any right of set-off or holdback given or implied by law or by any provision of the agreement, CIDA may set off against any amount payable to the Organization by CIDA under this Agreement or any amount payable by CIDA to the Organization under any other Agreement.

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December 18, 1997

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For the GOVERNMENT OF CANADA

Canadian International Development Agency

Witness

Name Claude Francoeur

Name Gisèle Aubut

Title Director General

Title Program Officer

Date _____

Date 19.12.97

For the ORGANIZATION

For the Organization CANADIAN
ENVIRONMENTAL LAW ASSOCIATION

Witness

Name SARAH MILLER

Name KEN TRAYNOR

Title COORDINATOR

Title Researcher

Date JANUARY 5 1998

Date Jan. 5/98



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ANNEX "A"

BUDGET - FINANCIAL REPORT

Title of project: Building community capacity through mining assessment workshops

Period covered by this report: December 18, 1997 to December 31, 1998

REVENUES	APPROVED BUDGET	CONTRIBUTIONS
Cash contribution from the applicant organization/institutions	\$16,740. \$8,500.	CELA cash CELA in kind
Cash contribution from other non-governmental sources		
Cash contribution from a provincial government		
Cash contribution from other federal government sources (cannot be used as part of match)		
Other contributions	(\$4,200.) (\$8,000) (\$5,000)	EMCBC cash EMCBC in-kind Brainerd Foundation
SUB-TOTAL :	\$25,240.	26%
CIDA/ICD contribution	\$75,000.	74%
Interest income from CIDA/ICD contribution		
TOTAL:	\$100,240	100%

ANNEX "A"

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BUDGET - FINANCIAL REPORT (CONTINUED)

NOTE: See attached page 11 for the full budget as submitted by the NGO=====>>

"ANNEX A-1"

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Budget in Canadian dollars

EXPENSES		REVENUE			
ITEM	BUDGET AMOUNT	Cash Contribution		In-kind Contribution	
		ESDP	CELA	CELA	COOPERACCION
Direct Project Expenses - Cooperacion					
A1. Workshop in La Oroya	9,400	9,400			
A2. Workshop in Cerro de Pasco	9,400	9,400			
A3. Seminar/Workshop in Lima	4,650	4,650			
A4. Equipment purchase	3,475	3,475			
A5. Dissemination	700	700			
A6. Wages (proj. manager & coordinators)	10,700	10,700			
A7. Admin. Costs in Peru	3,475	3,475			
Sub-total	41,800	41,800			
Direct Project Expenses - CELA					
B1. Mining Assessment Workshop Materials Preparation	10,000	10,000			
B2. Travel to Peru	3,200	3,200			
B3. Prep. of materials for website	1,700		1,700		
B4. Retainer for Translation	10,000	10,000			
B5. Staff time	8,840		8,840		
B6. Communications, office costs	6,200		6,200		
B7. Mining Information Resources	6,000			6,000	
Sub-total	45,940	23,200	16,740	6,000	
C1. Project Evaluation	2,500			2,500	
C2. Canadian Administration	10,000	10,000			
TOTAL	100,240	75,000	16,740	8,500	

ESDP Funding going to the South: \$41,800

Percent of CELA Budget this project represents: 12%

Total cumulative ESDP Funding that we have received since July 11, 1993: \$89,900



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ANNEX "B"

SCHEDULE OF REPORTS AND PAYMENTS

	<u>DATE TO BE RECEIVED BY CIDA/ICD</u>	<u>PAYMENTS ON APPROVAL OF REPORTS</u>
1. Cash flow requirements	December 97	
2. Upon signature of contribution agreement	December 97	\$60,000.
3. Interim narrative & financial report covering period from December 18, 1997 to August 31, 1998.	August 31, 1998	\$10,000.
4. Final narrative & financial report covering period from December 18, 1997 to December 31, 1998	December 31, 1998	\$5,000.
5. Audited Financial Statements	Annually within three months of CELA's fiscal year end.	



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ANNEX "C"

FORMAT FOR NARRATIVE AND FINANCIAL REPORTS

NB The period covered by each report must be clearly indicated. Please refer to the ESDP Criteria and Guidelines regarding results based management reporting.

FINANCIAL REPORTS

Format to be used for financial reports (interim and final):

- ▶ Annex "A" of the Agreement.
- ▶ Reports should identify cumulative expenses and contributions for the project, using the budget items approved by CIDA/NGO Division.
- ▶ Reports should include notes to the budget to clarify budgetary items where necessary.

NARRATIVE REPORTS

The interim narrative report should be brief and provide the following information:

- ▶ list activities carried out and results achieved during the period covered by the report;
- ▶ outline activities planned and results anticipated for the next stage of the project.

The final narrative report should:

- ▶ provide an overall analysis of results obtained by means of the project in relations to objectives initially pursued, as well as an explanation of any discrepancies between activities planned and carried out. The Canadian NGO should also provide a brief description of its participation in the project, and an assessment of the benefits that resulted from its involvement, as an annex to the final narrative report;
- ▶ explain the difficulties encountered and methods used to overcome them;
- ▶ specify how the organization/institution evaluated the project's impact and list the results of this evaluation (lessons learned and recommendations for future projects);
- ▶ indicate how and to what extent women participated in, and benefitted from, project activities;
- ▶ if applicable, assess the environmental impact of the project;
- ▶ list materials, publications, films, etc., produced and/or purchased for this project; and



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provide information on numbers produced of the above materials and how they were distributed, if applicable. A copy of all documents produced as part of the project must be included.