

THE CONGRESS OF LOCAL AND REGIONAL AUTHORITIES

Recommendation 166 (2005)¹ on the regeneration of mining and industrial areas

The Congress,

1. Considering:

a. the final declaration of the Standing Conference of Local and Regional Authorities of Europe adopted at the end of the Conference on Urban Regeneration in European Regions of Old Industry on 2 December 1983 in Lille;

b. the European Urban Charter adopted in 1993, and the revised version adopted in 2005 by the Congress;

2. Having regard to the report on the regeneration of mining and industrial areas by Ms Svetlana Orlova (Russian Federation, R, EPP/CD) and Ms Jolanta Marcinkowska-Koranowicz (Poland, R, EPP/CD) on behalf of the Committee on Sustainable Development;

3. Considering that:

a. in several European regions the mining sector represents a major economic force interacting considerably with all sectors of society. Very often these regions have faced – and many are still facing – pressure to adapt to the new conditions regarding competitiveness and the need for sustainable development in all sectors;

b. in the past decade in particular, the mining and minerals industry has come under tremendous pressure to improve its social, developmental and environmental performance. In most mining and industrial regions there are serious problems linked to the need to improve the surrounding environment, recultivate the land, restructure industry, diversify and develop social partnership;

c. the minerals industry has a key role to play in helping the sector make a substantial positive contribution to sustainable development. Despite the industry's undoubted importance in meeting the need for minerals and its significant contribution to economic and social development, concerns about aspects of its performance prevail;

d. the challenge of sustainable development for the mining sector and the associated industries is that of contributing to human welfare and well-being today without reducing the potential for future generations to do the same;

4. Concerned that:

a. there is a considerable degree of environmental impact associated with most exploration, mining, and mineral processing, and negative impact can be spread over large

areas. Mining, refining, and the use of minerals and waste disposal of minerals have in some instances also led to significant local social damage;

b. an unresolved governance challenge in the minerals sector is the issue of closure costs and long-term liabilities. They may include the expenses of work-force relocation or retraining, maintenance of schools and other infrastructure, environmental remediation and the long-term treatment of pollution by acid drainage from the mining site;

c. past practices and social and environmental legacies, combined with continuing examples of poor performance and inadequate accountability, have undermined trust among companies, governments and civil society;

5. Convinced that:

a. the negative effects of minerals and metal products on the environment and human health should be minimised through all phases of the mineral life cycle. The challenge is to optimise the trade-off between environmental damage and the potential development benefits to local and national economies;

b. long-term damage should be avoided by all possible means. No permit should be granted on the basis of a trade-off today against long-term and irreparable legacies that may harm future generations;

c. it is necessary to outline general guidelines that will help the process of identifying initiatives and actions that enable economic growth and improved public welfare, while enhancing environmental performance in the European mining and industrial regions;

d. sustainable development requires increased openness and greater transparency in information collection and dissemination throughout the minerals life cycle. Participatory and democratic decision-making structures should be adhered to;

e. national governments have many roles to play in the minerals sector. They facilitate investment, regulate and also provide public goods and services. Effective policy, co-ordination and action at national level will help to maximise the benefits of mining activities and minimise the negative impact;

f. the principle of subsidiarity should be adhered to, which recognises that decisions should be taken as close as possible to and with the people and communities most directly affected,

6. Recommends that the Committee of Ministers of the Council of Europe call on the governments of member states to:

a. undertake comprehensive reviews of their legal and policy frameworks for the mining and minerals sector to ensure that they are consistent with the vision of sustainable development;

b. adopt legislative, regulatory and juridical instruments, including constitutional guarantees on sustainable development and its elements, as well as laws and

regulations that set standards governing ownership, production, consumption, trade and environmental liability in respect of mining activities;

c. co-ordinate and harmonise the activities of different government departments dealing with mineral exploration and development, the environment, trade and industry, labour and economic development, orienting their policies and enabling an increased level of co-operation;

d. develop long-term strategic plans for the creation and management of natural wealth that include appropriate methods of obtaining revenue from this wealth, and distributing it and planning for the effects of mine closure, at both local and national/macro level;

e. ensure that measures are taken and implemented to optimise the use of mineral reserves and the recultivation of land used during mining with a view to cutting down the number of new mining reserves and minimising the negative impact on natural resources and the environment;

f. establish a co-ordinated legal and institutional framework to incorporate integrated (environmental and social) impact assessments, community sustainable development plans and integrated closure planning, in consultation with relevant stakeholder groups, and establish and clarify quality standards to be used in impact assessments for mining projects;

g. ensure that mine-closure planning also includes consideration of economic activities in affected communities, opportunities for displaced workers, social infrastructure and other appropriate issues. In addition, governments could legally require that mine-closure planning clarify the roles, responsibilities and obligations of the different actors;

h. implement financial and commercial instruments to influence behaviour through prices, including:

i. approaches based on property rights, such as tradable pollution quotas or other licences, concessions, and liability claims for environmental damage;

ii. price-based approaches, including pollution or waste-disposal taxes, subsidies for environmental amenities,

user fees, and tax credits for socially and ecologically responsible investment;

iii. reform of subsidies having a negative effect, to encourage more efficient use of resources; and

iv. market-promoting measures, including information-disclosure requirements, product certification, labelling and procurement policies;

i. implement a system for sharing revenues from mining activities with regional authorities that face an increased demand for all kinds of services, including water supplies, waste disposal, law enforcement, education and housing;

j. make sure that a proportion of the profits, such as revenue from royalties or taxes, is distributed to local authorities through local administrative structures to enable them to take advantage of significant development opportunities;

k. provide grants to local authorities having many abandoned mines but few resources, enabling them to identify sites requiring urgent, priority action and to develop project proposals that could then be funded. Priority should be given to rehabilitating abandoned mines where there is a clear threat to public health and safety or ongoing impact on important water resources;

l. promote co-operation through international bodies of ministers, particularly those related to mining, finance and the environment, which play a key role in sharing experience and ideas for improving the contribution of the minerals sector to sustainable development;

m. consider the setting up of an international emergency response facility, supported principally by industry and with appropriate involvement of other stakeholders, which could play an important role in preventing and responding to emergencies.

1. Debated and adopted by the Congress on 2 June 2005, 3rd Sitting (see Document CG (12) 10, draft recommendation presented by S. Orlova (Russian Federation, R, EPP/CD) and J. Marcinkowska Koranowicz (Poland, R, EPP/CD), rapporteurs).

