

D-12/1174



Canadian International
Development Agency

Agence canadienne de
développement international

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T-24163

MEMORANDUM FOR THE MINISTER

CONFERENCE ON EXTRACTIVES

For Decision

PURPOSE

The purpose of this memorandum is to seek your approval for CIDA to co-organize a Conference on Extractives with the World Economic Forum on March 2, 2013 in Toronto.

SUMMARY

- It is recommended that CIDA and the World Economic Forum co-organize a Conference on Extractives on March 2, 2013 in Toronto, immediately preceding the International Convention of Prospectors and Developers Association of Canada, also taking place in Toronto March 3-6.
- If you agree with the proposed objectives and format of the conference, we will start the joint planning with the World Economic Forum and in close collaboration with your office.

CONTEXT

Extractives represent one of the fastest growing sectors in many developing countries. Managed well, responsible extractive sector development can fuel sustainable economic growth, transforming economies and livelihoods. Managed poorly, the resource sector can pose serious environmental, social, political and economic risks to people across countries and regions. Effective resource governance aims to harness the potential offered by the development of the mining sector, while mitigating its risks.

In order to advance Canadian leadership in the extractive field, we recommend that you host a global conference that would engage up to 200 representatives from governments (donor and recipient), industry and civil society to discuss the role of the extractive sector in sustainable development.

This conference would take place on March 2, 2013, preceding the Prospectors and Developers Association of Canada's Annual International Convention, Trade Show and Investors Exchange (March 3-6, Toronto). This date is ideal as it would capitalize on the anticipated presence of over 30,000 extractive sector representatives from 125 countries. Last year, over 27,000 extractive sector representatives attended the convention.

D-12/1174

CONSIDERATIONS

How CIDA and the World Economic Forum Could Work Together

Over the past year, CIDA has collaborated with the World Economic Forum on a number of successful events. In May 2012, in Addis Ababa, Ethiopia, Minister Oda spoke at the Industry Partnership Meeting for Mining & Metals (Responsible Mineral Development Initiative) co-hosted by the World Economic Forum and CIDA. In September 2012, during the United Nations General Assembly, you co-hosted a side-event with the World Economic Forum and the Australian Agency for International Development on "Responsible Extractive Sector Development: Maximizing Value and Transparency". At the Intergovernmental Forum on Mining, Minerals, Metals, and Sustainable Development Annual General Meeting (a global forum of 45 countries) in Geneva, October 2012, the World Economic Forum co-hosted with CIDA a session on their Responsible Mineral Development Initiative.

CIDA's collaboration with the World Economic Forum has increased our profile and reputation through the latter's extensive networks among influential actors in the extractive industry.

Canada and the World Economic Forum share similar objectives for responsible natural resource management, such as promoting multi-stakeholder approaches and linking natural resource development to broader sustainable economic growth efforts in developing country economies.

Budget

CIDA's budget for the conference will be minimised by co-sharing the cost with the World Economic Forum. CIDA is also seeking industry sponsorship for hospitality at the Toronto conference, as we did at the September extractives side-event in New York.

The cost of the conference will be shared by the World Economic Forum and CIDA as follows:

- The World Economic Forum will cover venue rental and travel costs of non-government speakers.
- CIDA would cover interpretation (English, French, and Spanish) and travel costs of government speakers. CIDA's share is estimated at a maximum of \$60K. The source of funds is 'ODA-able' given that the issues focus on advancing development policy and international assistance, and will come from the Strategic Policy and Performance Branch.

D-12/1174

Toronto Conference on Extractives - Proposed Objectives, Format, and Venue

Objectives

The **strategic objectives** of the conference would be to:

- Increase visibility of the Minister and CIDA as key actors in the responsible development of the mining sector in developing countries.
- Provide a high-profile opportunity to publicise the new Canadian International Institute for Extractive Industries and Development.
- Engage with key stakeholders involved in the extractive sector and development from governments (donor and recipient), private sector, civil society and multilateral organizations in order to enhance policy coherence and collaboration.
- Develop new institutional relations with key countries, actors, and organizations in the mining sector.

The **substantive objectives** of the conference would be to:

- Discuss how the development value of mining can be maximised.
- Discuss the role that mining investments and purchases can play in developing the local and national economies and how the impact of the mining sector on employment and economic development can be maximized.
- Identify the processes and institutions that are required to successfully manage the development of mineral resources in order to reduce poverty and advance broad-based national growth. Discuss strategies and approaches adopted by other countries and how they compare.

Format

This will be a large-scale conference, which will attract up to 200 representatives who plan to attend the International Convention of Prospectors and Developers Association of Canada, as well as other key actors in the extractive industry.

This one-day conference will include three moderated panel discussions around the following key topics: maximizing the development value of mining; harnessing mining investments for development; and capitalizing on resource wealth.

Annex A outlines a draft agenda, including some preliminary thinking around potential speakers. A conference report would be prepared following the conference covering the key presentations, lessons learned, and recommendations.

Venue

We recommend that the venue for the conference be the Sheraton Centre in Toronto for the following reasons:

- A low rental cost of \$1000 has been negotiated with the Sheraton Centre.
- The space is appropriate for a large-scale conference.

- The proximity of the Sheraton Centre to the Metro Toronto Convention Centre where the Prospectors and Developers Association of Canada event will take place.

As meeting space is limited, there is a requirement to confirm this space asap, which we can only do upon your approval.


COMMUNICATIONS

- Minister's speech
- Venue backdrop with CIDA and Government of Canada branding
- Positive communication pre-positioning
- Outcome documents, translated in English, French and Spanish, and posted online

Pending your approval, CIDA will work directly with the World Economic Forum to finalize the conference agenda and invitation list of speakers and participants. We will work in close collaboration with your office on key decision points in the planning process of the March conference.

RECOMMENDATION

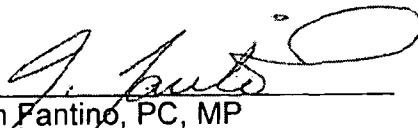
It is recommended that you agree to a Conference on Extractives, to be co-organized with the World Economic Forum, on March 2, 2013 at the Sheraton Center in Toronto. A Decision Memo on the detailed conference budget will follow.



Margaret Biggs
President

Dec 10, 2012
Date

- I AGREE with the recommendation. I DO NOT AGREE with the recommendation.
 I would like to discuss.



Hon. Julian Fantino, PC, MP
Minister of International Cooperation

DEC 14 2012
Date

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ANNEX A
Conference on Extractives
March 2, 2013
Sheraton Centre, Toronto

DRAFT AGENDA

8:00 – 9:00 **Registration and Breakfast**

9:00 – 9:30 **Welcome and Opening Remarks**
The Honourable Julian Fantino
Minister of International Cooperation

9:30 – 10:00 **Keynote Address**

The Development Value of Mining in Peru

Potential Keynote Speaker:

10:00 – 10:30 **Health Break**

10:30 – 12:00 **Discussion Panel I: Maximizing the Development Value of Mining**

The value of mining is not just in the investment made to develop a mine or the price of the minerals produced. It can have a ripple effect on the economy. Responsible mining requires good governance while producing the revenues required to support the institutions of effective governance, which are necessary prerequisites for the achievement of most other development results.

- How can we maximize the development value of mining to all stakeholders?
- What contributions can and does the mining sector make to sustainable development in developing countries?
- What are innovative new ways for potentially greater contributions?

Potential Speakers:

12:00 – 14:00 **Lunch (Industry Sponsored – TBC)**

Creating Shared Value with the Mining Sector

Potential Keynote Speaker:

14:00 – 15:30 **Discussion Panel II - Harnessing Mining Investments for Development**

The mining sector mobilizes enormous long-term investments in very specific areas, resulting in significant infrastructure development, as well as the purchase of a wide variety of goods and services. This panel looks at how extractive sector investments and purchases can play a greater role in developing the local and national economy.

- How can these mining investments be used to further development objectives?
- In what other ways can we maximise the impact of the mining sector on employment and economic development?

Potential Speakers:

Developing Country Minister
Canadian Provincial Minister
Mining Company Leader

15:30 – 16:00 **Health Break**

16:00 – 17:30 **Discussion Panel III - Capitalizing on Resource Wealth**

Possessing a rich natural resource endowment is not enough to guarantee positive development outcomes. This panel examines the processes and institutions required to successfully manage the

development of mineral resources to reduce poverty and advance broad-based national growth.

- What are the keys to effectively managing resource wealth?
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- What are some of the lessons learned of resource and benefit management for broad-based sustainable development?

Potential Speakers:

Developing Country Minister
Canadian Provincial Minister

17:30 – 18:00

Concluding Remarks

World Economic Forum Representative

18:00 - 20:00

Networking Reception (Industry Sponsored – TBC)