



**Licensing and responsible business practices for gold mining
in Sagaing Region
Multi-stakeholder Workshop
9-10 March 2019**

Glorious Monywa Hotel, Monywa, Sagaing Region

CONCEPT NOTE AND DRAFT AGENDA

The Government of Myanmar's 2018 Myanmar Sustainable Development Plan identifies as an action point 5.5.3: **'Reform the nature of the minerals sector such that it becomes both sustainable and profitable, while making both a positive contribution to government revenues and to the lives of our people'**.

The mining sector in Myanmar – large, small and artisanal - is currently associated with significant negative environmental and social impacts. These were documented in Myanmar Centre for Responsible Business' March 2018 Sector-Wide Impact Assessment on Limestone, Gold and Tin Mining in Myanmar which inter alia included field research on gold mining conducted in Banmauk, Kawlin and Homalin, Sagaing region as well as in Kachin State, Bago region and Mandalay region, and made recommendations to government, companies and other stakeholders on improving responsible mining practices.

Sagaing Region is highly prospective for large, medium, small-scale and artisanal gold mining. As a result of Myanmar's new Mines Rules of February 2018, State/Region committees, rather than the Union-level Ministry of Natural Resources and Environmental Conservation (MONREC), will issue most artisanal and small-scale mining (ASM) licenses, including for gold, silver, lead, tin, tungsten, and most industrial minerals and stones. The Union government will only maintain responsibility for specific restricted minerals (including copper, nickel, titanium, uranium, zinc and rare earths inter alia), and stones (graphite and zinc carbonate).

The Mines Rules define artisanal and small-scale licenses by size as:

Artisanal:

Gold & other precious metals <1 acre; Other metals <3 acres; Industrial minerals & stone <5 acres

Small-scale:

Gold & other precious metals < 4 acres; Other metals <10 acres; Industrial minerals & stone <20 acres

License fees, land rent and royalties from the sector will also be levied and collected at the states/region level.

The Committees will be chaired by the State/Region Minister of Natural Resources and Environmental Conservation and include senior officials from the State/Region General Administration Department, Department of Agricultural Land Management and Statistics (DALMS), Forestry Department, Environmental Conservation Dept, as well as an additional official selected by the state/region cabinet. The State/Region Department of Mines will be Committee Secretary.

However, these Rules were issued without first establishing clarity over how to address overlapping claims from licences issued at Union level for large and medium-scale mining, and those issued at state/region level. There is also no mining cadastre yet in place that could help avoid overlap.

Furthermore, the ASM sector in Myanmar is associated with significant environmental and social impacts (see MCRB's SWIA) which are not effectively addressed through the 2018 Mining Rules, although these support its formalisation. Nor are clear procedures in place to ensure transparent processes for allocation of licences at state/region level. This lack of legal clarity is already leading to problems in some states and regions, particularly Sagaing, where large-scale licences for prospecting/exploration have been issued on areas which are the subject of interest for ASM miners. ASM zones have been proposed as a solution, but their potential to address these problems is unclear.

The Sagaing Regional Government/Parliament is interested in legislating on mining. But in seeking effective solutions to these issues, including through regulation, it is important to ensure that all stakeholder perspectives are heard and understood by those involved in the debate. MCRB therefore proposes to conduct a multi-stakeholder workshop in Monywa focused on licensing and management of responsible gold mining in Sagaing Region. The workshop is planned for 9/10 March 2019] with the following **objectives**:

- Provide all stakeholders with a basic understanding of:
 - Myanmar policy/legal framework for mining, including decentralization of licensing
 - The nature of large-scale, small-scale and artisanal mining including the mining project cycle (prospecting, exploration, construction, production, closure)
 - Responsible mining practices
 - Zoning of ASM, based on international experience
- Discuss
 - Negative social and environmental impacts of the mining sector in Sagaing Region and how to address these, including drawing on international experience
 - Current licencing issues related to large-scale gold mining (LSM) and ASM, and how to resolve them, including the potential for ASM to co-exist and regulatory and other changes needed to facilitate this
- Identify actions/next steps at Union and Sagaing Region level

The workshop will be conducted with simultaneous interpretation. Target participants (50-60) will be Sagaing Region Government, Union and Sagaing region officials (MONREC – Mining, Forestry and Environmental Conservation Department; DALMS; DICA; GAD), Members of Parliament, Companies (ASM and LSM), Civil Society, international NGOs and development partners.

Day 1 (9 March 2019)		
8:30	<i>Registration</i>	
9:00-9:15	Welcome Remarks and Overview of Workshop	MCRB
9:15-9:30	Opening Speech	U Myint Oo, Chairman of “ Agriculture, Livestock, Natural Resources and Environment Conservation Committee”, Sagaing Region Hluttaw
9:30-10:30	Policy and legal framework of decentralization of the application and current cooperation between regional and union level for ASM licensing Activities of Plots Scrutinizing and Permit Granting Boards in Sagaing + Sagaing Regional Mining Law (Bill) Emerging issues concerning decentralization/zoning and licensing Question and Discussion	U Tin Tun Win, Director, Department of Mine U Aung Naing, Director, Department of Mine (Sagaing) Sebastian Sahla, NRGi
10:30-11:00	Tea Break	
11:00-11:15	Polling Question	Facilitated by MCRB
11:15-12:15	Social/ environmental issues for Myanmar gold mining - SWIA findings Mining and EIA Question and Discussion	Aung Kyaw Soe, MCRB U Thein Htay, Director, Environmental Conservation Department (Sagaing)
12:15-13:15	Lunch	
13:15-14:45	Company and ASM perspectives: <ul style="list-style-type: none"> • Large-scale mining and the project cycle • Small-scale mining • ASM miner perspective 	Geoff Lowe, Valentis/ IIMDA U Sein Than, Homoalin Region/ Sagaing Mining Association Tbc

	Question and Discussion	
14:45-15:30	Group work (by stakeholder group?) Issues that need to be addressed at Union, Sagaing and local/project level	MP, Govt, Companies (ASM+LSM), CSOs
15:30-15:45	Tea Break	
15:45-16:45	Feedback and discussion	Facilitated by MCRB
Day 2 (10 March 2019)		
9:00	Recap	
9:15-10:35	<p>Studies, plans and standards</p> <ul style="list-style-type: none"> • State of Artisanal Mining in Myanmar Report • NUS research on gold mining/mercury in Sagaing • Presentation of relating ASM Work • International standards and initiatives relevant to gold mining in Myanmar (VPSHR, IGF) <p>Question and Discussion</p>	<p>Pact Myanmar</p> <p>Graham Precott, Edward L.Webb, Zinmar Aung (National University of Singapore)</p> <p>David Allan (Spectrum)</p> <p>Vicky Bowman, MCRB</p>
10:35-11:00	Tea Break	
11:00-12:30	Action planning and discussion	
12:30-1:30	Lunch	