
Tool **10** Child Rights and
Mining Toolkit

Social Investment

Investing in children's safety, education and health leads to more resilient and peaceful societies in the long term, and is therefore the best foundation for a sustainable future for communities near major mining operations. Investing in children also provides companies with a qualified workforce pool and improves relations with communities, helping to secure the social licence to operate.



Tool 10 Social Investment

Where does your company stand on respecting and advancing children's rights, using corporate social investment for the development of child-friendly communities? The figure below presents a continuum from lack of effective systems to the fullest measures of corporate responsibility and proactive leadership.



Tool 10 aims to support mining companies looking to promote and protect children's rights and to align with local development priorities through their social investment initiatives.

Several tools and guides have been developed to assist companies with conducting effective corporate social investment, including those featured in the resources box that follows section 10.1. This tool can be applied as additional support that focuses on inserting child rights considerations into the company's existing social investment planning process in order to move towards a better protection of child rights and contribute to the development of child-friendly communities.

Tool 10 Social Investment

10.1 Overview of the issues and related standards

Previously documented lessons learned note that much of the social investment activity in the mining industry has been ineffective, because it:

- Focuses too much on providing hard infrastructure – in the context of child rights, this translates into building schools, health clinics and other community facilities;
- Is reactive, rather than strategic and proactive, failing to integrate into and align with long-term national, regional and local development plans; and
- Is not connected to the mining operation's impacts on child rights.

Many social investment initiatives can be short-term in their impact and most are not innovative in addressing issues related to long-term development and mining impacts. This tool builds on these lessons in providing guidance. The tool is organized into four sections: (1) identifying critical company child rights impacts in affected communities; (2) designing a corporate social investment strategy to include a child rights lens; (3) implementing corporate social investment to advance child rights; and (4) monitoring, evaluation and reporting in regard to the social investment performance of desired child rights impacts.

Each section offers considerations and tips, as well as steps companies can take to promote and protect children's rights through strategic social investment activities.

Resources for corporate social investment

Strategic Community Investment: A good practice handbook for companies doing business in emerging markets, IFC, available at <www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/learning+and+adapting/knowledge+products/publications/publications_handbook_communityinvestment_wci_1319576907570>

Guide to Successful, Sustainable Social Investment for the Oil and Gas Industry, IPIECA, available at <www.ipieca.org/resources/good-practice/guide-to-successful-sustainable-social-investment-for-the-oil-and-gas-industry>

'Beyond Voluntarism: The changing role of corporate social investment in the extractive resources sector', Research Report, Centre for Social Responsibility in Mining, Sustainable Minerals Institute, University of Queensland, available at <www.csr.mq.edu.au/publications/beyond-voluntarism-the-changing-role-of-corporate-social-investment-in-the-extractive-resources-sector>

10.2 Identifying child rights impacts

Good practice social investment planning is informed by data on needs and opportunities, the impact of the operations, and the mining company's reach and leverage. Improper planning can result in substantial investments failing to bring expected results or address pertinent social risks. If planned well, corporate social investments can contribute to enhancing the materialization of child rights and broader local community development, as well as support and improve community relations, and help the company uphold its social licence to operate.

Table 25 outlines important considerations for companies to take at the social investment planning stage to enable the identification of key child rights impacts. Developing a corporate social investment strategy from the understanding gained through actions listed in the table is an effective method for maintaining the business case for the chosen social investment activities and ensuring sustained outcomes for both the business and the community.

Tool 10 Social Investment

Table 25. Identification of child rights impacts at the planning phase

<p>Risks: If a company does not complete a comprehensive assessment of issues important to the community and how they may interact with operations, it risks not addressing critical problems. For example, children may behave differently around new infrastructure or be unaware of certain risks, leading to unanticipated harm. This can lead to social protest, loss of social licence to operate, financial losses, etc.</p>	
Questions	Strategies and action
<p><i>Which issues are critical to both the mining operation and its stakeholders, including children?</i></p> <p><i>When and why could certain issues become financially material to the operation?</i></p>	<ul style="list-style-type: none"> • As part of the materiality analysis process, hold stakeholder consultations to better identify key impacts on children and gain insights on how to best mitigate these impacts through prioritized social investment initiatives. • Analysis should span the entire project life cycle, as issues might vary.
<p><i>Is it possible to draw on existing data and studies, including local development plans?</i></p>	<ul style="list-style-type: none"> • An abundance of data could already be readily available from the mining company's ongoing work, including environmental and social impact assessments, resettlement action plans, perception surveys, and other risk assessments. • This data should be reviewed for information gaps, especially in relation to child-friendly data collection methodology and information relevant to the well-being and rights of children (<i>for more information about specific data sources and their uses, see Tool 1. Impact Assessment</i>).
<p><i>Are NGO studies available?</i></p>	<ul style="list-style-type: none"> • NGO studies relevant to the operational area and focusing on child or family issues are a valuable resource for information on the issues that are important to communities.
<p><i>Could household members be interviewed to identify issues for developing strategic and gender-specific corporate social investments?</i></p>	<ul style="list-style-type: none"> • Interviews can be conducted with children, when this is seen as the best option in terms of outcome of information and ability to make the interview safe for the child. When carrying out interviews with children, a protocol must be followed that includes consideration for the welfare of the child, parents' preferences, appropriateness of questions to age, etc. • Neither the interview methodology nor interview content should be considered by any reasonable person to be harmful to the child in any way (<i>see Tool 2. Stakeholder Engagement</i>). • When interviews with children are not possible or are not the best option, parents and guardians can be interviewed on their behalf. Methods for conducting the interviews will need to ensure integrity in gathering this data and analysing responses (<i>see Tool 2. Stakeholder Engagement</i>).
<p><i>Is it possible to conduct stakeholder consultations with community members, local authorities, experts and representatives of civil society organizations who can help identify issues for corporate social investments?</i></p>	<ul style="list-style-type: none"> • Social services experts, local planning experts (local authorities), local child development specialists, specialized government agencies (e.g., the child protection police unit), and other sources can be valuable in identifying child-relevant issues and opportunities for intervention. • Consultations must be conducted in a child-inclusive manner. Consultation methodology should be designed to capture children's concerns and issues, whether through direct consultation or via others who represent children. Individuals conducting consultation should be trained and knowledgeable in proper techniques (<i>see Tool 2. Stakeholder Engagement</i>).

Tool 10 Social Investment

Table 25. Identification of child rights impacts at the planning phase (continued)

<p><i>Is the company using a 'cumulative impact lens'?</i></p>	<ul style="list-style-type: none"> • Child-related issues can be difficult to uncover as children's ability to voice concerns or opinions might be limited. A cumulative impact lens helps ensure important issues are not missed and helps reveal the complex connections between different issues. • Engage with other mining companies (close to operation or nationally, depending on identified area of influence), suppliers and contractors (including transportation) for further insights and to ensure a comprehensive assessment of impacts on child rights from a value chain perspective.
<p><i>Are local governments committed to protect children's rights in accordance with their mandate, power and resources and are transparent in their efforts to do so?</i></p>	<ul style="list-style-type: none"> • Maintain consistent communication with local governments throughout the permitting process to identify potential weaknesses regarding protection of child rights (<i>see Tool 1</i>). Provide relevant information, if needed, for the local governments to know what public services need to be improved or implemented for children's lives to be enhanced. • Consult civil society representatives and include them in advocating with the local and national governments for more resources, and/or to support them in public services provision. • Sign an agreement with local governments in which they commit to fill identified gaps as to children's rights (e.g., child labour prevention, provision of teachers in the affected area), possibly in collaboration with the company. (<i>See example in Box 17, below.</i>) • Support the local governments in strengthening their accountability to the community, for instance by signing an agreement or by supporting the government in committing publicly to protecting children's rights.

10.3 Designing a strategy

After the information described in Section 10.2 is gathered, it should be used to inform the company's social investment strategy. Table 26 outlines important design considerations that are based on past lessons learned. Selected examples of mining company projects are also provided to help planners brainstorm ideas and options.

Tool 10 Social Investment

Table 26. Designing a social investment strategy with a child rights perspective

Considerations for social investment strategies	
Risks: Missing out on shared value opportunities; failing to coordinate with local authorities and to support long-term economic development; overlooking soft infrastructure and missing out on key development opportunities; and overlooking opportunities for prevention of issues.	
Questions	Strategies and action
<i>Is it possible to promote shared use of mining industry infrastructure?</i>	<ul style="list-style-type: none"> To avoid 'enclave system development', whereby mining operations develop infrastructure to suit only their needs, consider multi-user and multi-purpose shared use of mining industry infrastructure. This could include sharing roads or rail transportation, water systems, power, telecommunications, ports and pipelines with surrounding communities.
<i>Did the local governments contribute to ensuring that mining activities would enhance sustainable development and children's lives?</i>	<ul style="list-style-type: none"> Support the local governments in identifying key projects that could enhance children's lives. Consult children and their families about their needs in collaboration with the local governments (<i>see Tool 2</i>). Implement the projects that were identified in collaboration with the local governments.
<i>How is revenue redistributed from national to local government, and how will the local governments manage the revenues deriving from mining activities once they are redistributed by the central government?</i>	<ul style="list-style-type: none"> Engage with the national and/or local governments to ensure the transparency of revenues gained from mining activities. Consider using/developing a community development agreement (CDA) framework to capture the commitment from local and central governments on benefit delivery to local communities, including support and services to children (<i>see Box 18, below</i>). Assist local authorities in raising central governments' awareness regarding the resources that will be required to address children's needs in order to access more funds for health care and education programmes when faced by financial constraints.
<i>Can the company leverage existing activities to build new social investment initiatives?</i>	<ul style="list-style-type: none"> Opportunities to link to or integrate social investment activities into other activities, investments and departments in a mining operation include mining operation activities such as workers' housing, road development and environmental management – which all touch key aspects of child rights impacts. Working together with these parallel activities can leverage investments to benefit children and positively influence the planning and implementation of mining operations. This might include activities related to: <ul style="list-style-type: none"> Housing for workers and/or for resettled communities, e.g., special support to child-headed households during resettlement; recreation facilities for children in newly built environments. Environment (water, soil), e.g., education aimed to reach children about pollution, safe drinking water and health. Road safety, e.g., programmes teaching children how to cross newly built roads and how to behave around traffic; facilitating safe transportation of children to and from school.

Tool 10 Social Investment

Table 26. Designing a social investment strategy with a child rights perspective (continued)

<p><i>Can the company promote community-based small and medium-sized enterprises linked to the mining business?</i></p>	<ul style="list-style-type: none"> • Outsourcing locally can promote the economic development of surrounding communities with long-term beneficial impacts on families' standard of living and on child rights. Some examples of business linkages might include: <ul style="list-style-type: none"> – Providing seed funding, capacity development and equipment for mothers to manage a workshop to produce bags used to carry minerals. – Partnerships to develop the artisanal mining sector.
<p><i>Can the company invest in 'soft' infrastructure, such as developing social capital?</i></p>	<ul style="list-style-type: none"> • Ideas for focusing on soft infrastructure include: <ul style="list-style-type: none"> – Capacity development programmes for local hospitals and clinics, and health awareness programmes, drawing on the company's existing expertise in health and safety. – Teacher support and training, and support for curriculum development. For example, the Educational Support Plan run by Cerro Matoso Asset in Colombia (BHP Billiton) provides educational aid and institutional support to enhance school performance for children and young people from the most vulnerable and lowest-income backgrounds. – Platforms for bringing together stakeholders to ensure childhood issues remain central to the development agenda. – Capacity development of youth in areas such as business management administration and information technology skills. – Consultation with local government can be vital in identifying appropriate opportunities.
<p><i>Can the company focus on prevention through awareness raising and education to promote safer behaviour?</i></p>	<ul style="list-style-type: none"> • Particular social issues can develop in communities in the rapidly changing context of large mining operations. This can stem from certain behaviours becoming unsafe, such as crossing the road without looking or increased risk of sexually transmitted infections, including HIV. • Raising awareness targets the root causes of social issues and can therefore be an effective intervention option. For example, the Mackway Road Accident Action Group targets young drivers, fatigued drivers, drug- and alcohol-affected drivers, and drivers who display inappropriate driving behaviour to improve road safety outcomes.
<p><i>Does the company consider a focus on prevention through policy-level change?</i></p>	<ul style="list-style-type: none"> • Targeting change at the policy level should be considered when appropriate. For example, working with local NGOs to advocate for improving delivery of family social and health services, improving education, enforcement of policies prohibiting child marriage, or eradicating child abuse, just to name a few.

Tool 10 Social Investment

Box 17. Community development agreements in Mongolia

A community development agreement, or CDA, is a local agreement (or contract) between companies, communities and sometimes (local) governments, focusing on what will be delivered to meet the interests of communities and achieve a 'social licence to operate'.

For governments, companies and communities seeking to develop a sustainable and mutually beneficial relationship, CDAs can provide a means of strengthening and advancing this relationship. Governments can support community development by ensuring that government revenues derived from mining and exploration activities, through taxes and other fiscal mechanisms, are routed back to the affected communities.

In Mongolia, a legal requirement for setting up local-level agreements was first introduced in the Minerals Law in 2006 as a result of civil society's push towards local participation in decision making over mining [1]. Article 42.1 of the Minerals Law states that a licence holder shall work in cooperation with the local administrative bodies and conclude agreements on issues of environmental protection, mine exploitation, infrastructure development in relation to the mine site development and job creation.

Under the amendments made to the Minerals Law in 2014, the Government of Mongolia is developing a model template for company-local government agreements, which is currently out for consultation with stakeholders. The CDA model is put forward as a data- and equity-driven framework that moves away from ad hoc spending and short-term financial compensation towards long-term shared visions for development [2]. The draft model framework does not yet include children in the template agreement format, as suggested by UNICEF during the public consultation. However, it is hoped that the framework is a suitable platform for negotiating child rights and child development as a central part of local benefit delivery.

References: [1] Dalaibuyan, Byambajav. 'Enhancing transparency of local level agreements in the Mongolian mining industry.' Goxi.org 2 December 2015. [2] Expressed by officials from the Mongolian Ministry of Mining during meeting with UNICEF on 24 March 2016, Ulaanbaatar.

Tool 10 Social Investment

10.4 Implementing social investment to advance child rights

The IFC handbook⁴⁹ provides guidance for implementing community social investment projects, and for monitoring and evaluating them. This section provides additional information that is specific to children. The implementation stages of social investment that are focused on children should ensure that the company is working with stakeholders who are knowledgeable about children's issues.

Working in partnerships can be especially beneficial when addressing issues that are of interest to many different stakeholders, including child-relevant issues. Some benefits of partnership include:

- Diverse perspectives, insights, skills and solutions;
- Improved understanding of partners and stakeholders;
- Reduced dependency on one party;
- Capacity building among partners;
- Opportunities to leverage resources; and
- Reputational benefits.

10.5 Monitoring, evaluation and reporting

Moreover, an effectively managed partnership can ensure greater community ownership of a project and its outcomes, leading to more sustainable outcomes, including outcomes for children. Truly collaborative partnerships seek to:

- Undertake design of the interventions collectively (as opposed to only by the lead party);
- Allocate risk between parties, or to the party most able to manage it (as opposed to transferring risk from the company to other implementation partners);
- Agree and share obligations between parties (as opposed to obligations being dictated by one party);
- Develop open-ended terms of contract (as opposed to time-specific); and
- Implement a work plan by all parties with pooled resources (as opposed to implementation by one party with its own resources).

When considering stakeholders to engage in community investment projects or community development partnerships, companies should aim to include a diversity of expertise and experiences in the partnership, including local organizations with a child focus, such as government agencies or NGOs. *(For more examples of child rights stakeholders, see Table 3, Section 2.3.)*

Monitoring and evaluation is a vital component of successful social investment, providing an ongoing process to manage and adjust the social investment programme based on continual feedback. It is also a platform for communicating programme outcomes internally and externally, engaging stakeholders, and ensuring the relevance and effectiveness of the programme through time. If the company is in the early stages of planning and implementation, Chapter 8 of the IFC handbook outlines strategies for measurement and communication related to social investment programmes.⁵⁰

⁴⁹ International Finance Corporation, *Strategic Community Investment: A good practice handbook for companies doing business in emerging markets*, IFC, Washington, D.C., June 2010.

⁵⁰ International Finance Corporation, 'Measure and Communicate for Strategic Advantage', Chapter 8 in *Strategic Community Investment: A good practice handbook for companies doing business in emerging markets*, IFC, Washington, D.C., June 2010, pp. 95–112.

Tool 10 Social Investment

Whatever the chosen method for monitoring and evaluation of results, it should be designed to collect useful information about direct and indirect impacts on children, in addition to other programmatic indicators. In social investment activities focused on children, it is important that they, as the main stakeholder, have a voice or representation in the process.

Reporting on outcomes of social investment activities with regard to child rights should cover the following steps:

- Identification of the child rights issues identified within the operation's area of influence and overview of methodology used to arrive at issue identification;
- Description of the activities implemented to address identified issues;
- Outcomes/progress in upholding and supporting child rights, reported against previously established KPIs; and
- Challenges experienced documented and an action plan set up for improving outcomes.

This reporting can be a valuable internal document, but can also benefit other companies, industries, governments and other stakeholders by being published publicly.