

OECD Mining Regions and Cities: enhancing productivity and well-being – Implementation Plan (2018-2021)

Background

Subnational regions with a major presence of mining and extractive industries make an important contribution to the economic development of a number of Organisation for Economic Co-operation and Development (OECD) countries (e.g. Australia, Canada, Chile, Finland, Mexico, and the United States). Mining regions also make a key contribution to the economic development of countries that work closely with the OECD on regional development issues (e.g. Colombia, Kazakhstan, and Peru). Mining regions have the potential to attract investment and increase productivity, this being necessary to meet the expanding global demand for minerals, metals, oil and gas. To fully exploit this potential, policies at all levels that take into account the well-being, environmental, and economic diversification needs of mining-based regions and cities are essential.

The challenges and opportunities associated with a mining and extractive industries specialisation tend to be amplified at a regional level. There are variations in how these impacts play out across different rural areas and cities in a region. The international experience shows that the mining industry has significant potential to support a long-term development process if a complex and inter-connected set of challenges is addressed, which can include: difficulties in diversifying regional economies and coping with environmental externalities; managing social issues related to the mining workforce; and combatting rising inequalities. The OECD work on regional development is designed to support regions and national governments in implementing policies that address these challenges in an integrated way and, in addition, can provide a platform for both knowledge-sharing and action among cities and regions.

Project objectives and priority areas of focus

The project will be guided by three **objectives**:

1. **Provide a framework** for the OECD, the mining industry, national and sub-national governments, and non-government organisations to cooperate on addressing shared challenges related to mining, extractive industries and regional development.
2. **Produce a series of publications** that deliver regional specific recommendations and implementation support, and a global tool-kit (benchmarking and guidance, indicators and data, and best practices) to support the implementation of better regional development policies in a mining and extractives context across countries
3. **Develop a global platform for mining regions and cities** through events and peer-review that enable knowledge sharing, advocacy and dialogue between public/private sectors and local communities on better policies to enhance regional productivity and wellbeing

Participation in the project outputs and activities is open to public officials and political representatives, the mining industry, educational and non-government organisations, and subject matter experts with an interest in regions that are specialised in mining and extractive industries. Mining regions and cities face unique regional development challenges, and this project will link these stakeholders with each other and OECD expertise on regional and rural development, the mining sector, transport and logistics, skills, the environment and other relevant policy areas.

The project will have four **priority areas** of focus for knowledge exchange and action:

- **Productivity and diversification** - Policies that enable the development of the mining industry, that support productivity and also strengthen the supply chain linkages around mining activities and support economic diversification efforts.
- **Quality of life and wellbeing** - Policies that enhance quality of life and address inclusive growth and well-being challenges that affect regions and cities with a high degree of dependency on mining and extractive industries.
- **New models of partnership between the private sector and local communities** - Good practices that help build and maintain social license to operate for mining and extractive operations at a regional and local level.
- **Sub-national governance and fiscal arrangements** - Sub-national governance and fiscal arrangements that address the complex relationships between national and sub-national governments, the mining industry and community stakeholders in relation to issues of economic development and wellbeing.

Progress so far and next steps

The 1st OECD Mining Regions event was held in Antofagasta, Chile on 5-7 October, 2017. A group of interested sub-national and national governments, and private sector actors have provided input to an implementation plan which will establish a programme of events and case studies over the next 3 – 4 years. These activities will aim to maximise opportunities for learning, raise the visibility of regional development issues related to mining and extractive industries, and develop a global tool-kit to support the implementation of better policies in future.