



ASEAN MINERALS COOPERATION ACTION PLAN 2005-2010

“A Vibrant Minerals Sector for Sustainable Development”

Introduction

1. Minerals are necessary in maintaining today's modern life. Mineral wealth as a natural asset can stimulate or enhance economic growth potential and social progress. It is expected that mining as an industry will continue to expand over the next 20 to 30 years to satisfy a continuously increasing demand from industrial production, agriculture, high-tech sectors, and merchandise producers.
2. ASEAN is endowed with abundant natural resources, including many mineral and energy resources. ASEAN also has a relatively large share of world reserve of certain minerals. Despite its relatively small share in the region's Gross Domestic Product (GDP), the minerals sector is growing in importance in ASEAN. Strong economic growth in the region and globally is fuelling demand for mineral resources in many countries and creating incentives and opportunities for ASEAN member countries to commercialise their mineral reserves.
3. Minerals production accounted for a relatively small share of the total GDP in ASEAN, at around 0.9 per cent in 2003, while exports accounted for 0.7 per cent. The contribution of minerals production to GDP was highest in Indonesia (2.3 per cent of GDP in 2003), the Philippines (0.8 per cent) and Myanmar (0.7 per cent). Minerals production in ASEAN was valued at US\$5.9 billion in 2003, while ASEAN minerals trade was valued at US\$10.5 billion in 2002.
4. The key minerals produced in ASEAN in value terms are nickel, copper and tin. Production of bauxite is also large in terms of volume, although is relatively low in value terms. Gold, lead, zinc and iron ore, as well as gemstones are also among the minerals that are produced in ASEAN countries, although at relatively small volumes.
5. Aluminium and copper are the major metals consumed in ASEAN, while smaller volumes of zinc, lead, tin and nickel are also consumed. Metals and minerals consumption in ASEAN have increased since early 1990s, with the most rapid growth in industrial minerals, nickel, refined copper, lead and zinc.

6. Growing world economic activity and industrial production in the past four decades has resulted in a significant increase in the demand of minerals globally. In recent years, increased consumption by Asian countries such as China and India has further boosted world minerals demand and prices. Thus creating incentives and opportunities for ASEAN member countries to commercialise their mineral reserves.

7. The ASEAN leaders in their 1995 Bangkok Summit Declaration called for the implementation of a programme of action that will further enhance trade and investment in industrial minerals to support the industrialization of Member countries and complement ASEAN's thrust in realizing the ASEAN Free Trade Area (AFTA), and continue to create a conducive environment for private sector participation by making rules and procedures transparent, and further set in place and operationalise a mineral database to support the cooperation programme. The ASEAN Heads of State and Government in Kuala Lumpur, Malaysia on 15 December 1997 resolved in the ASEAN Vision 2020 to enhance intra-ASEAN trade and investment in the minerals sector and to contribute towards a technologically competent ASEAN through closer networking and sharing of information on minerals and geosciences as well as to enhance cooperation and partnership with dialogue partners to facilitate the development and transfer of technology in the minerals sector, particularly in the downstream research and the geosciences and to develop appropriate mechanism for these activities.

8. In recent years, various cooperative activities in ASEAN minerals cooperation were implemented, particularly in the areas of training, trade and investment; mineral database and environmental-friendly mining and mineral processing. Key accomplishments included finalization of the ASEAN Minerals Database, continued information exchange on mineral trade and investment, environmental management and the conduct of the training project on groundwater management. The first Forum for ASEAN Private Sector Cooperation in Minerals was successfully convened during the 6th ASOMM in Vientiane, Lao PDR in July 2004. The Forum serves as a platform for continuous dialogue among the relevant private sector organizations and corporate bodies in the ASEAN minerals sector, providing opportunities for discussion and deliberation on trade and investment matters and issues pertaining to minerals in the region.

Objective

9. The objective of the ASEAN Minerals Cooperation Action Plan (AMCAP) is to create a vibrant ASEAN minerals sector by enhancing trade and investment and strengthening cooperation and capacity for sustainable mineral development in the region.

Policy Agenda and Cooperation Areas

10. In the Tenth ASEAN Summit in Vientiane, Lao PDR on 29 November 2004, the ASEAN Leaders adopted the Vientiane Action Programme (VAP), which called for enhancing trade and investment in the minerals sector and the strengthening of cooperation in the rational and optimal utilization of mineral resources.

11. Within the context of renewed thrust under the VAP, the *overall policy thrust of ASEAN cooperation in the minerals sector is to propel the ASEAN minerals sector as a vibrant force for greater economic growth and social well being in the region*. ASEAN member countries will strive, among others, to implement strategic policies, measures and initiatives to further enhance minerals trade and investment, to attract robust private sector participation and investment in the exploration and development of mineral resources, and to promote environmentally and socially sustainable mining practices.

12. Cooperation in ASEAN minerals sector shall involve partnership in policy development and in programme implementation in the following areas:

- a) Information exchange and development of the ASEAN Mineral Database;
- b) Promotion and facilitation of intra- and inter- ASEAN trade and investment;
- c) Promotion of environmentally and socially responsible mineral resources management and development;
- d) Intensifying private sector participation and public-private sector collaboration in ASEAN mineral cooperation programmes and activities;
- e) Fostering cooperation with ASEAN dialogue partner countries and relevant international and regional organizations in the promotion of scientific and technological research and development in mineral resources development and geosciences, as well as cooperative programmes on technology transfer;
- f) Coordination and harmonization of development policies and programmes on mineral resources;
- g) Exchange of technical information, experience and good practices; and
- h) Strengthening cooperation and joint approaches in addressing international and regional issues and concerns of common interest.

Strategies and Proposed Actions

13. More specifically, ASEAN member countries shall collectively pursue the following strategies and associated actions.

Strategy 1 : Facilitating and Enhancing Trade and Investment in Minerals

Actions:

- TI 1 Identify opportunities for and impediments to minerals exploration, production and processing, with a view to enhance regional cooperation, trade and investment in the mineral sector.
- TI 2 Provide a conducive institutional and regulatory framework to enhance trade and investment in the mineral resource development, mineral based products, services and technologies related to mineral sector through, amongst others, the establishment of a One Stop Mineral Trade and Investment Center in each ASEAN Member country, where relevant.
- TI 3 Establishment of smart partnership arrangements between ASEAN public and private sectors as well as facilitate and strengthen private sector cooperation amongst ASEAN member countries, ASEAN Dialogue Partners and related international institutions.
- TI 4 Facilitate access to information on trade and investment in the mineral and mineral-based industry including information on mineral exploration, development, utilization and value-added activities.
- TI 5 Sharing of mineral information through the development of activities such as the ASEAN Mineral Database, ASEAN Mineral Website, etc., with the view to facilitate investment cooperation in the mineral sector.
- TI 6 Organize trade and investment missions, conferences, seminars, expositions, exchange programmes, etc. to promote intra- and inter-ASEAN investment in the mineral sector.

Strategy 2 : *Promoting Environmentally and Socially Sustainable Mineral Development*

- ES 1 Support private sector development and national and foreign investment for environmentally and socially sustainable mineral development.
- ES 2 Improve social and environmental frameworks to support safe, responsible and sustainable mineral development, including harmonization of regional environmental standards and promotion

of economic instruments and valuation tools for sustainable mineral development.

- ES 3 Promote environmentally sound and socially responsible mineral development practices in the sustainable management and rational utilization of mineral resources.
- ES 4 Promote remediation and rehabilitation strategies and measures for abandoned mines/sites and mine closures.
- ES 5 Engage ASEAN Dialogue Partners and relevant international and regional organizations, in the promotion of sustainable mineral development, research and development and technology transfer cooperative programmes and activities.
- ES 6 Pursue sustained information, education and communication campaign jointly with industry to enhance the public awareness of environmental, health and socio-economic impacts and benefits of mineral resources development amongst the local communities and appropriate levels of governments.

Strategy 3 : *Strengthening Institutional and Human Capacities in the ASEAN Minerals Sector*

Actions

- IH 1 Develop a consolidated plan and organize regional training programmes to meet the needs and requirements of ASEAN minerals administrations/agencies.
- IH2 Enhance institutional, human and technological capacities in geological surveys and resource mapping.
- IH 3 Intensify capacity building programmes to facilitate research, innovation and application of emerging and advanced technologies in minerals and geosciences, including environmental management, minerals processing and rehabilitation, amongst others.
- IH 4 Promote cooperative scientific, technological research and development and technology transfer programmes with ASEAN Dialogue Partners and relevant international and regional organizations.
- IH 5 Develop and adopt efficient technologies to ensure rational extraction and utilization of mineral resources.

- IH 6 Develop a regional framework to facilitate cross-border movement of skilled and professional workforce as well as technology.
- IH 7 Pursue intra ASEAN technical visits, joint studies, researches, and technical exchange programmes.

Implementation Arrangements

14. The ASEAN Senior Officials Meeting on Minerals (ASOMM) shall have the overall responsibility in the supervision, coordination and implementation of the ASEAN Minerals Cooperation Action Plan (AMCAP) 2005-2010, with the following specific responsibilities:

- a) Undertake all measures for its implementation, including determining priorities, carrying out periodic reviews, and the approval of the necessary cooperation programmes, projects and activities;
- b) Serve as the principal coordinating body to address all issues relating to its implementation;
- c) Identify financial support and assistance, as well as relevant technologies from within and outside ASEAN, to include but not limited to the private sector, the ASEAN Dialogue Partners and relevant international and regional organizations; and
- d) Report on the implementation progress to the ASEAN Ministerial Meeting on Minerals (AMMin).

15. ASEAN member countries shall collectively determine the implementation priorities, work programmes, projects and activities under the ASEAN Mineral Cooperation Action Plan (AMCAP) for consideration and approval by ASOMM. Participation of the ASEAN private or business sector, ASEAN Dialogue Partners and the relevant regional/international organizations shall be encouraged in the implementation of the approved programmes, projects and activities.

16. ASEAN member countries shall be accorded flexibility in the implementation of agreed programmes, projects and activities, where two or more Member Countries which are ready shall be allowed to proceed first, while the other Member Countries which are not ready may join in later when they are in the position to do so, in line with Article 1(3) of the Framework Agreement on Enhancing ASEAN Economic Cooperation signed by the ASEAN Leaders at the Fourth ASEAN Summit in Singapore on 28 January 1992.

17. ASEAN member countries shall address the development issues and special needs of the less developed Member countries, by instituting technical

and development cooperation programmes and activities, particularly focusing on capacity building, to accelerate development and the process of integration.

18. ASOMM would convene the Working Groups or Experts Group, as deemed necessary, to determine the priorities and implementing arrangements, further elaborate the sectoral work programmes, and prepare the necessary project proposals/ documents. The designation of chairmanship and country coordinators for the working groups and specific projects programmes/activities would be subject to mutual agreement by the ASEAN member countries and ASOMM.

19. The ASEAN Secretariat shall assist ASOMM and the ASOMM Working Groups/Experts Group in carrying out the above responsibilities, including technical support and assistance in the supervision, coordination and review of the cooperation programmes, projects and activities as well as leverage of funding. The ASEAN Secretariat shall prepare regular implementation progress reports, for submission to ASOMM and its Working Groups.

20. The ASEAN Ministerial Meeting on Minerals (AMMin) would resolve issues and concerns of common interest and set policy and programme directions for the successful and effective implementation of the ASEAN Minerals Cooperation Action Plan 2005-2010.

21. Technical and financial assistance from ASEAN Dialogue Partners, ASEAN private sector, international and regional organizations and other related institutions are most welcome to ensure the successful implementation of the ASEAN Minerals Cooperation Action Plan (AMCAP) 2005-2010.

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ANNEX

TENTATIVE PROGRAMMES, PROJECTS AND ACTIVITIES AND SUGGESTED TIMELINES

Strategy 1: Facilitating and Enhancing Trade and Investment in Minerals

	Programme	Projects and Activities	Suggested timelines
TI 1	Trade opportunities and impediments	<ul style="list-style-type: none"> i) Establish information sharing mechanism <u>with the view to possibly</u> harmonise mineral policies of ASEAN member countries ii) Identify impediments with a view to review tariffs and non-tariff barriers to ASEAN mineral trade and investment iii) Undertake study on mineral trade flow of ASEAN countries iv) Analyse the demand and supply of mineral and mineral-based products of ASEAN countries 	<p>2006 – 2007</p> <p>2006 – 2007</p> <p>2006-2007</p> <p>2006-2007</p>
TI 2	Creating a conducive environment for trade and investment	<ul style="list-style-type: none"> i) Review existing regulations and incentives with a view to <u>promote and facilitate mineral</u> trade and investment ii) Establishment of a one-stop mineral trade and investment <u>promotion/facilitation</u> centre in each ASEAN member country 	<p>2006 – 2007</p> <p><u>Starting 2006</u></p>
TI 3	Facilitating smart partnership in trade and investment	<ul style="list-style-type: none"> i) Establishment of ASEAN Public-Private Sector <u>Dialogue On Minerals</u> ii) Promote and facilitate joint venture cooperation between <u>ASEAN private sector</u> companies iii) Undertake Investment missions to related ASEAN member countries 	<p><u>2006</u></p> <p>2006-2010</p> <p>2006-2010</p>

	Programme	Projects and Activities	Suggested timelines
		iv) Hold consultative sessions with ASEAN Dialogue Partners	2006-2010
TI 4	Facilitate access to mineral trade information	i) Conducting mineral trade database workshop ii) Developing a mineral trade database network among ASEAN countries iii) Establishing a web-based Directory On Trade and Investment in Minerals iv) Exchange of information, statistics and publication on mineral exploration, development and utilization as well as value-added activities	2006 – 2010 2006-2007 2005-2006 2005-2010
TI 5	Sharing of mineral resource information <u>(In coordination with the WG on Mineral Information and Database)</u>	i) Conducting mineral resources database workshop ii) Developing a mineral database network among ASEAN countries iii) Organizing technical visits, exchange of experts in the field of mineral database among ASEAN member countries iv) Updating and enhancing the mineral database	2006 -2010 2006-2007 2006-2007 2006-2010 2006-2010
TI 6	Promote intra- and inter-ASEAN investment in the mineral sector <u>(In coordination with WG on Capacity Building in Minerals)</u>	i) Organize trade and investment missions, conferences, seminars, expositions, exhibitions, exchange programmes ii) Organize workshops on <u>relevant WTO Agreements</u>	2006-2010 2006-2010

Strategy 2: Promoting Environmentally and Socially Sustainable Mineral Development

	Programme	Projects and Activities	Suggested timelines
ES1	Incentives for environmentally and socially sustainable mineral development	i) Review incentives <u>existing</u> incentives, <u>if any</u> , to support smart partnerships between public and private sectors	2005-2007
		ii) Facilitate dialogues and forums to enhance investment and cooperation in environmentally and socially sustainable mineral development	2005-2007
ES2	Capacity building for sustainable mineral development	i) Establish information sharing mechanisms on the social frameworks, environmental standards and legislations	2005-2007
		ii) Develop capacity on economic instruments and valuation tools for sustainable mineral development	2005-2008
		iii) Conduct training to strengthen capacities of national authorities to improve management frameworks for safe, responsible and environmentally sustainable mineral development	2005-2010
ES3	Exchange of knowledge and <u>best</u> practices	i) Identify and document indigenous knowledge and <u>best</u> practices in environmental protection and rational utilization of mineral resources	2005-2008
		ii) Continuous programmes on exchange of knowledge on <u>environmentally and socially</u> responsible mineral development practices	2005-2008
ES4	Remediation and rehabilitation of abandoned and closed mines/sites	i) Identify, document and disseminate remediation and rehabilitation strategies and measures for abandoned and	2005-2007

	Programme	Projects and Activities	Suggested timelines
		closed mines/sites ii) Training and research to build the human and technical capacity in remediation and rehabilitation measures for abandoned mines/sites and mine closures	2005-2008
ES5	Engagement and cooperation with ASEAN Dialogue Partners	i) Organise dialogues for interaction and exchange knowledge on sustainable mineral development ii) Conduct mutual visits and meetings of experts in research and development on environmentally sustainable mineral development iii) Identify existing networks and encourage cooperation within ASEAN for mutual capacity building iv) Conduct cooperative programmes with Dialogue Partners for transfer of technology	2005-2007 2005-2007 2005-2008 2005-2008
ES6	Communication, education and public awareness	i) Enhance dialogue and participation of stakeholders in the mineral sector ii) Exchange information on communication campaigns for public awareness on environment, health and socio-economic benefits of mineral resources development iii) Develop education material on the benefits of environmentally sustainable mineral resources development iv) Conduct public relation campaigns through existing	2005-2008 2005-2008 2005-2010 2005-2010

	Programme	Projects and Activities	Suggested timelines
		communication mechanisms	

Strategy 3: Strengthening Institutional and Human Capacities in the ASEAN Minerals Sector

	Programmes	Projects and Activities	Suggested timelines
IH1	Develop regional training plans	i) Analysis of training needs of ASEAN mineral administrations/agencies	2006
		ii) Identification of training institutions and resources	2006
		iii) Organization of training programmes	2006 - 2010
IH2	Enhance institutional, human and technological capacities	i) Training on geological surveys and resource mapping	2006 – 2010
		ii) Exchange of geological and resource information between ASEAN countries through regional conferences	2006 – 2010
		iii) Short training courses on resource mapping, evaluation and mineral economics	2006 -2010
		iv) Adopt standard ore reserve and minerals resource classification system	2007
IH3	Capacity building for research, innovation and technology transfer in minerals and geosciences	i) Training of mineral researchers and geoscientists	2006 -2010
		ii) Attachment training in ASEAN member country	2006 -2010
		iii) Short term training courses on specialised areas, especially environmental management, minerals processing and rehabilitation	2006 -2010
		iv) Exchange of scientific knowledge, experience through seminars, conferences and field technical visits such	2007 & 2009

	Programmes	Projects and Activities	Suggested timelines
		as ASEAN Industrial Minerals Conference (AIM), Base Metals and Precious Metals Conference	
IH4	Promote cooperative scientific, technological research and development and technology transfer programmes with ASEAN Dialogue Partners and other international agencies	i) Identification of areas for cooperative studies	2006
		ii) Identification of areas for technology transfer	2006
		iii) Identify relevant experts from ASEAN Dialogue Partners and others	2006
		iv) Request for multilateral /bilateral aid	2007
IH5	Develop and adopt efficient technologies to ensure rational extraction and utilization of mineral resources	i) Intensify research and development on new technologies in evaluation, mining, processing and utilization of mineral raw materials	2006 – 2010
		ii) Sharing and exchange of information and experience on latest technology and practices through regional conferences	2006 - 2010
IH6	Develop a regional framework to facilitate cross-border movement of skilled and professional workforce as well as technology	i) Strengthening institutional and human capacities through utilisation of skilled and professional workforce from ASEAN member countries	2006 – 2010
		ii) Formulate a policy for intra ASEAN employment of skilled and professional workforce	2007
IH7	Pursue intra ASEAN technical visits, joint studies, researches, and technical exchange programmes	i) Organising of technical visits to ASEAN member countries	2006 – 2010
		ii) Exchange of experts between ASEAN member countries	2006 – 2010
		iii) Identification of areas for potential joint studies	2006 - 2007

	Programmes	Projects and Activities	Suggested timelines

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