



**UP TO DATE PROGRESS REPORT  
(October / 2012)**

<p><b>Social Issues Progress</b></p>	<p><b>Organized Training on Social &amp; Environmental issues for 25 officials of Ministry of Mines:</b></p> <ul style="list-style-type: none"><li>- As part of capacity building program for the Ministry officials on social &amp; environmental impacts of mining and their mitigation, a four day training was organized from 23-26<sup>th</sup> September at AGS for 25 officials from Department of Inspections, Cadastre, Policy, Investment Promotion and Aynak Authority of Ministry of Mines. The issues discussed during the training included Social Policy, Social Impact Assessments, Environmental Impact Assessments, Land Acquisition legislation and their proposed amendments, Corporate Social responsibility, Community Development Agreements etc. The purpose of the training was to provide a general picture of all these issues to the participants and make them aware of the negative and positive impacts of mining on the communities and environment. It was also meant to enhance capacity of the participants to look in to these issues during the mine inspections and in facilitating community consultation. The training was meant to create a sense of responsibility among the participants for mitigating the adverse impacts of mining on the communities and environment.</li><li>- This training was conducted by the experts in MoM, MAIL &amp; MoJ. It greatly enhanced the understanding about these important issues among the relevant departments in the Ministry. The training tools included power point presentations and lectures.</li></ul>
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The participants were given handouts for each of the lectures with presentations and background notes in local language. The participants were also involved in the group work followed by their presentations which greatly increased their involvement and interest.

- An evaluation of the training program was carried out through feedback forms from the participants. Overwhelmingly large number of participants found the training very useful and the training tools as very effective and all them would want to have further trainings in land acquisition, CSR and CDAs.

#### **Prepared Guidelines for Social Development in Small & Medium Scale Mining in Afghanistan**

- The guidelines for social development in small & medium scale mines in Afghanistan were prepared to provide a broad framework for government interventions towards sustainable development in small & medium scale mining in Afghanistan. It also provides guidance for the Government and mining companies to ensure that all necessary social safeguards are appropriately covered under the contracts and that they are properly implemented.
- Considering the unorganized nature of these mines, these guidelines provide a broad framework to mitigate social & environmental impacts of these mines. The activities in these mines not only cause substantial environmental damage, but also huge social problems. At the same time, these mines given proper direction & support, can contribute substantively to employment generation & socioeconomic development of the country. The guidelines cover measures to be taken by the Government and mining companies towards community development, labor protection, health and safety of mine workers. It also provides for a grievance redressal mechanism and external evaluation of the efforts made towards social

development in the areas of small & medium scale mines. The external evaluation would also aim to study the measures for resettlement, if any, restoration of income, improving living standards and livelihoods of affected persons and make recommendations for planning for policies in the future

- These guidelines indicate strong intent of the Government of Afghanistan towards social development in the small & medium scale mining sector. These will guide the process of socio-economic development in these areas to enable long term sustainable community development and benefit sharing. These guidelines will also help government, the mining companies, NGOs etc to direct their policies and programs for social development in these mining areas in a more focused and targeted manner.

**Capacity Building of the Inspections Department Team to carry out Impact Assessment of the closure of illegal coal mines in Bamiyan province.**

- Carried out detailed discussions with H.E. Minister and the team of officials from Inspections Department on the above issue. A detailed questionnaire for the impact assessment of closure of illegal coal mine Ashupushta area in Bamiyan in June 2012 on the employment of mine workers was prepared. A training program for the 6 member team from the Ministry which would be carrying out this assessment was also conducted to facilitate an effective and comprehensive assessment of the situation.

**Discussions on Land Acquisition issues at Aynak:**

- Carried out detailed discussion with Head of Aynak Authority and other officials about the land acquisition and compensation to the affected families at Aynak. Advised the Aynak Authority team to immediately activate the grievance redressal mechanism at Aynak and to document the process of community consultation for land acquisition for the access road at Aynak.

**Review of Social Development activities under Qara Zaghan Gold Mining project:**

- Reviewed the activities under the corporate social responsibility of the mining company in the Qara Zaghan mine including establishing a community relations committee, employing and training of local people, refurbishment of wells for the use by the communities, provision of school bus etc and advised them to make these activities more effective and useful for the local communities during a presentation held in the Ministry. Also reviewed the commitments of the mining company for social development activities under the contract and their performance based on these commitments.

**Discussions on issues of Health & Safety of workers at Mine sites with Inspections Department**

- As advised by H.E. Minister, detailed discussions were held with the Inspections Department regarding need to properly inspect health and safety of workers at mine sites, provision of personal safety equipment, availability of first aid at the site etc. Issues related to use of child labor in mines was also discussed and Inspections department was advised to always check use of child labor in mines and that they should immediately prohibit the mining company to not to use children below age of 18 years in the mines as per the Afghan Labor Law.

### Mes Aynak Archeological Progress

- Over the next 2 months work will be carried out to complete the excavation of Lower Town areas and a phase of documentation will be undertaken to finalize the archive.
- Areas of the lower slopes of the mountain will also be targeted where walls can be seen in the Russian trenches; extension of a stupa site on the middle slopes of the mountain will also be undertaken.
- Documentation is ongoing on the peripheral monastic sites and should be complete by December; meanwhile a phase of removal of larger structural relics will be undertaken.
- Work continues on a total 21 sites
- The completion of two large sites consisting of stupa complexes, both sites have provided examples of large numbers of complicated structural remains and are now both completed and awaiting removal of the larger structural remains.
- The central lower town has seen a large increase in the areas of excavation, and as some of these starts to merge we can expect to see complete excavation of this area by 2013. All of this will be mapped by the end of the year.
- A new stupa site, with wall paintings has been discovered on the mid-slope of the mountain
- Finally to the south a large swathe of the site has been evaluated and is complete

### Policy Support to Ministry of Mines

- Were undertaken at the request of the Deputy Minister.
- Worked with other members of the Policy and Programs Unit to prepare the Mineral Industry's statement for the Afghan Policy Framework. This major program is under the direction of the Ministry of Finance.
  - Continued review of various training programs at both the executive level and technical skills education. I have been in contact with universities and/or training institutions to provide training to Afghan nationals involved in the minerals industries for:

	<ul style="list-style-type: none"> <li>- Vocational/technical education,</li> <li>- Seminars for the younger administrative staff at the MoM in the technology and economics of the mining industry,</li> <li>- Management short course training at the MBA level for the Ministry's mid- and upper level personnel,</li> <li>- Establishment of a formal mining engineering program (4 year college) at one of the local universities.</li>   <li>- A brief meeting was held with the World Bank office to provide a verbal update of progress.</li>   <li>- A short paper discussing the pros and cons of establishing a State – Owned Exploration Company was prepared.</li>   <li>- PMU Policy Advisor along with other members of the Policy and Programs Group, prepared a white paper with accompanying questions and answers for the Deputy Minister's speech at the MENA Mining Conference scheduled to be given in Dubai at the end of October.</li> </ul>
<p style="text-align: center;"><b>Aynak Compliance Monitoring Project</b></p>	<ul style="list-style-type: none"> <li>- The Archaeological Project Advisory Coordination Panel met on 6 OCT 2012 under the chairmanship of HE DM Durrani to address security issues and the ongoing excavation of cultural relics. Red zones will be cleared by 25 DEC 2012. DM requested all groups concerned to identify a quick solution for the importation of urgently needed chemicals for the conservation of relics so as to avoid further delays in site clearance. As a result, HE MoM ordered a team of procurement experts to travel to India and to purchase the required chemicals directly from local suppliers.</li> <li>- MJAM presented an update of the Qaleesh coal (Bamyan Prov.) life-of-mine report which is currently under review. More conclusive details of the power supply project will be presented in MJAM's bankable feasibility study to be released end of November 2012.</li> <li>- HE MoM and his advisory team met with a high-level MCC delegation under the leadership of President Shen heating on 17 OCT 2012. Both sides agreed to take all necessary steps to bring the Aynak</li> </ul>

	<p>Copper Mine into production as soon as possible.</p> <ul style="list-style-type: none"> <li>- MJAM responded to DM Durrani's request to clarify its approach to water consumption and conservation in a letter dated 16 OCT 2012. Responsible water management will remain a critical issue to be carefully reviewed during construction and operation stages.</li> </ul>
<p style="text-align: center;"><b>Environmental Issues Support to NEPA</b></p>	<ul style="list-style-type: none"> <li>- In October 07, 2012 I had a long discussion meeting in PMU including: <ul style="list-style-type: none"> <li>o Dr. Dave (Environmental Advisor)</li> <li>o Mr. Joe Seeger (Mining Engineer)</li> <li>o Mrs. Harjot Kaur (Senior Social Development Advisor)</li> <li>o Mr. Perwaiz Noorzad (Project Consultant)</li> </ul> </li> <li>- Have discussed several issues of our responsibilities in regard to Aynak project. The issues discussed are listed below, and we have achieved some, but some of them left due to Eid Holydays: <ul style="list-style-type: none"> <li>o Water related issues (effluent standards, water quantity in mining...)</li> <li>o Mining standards (to further discuss this issue in MoM to start work on its draft and processing)</li> <li>o Aynak ESIA and FS review (we discussed how to do, who will do what...).</li> <li>o Dr. Dave training program for NEPA: we have achieved this.</li> <li>o future trainings by the relevant advisors for NEPA</li> <li>o SESIA document (it is currently with World</li> </ul> </li> </ul>

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- Another int'l advisor for NEPA in Hydrocarbons mining
  - consultancy firms proposals for Regulatory Capacity Building of NEPA
  - Two int'l advisors for NEPA who are currently in negotiation, one of them very soon will be joining NEPA
- SDNRP environment advisor based on NEPA has attended a Two Days Seminar in Kabul University on Environmental Faculty Curriculum Development and Review: NEPA worked with MoHE on establishment of a new faculty (Environmental Faculty) in Kabul University during last few months. Finally this initiative is approved through relevant processes. In order to review its curriculum there was a Two Days Seminar in Kabul University, from NEPA I with other five directors, advisors and experts were assigned to attend this program. Before joining this program we have worked here in NEPA on the draft of their curriculum for two or three days.
- As in September Mr. Vaughan Smith had a three weeks training program for NEPA employees. In October I and Mr. Vaughan were requested by Mr. Qaderi to prepare a Summary of this Program for uploading in the MoM website. So finally we have developed the summary and sent it to PMU during October.
- The advisors, who had that discussion meeting, exchanged several emails and other communications for progress and follow up actions during October.
- During this reporting period, Dr Dave conducted a three days training sessions for NEPA staff here in NEPA in 20 - 22 October, 2012. Topics covered are

	<p>water and mining, environmental and mining policies, laws and regulations. About 25 employees mostly of EIA and other departments of NEPA attended this program. Here in NEPA, I did all arrangement and processing with management and approval for this program.</p> <ul style="list-style-type: none"> <li>- In October 16, 2012 I attended the Environmental Technical Committee meeting in ANSA, which currently working on ISO Terms in regard to Greenhouse gases (GHG). I am doing the technical and scientific review of translation of these terms.</li> </ul>
<p><b>Legal Issues Support to the Ministry of Mines</b></p>	<ul style="list-style-type: none"> <li>- The Hajigak legal and commercial advisors continue to provide daily support to the Ministry of Mines on all issues related to the Hajigak Iron Ore Deposit. Positive negotiations continue with both winning bidders and the MoM looks forward to concluding two separate Mining Contracts in the next few months. In addition, the final Mining Contracts will be signed once the new Minerals Law is enacted.</li> </ul>
<p><b>NRRCP “National and Regional Resource Corridor Program”</b></p>	<ul style="list-style-type: none"> <li>- Accompanying water specialist to Mazar assisting his research in regard to water supply situation in the North Zone in terms of underground and surface waters.</li> <li>- Prepared a topic for human resource situation in Afghanistan to accommodate a section in EIDF outline.</li> <li>- Provided input on the Extractive Industries Development Framework (EIDF) Outline-Chapter 12 about role of Public Private Partnership.</li> <li>- Conducted a mission trip to Balkh, Sar-i Pul, Jawzjan, Andkhoy and Faryab, met with CNPCIW and Chambers of Commerce and Industries of the mentioned provinces to assess the Private Sector Contribution and Mechanism of Connecting Local Businesses to CNPCIW's Business Opportunities.</li> </ul>

- Conducted a mission trip to Mazar e Sharif, visited Hairatan and Naib Abad Rail Terminals, report is completed.
- Prepared a second Executive Summary for the study titled "Railway Development Plan" and conducted by HARREL, WINNER, THOMPSON, SHARP AND KLEIN.
- Conducted a mission trip to Herat province, visited Torghondi rail terminal, work on its report is ongoing.
- Wrote Chapter 12 of Extractive Industries Development Framework (EIDF) Outline.
- Wrote a short topic titled, "The Status of Railways in Afghanistan".
- Prepared a report Risk Management of Investment in Afghanistan Focused on mineral sector.