

PARLIAMENTS AND EXTRACTIVE INDUSTRIES: HOW TO IMPROVE OVERSIGHT AND INCREASE COLLABORATION

BOGOTA, COLOMBIA – 25 - 26 FEBRUARY 2013

RECOMMENDATIONS

Topic: Parliamentary Roles: Legislation, Supervision and Representation

1. All Parliaments should seek to update legislation governing extractive industries, based on environmental impacts, the return of the expected benefits, and sustainable development criteria.
2. Parliaments should ensure the transparency of all processes associated with extractive industries, in conformity with national interests and social welfare.
3. Parliaments should strengthen mechanisms used to disseminate information and report on regulations governing extractive industries, especially on concessions and contracts involving the national wealth.
4. Parliaments should assess procedures so that control and oversight functions make a significant contribution to the fight against corruption. In so doing, they should demand full cooperation from the Executive and other government agencies.
5. Parliaments should strive to standardize control and legislative criteria applicable to extractive industries.

Topic: The Current State of the Right to Prior Consultation in South America

1. States which are not yet signatories are urged to ratify International Labour Organization (ILO) Convention No. 169 concerning Indigenous and Tribal Peoples in Independent Countries, and to sign the United Nations Declaration on the Rights of Indigenous Peoples, which enshrine several rights, including the right to prior consultation.
2. Given the current gap between the establishment of indigenous peoples' rights and their implementation, there is the pressing need to advance the adoption of measures to ensure the effective enforcement of these rights, especially the right to prior consultation.
3. Parliaments and States are called on to establish, through the pertinent authorities, true and effective consultation and participation mechanisms for all citizens, particularly rural populations, and to ensure appropriate access to information on projects involving extractive industries.

4. Parliaments are called on to adopt standards regarding consultation on their own legislative decisions, with the indigenous peoples affected by them.
5. Member States are invited to strengthen the capacity of the Inter-American Court of Human Rights as advocate for indigenous peoples' rights, especially the right to prior consultation.

Topic: Types of Contracts, Tax Regime and Transparency

The Group recommends:

1. Establishing tax regimes that will factor in the fluctuation in the international price of the resource being extracted.
2. Providing that a percentage [of revenues] be allocated to mitigating the social impact on communities located in the resource development area.
3. Promoting systems that will ensure that revenue guarantees solidarity with future generations.
4. Identifying measures that encourage investment reserves to be used for economic diversification.
5. Disseminating information on public tender processes.

Topic: Managing Revenues from Extractive Activities

The Group recommends:

1. Using a portion of the revenues raised from extractive activities to diversify the production matrix with a view to consolidating sustainable economic sectors.
2. Advancing the processes of decentralization, autonomy and territorial organization, all of which are essential for improving public administration.
3. Further strengthening participatory processes for budget formulation, transparency and accountability, at all levels of government.
4. Discussing income distribution formulas, considering equity criteria that will ensure equal opportunity.
5. Considering the creation of a stabilization fund using revenues raised from extractive industries, to overcome contingencies.

Topic: Improvements to the Current Development Model

1. States have the right to maximize the revenues raised by the country while maintaining the incentives required to encouraging necessary investment.

The Group recommends:

2. Developing public policies that will both encourage growing participation by national economic agents in the provision of goods and services to extractive projects, and promote value-adding processes involving extracted resources.
3. That countries enforce laws that promote social responsibility while protecting the role of the State as tax collector and supplier of basic public goods and services.
4. Strengthening environmental frameworks in order to safeguard biodiversity and renewable natural resources while developing extractive activities.
5. That States associate with companies that have demonstrated experience and high environmental standards that make their best efforts to control illegal activities massively using cyanide and mercury, which are highly detrimental to the environment and to the population in general.

Topic: Alternative Development Models

The Group recommends:

1. Promoting national institutionality for the planning and development of long-term Government policies that encourage alternative and sustainable development models, promote economic-productive diversification, strengthen domestic markets, and foster decentralization.
2. Strengthening regional and sub-regional integration in order to promote new economic development models based on territorial complementarity.
3. Fostering public policies and a development model that balance economic, social and environmental variables.
4. Participating actively in the signing, ratification and implementation of international environmental protection mechanisms (MEAs), the International Human Rights System, and global warming and climate change prevention and mitigation mechanisms.
5. Offering legal certainty for foreign and domestic investments while safeguarding the sovereignty of the State in the protection of public interest from a perspective of social and environmental sustainability.