

Achieving the social license: the Scandinavian Mineral Resources Model & Finland as mining cluster country

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Mineral Resources in Greece**

Athens, 17 June 2016

Lapland - Our Heart is Gold (video, mpg, 40 mb)

<http://www.slideshare.net/FinproRy/finnish-mining-cluster>

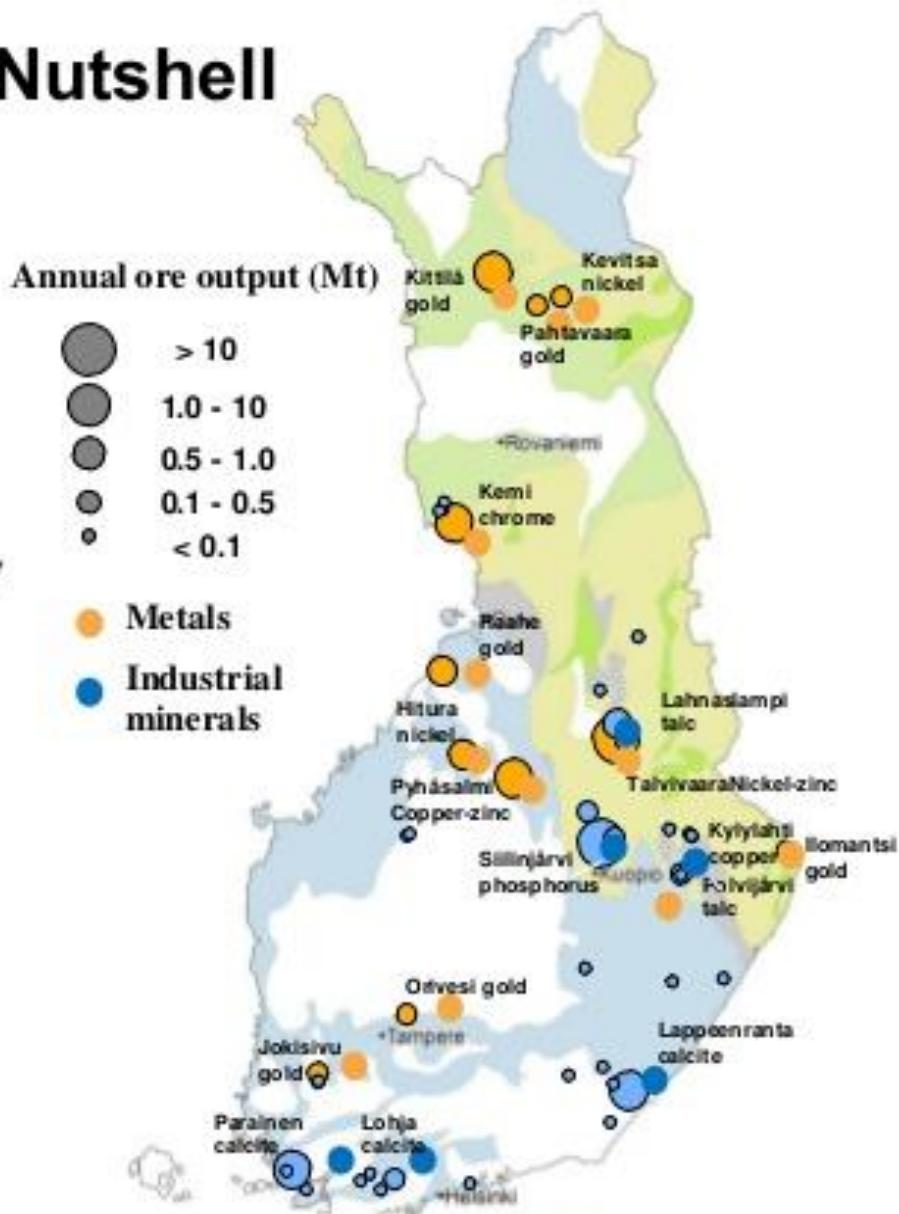


Mining Opportunities in Finland

SIGNIFICANT COPPER AND ZINC
RESOURCES ARE WAITING UNDISCOVERED
IN FINLAND'S BEDROCK

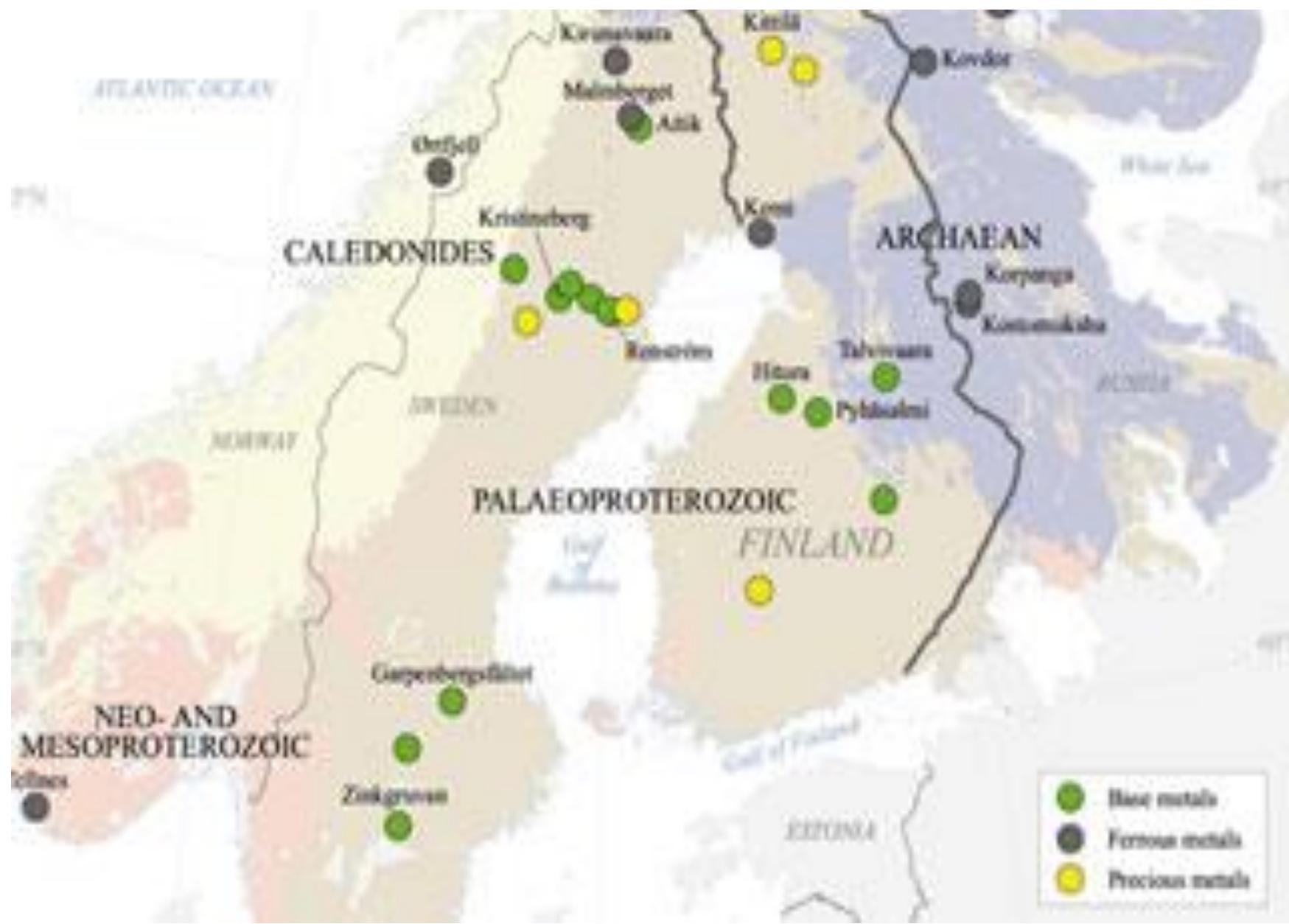
Finland's Mining in the Nutshell

- 52 mines (12 metal, 17 carbonate rocks and 14 industrial minerals)
- Mine investments 2008-2011 1.3 Bill. €
- Estimated investments until 2020 over 3 Bill. €
- Estimated turnover 2.5 Bill. € and employees 5000 in 2015
- Finland is one of the leading mining technology providers (Metso, Outotec, Sandvik, Normet)



Data: ETLA 2011







Finland's Minerals Strategy

Efficiently managed and sustainable utilisation of our mineral resources secures the long-term supply of raw materials at a national level, while creating the preconditions for stable regional development far into the future.

Expertise in the minerals sector also enables Finland to effectively promote responsible and sustainable management of mineral resources within a global environment, as well as generating opportunities for new international business activities.

VISION 2050

Finland is a global leader in the sustainable utilisation of mineral resources and the minerals sector is one of the key foundations of the Finnish national economy.

Global
competitiveness

Secure supply
of raw materials

Dynamic regional
development

Life cycle thinking



Minerals strategy objectives

Finland as a mining cluster country

- An important sector, supported by the government
- Geological potential
- Infrastructure, skilled personnel
- Eastern and Northern part of the country
- Value chains (machinery, equipment, technology, services)
- **Environmental impacts** can and must be mitigated
- Legislative framework
- Technical solutions
- Innovations
- **Social acceptance**

Corporate Social Responsibility (CSR)

The Finnish government's CSR policy in practice:

- producing information on CSR, such as reports or studies,
- building dialogue between companies, civil society, and public officials,**
- services, such as training on CSR for companies or public officials, and
- legislation, which mainly derives from EU.



License to operate mines

SUOMI
FINLAND



Finland: the Mining Act 621/2011

- Renewal of the mining legislation 2011
- Finnish chemicals and safety agency **Tukes** as mining authority
- Evaluation of the implementation of the Act is ongoing
- Objectives
- Unforeseen effects
- Technical amendments autumn 2016

Regulatory analysis on mining governance in Finland: Legal research on the national Mining Act

- Evaluation of the new Mining Act from the perspective of **land use planning, environmental protection and participatory rights**
- Legal studies on the possibilities of the local actors to influence mining related decision-making and manage different land-use interests





Mining in the Nordic Countries

A comparative review of legislation and taxation







Figure 1

Determining mine impact	Environmental management	Monitoring
Land use planning	Ensuring rights of workers	Rehabilitation of land
Compensation agreements	Ensuring work safety	Limiting environmental damage
Stakeholder consultations	Paying taxes	
Setting conditions	Reporting	
Prospecting, exploration, mine development	Production	Mine closure, rehabilitation monitoring
Minerals laws	Tax and accounting laws	Environmental laws
Environmental laws	Labour laws	
Planning and building laws	Work environment laws	
Heritage conservation laws	Discrimination laws	
Indigenous rights laws	Environmental laws	



Mining through controversies

Public debates, legitimacy and social licence to operate

The economic, social and ecological implications of the extraction of mineral resources have been increasingly discussed under the concept of social licence to operate. In Finland, critical public framings characterised by impressions of failed economic promises, unreliable technology and environmental hazards have dominated the recent mining debate. Operators probing for possibilities to establish new mines have faced increasingly critical public reactions.

We studied media representations and planning documents in order to identify the variety of publicly presented concerns related to the planned mine and mining company's social licence to operate. Our case study focuses on the planning processes of a gold mine adjacent to an important tourist destination in the Kuusamo municipality, northeast Finland. We highlight the role of public debate for formation and erosion of legitimacy and the fragility of the social licence to operate.

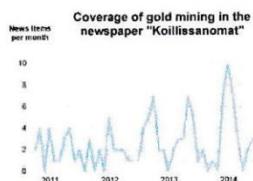


Fig. 1 The volume of coverage related to the planned gold mine in the local newspaper 'Koillisvaomat'

Background

- The concept of social license to operate (SLO) has been increasingly used to understand the formation of local acceptance or opposition towards mining operations, and to manage conflicts between mining industry and local communities
- We claim that the formation SLO requires legitimization that is a result of many parallel and often non-linear social processes with possibilities of amplification and attenuation.
- Public debates and media representations have an important indirect influence over how various groups and institutions perceive and react upon the legitimacy of a given organization.
- We studied how the legitimacy forming the basis for the social licence to operate is created or eroded during the land use planning processes of a new mine.
- Our case-study focus on municipal level planning process in Kuusamo, northeast Finland.

Acknowledgements

This study was supported by the Sustainable Acceptable Mining (SAM) project funded by the Finnish Green Mining Programme of TEKES.
Photo credit: Mikaela Simola/YTA Images/Finna

Reference

Uyttimaki, J., Peltola, L. (2015). Mining through controversies: Public perceptions and the legitimacy of a planned gold mine near a tourist destination. Unpublished manuscript.

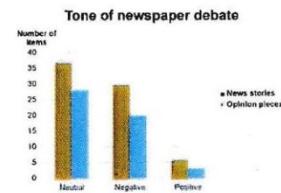
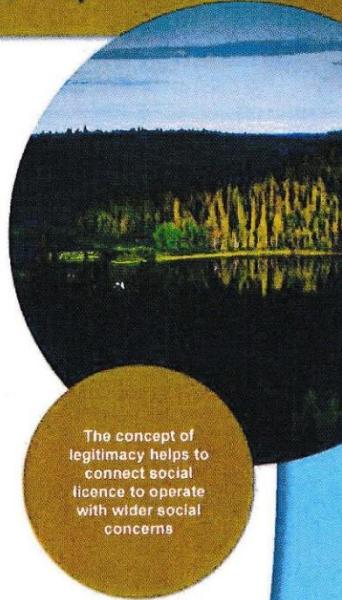


Fig. 2 Overall tone of the coverage towards mining industry in the local newspaper 'Koillisvaomat'

The concept of
legitimacy helps to
connect social
licence to operate
with wider social
concerns



Network of authorities in mining operations



Centre for Economic Development,
Transport and the Environment

tukes



Regional State
Administrative Agency

Environmental impact assessment EIA

Permit to construct a mine dam

Granted by the
AVI Agency

Supervised by the
Kainuu ELY Centre

Permit for industrial
handling and storage
of dangerous chemicals

Preparation of ore

Mining permit
Right to exploit
mineral deposits



ANMITTAUSLAITOS
Proceedings establishing
mining area

MUNICIPALITY

Land-use planning
Building permit

Environmental permit

Granted by
AVI Agency

Supervised by the
ELY Centre

Mining waste

AVI

ELY Centre

Occupational safety



GOVERNMENT

Uranium extraction permit

STUK

Permit for starting up a uranium
extraction facility and its supervision

Radiation monitoring of
mines and environment

Mining attitudes in country comparison

- Comparative analysis of social acceptance of mining in focus countries
- Public attitudes and values represent one of the main criteria for the social acceptance and social trust of mining activities

More on social license in mining...

<http://www.uef.fi/serm>

“Social license to operate: a real tool or rhetoric? “

Examining the mining industry in Finland, Australia, and Canada

>> Mineral Resources and Material Substitution Academy Programme

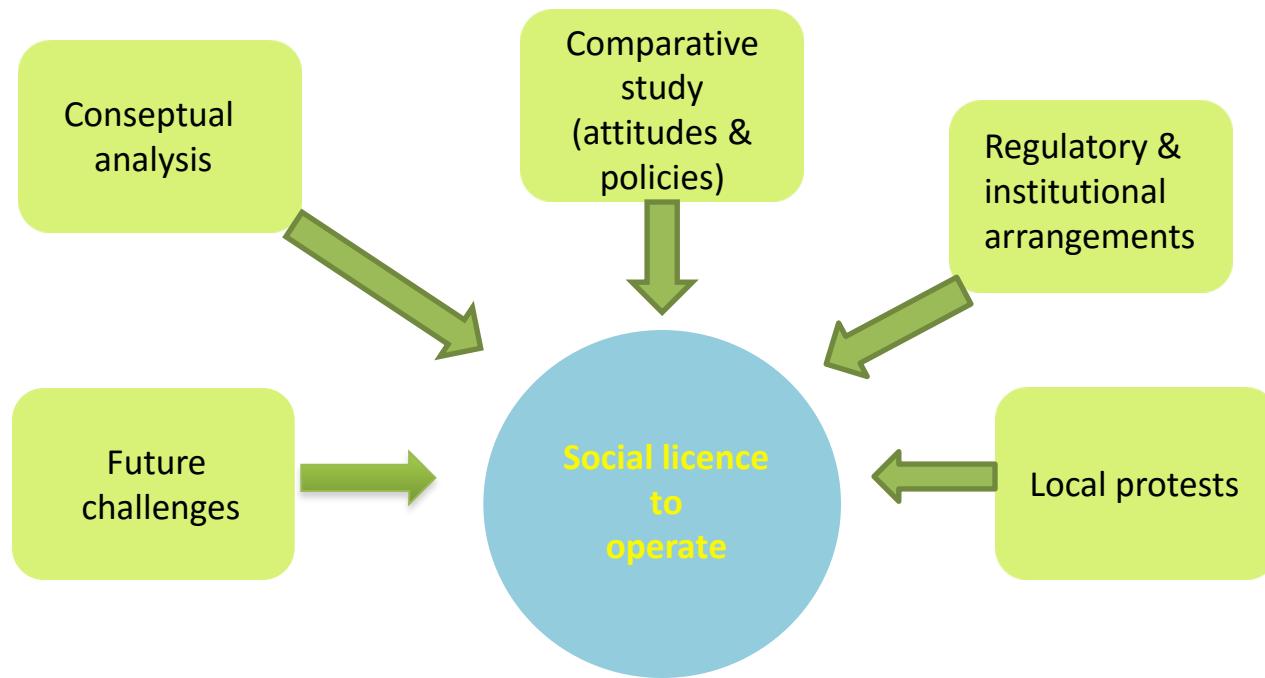
comparing **Finland, Australia & Canada** and extra case **Greenland** & some notice also to **Sweden, Russia & Brazil** (through other projects)

- 1) examines country-specific **policies for responsible and sustainable mining (environmental & social)**: how responsibility and **social acceptability** is understood and governed
- 2) examines **governance tools** (public & private) for managing the **impacts of mining** and sharing the benefits **at the local level**.

Eg.

A new national survey on Finns’ attitudes towards mining (August – December 2016)

The project investigates the societal and environmental preconditions for the “social licence to operate” and the use of this concept in mining activities



Social license and citizen attitudes research network



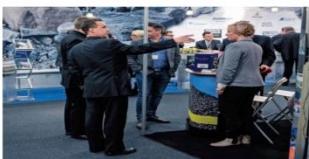


REGISTRATION

Conference and Trade Show registration will open on February 2017 on the conference website at <http://fem.lappi.fi>.

CONFERENCE VENUE

The Congress & Exhibition Centre Levi Summit provides an excellent venue for FEM. It is located in the Levi Ski Resort of Kittilä municipality, where you can visit an active mining district and enjoy beautiful landscapes during your stay.



ORGANIZERS

Regional Council of Lapland, Finland
 Council of Oulu Region, Finland
 Regional Council of Kainuu, Finland
 Regional Council of North Karelia, Finland
 Geological Survey of Finland (GTK)
 Geological Survey of Sweden (SGU)
 Geological Survey of Norway (NGU)
 University of Oulu, Finland
 Luleå University of Technology, Sweden
 FinnMin, Finland
 Ministry of Employment and the Economy, Finland

PARTNER ORGANIZATIONS

Prospectors & Developers Association of Canada (PDAC)
 Embassy of Canada to Finland

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#FEM2017Levi

WELCOME TO FEM 2017
 The leading mining industry event in Europe, the biannual Fennoscandian Exploration and Mining (FEM) focuses on exploration and mining development in Fennoscandia. We are expecting again over 1000 participants in 2017.

Why Fennoscandia?

Europe's richest ore reserve domain has seen an enormous increase in mining activities and mineral exploration during the last decade. Several mine projects are active and new mines have been opened. The Fennoscandian Shield offers great potential for new discoveries!

Who should attend?

FEM gives an opportunity for people from exploration, mining and consulting companies, academia, investors, governments, geological surveys and the service sector to meet and network in pleasant surroundings.

Come and experience the cordial FEM atmosphere!



11th FENNOSCANDIAN EXPLORATION AND MINING
31 October - 2 November 2017
Levi • Lapland • Finland



TECHNICAL PROGRAMME

FEM introduces interesting keynote speakers from all around the world, presentations on exploration potential and updates on current projects in Fennoscandia. Preparations and programme planning for the next FEM will start in September 2016. Please send your possible programme proposals to riitta.muhojoki@lapinliitto.fi by 1 August 2016 at the latest.

TRADE SHOW

The Trade show offers the exploration and mining sector an excellent opportunity to promote their operations, services and products to FEM 2017 participants.

As in previous FEM conferences, the FEM 2015 exhibitors will get a priority renewal opportunity to book the same booth. Exhibitors' contact persons will be contacted in November/December 2016. Once priority renewal booth assignment is completed, new exhibitors can apply online for a booth on a first-come, first-served basis in March/April 2017.



ευχαριστώ

Thank you!