

GRANT AGREEMENT DEED

BETWEEN

COMMONWEALTH OF AUSTRALIA

represented by the Australian Agency for International Development
(AusAID)

ABN 62 921 558 838

and

MINERALS COUNCIL OF AUSTRALIA

ABN 21 191 309 229

FOR

Joint Research on Land Use Agreements and Sustainable Outcomes for Women

AUSAID AGREEMENT 59192

DEED made 5 day of May 2011

BETWEEN:

COMMONWEALTH OF AUSTRALIA represented by the Australian Agency for International Development ("AusAID") ABN 62 921 558 838

AND

MINERALS COUNCIL OF AUSTRALIA, ABN 21 191 309 229 of Level 3, 44 Sydney Avenue, Forrest, Australian Capital Territory (the "Organisation").

RECITALS:

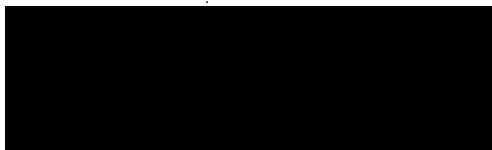
- A. AusAID wishes to provide the Organisation with a Grant to undertake an Activity.
- B. The Organisation wishes to accept the Grant subject to the terms and conditions in this Deed.

OPERATIVE:

AusAID and the Organisation promise to carry out and complete their respective obligations in accordance with this Deed including the Deed conditions, schedules and any annexes contained herein.

EXECUTED AS A DEED by the Commonwealth, by an authorised officer, and by the Organisation, by its authorised officer.

SIGNED for and on behalf of the
COMMONWEALTH OF AUSTRALIA
represented by the Australian Agency
for International Development by:



Signature of FMA Act s44 Delegate

Rod Brazier
Acting FADG, ASIA

in the presence of:



Signature of witness



Name of witness
(Print)

SIGNED for and on behalf of

MINERALS COUNCIL OF AUSTRALIA by:



Signature of Director
(As authorised representative of the MCA)

Melanie Stutsel
Director – Health, Safety, Environment and
Community Policy



Signature of witness



Name of witness
(Print)

AGREEMENT CONDITIONS

1. INTERPRETATION

1.1 Definitions

In this Agreement, including the recitals, unless the context otherwise requires:

"Acquittal Statement" means a statement acquitting the Grant against the budget in the Activity Proposal.

"Activity" means the activity **Minerals Council of Australia and the Australian Agency for International Development Joint Research on Land Use Agreements and Sustainable Outcomes for Women** described in the Activity Proposal for which the Grant is provided.

"Activity Proposal" means the specific tasks and budget associated with the Activity included as **Schedule 1** to this Agreement.

"Agreement" means this Deed and includes the Agreement Conditions and any schedules and annexes.

"Agreement Material" means all material created or required to be developed or created as part of, or for the purpose of undertaking the Activity, including documents, equipment, information data, sounds and images stored by any means.

"Business Day" means a day on which AusAID is open for business.

"Commonwealth" means Commonwealth of Australia or AusAID, as appropriate.

"Fraudulent Activity", "Fraud" or "Fraudulent" means dishonestly obtaining a benefit by deception or other means.

"Grant" means the amount of money as specified in the clause titled 'Grants and Payment' of this Agreement that has been approved by AusAID and paid to the Organisation subject to the conditions outlined in this Agreement for the Activity.

"Independently Audited" means financial records audited by a certified financial professional that is in no way linked or associated with the Activity or the Parties.

"Intellectual Property" means all copyright and all rights in relation to inventions (including patent rights), trade marks, designs and confidential information, and any other rights resulting from intellectual activity in the industrial, scientific, literary, and artistic fields recognised in domestic law anywhere in the world.

"Partner Government" means the Government of the Partner Country.

"Partner Country" means the country or countries in which the Activity is to be undertaken in whole or in part.

“Party” means AusAID or the Organisation.

“Personnel” means the personnel of the Organisation who are engaged in the performance of the Activity, including the Organisation’s employees, subcontractors, agents and volunteers.

“Prior Material” means all material developed by the Organisation or a third party independently from the Activity whether before or after commencement of the Activity.

“Relevant List” means the lists of terrorist organisations made under Division 102 of the *Criminal Code Act 1995* (Cth) and the *Charter of the United Nations Act 1945* (Cth) posted at: <http://www.nationalsecurity.gov.au/agd/www/nationalsecurity.nsf/AllDocs/95FB057CA3DECF30CA256FAB001F7FBD?OpenDocument> and http://www.dfat.gov.au/icat/UNSC_financial_sanctions.html#3

“Similar List” means any similar list to the World Bank List maintained by any other donor of development funding.

“World Bank List” means a list of organisations maintained by the World Bank in its “Listing of Ineligible Firms” or “Listings of Firms, Letters of Reprimand” posted at: <http://web.worldbank.org/external/default/main?theSitePK=84266&contentMDK=64069844&menuPK=116730&pagePK=64148989&piPK=64148984>

1.2 Agreement prevails

If there is any inconsistency (whether expressly referred to or to be implied from this Agreement or otherwise) between the provisions of this Agreement (“Agreement Conditions”) and those in the schedules and any annexes, the schedules and any annexes are to be read subject to the Agreement Conditions and the Agreement Conditions prevail to the extent of the inconsistency.

2. TERM OF THE AGREEMENT

- 2.1 The term of this Agreement commences upon execution by both parties being the date indicated at the front of this Agreement and continues until all obligations have been fulfilled under this Agreement, unless terminated earlier in accordance with this Agreement.
- 2.2 The Organisation must commence the Activity no later than **9 May 2011** and must complete the Activity by **30 October 2012**.

3. NOTICES

- 3.1 For the purpose of serving notices to either Party, a notice must be in writing and will be treated as having been duly given and received:
- (a) when delivered (if left at that Party’s address);
 - (b) on the third Business Day after posting (if sent by pre-paid mail); or
 - (c) on the Business Day of transmission (if given by facsimile and sent to the facsimile receiver number of that Party and no intimation having been received that the notice had not been received, whether that intimation comes from that Party or from the operation of facsimile machinery or otherwise).

- 3.2 For the purposes of this Agreement, the address of a Party is the address set out below or another address of which that Party may give notice in writing to the other Party:

AusAID:

To: Mary James
Gender Policy and Coordination Section

Postal Address: Australian Agency for International Development
GPO Box 887
CANBERRA ACT 2601 AUSTRALIA

Street Address: 255 London Circuit
CANBERRA ACT 2601 AUSTRALIA

Facsimile: +6206 4636

Organisation

To: Melanie Stutsel
Director, Health, Safety, Environment and Community Policy

Postal Address: PO Box 4497
Kingston ACT Australia 2604

Street Address: Level 3 - 44 Sydney Ave
Forrest ACT 2603

Facsimile: + 61 2 6233 0699

4. GENERAL CONDITIONS

- 4.1 The Organisation must carry out the Activity in accordance with the Activity Proposal and the terms and conditions of this Agreement.
- 4.2 The Organisation must advise AusAID immediately of any difficulties or delays in implementation of the Activity.
- 4.3 The Organisation must acknowledge in writing to AusAID receipt of the Grant immediately on its receipt.
- 4.4 The Grant and any interest earned or exchange rate gains must be used diligently and for the sole purpose of the Activity outlined in **Schedule 1** of this Agreement. Any interest earned or exchange rate gains made on the Grant must only be expended on the Activity.
- 4.5 The Organisation acknowledges that the Grant provided by AusAID to the Organisation for this Activity does not entitle the Organisation to any other or further grants.

- 4.6 The Organisation must acknowledge AusAID Grant funding assistance provided under this Agreement where appropriate and advise AusAID of matters relating to any publicity and media relations, prior to any publication or media release.
- 4.7 The Organisation must not represent itself and must ensure that its Personnel participating in the Activity do not represent themselves as being employees, partners or agents of the Commonwealth of Australia.
- 4.8 The Organisation must use its best endeavours to ensure that in its performance of the Activity all Personnel and their dependents, while in the Partner Country, respect the laws and regulations in force in the Partner Country.
- 4.9 The Organisation is responsible for the security of all of its Personnel and for taking-out and maintaining all appropriate insurances.
- 4.10 The Organisation must not assign its interest in this Agreement without first obtaining the consent in writing of AusAID.
- 4.11 No delay, neglect or forbearance by either Party in enforcing against the other any term or condition of this Agreement will be deemed to be a waiver or in any way prejudice any right of that Party.
- 4.12 This Agreement is governed by, and is to be construed in accordance with, the law of the Australian Capital Territory and the Parties submit to the exclusive jurisdiction of the courts of the Australian Capital Territory and any court hearing appeals from those courts.

5. AGREEMENT AMENDMENTS

- 5.1 AusAID or the Organisation may propose amendments to this Agreement at any time for the purpose of improving the delivery of the Activity, the efficiency, cost-effectiveness and development impact of the Activity.
- 5.2 Changes to this Agreement (including to **Schedule 1** and any annexes) will only be effected if agreed in writing and signed by both Parties in the form of a Deed of Amendment.

6. PROCUREMENT

- 6.1 The Organisation must not use the Grant to acquire any asset, apart from those detailed in the Activity Proposal without obtaining AusAID's prior written approval. Subject to the requirements of this clause, the Organisation will own the assets acquired with the Grant unless specified otherwise in the Activity Proposal.
- 6.2 If the Grant is being used to procure goods or services, the Organisation must implement procedures so that procurement is undertaken in a manner consistent with the Australian Commonwealth Procurement Guidelines (<http://www.finance.gov.au/publications/fmg-series/procurement-guidelines/index.html>), in particular the core principle of achieving value for money and the supporting principles of:
 - (a) encouraging competition by ensuring non-discrimination in procurement and using competitive procurement methods;
 - (b) promoting use of resources in an efficient, effective and ethical manner; and

- (c) making decisions in an accountable and transparent manner.
- 6.3 If the Grant is being used to procure goods, the Organisation must also ensure in its procurement of goods that:
- (a) the goods to be procured are of a satisfactory quality; and
 - (b) the goods are delivered in good order and condition and in accordance with the Activity timetable.
- 6.4 If the Grant is being used to procure goods, the Organisation must maintain a Register of Activity Assets ("**Register**"). The Register must:
- (a) record non-consumable items purchased with the Grant or supplied by AusAID for the Activity which have a value of AUD1,000 (or equivalent) or more;
 - (b) record non-consumable items of a portable and attractive nature with a value of less than AUD1,000 (or equivalent); and
 - (c) record the date of receipt of the asset at the Activity site, the cost, the purchase/payment document date and reference number, a description and identification number, and the location of the asset.
- 6.5 The Organisation must not dispose of or write-off AusAID funded or provided assets except as agreed in writing by AusAID. The Register and other relevant documents such as import papers and manufacturers' warranties relating to the assets must be available for audit as required by AusAID. The Register must be reconciled with Activity assets at least every twelve months and the results of that reconciliation included in the Annual Reports required in clause titled "Reports".

7. MONITORING AND EVALUATION

- 7.1 The Organisation must, if required by AusAID, permit AusAID to monitor and/or evaluate the Activity and/or use of the Grant. AusAID will give the Organisation at least two (2) weeks notice of its intentions prior to commencing such a review. In that event, the Organisation must cooperate fully with any request for assistance pursuant to any such study.

8. INDEMNITY

- 8.1 The Organisation must at all times indemnify AusAID, its employees, agents and contractors (except the Organisation) ("**those indemnified**") from and against any loss or liability whatsoever suffered by those indemnified or arising from any claim, suit, demand, action or proceeding by any person against any of those indemnified where such loss or liability was caused or contributed to in any way by any wilfully wrongful, unlawful or negligent act or omission of the Organisation, or any of the Organisation's Personnel in connection with this Agreement.
- 8.2 The Organisation agrees that AusAID may enforce the indemnity in favour of the persons specified in **Clause 8.1** above for the benefit of each of such persons in the name of AusAID or of such persons.

8.3 The indemnity in this **Clause 8** is reduced to the extent that the loss or liability is directly caused by AusAID, its employees, agents or contractors (except the Organisation), as substantiated by the Organisation.

8.4 This indemnity survives the termination or expiration of this Agreement.

9. INTELLECTUAL PROPERTY RIGHTS

9.1 The Intellectual Property in or in relation to Agreement Material vests in AusAID upon its creation. AusAID grants to the Organisation a revocable, non-exclusive, world-wide, royalty-free licence to use the Agreement Material.

9.2 **Clause 9.1** does not affect the ownership of Intellectual Property in any Prior Material incorporated into the Agreement Material, but the Organisation grants to AusAID a permanent, irrevocable, non-exclusive, world-wide, royalty-free licence to use, reproduce, adapt and otherwise exploit such Prior Material in conjunction with the Agreement Material. The licence granted under this **Clause 9.2** includes the right of AusAID to sub-license any of its employees, agents or contractors to use, communicate, reproduce, adapt and otherwise exploit the Prior Material incorporated into the Agreement Material for the purposes of performing functions, responsibilities, activities or services for, or on behalf of, AusAID.

10. COMPLIANCE WITH LAWS, GUIDELINES AND POLICIES

10.1 The Organisation and its Personnel must have regard to and comply with, relevant and applicable laws, guidelines, regulations and policies, including those in Australia and in the Partner Country. A list, as amended from time to time, of Australian laws and guidelines that may apply to the delivery of developmental aid to foreign countries can be found on the AusAID website: <http://www.ausaid.gov.au/business/contracting.cfm>. This list is not exhaustive and is provided for information only. The provision of this list does not relieve the Organisation from complying with the obligations contained in this clause titled "Compliance with Laws, Guidelines and Policies".

10.2 The Organisation must have regard to and comply with the Statement of International Development Practice Principles located at **Schedule 2** to this Agreement.

10.3 The Organisation and its Personnel must comply with:

- (a) AusAID's *Child protection policy* (<http://www.ausaid.gov.au/publications/pubs.cfm?Type=PubPolicyDocuments>) and particularly the child protection compliance standards at Attachment 1 to the policy. AusAID may audit the Organisation's compliance with AusAID's *Child protection policy* and child protection compliance standards. The Organisation must participate cooperatively in any reviews conducted by AusAID;
- (b) The strategy 'Development for All: Towards a Disability-Inclusive Australian Aid Program 2009-2014' (http://www.ausaid.gov.au/publications/pdf/FINAL%20AusAID_Disability%20for%20All.pdf), and in particular the strategy's six guiding principles; and
- (c) *Family Planning and the Aid Program: Guiding Principles* (August 2009), accessible on AusAID's website (<http://www.ausaid.gov.au/keyaid/health.cfm>).

- 10.4 The Organisation must use its best endeavours to ensure:
- (a) that individuals or organisations involved in implementing the Activity are in no way linked, directly or indirectly, to organisations and individuals associated with terrorism; and
 - (b) that the Grant is not used in any way to provide direct or indirect support or resources to organisations and individuals associated with terrorism.
- 10.5 The Organisation must have regard to the Australian Government guidance "Safeguarding your organisation against terrorism financing: a guidance for non-profit organisations," available at <http://www.nationalsecurity.gov.au/npo>.
- 10.6 If, during the course of this Agreement, the Organisation discovers any link whatsoever with any organisation or individual listed on a Relevant List it must inform AusAID immediately.
- 10.7 If, during the course of this Agreement, the Organisation is listed on a World Bank List or Similar List it must inform AusAID immediately.
- 10.8 The Organisation agrees that:
- (a) The Organisation and its employees, agents, representatives or its subcontractors must not engage in any Fraudulent Activity. The Organisation is responsible for preventing and detecting Fraud.
 - (b) The Organisation must report in writing within five (5) working days to AusAID any detected, suspected, or attempted Fraudulent Activity involving the Activity. AusAID may direct the Organisation to investigate the alleged Fraud and the Organisation must undertake an investigation at the Organisation's cost and in accordance with any directions or standards required by AusAID.
 - (c) Following the conclusion of any investigation which identifies Fraudulent Activity, the Organisation must:
 - (i) make every effort to recover any AusAID Grant funds, the subject of Fraudulent Activity;
 - (ii) refer the matter to the relevant police or other authorities responsible for prosecution of Fraudulent Activity; and
 - (iii) be liable for the repayment of any Grant funds misappropriated by the Organisation, its agents, representatives or subcontractors.
 - (d) The obligations of the Organisation under paragraphs 10.8(b) and 10.8(c) above survive the termination or expiration of this Agreement.
 - (e) The Organisation warrants that the Organisation will not make or cause to be made, nor will the Organisation receive or seek to receive, any offer, gift or payment, consideration or benefit of any kind, which would or could be construed as an illegal or corrupt practice, either directly or indirectly to any party, as an inducement or reward in relation to the execution of this Agreement. In addition, the Organisation will not bribe public officials and will ensure that its delivery organisations comply

with this provision. Any breach of this clause shall be grounds for immediate termination of this Agreement by notice from AusAID.

11. TERMINATION

11.1 If the Organisation:

- (a) becomes, or AusAID considers there is a reasonable prospect of the Organisation becoming bankrupt, insolvent, deregistered or no longer able to undertake the Activity to a standard acceptable to AusAID;
- (b) makes an assignment of its estate for the benefit of creditors or enters into any arrangement or composition with its creditors;
- (c) fails to commence, or in the opinion of AusAID, fails to make satisfactory progress in carrying out the Activity and such failure has not been remedied within the time specified in a written request from AusAID to remedy the failure;
- (d) assigns its interest in this Agreement without the consent in writing of AusAID;
- (e) is, during the term of this Agreement, listed on a World Bank List, Relevant List or Similar List;
- (f) breaches any of its obligations under the clause titled "Compliance with Laws, Policies and Guidelines"; or
- (g) breaches any other term of this Agreement and such breach has not been remedied within the time stipulated in a written request notice from AusAID to remedy the breach;

then in every such case AusAID may immediately terminate this Agreement by giving the Organisation notice in writing, without prejudice to any of AusAID's other rights.

11.2 In addition, either Party may terminate this Agreement by giving to the other a notice to terminate in writing stating the reasons for termination.

11.3 In the event of any termination, the Organisation must provide an Independently Audited statement of expenditure of the Grant within thirty (30) days of the date of the notice to terminate, signed by the head of the Organisation, and return any uncommitted Grant funds to AusAID.

11.4 In the event that a notice to terminate is given by either Party, the Organisation must:

- (a) immediately do everything possible to prevent and mitigate all losses, costs and expenses arising in consequence of the termination of this Agreement;
- (b) in a prompt and orderly manner cease expenditure of any uncommitted Grant funds ; and
- (c) refund any uncommitted part of the Grant already paid by AusAID, together with any uncommitted or unspent interest, within thirty (30) days of the date of the notice to terminate.

- 11.5 In the event that a notice to terminate is given by either Party, AusAID will not be liable to pay compensation in an amount which, in addition to any amounts paid or due or becoming due to the Organisation under this Agreement, together would exceed the amount of the total financial limitation of this Agreement, as specified in clause titled 'Grants and Payment'.

12. ACCOUNTS AND RECORDS

- 12.1 The bank account used by the Organisation must be in the name of the Organisation and must not be a personal bank account.
- 12.2 The Organisation must:
- (a) maintain a sound administrative and financial system capable of verifying all Acquittal Statements;
 - (b) keep proper and detailed accounts, records and assets registers along with adequate Activity management records providing clear audit trails in relation to expenditure under this Agreement;
 - (c) afford adequate facilities for audit and inspection of the financial records referred to in this Agreement by AusAID and its authorised representatives at all reasonable times and allow copies and extracts to be taken;
 - (d) ensure that its accounts and records are held by the Organisation for the term of this Agreement and for a period of seven (7) years from the date of expiry or termination of this Agreement;
 - (e) if requested by AusAID, provide an Acquittal Statement, certified by the senior financial officer or the head of the Organisation; and
 - (f) in addition to its obligation under the clause titled "Reports", if reasonably requested by AusAID in order to verify the expenditure of the Grant, provide an Acquittal Statement Independently Audited by an auditor nominated by AusAID at no cost to AusAID.

13. AusAID USE OF AGREEMENT INFORMATION

- 13.1 AusAID may disclose matters relating to this Agreement, including this Agreement, and other relevant information, except where such information may breach the *Privacy Act 1988* (Cth), to Commonwealth governmental departments and agencies, Commonwealth Ministers and Parliamentary Secretaries, and to the Commonwealth Parliament, including responding to requests for information from Parliamentary committees or inquiries. In addition, AusAID may publicly report information regarding this Agreement. This clause survives the termination or expiration of this Agreement.

14. REPORTS

- 14.1 Within thirty (30) days of completion of the Activity, the Organisation must submit to AusAID:
- (a) a final report which provides a brief outline of the Activity and in more detail covers key outcomes compared with objectives, development impact, sustainability and lessons learned; and

- (b) a final Acquittal Statement.

14.2 The final Acquittal Statement must:

- (a) include details of any interest earned on the Grant;
- (b) be prepared in accordance with the internal and external auditing procedures laid down in the rules and regulations applicable to the Organisation;
- (c) be Independently Audited and certified (The cost of this audit may be payable from the Grant); and
- (d) be signed by the senior financial officer or the head of the Organisation, indicating that the Grant has been spent in accordance with the terms of this Agreement.

14.3 The Organisation must repay to AusAID any unspent Grant funds or interest with the final report and Acquittal Statement.

14.4 The final report and Acquittal Statement must be sent to:

Mary James
Gender Policy and Coordination Section
Australian Agency for International Development
GPO Box 887
CANBERRA ACT 2601 AUSTRALIA
mary.james@ausaid.gov.au

in the following format:

- (a) one bound hard copy; and
- (b) one electronic version in PDF (Portable Document Format).

15. **GRANTS AND PAYMENT**

- 15.1 AusAID will pay the Organisation an acquittable Grant of **AUD150,000**, plus GST if any up to a maximum amount of **AUD15,000** within thirty (30) days of the date of this Agreement and receipt of a valid invoice.

16. **CLAIMS FOR PAYMENT**

- 16.1 Invoices must be submitted when due in accordance with this Agreement, in a form identifying this Agreement title and Agreement number **59192**. Invoices must also contain the Payment Event number(s) notified by AusAID.

16.2 All invoices must be **made to**:

Chief Finance Officer
Australian Agency for International Development
GPO Box 887
CANBERRA ACT 2601 AUSTRALIA

- 16.3 Invoices should be sent to the above address. Alternatively AusAID will accept electronic invoices. These can be sent to accountsprocessing@ausaid.gov.au

- 16.4 Where Australian GST applies to this Agreement all invoices must be in the form of a valid tax invoice. Invalid tax invoices will be returned to organisations. Information on what constitutes a valid tax invoice can be found at <http://www.ato.gov.au/businesses/content.asp?doc=/content/50913.htm>

SCHEDULE 1 – ACTIVITY PROPOSAL TO GRANT AGREEMENT DEED NUMBER 59192

PROPOSAL FOR JOINT RESEARCH BETWEEN THE MINERALS COUNCIL OF AUSTRALIA AND AUSAID.

Area of Research

The research will seek to examine the extent to which land use agreements with traditional owners and communities facilitate sustainable development outcomes for women and their households from natural resource development. In this, the research will specifically look to identify the impacts or benefits from the agreements and identify leading practice approaches which have the potential to be utilised by Australian minerals companies at their operations globally and which can inform development aid decision making in mining affected communities.

Research question

Are land use agreements (or their equivalent form) being utilised effectively by the minerals industry to achieve sustainable development outcomes for women and their households in local mine affected communities? In what ways do these outcomes differ for women and men?

Through the identification of leading practice approaches, develop principles and guidance to build industry (mining and development aid) and community capacity to negotiate and implement more effective outcomes that specifically benefit women and their households.

Rationale

The minerals industry operates in regional and remote areas in countries across the world where they have the potential, and the social responsibility, to contribute significantly to development aspirations. There continues to be concern about the inequitable impact of mining benefits locally and nationally upon men and women, and the lack of developmental outcomes that create sustainable communities (as opposed to communities/countries that are dependent on the mining industry as a source of income)¹.

Members of the minerals industry have a commitment to delivering community development outcomes in order to receive the 'social license' to operate. These commitments are formalised in the form of land use agreements² that are endorsed by local communities and, in some cases, by Government. There has been very little analysis as to whether land use agreements have been effective in addressing poverty or supporting economic empowerment of women in the communities/countries they operate or how they could be made more effective.

To achieve sustainable development outcomes there is clear evidence that investment in women is likely to deliver longer term health, education and local economic development outcomes. There has been very little research that has analysed the minerals industry's capacity to engage with

¹ ICMM (2006), 'Synthesis of four Country Case Studies – The Challenge of Mineral Wealth: using resource endowments to foster sustainable development'.

² Land use agreements are the legal documents required in Australia. The title of this contract will vary across countries.

women as direct beneficiaries and participants of mining ventures. There is also little research about whether a specific focus on women's inclusion in land use agreements has beneficial 'spill over effects' to achieve greater economic empowerment for women and community development for all.

In order to achieve greater local and national community development outcomes it is necessary to understand the effectiveness of land use agreements and how they can be improved. Would it be useful for the minerals industry to provide greater guidance and/or require its members to address gender equality specifically in the land use agreements and in so doing necessitate discussions with Governments of their roles in delivering women's economic empowerment? If so, how would this be undertaken effectively in an industry which has a reputation for being male dominated and male oriented; or working with traditional land owners who may be almost completely male? For example, could this include guidance and model text for use in land use agreements?

This research is imperative as it could enable the minerals industry to be more effective in delivering local sustainable community outcomes as well as provide a mechanism to engage Governments constructively in utilising income generated from the minerals industry to deliver national sustainable development outcomes that benefit all.

Methodology

AusAID will partner with the Minerals Council of Australia in commissioning this research.

The MCA will establish a Women and Mining Dialogue to, among other things, provide a multi stakeholder reference group for this research. Gender and community development experts will be drawn from industry, Government, non-Government organisations and academia.

The research will be based on the preparation of four in-country case studies centred on one or more mining projects in the following countries: Australia (centred on Indigenous communities); Indonesia, Papua New Guinea and Ghana. It will also draw on existing research and frameworks on gender and mining.³

The case studies will provide a comprehensive analysis of current industry practices in agreement making at the local community level and seek to identify the extent to which the industry is addressing key development objectives, including:

- Women's economic empowerment
- Women's ability to participate in community decision making over customary land use and the mining operator
- Women's and men's access to royalties and patterns of use
- Impact of women's and men's involvement in community development through the mining venture e.g. establishment of education and health services; improvement in 'social capital'
- Identifying barriers/constraints that will need to be overcome (and how) if gender equality was to be properly addressed in land use agreements to enable women to reach their economic and development capacity.

³ For example, the Oxfam Gender Impact Assessment framework (Women, Communities and Mining).

A summary of conclusions drawn across the case studies will identify recommendations for both industry (mining and development aid sectors) and community to build capacity and knowledge in successful land use agreement negotiation and implementation that includes benefits for women and their households.

A comprehensive engagement process will underpin the in-country research work, and will include mining companies; community leaders and members (men and women); local service providers; and non-government organisations; government officials (local, regional and national); legal advisers; World Bank; MCA and AusAID, women in business associations.

Planned outputs

The research will provide a final written report that will: highlight how the minerals industry is addressing gender equality in order to deliver women's economic empowerment and sustainable community development outcomes &/or the potential for improvement; identify the potential for land use agreements to formalise the preparation and delivery of gender equality strategies; identify the potential barriers and constraints and how they could be overcome; identify implications for development aid decision making in mining affected communities; and identify recommendations for both industry (mining and development aid sectors) and community.

It is intended that the report will be published.

The outcomes of the research will be extended throughout the membership of the Minerals Council of Australia and globally through our membership of the International Council on Mining and Metals. In addition, the MCA will seek to present the outcomes of the work at key industry fora both domestically and in the Asia Pacific region.

Project team and costs

The Minerals Council of Australia will contract the Centre for Socially Responsible Mining (CSRSM) in the Sustainable Minerals Institute at the University of Queensland to undertake the research. In undertaking the research, the CSRSM will partner with other relevant organisations nationally and in-country and will engage relevant country and/or gender experts in AusAID and/or DFAT, Oxfam Australia and the Foundation for Development Cooperation in scoping the specific in-country programs.

It is projected that the total research costs, including in-kind contributions to facilitate access to operations within countries (helicopter and charter flights etc) will be up to \$300,000. Accordingly, the MCA would seek to co-fund this research with AusAID on a 50:50 basis. The MCA

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contribution will fund the study in Australian locations, while AusAID's contribution will be used with the MCA contribution to fund the studies in Indonesia, Papua New Guinea and Ghana.

The research will need to take account of community access requirements in-country and as such a full timeline for the research project cannot be provided at this stage. It is however envisaged that the research will be completed by end June 2012 and the outcomes will be presented at an Asia-Pacific regional mining conference to be facilitated by the MCA in September/October 2012.

MCA Project management team

Ms Melanie Stutsel – Director Health, Safety, Environment and Community Policy

Ms Therese Postma – Assistant Director, Social Policy

**SCHEDULE 2 –
STATEMENT OF INTERNATIONAL DEVELOPMENT PRACTICE PRINCIPLES**

A Basic Standard for Engagement with Not-For-Profit Organisations

The Statement of International Development Practice Principles (Attached) has been developed in consultation with the Australian Council for International Development (ACFID). It is **founded on the good development practice and experience of accredited Australian Non-Government Organisations (NGOs)** and other international development agencies over the last three decades.

The Statement takes account of the Accra Action Agenda on Aid Effectiveness, and in particular, encourages a participatory approach to development. 'Not for profit' organisations are strongly encouraged to work in partnership with others thereby reducing the burden on communities and governments with whom they work. The Statement seeks to articulate the minimum standards and commitment that AusAID expects from all 'not- for- profit' organisations that it funds. It will form an annex to grant agreements with not-for-profit organisations that are not accredited with AusAID.

The Principles are **not aimed at accredited Australian NGOs** which have already undergone a rigorous accreditation process.

Statement of International Development Practice Principles

This Statement of International Development Practice Principles (The Principles) promotes the active commitment of **all non-accredited, not-for-profit organisations funded by AusAID** to the fundamentals of good development practice, and to conducting their activities with integrity, transparency and accountability.

The Principles are founded on a premise of 'do no harm' and drawn from good practice principles in the international development not-for-profit sector and international development community more broadly. In line with Aid Effectiveness principles, when planning interventions, not-for-profit organisations are encouraged to consider: what other agencies are doing in the chosen area of focus; where their organisation can add value; and how they can join with others to increase the impact and sustainability of their activities.

Where relevant, AusAID encourages eligible Australian organisations to work towards becoming Australian Council for International Development (ACFID) Code of Conduct signatories.

International Development Principles

Lessons drawn from best practice NGO and civil society programs recognise the importance of working in partnerships, building creative and trusting relationships with people of developing countries and supporting basic program standards which:

- > give priority to the needs and interests of the people they serve and involve beneficiary groups to the maximum extent possible in the design, implementation and evaluation;
- > promote an approach that includes all people in a community and ensures the most vulnerable, including people with disability, women and children, are able to access, and benefit equally, from, international development assistance;
- > encourage self help and self-reliance among beneficiaries;
- > avoid creating dependency through the facilitation of active participation and contributions (as appropriate) by the most vulnerable;
- > respect and foster all universally agreed international human rights, including social, economic, cultural, civil and political rights;
- > are culturally appropriate and accessible;
- > seek to enhance gender equality;
- > recognise and put in place processes to mitigate against the vulnerability of not for profit organisations to potential exploitation by organised crime and terrorist organisations;
- > have appropriate mechanisms in place to actively prevent, and protect children from harm and abuse;
- > integrate environmental considerations and mitigate against adverse environmental impacts; and
- > promote collaborative approaches to development challenges including through working in partnerships and avoiding duplication of effort.

All non-accredited, not for profit organisations receiving grant funding from AusAID commit to apply these principles of good development practice, and adhere to the organisational integrity and accountability standards set out on the following page.

Organisational Integrity and Accountability for Development

AusAID grant funds and resources are designated for the purposes of international aid and development (including development awareness). They can not be used to promote a particular religious adherence, missionary activity or evangelism, or to support partisan political objectives, or an individual candidate or organisation affiliated to a particular political movement. AusAID reserves the right to undertake an independent audit of an organisation's accounts, records and assets related to a funded activity, at all reasonable times.

In all of its activities and particularly in its communications to the public, AusAID expects not-for-profit organisations it works with to accord due respect to the dignity, values, history, religion, and culture of the people it supports and serves, consistent with principles of basic human rights.

Not-for-profit organisations working with AusAID should:

- > not be a willing party to wrongdoing, corruption, bribery, or other financial impropriety in any way in any of its activities;
- > take prompt and firm corrective action whenever and wherever wrongdoing is found among its Governing Body, paid staff, contractors, volunteers and partner organisations;
- > have internal control procedures which minimise the risk of misuse of grant funds and processes and systems that ensure grant funds are used effectively to maximise development results;
- > establish reporting mechanisms that facilitate accountability to members, donors and the public;
- > have adequate procedures for the review and monitoring of income and expenditure and for assessing and reporting on the effectiveness of their aid;
- > have a policy to enable staff confidentially to bring to the attention of the Governing Body evidence of misconduct on the part of anyone associated with the Organisation, including misconduct related to the harm and abuse of children;
- > be aware of terrorism-related issues and use their best endeavours to ensure that grant funds do not provide direct or indirect support or resources to organisations and individuals associated with terrorism and/or organised crime; and
- > ensure that individuals or organisations involved in implementing activities on behalf of the Organisation are in no way linked, directly or indirectly, to organisations and individuals associated with terrorism and/or organised crime.

AusAID Grant Agreement Requirements

Each AusAID grant agreement also comes with obligations for both AusAID and the Organisation being funded. These are spelt out in detail in the grant agreement. The Principles will not affect or diminish the obligations or liabilities of the Organisation under the grant agreement as outlined in the grant agreement conditions.

Broadly speaking, any Organisation funded by the Australian Government, through AusAID, is required to comply with relevant and applicable laws, regulations and policies, including those in Australia and in the country/ countries in which they are operating. In particular, the Organisation needs to observe the contractual requirements regarding Child Protection and Counter Terrorism.

Additional Information and Related Links

Further information on AusAID's Child Protection Policy, Counter Terrorism and other applicable laws and policies can be found on AusAID's website at:

http://www.ausaid.gov.au/business/pdf/Lists_of_Laws_and_Guidelines_for_Contractors.pdf
http://www.ausaid.gov.au/publications/pdf/child_protection.pdf

Further information on terrorist organisations listed under Division 102 of the Criminal Code Act 1995 (Cth) and the DFAT Consolidated List of persons and entities subject to UN sanctions regimes maintained in accordance with the Charter of the United Nations Act 1945 (Cth) can be found at:

http://www.dfat.gov.au/icat/UNSC_financial_sanctions.html#3
<http://www.nationalsecurity.gov.au/agd/www/nationalsecurity.nsf/AllDocs/95FB057CA3DECF30CA256FAB001F7FBD?OpenDocument>

Further information on AusAID Accreditation and the ACFID Code of Conduct can also be found at:

<http://www.ausaid.gov.au/hgos/accreditation.cfm>
<http://www.acfid.asn.au/code-of-conduct>

Further information on Aid Effectiveness can be found at:

http://www.oecd.org/department/0,3355,en_2649_3236398_1_1_1_1_1,00.html
http://www.oecd.org/document/18/0,3343,en_2649_3236398_35401554_1_1_1_1,00.html