

# IM4DC

## Action Research Report

### SUMMARY

**Researchers:**

Diana Arbeláez-Ruiz, Juan Mauricio Benavidez, Bárbara Oñate Santibáñez, Rebekah Ramsay

**School/ Centre:**

Centre for Social Responsibility in Mining

**University/ Institutions:**

Sustainable Minerals Institute, The University of Queensland

**Key themes:**

Governance and Regulation  
Community and Environmental Sustainability

**Key countries:**

Peru

**Completion:**

January 2013

**Research aims:**

This research sought to address the following questions:

- How can proponents, regulators and governments ensure accountability, participation and social inclusion in environmental licensing processes?
- What checks and balances are necessary to prevent excessive exertion of power in environmental licensing processes and to ensure they support sustainable development?

**For further information on this action research:**

Contact person: Diana Arbeláez-Ruiz  
[d.arbelaezruiz@uq.edu.au](mailto:d.arbelaezruiz@uq.edu.au)

Research paper: Arbeláez-Ruiz DC, Benavidez JM (2013). Politics and institutions in mining EIS approvals. The International Association for Impact Assessment 13th Conference, Calgary, Canada.  
<http://www.iaia.org/conferences/iaia13/final-papers.aspx>

Powerpoint presentation: 'Political and Institutional aspects of mining EIS approvals: Learning from the Peruvian Experience'

## Institutional and Political Frameworks of Environmental Licencing Processes

This project examined the influence of political and institutional factors on environmental licensing processes, including environmental assessment and approval processes (EAAPs), for mining projects. The aim was to devise better ways to take account of, and respond to, political and institutional factors as part of the EAAP. The research was based on the premise that while political and institutional dimensions exert a strong influence on regulatory impact assessment and approval processes, this influence is often poorly understood, leading to shortcomings in design and implementation, and in some cases to conflict that results in human and economic losses. Regulatory design and implementation often rest on assumptions that regulators are well placed to protect wider societal interests and have access to full, timely information. In practice, approval decisions occur within highly political negotiations on project design, with imperfect information, constrained timelines and limited regulatory capacity. These factors pose difficulties for conflict prevention in regulatory approval processes.

A conceptual framework was developed to analyse the role of political and institutional factors in EAAPs, and was used to examine two cases of mining Environmental Impact Statement (EIS) approvals in Peru. Regulatory design and implementation criteria to improve the approval processes are proposed, which centre around supporting inclusive dialogue on sustainable development. In the cases analysed, the results suggested that poor proponent-community relations, limited social science influence in EIS and a weak regulatory framework, lacking civil society trust, hindered constructive dialogue on sustainable development. The proposed framework principals relate to relationship building, an early start to dialogue, elected decision-maker commitment, integration of processes within and outside the EAAP, integrating social science input, managing incentives, balancing capacity gaps, designing adaptable processes and allowing for dialogue between different knowledge systems. Scope for implementing these principles is not limited to regulators or governments; various other participants can contribute to implementing many of them. The research resulted in a set of recommendations and a strategy for adaptation for training environments, aimed initially for a Latin American audience, but potentially for broader audiences.