

# INCREASING THE INTEGRITY OF THE MINING SECTOR IN ARMENIA

*Sona Ayvazyan*  
*TI Armenia*

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# Structure

- Problem
- Proposal
- Context
- Methodology
- Outcomes

# Problem

- Deficiencies of legislation
- No strategy for sustainable management of mineral resources
- Improper assessment of environmental and social consequences
- Inadequate regulation of payments for environmental pollution
- Poor law enforcement
- Absence of the rule of law
- Non-existence of accountability
- Absence of public scrutiny and participation in decision-making

# Problem



- More than 600 deposits
- About 400 exploitation projects
- About 100 exploration projects
- More than 200 mining companies
- About 12 metal exploitation activities

# Proposal

## Objective

- To increase the integrity of operations in the mining sector in order to contribute to the effectiveness of natural resource management in Armenia

## Target

- Government and business operations

## Stages

- All stages of mining-related activities, including planning, permitting/contracting, exploration/exploitation and control/oversight of operations

# Context

## Developments at the national level

- Legal drafting
- Strategic litigation

## Developments at the international level

- Threat of sanctions for “tax havens”
- Increased requirements of financial institutions
- Spread of good practices of CSR
- Extractive Industries Transparency Initiative

# Methodology

- **Improvement of the legal framework**
  - Analysis of legislation
  - Development of recommendations/comments to contribute to legal drafting
  - Advocacy activities
- **Improvement of business operations/reporting**
  - Raising awareness of stakeholders on good practices
  - Development and promotion of a draft code of conduct for mining companies
  - Advocacy activities
- **Development of a plan for public monitoring**
  - Collection of baseline data for selected companies
  - Development of a monitoring plan

# Outputs

- Draft recommendations/comments
- Draft code of conduct
- Consultations
- Database for selected companies
- Monitoring plan

# Outcomes

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- Improved legal framework
- Improved quality of compliance
- Enhanced transparency
- Better business practices



**Thank you!**

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- Questions ???