### Moving beyond philanthropic corporate social responsibility: Organizing and investing in small-scale mining cooperatives

## NEFERTARI MINING PROJECTS

## Vision

- Build bridges between small-scale mining cooperatives and major mining companies
- Conceptualize and implement a unique business solution that resolves problems of majors and of small-scale mining cooperatives
- Create a relevant and operational action plan that will turn artisanal and smallscale mining into an active corporate investment
- Promote a program that repairs the problematic image of major mining companies
- Organize small-scale mining cooperative into a major source of revenue for rural communities
- Enable economic development of a self-sufficient community around a small-scale mining project



# Challenges faced by majors and their CSR policies

MAJOR MINING COMPANIES	TRADITIONAL CSR POLICIES				
Image issues	Investments in infrastructure (Schools, roads, hospitals, etc.)				
Theft from local communities					
Environmental degradation	Investments in building social capital (Family planning, information on HIV prevention, etc.)				
Lack of interest in leaving a legacy					
Lack of understanding of local customs	Investments in building human capital (Providing education, training, skills, etc.)				
Human rights abuses					



# Challenges faced by small-scale mining cooperatives and their solutions

SMALL-SCALE MINING COOPERATIVES	TRADITIONAL SMALL-SCALE POLICIES
Low selling price of gold	Miners who comply with the Fairtrade Standard receive a premium on top of the guaranteed minimum price for their gold (Fairtrade Gold and Precious Metals)
Environmental degradation	Explore innovative market-based approaches to enable the transition away from mercury (UNEP)
Lack of education	Informing and advising on local, national, regional, and international policy as it pertains to ASGM (AGC)
Lack of financing	Financial solutions provided by NGOs
Lack of technical skills	Developing training modules that can be easily adapted & tested project management framework (UNIDO)



## The Kane Mentorship Program

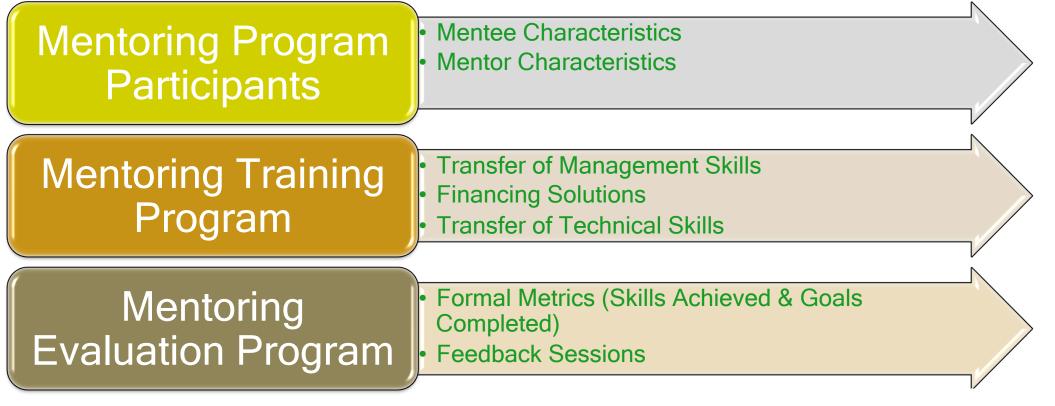
The Kane Mentorship Program is a business solution that facilitates mining companies (mentors) moving beyond philanthropic corporate social responsibility by mentoring cooperatives (mentees)



# A successful mentoring relationship

- The keys of establishing a successful mentorship relationship include:
- Creating a relationship of trust
- Clearly defining the roles and responsibilities
- Using open and supportive communication

## **The Kane Mentorship Program**





## **Mentoring Program Participants**

### CHARACTERISTICS

COOPERATIVE	MAJOR
Individual miners organized in cooperatives	Hold operations in developing countries
Articles of Incorporation made available	Spend about \$300,000 on community development and CSR
Mining claims updated	Unify CSR and community programs in one major project



## Mentoring Training Program: Transfer of Management Skills

#### **Project Management**

- Initiating
- Planning
- Executing
- Monitoring and controlling
- Closing

### Leadership

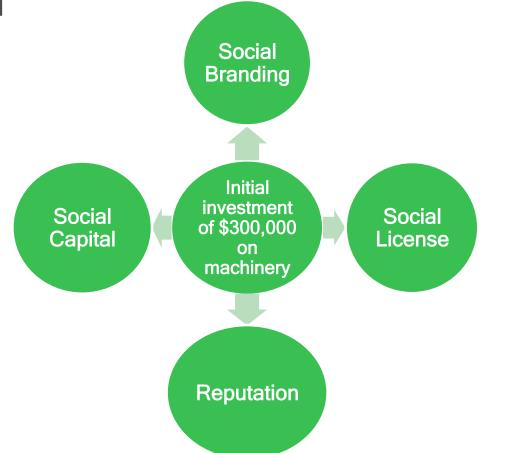
- Creating an inspiring vision for the future
- Motivating and inspiring people
- Managing delivery of the vision

#### Communication

- Communicating to key stakeholders
- Interacting with others
  to accomplish goals
- Negotiating effectively



# Mentoring Training Program: Provide initial capital



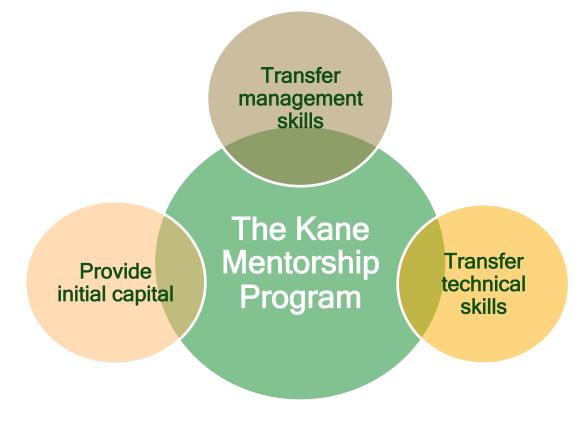


## Mentoring Training Program: Transfer of Technical Skills

- Conceptualize and implement an efficient production process for small-scale activities
- Provide training and technical advice
- Management of environmental measures
- Raise awareness about health and work safety

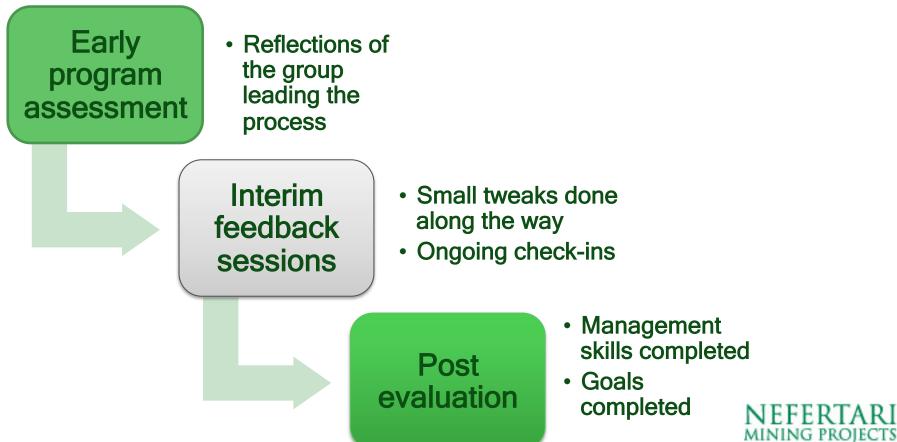


## **Mentoring Training Program**





## **Mentoring Evaluation Program**



## **Action Plan and Time Line**

MANAGEMENT SKILLS	PROJECT MANAGEMENT		LEADERSHIP				COMMUNICATION					
		1Q		2Q		3Q		4Q				
	JAN	FEB	MAR	APR	ΜΑΥ	JUN	JUL	AUG	SEP	ОСТ	NOV	DEC
PRELIMINARY ASSESSMENT												
ADMINISTRATIVE SETUP												
SITE PREPARATION												
PRODUCTION												



# What does success look like for each participant?

MENTORS (MAJOR)	MENTEES (COOPERATIVE)
Gain control of prospective areas that could lead to bigger projects	Become a properly run business
Marketing advantage to be gained from successful relationship with ASM cooperative	Gain business skills that are transferrable to other sectors
Increase likelihood of being asked to do business with governments who are accountable to their citizens	Access mainstream of economic life



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> > **THANK YOU!**

