# Driven by Returns



Putting Government in the Driver's Seat Municipal Sustainable Development Plans at Pueblo Viejo

## Mining Context



- PV previously operated by the Dominican government from 1979 until it was closed in 1999
- Acquired by Barrick in 2006; operational since 2013
- Joint venture between Barrick (60%) and Goldcorp (40%)
- Largest foreign investment in the Dominican Republic's history





### Project Context



- Extremely high levels of poverty and illiteracy
  - 44 communities of which
    60% live in extreme
    poverty
- Limited access to health care, education and potable water



Limited diversity in economic activities

### Law 176-07 | Government in the drivers seat



- In July 2007, the passing of Law 176-07 established a new legal framework for municipal governance
- Recognized that local governments have a central responsibility for socio-economic development of the communities and required them to:
  - Prepare and implement development plans with the **participation** of the communities
  - Ensure adequate investment and use of municipal resources to promote equitable and sustainable development
  - Provide timely and efficient attention to the basic needs of the community
  - Ensure a systematic approach to development and social investment
- Created an environment for participatory development with communities

## PVDC Role in Supporting Law 176-07



- Support the implementation of Law 176-07 in the 3 municipalities surrounding the mine
- Strengthen the capacity of civil society and the municipalities to jointly define a sustainable development plan
- Establish that PVDC is <u>not</u> the principal entity responsible for the economic or social development of these communities



- 1. Internal training and capacity building
  - 15 workshops; focused on developing capacity to support and facilitate the preparation of the MDP
- 2. Establish Partnership
  - Canadian Embassy;
    Comunidad Cosecha;
    Regional Association of
    Municipalities of South
    Region; Mayors of Maimon,
    Cotui & Fantino







- 3. Build capacity of local government and community leaders
  - 100+ local gov't and civil society representatives

#### 4. Facilitate Planning Process

- Communities informed and invited to participate in the development of the plans
- Numerous meetings, workshops and roundtables organized by theme







- 5. Consensus-Building for the Development Plans
  - Municipal Congresos held in each municipality to debate the final plans before plebiscites
  - 500+ community leaders and local government participants
- 6. Organization of Municipal Plebiscites
  - Campaign to educate public on content of plans and build broad public support
  - First plebiscites held in the history of the DR, coordinated by the Central Electoral Board





7. Support Implementation of Plans

- Partners facilitated the preparation of year-one implementation plans and bylaws for the Municipal Economic and Social Councils (CESM)
- Participatory budgeting process
- Social Audit Committees created to oversee municipal government works and projects
- Every year PVDC participates in the investment roundtables:
  - Investment roundtables are held annually to determine projects, accountabilities and financing from PVDC, authorities, civil society and other institutions/companies





## Benefits of Law 176 - 07



- Established framework of **participatory democracy** in the Country
- Continues to **facilitate and empower public policy** in the region
- **Communities own** their own development process, not the company
- PVDC does not implement projects unilaterally and is not held accountable for role of government
- PVDC is part of a larger social movement and ongoing citizen mobilization where communities and governments address their problems



## **Ongoing Challenges**



- Having strong enough processes to withstand changes in government
- Engaging new authorities after elections (2016)
- Involving national authorities in the processes and in the financing of municipal works



"Barrick Pueblo Viejo entered into a relationship with local government and with civil society as a supporting partner to a community-owned, long-term development process, which is rooted in a national legal framework for the development of municipal governance. In other words, Barrick Pueblo Viejo has positioned itself as a significant contributor to the democratization and decentralization process of the Dominican Republic."

> Aaron Ausland Associate Director of Independent Research and Evaluation at World Vision Case Study: Partnering for Local Development (2009)

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