# FROM DISCLOSURE TO DEVELOPMENT Mining Royalties Data in Colombia: Data at Work for the Voice of the People

Responsible mining can drive economic development, job creation, and poverty alleviation in Colombia. But it is not always clear how the sector can bring economic and social benefits to citizens, particularly marginalized populations in mining communities. In Colombia, the government and mining companies disclose significant amounts of financial procurement data. However, disclosing data is simply not enough.

The *From Disclosure to Development Program (D2D)* conducted a national and subnational natural resource data assessment in partnership with Transparency and Accountability Initiative and supported by Global Integrity (GI). The assessment identified challenges and opportunities to make data disclosure effective and packaged in a way that is meaningful, easy to share and understandable by all citizens.

## Getting the right data for the right people at the right time

Data is available, but it is not enough! Disclosure of data is critical for transparency and improved governance, however it is insufficient, and it is not the end-goal. Effective use of data for accountability is a fundamental principle in ensuring that stakeholders can ask the right questions, make informed decisions about mining investments,

and ensure that benefits of these investments are shared among those who need it the most. In D2D's report <u>Mining Royalties Data</u> in Colombia: Data at Work for the Voice of the People, IFC presents a set of recommendation for governments, industry and civil society aimed at improving data disclosure and use practices of mining royalty data to provide citizens with complete, relevant and actionable information.





## What data do people want?

- economic and social benefits (employment, contracts, subsidies, health, education, infrastructure and basic services)
- production totals, by resource and site level
- revenue allocation, distribution, and management by site
- royalty allocations to Indigenous and Afro-Colombian populations
- environmental and social impacts assessments
- exploration licenses
- companies' social investments, local development agreements and corporates social responsibility contributions
- beneficial ownership
- mining closure and rehabilitation plans

# What are the information barriers people face?

# Availability of and Access to Information and Data

- 1. Data is dispersed across multiple systems
- 2. Open data has not permeated down to the municipal level
- 3. Requests for information mechanisms are complex
- 4. Data disclosed by government agencies is aggregated at the national level, making it difficult for local stakeholders to use

#### Use and Dissemination of Information and Data

- There is a mismatch between the information published and the data stakeholders find useful
- 2. Potential users have concerns about the quality, timeliness, and accuracy of the data
- 3. Communication strategies are not in place to promote the use of data portals
- 4. Capacity to use data varies by actor. Lack of digital literacy is a barrier to wider use of data.
- 5. Monthly reports issued by the DNP on GSR allocations are not widely disseminated
- 6. Media lacks resources and time to conduct data-based analyses

#### **Contextual Factors**

- 1. The GSR makes it difficult to link royalty payments to local development
- 2. Local authorities are not interested in disseminating information about resources allocated to their municipalities due to political and social pressures
- A post conflict dynamic influences transparency initiatives

### What do people want to know about the General System of Royalties (GSR)?

- Which agencies are responsible for allocating mining royalties?
- Who is responsible for overseeing and executing the use of the allocated revenues?
- How are royalty percentages determined?
- What institutional arrangements, policies, and rules govern the production and dissemination of mining royalty data?
- Where can I access mining royalty data and information?
- How can I use this data and information to participate in decision-making and accountability processes in my communities?

For a visual representation of the General System of Royalties in Colombia please click here.

### Summary of recommendations

SHORT-TERM	<ul> <li>strategies in the GSR's data</li> <li>platforms to focus on end-users</li> <li>Use new digital tools to collect and engage with real-time data to assess community perceptions and sentiments (mobile phone– based perception pulse surveys to ensure the continuous provision of information on</li> </ul>	<ul> <li>Use innovative approaches in citizen participation to promote open data and improve dissemination</li> <li>Implement participatory data collection and monitoring programs</li> <li>Design data challenges and competitions that engage young people</li> <li>Use edu-tainment strategies to communicate better with communities</li> <li>Engage with digital entrepreneurs to transform data and find digital solutions</li> </ul>	<ul> <li>3. Increase the capacity of municipal authorities to understand and use the GSR aligned with territorial planning</li> <li>Design a capacity building strategy focused on understanding the GSR, public investment, approval cycle, and management</li> </ul>
MEDIUM-TERM	<ul> <li>Strengthen collaboration between the Ministry of Mines, the DNP, the Ministry of ICT and the Transparency Secretariat to pilot an open data approach in the mining sector</li> <li>Leverage the open data national initiative and the upcoming Open Government Partnership Action Plan IV in the push for open data</li> </ul>	national and subnational infomediariesthro teacDesign training for intermediaries on data access, analyses, visualization and dissemination strategiesEn Ed to cu data	d informed communities ugh networks of schools and thers ugage with the Ministry of ucation and Ministry of ICT implement an educational rriculum for understanding open ta concepts, access to information hts and analytical skills
	<ul> <li>Develop an integrated data and transparency strategy for coordination across government agencies for the GSR cycle</li> <li>GSR's Governing Committee, backed by the new Mining Law 2056, to take leadership and devise an integrated data strategy promoting transparency</li> </ul>	<ul> <li>Platforms like Maparegalias, SIMCO, EITI and others can be improved with the support of the Ministry of ICT. APIs to facilitate the link across platforms and</li> </ul>	<ul> <li>Adopt a "do no harm" approach to project design</li> <li>The perception of transparency is a positive change agent. Disclosure initiatives must design activities that avoid inadvertent harm or exacerbate conflict</li> </ul>

#### About D2D

D2D is a data transparency initiative led by the International Finance Corporation (IFC), in partnership with the BHP Foundation. The Program seeks to enhance benefit sharing from investments in natural resources through the effective disclosure and use of information and data. D2D operates in Colombia, Ghana, Guinea, Mongolia, Peru and Sierra Leone. For more information, visit **www.CommDev.org**.

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#### About IFC

IFC—a member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2020, we invested \$22 billion in private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity. For more information, visit **www.ifc.org**.





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