



Involvement of the local communities

- Securing Benefits to communities from new industrial activities

Social Impact Assessments (SIA) and Impact & Benefit Agreements (IBA)

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Greenland

- Home-rule 1979
- Self-Government 2009
- Mineral Resources 2010



Challenges for Greenland

- Elder population (+65) more than doubles from 2010-2035
- General level of education is relatively low
- Few sources of income.
- Main income sources today: export of fish and shrimps

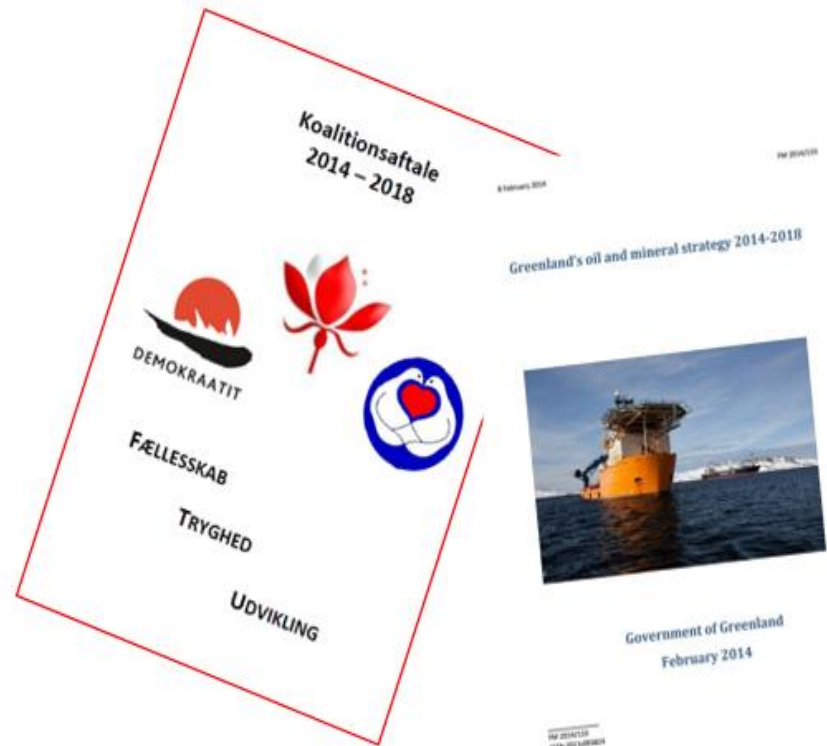


Greenland's Extractive Sector

*Need for benefits
from new industrial activities*



- The Government has a focus on how the mineral resource industry can be developed in order to **benefit** Greenland.
- Greenland's Oil and Mineral Strategy for 2014-2018 focuses on how mineral resource projects will benefit Greenland in terms of new jobs, local suppliers, increased income and knowledge transfer



Benefits from new industrial activities



- Benefits identified in Social Impact Assessment
- Social Impact Assessment goes through public review
- Social Impact Assessment approved by Greenland Government
- Benefits secured in Impact and Benefit Agreement with municipalities

Typical benefits secured in the Impact and Benefit Agreement (IBA)

- Use of Greenland labour
- Use of Greenland enterprises
- Processing of minerals in Greenland
- Public revenue to Greenland (not in IBA)
- Transfer of Knowledge
- Educational and Social funds





Participants in the Impact and Benefit Agreement

*A three-party-agreement
between:*

1. Municipality
2. Government
3. Project proponent
(company)



Examples of benefits in agreements



Commodity	% of local supply	Estimated jobs	Estimated public revenue (life of mine)
Rubies and Pink sapphire	70%	Construction: 43 (July 2015) Production: 80	1,087bn DKK
Anorthosite	70 %	Construction: 20 Production: 60	Up to 209,7m DKK
Zink and Lead	tba	Construction: 450 Production: 300	More than 3,4bn DKK
REE, Uranium and Zink	tba	Construction: 1100 Production: more than 700	-
Tanbreez 0,5 mtpy (÷ processing)	tba	Construction: up to 140 Production: 80	1174,7m DKK
Tanbreez 1,5 mtpy	tba	Construction: - Production: -	-
Iron ore	tba	Construction: up to 3,300 Production: 700	More than 30 bn DKK



Thank you

