

## In Brief

### Project dates:

- January 2007 to July 2009

### Sector:

- Mining

### Country:

- Peru

### Partners:

- Ministry of Energy and Mines
- Professional Associations
- NGOs
- Business Associations
- Universities

### Donors:

- Canadian International Development Agency (CIDA)
- DFID
- USAID
- IFC

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# Enhancing Local Benefits

## Strengthening Social Accountability to Improve the Impact of Mining Royalties in Peru

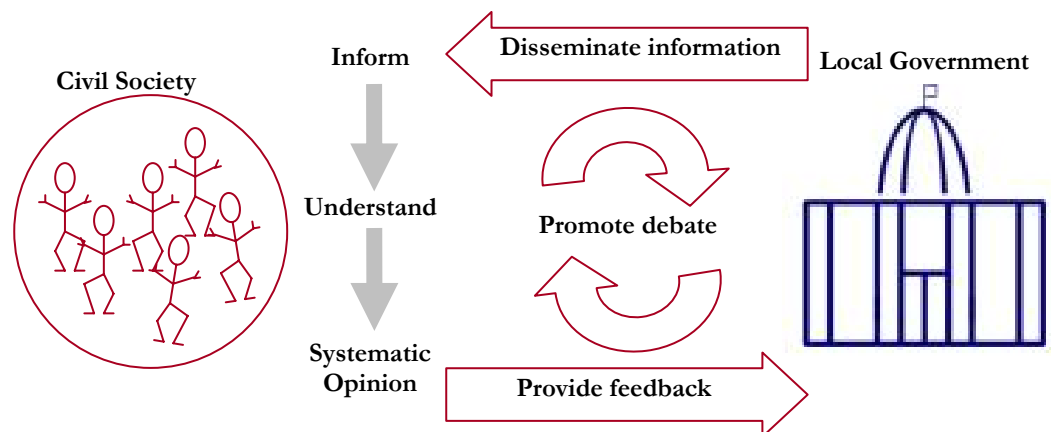


The MIM Initiative (acronym in Spanish for “Improving Municipal Investment”) is an IFC sponsored project that helps civil society organizations undertake a systematic monitoring of mining royalties flows and municipal investment in selected municipalities in Peru.

### Objective

MIM aims at promoting greater social accountability as a way of contributing to increase the impact of royalties-financed local public investment.

In order to achieve this objective the project will provide support to civil society organizations in selected municipalities so that they can undertake a systematic monitoring of mining royalties flows and municipal investments through the MIM, disseminate such information and promote an open discussion so as to achieve greater understanding of the mining royalties and municipal investments, and provide feedback to Mayors as to how their management of investment is perceived by the population.



### MIM in Peru

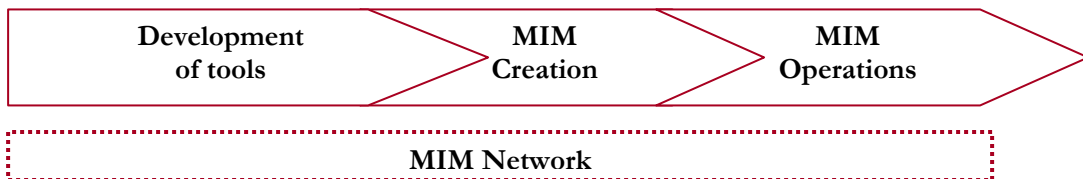
Currently, there are 5 MIMs in Cajamarca, Ancash, Moquegua, Tacna and Puno monitoring 12 municipalities. These departments were chosen as together they receive 80% of the mining royalties transfers. Each MIM monitors mining royalties investments in at least two municipalities.

# Enhancing Local Benefits



## Project Components

The project is structured around the following components:



- ✓ **Development of tools:** Consists on systematizing the Cajamarca MIM pilot experience so that it can be used by other institutions that have an interest in establishing MIMs in other departments.
- ✓ **MIM Creation:** Includes CSO mapping in the selected departments, constituting the institutional structure for the MIMs and structuring the technical team and training it in the use of the methodology developed by IFC.
- ✓ **MIM Operations:** Initiating operations in the cycles defined in the methodology. Each MIM will complete three cycles which involves:
  - Collecting and systematizing municipal data on mining royalties and investment.
  - Undertaking surveys, receiving the population's perception on the Mayors' performance and sharing it with the Mayor.
  - Preparing Citizen report cards on the municipal provision of basic services.
  - Preparing reports for dissemination.
  - Organizing workshops.
  - Disseminating the information and promote an open discussion.
- ✓ **MIM Network:** Consists on supporting the exchange of information and ideas between the different MIMs and the dissemination of results and tools.

## Expected Results

At the end of the project each MIM will have completed three cycles and will be actively contributing to a local discussion on local investment. Each cycle will provide measures of the exposure, access and understanding of mining royalties flows and municipal investment on the part of the population. By the completion of the third cycle this measures will show an increase in exposure and access to information with respect to the initial (baseline) measurement as well increased levels of understanding of mining royalties flows and municipal investment.

At the impact level, the project will contribute to benefiting people by giving them access to (or receiving improved) local services and infrastructure. In this way, the project contributes to the achievement of the Millennium Development Goals.

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