



Activity brief (December 2014)

Strengthening Negotiation Assistance – Vale Columbia Center

15 May 2013 – 14 November 2015



Background: For many developing countries, large-scale projects carried out by foreign investors in extractive industries or infrastructure are the most important means of generating funds to drive economic growth, development and prosperity. However, many developing host country governments do not have a strategic vision, strong regulatory frameworks or the necessary resources to negotiate, implement and monitor the deals. Consequently, they are losing the opportunity to maximise the benefits of these major projects for their countries. Poorly negotiated deals, which often last for decades, prevent a country from enjoying the full long-term benefits of its resources.

Objective: The objective of the activity is to enhance negotiation support for developing countries.

Activity description: The Australian Government has provided a series of grants for the activity that the Trustees of Columbia University (New York) are managing on behalf of the Vale Columbia Center (VCC). The Australian Government has supported VCC in their work with partners from academia, civil society, government and industry to explore how to more effectively support low-income, resource rich countries in their negotiations of large-scale investment projects. Discussions so far have indicated that while there is still more to understand about how negotiations are undertaken, some activities can and should be done now to improve the outcomes of large-scale investments, including: better knowledge management and sharing; improving coordination among negotiation support providers and host governments; and capacity building.

Sector: Extractives

Results to date: The activity has facilitated information-sharing and idea-exchange among governments, negotiation support providers and other key stakeholders. Achievements so far include:

- **Matrix:** The VCC has compiled a matrix of major negotiation support providers that it posted on its website in January 2014. The matrix includes detailed information about each organisation such as sector and

geographical focus, response time, fee arrangements, and types of expertise and support provided.

- **Negotiation roadmap:** The VCC has designed a roadmap of the negotiation process to help countries visualize the stages of preparing for, negotiating and monitoring complex contracts. This roadmap will be incorporated into the online portal.
- **List of tools and resources:** A list of useful tools for mining, oil and gas transactions has been compiled, along with web and annotations. These will form part of the annotated resources library of relevant tools and resources in respect of each negotiation stage described in the roadmap that will be included in the online portal.
- **An online portal:** The VCC has developing an online negotiation support portal. Awareness about the portal has been raised through interviews with target users, and the dissemination of flyers on the portal at a conference on 'Mining in Africa – Opportunities and Challenges', held in Dar es Salaam, Tanzania, in September 2014.
- **Working group activities, including workshops:** The VCC set up a working group of experts from the major negotiation support providers and some country representatives to discuss the tools and resources, as well as the online portal.
- **Book sprint:** In December 2013, the VCC and its partners convened 14 experts to produce a comprehensive book on how to read a mining contract for lay readers in just five days using a collaborative writing technique known as a 'book sprint'. The purpose of the book is to reach those professionals and members of civil society working on resource governance around the world through print and e-book editions.

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Implementation partner:	Vale Columbia Center
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