

IMEF

INDIGENOUS MINING EQUITY FOUNDATION



Indigenous Mining Equity Foundation.

Researching and Advocating Finance Solutions to empower neglected Indigenous Communities in the Mining Sector.

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Indigenous Mining Equity Foundation

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The Problem

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- **Low indigenous participation** in mining sector.
- **Mismatch** between Indigenous communities & mining wealth.
- **Negative impact** of mining concentrated disproportionately on indigenous communities.
- **Global Problem** in developing and developed nations.



Ashanti children Ghana – Illegal Mining



Aymara children Peru- child labour



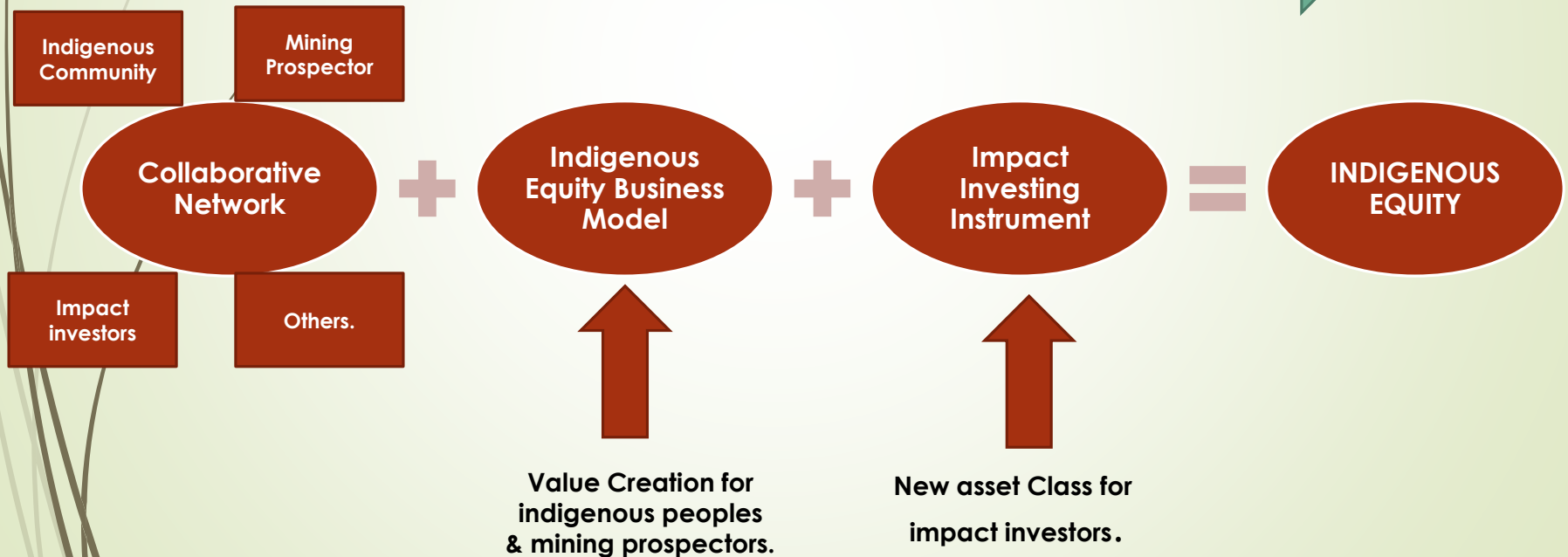
First Nation Aboriginal Canada - Neglected from Education

The Solution

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➔ Indigenous Mining Equity

EMPOWERMENT



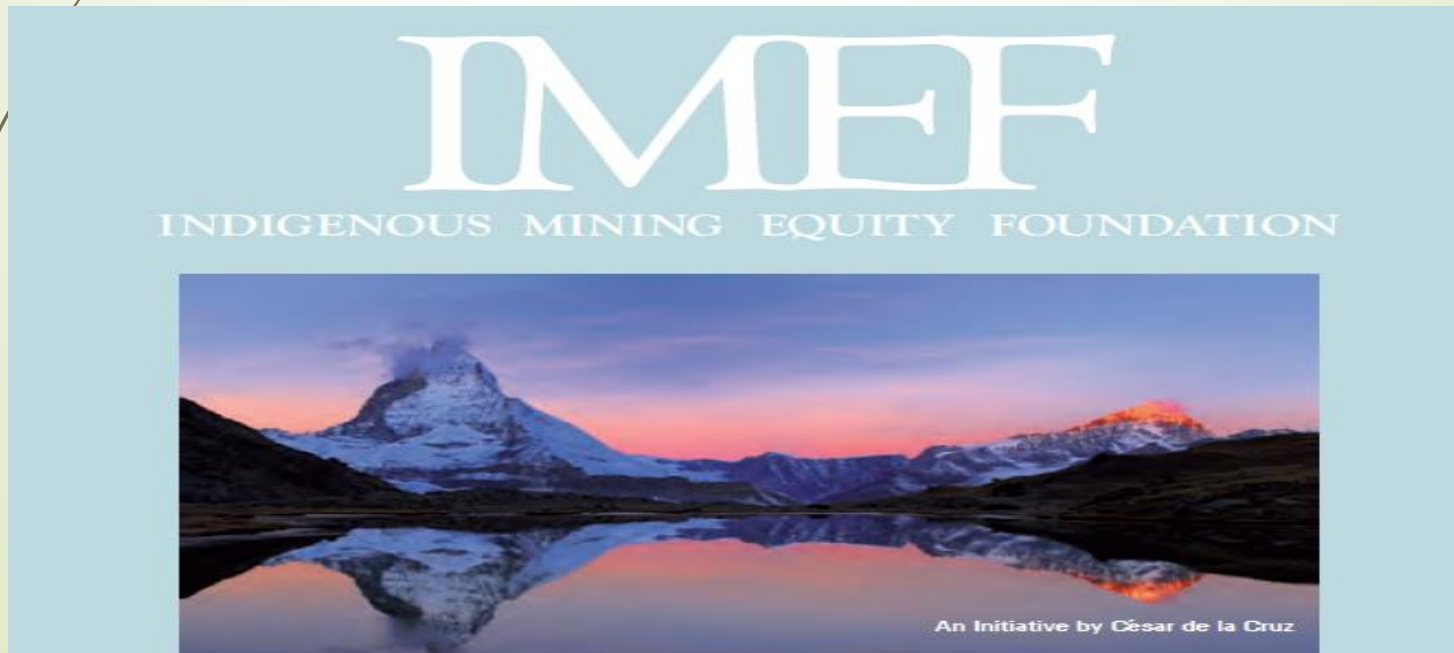
How to make it Happen

- **Share Value** (business model). between indigenous communities and mining prospector enterprise.
- **Share Value minimizes risks** for investors and **ensures quality for all stake holders.**



Indigenous Mining Equity Foundation

- **Social Hybrid foundation.**
- **Research** and **advocate** “impact investing” and “business model” solutions to empower indigenous communities in mining.
- **Create** mining economic capacities for indigenous communities. (Shared Value)
- **Promote** social franchising of solutions in the world.



The Mission

- **To empower indigenous communities in the mining sector and integrate them in the global commodity and capital markets sustainably.**

The Market

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Market Size

- “An Unknown but significant percentage of the world’s remaining unexploited ores attractive for modern commercial exploitation lie under indigenous lands”. (*) Finding Common Ground. Indigenous Peoples and their Association with the Mining Sector. World Business Council for Sustainable Development., 2001.
- Indigenous Peoples number 370 Million in some 70 Countries. Source UNFPA
- The Potential for Stake holders

Stakeholder	Potential	Supporting Facts
Indigenous Communities	indigenous people around the world are increasingly interested in taking equity stakes in exploration and mining projects and companies.	http://www.baxsecuritieslaw.com/2014/01/13/prospectors-developers-international-convention-trade-show-investors-exchange/ (PDAC Prospectors & Developers Association of Canada) http://magazine.cim.org/en/2014/May/cover-story/On-the-land.aspx (Canada Deneh Indigenous Case Example)
International Organisations	International Organisations aim to promote indigenous peoples development in a sustainable way.	http://www.worldbank.org/en/topic/indigenous-peoples (The World Bank)
Mining Enterprises	Mining enterprises view indigenous empowerment as a key for harmonious coexistence and sustainable development.	http://www.angloamerican.co.za/sustainable-development/anglo-zimele/sefa-mining-fund.aspx (Anglo American Indigenous Involvement in South Africa)
Investors	Increase tendency of investors to put more capital on social and environmental benefit. Financial & Moral return.	The Power of Impact Investing, Judith Rodin, The Rockefeller Foundation. March 2014.

The Market Segment

- ▶ “Indigenous communities vary greatly, living in areas ranging from the Arctic north to the humid and dry tropics”. *Finding Common Ground. Indigenous Peoples and their Association with the Mining Sector. World Business Council for Sustainable Development., 2001.*



Developing Nations- Frontier Markets.

- Peru (Aymara, Quechua, Huarayos, Ashaninka)
- Congo (Batwa, Cwa, Baka)
- Haiti (Creole of African descent)
- Mongolia (Bayad, Dariganga, Kazakh)
- And many more.....



Developed Nations

- The Samis (Sweden, Finland, Russia, Norway),
- First Nations Dene, Cree, Inuktitut, Atikamekew (Canada).
- Inuit (Greenland –Denmark)
- Aboriginal (Australia)
- Maori (New Zealand)
- And many more.....

Competition

- ▶ There is no institute specialized tackling the problematic of indigenous participation in mining from an impact finance perspective.
- ▶ There is no institute in Europe specialized in researching and advocating indigenous mining equity “impact investments solutions” and “sustainable business models”.
- ▶ There is a proposal to establish an Indigenous Enterprise Initiative (with a focus on building Indigenous economic and employment opportunities) at the Sustainable Minerals Institute (SMI), The University of Queensland, Australia. (2014)
- ▶ Isolated initiatives from big scale mining enterprises to boost indigenous equity. Example Anglo American Mining Company & the Anglo American SEFA Mining Fund (2003) to help grow emerging black empowered mining companies into commercially bankable enterprises.

Social & Environmental Impact



Sustainable empowerment of Indigenous Communities in the mining sector.

Indigenous integration in the global commodity and capital markets.

Creation of solutions for today's complex issues affecting indigenous communities living in resource rich lands.

Economic development of indigenous communities.

Indigenous participation in resources development projects in their own lands.

Formalisation solution for groups of indigenous communities engaged in informal mining practices.

Environmental friendly mining practices.

Added Value for Indigenous Communities.

- **Economic development capacities** in the mining sector.
- Viable **indigenous equity exposure to capital markets** and indigenous minerals to commodity markets.
- **Skilled Indigenous workforce** in the mining and finance sector.
- Enable indigenous communities **pursue new employment opportunities, income and wealth creation** through the mineral resources from their land.



Project Initiator, César de la Cruz C.

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18 years work experience in the financial sector of Switzerland (Private Banking, Private Equity & Investment Banking).



**MAS Finance, University of Zürich
Wirtschaftswissenschaftliche Fakultät Universität
Zürich (Faculty of Economics).**

Social Entrepreneur certification from SEIF institute, Zürich.

**Memberships: Swiss Private Equity Association,
Swiss Investor Relations Club,
PRMIA Risk Management International Association.
Impact Hub Zürich.**

Passionate believer in impact investing as an empowerment tool to help disadvantaged emerge from poverty and become financially independent.

Research:

- Improving tracking error on emerging markets ETFs (Latin America).**
- Correlation between the BVL Mining Index of Lima stock exchange with the IGBVL Index.**
- Thesis: Indigenous equity as empowerment tool in the mining sector.**

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Appendix 1. Envisioned Activities & Vision

- Create and promote a guide to diversified impact investing in indigenous mining equity.
- Research specific needs of indigenous communities to be empowered sustainably.
- Create and promote a guide of sustainable business models to empower indigenous communities in the mining sector.
- Create and promote portfolio diversification solutions for investors of asset class indigenous equity impact investments.
- Financial and operational risk management assessment and mitigation schemas for investors investing in indigenous equity impact investments.
- Create social and environmental impact business modelling solutions for mining & commodity enterprises inhabited by indigenous peoples.
- Awareness of Indigenous equity at mining events and to the investor's community (Events & presentations).
- **Vision:**
 - Research of Fair Trade Indigenous Commodity Certifications.
 - Foundations for an Indigenous Mining Wealth Fund.
 - Foundations for an indigenous commodity exchange.

Appendix 2. Some examples of indigenous equity potential in the mining sector.

Country	Indigenous Community	Area	Resources
Canada	Dene First Nation.	Northern Territories	Iron Ore, nickel, Uranium.
Haiti	Afro descendant creoles.	Cape Haitine, Grand Bois	Gold.
Greenland (Denmark)	Inuit	Paamiut, Taartoq, Ivittuut	Gold, copper, diamond, Rubi, Graphite,
Sweden	Sami	Sakkek, Kiruna, Iekelvare	Gold, copper.
Peru	Aymara, Quechua	Huancavelica	Gold, copper, silver.
New Zealand	Maori	Coromandel	Silver
Monglia	Tartars Mongol	Zaamar	Gold