

COMMITTEE: United Nations Development Programme

UNDP TOPIC: On measures to address exploitative natural resource extraction in LEDCs under economic pressure

MAIN SUBMITTER: China

CO-SUBMITTER(S): Russia, Peru

SIGNATORIES: Colombia, Nigeria, Italy, Portugal, France, Canada, Mexico, Germany, Poland, Australia, Singapore, India, Estonia, Ireland, Türkiye, Indonesia, Morocco, Switzerland, Argentina

United Nations Development Programme,

Alarmed should receive, while even causing environmental degradation and biodiversity loss, by the significant negative impacts of exploitative natural resource extraction in Less Economically Developed Countries (LEDCs), depriving the economic benefits that local citizens,

Deeply concerned that the environmental destruction resulting from exploitative resource extraction will lead to irreversible damage on ecosystems that not just LEDCs, but the world depend upon for survival, possibly even worsening global warming,

Fully aware that extractive industries operating in LEDCs frequently exploit weak governance structures, leading to the increase of corruption, institutional erosion, and the “resource curse” which links to more resources yet stalling human life quality,

Appreciating the effort that the Extractive Industries Transparency Initiative (EITI) has put in into addressing this issue, where transparency standards and data disclosure were highly effective, and had been implemented across over 50 countries and lots of major companies,

Recognizing that voluntary benchmarking (here states EITI) alone is not enough to fully restrict systematic exploitative, and therefore calls for no poverty, decent work, reduced inequalities, strong institutions, and goal-led partnerships, aligning with the SDGS 1, 8, 10, 16, and 17,

Emphasizing that the convergence of economic vulnerability, institutional weakness, and insufficient international enforcement frameworks is a crisis that no nations can easily resolve in isolation, the coordinated action under the UNDP is an opportunity to safeguard the nature;

1. Decides to strengthen and expand the mandate of the Extractive Industries Transparency Initiative (EITI) by transitioning it from a voluntary benchmark to a UNDP authorized framework with consequences for violations, specifically through measures such as but not limited to:
 - a. setting up digital safety accounts to monitor whether companies followed environmental and human rights laws through measures such as but not limited to:
 - i. creating digital platforms to record data of land use and resource extraction,
 - ii. requiring companies to upload environmental and human right impact reports checked by trusted independent third-party body,
 - iii. giving penalties such as fines or suspension of business licenses to companies that repeatedly do not meet the rules,
 - b. reactivating inactive satellites and implementing ground sensors to monitor mining sites to ensure limit damage to protected sites areas through measures such as but not limited to:
 - i. placing sensors in environmentally sensitive and protected areas to detect pollution and over-extraction of resources,
 - ii. establishing warning systems to alert international organizations to potential violations,
 - iii. collaborating with international space corporations to improve monitoring and date accuracy,
 - iv. ensuring that the collected information is shared with relevant countries under the government and regulators for enforcement purposes;
2. Urges all countries and companies to adopt Responsible Extraction Principles (REPs) that prioritize sustainable resource use and environmental protection aligning with SDG 12, specifically by methods including but not concluding to:
 - a. companies will be required to pay cleanup deposits into UN-managed funds before permitted to begin extraction specifically:
 - i. setting deposit amounts based on the project's environmental risk, projected waste, and potential long-term impact, and further scaled regarding to the local economy,
 - ii. releasing deposits only after inspectors fully verify site restoration and compliance with environmental standards,
 - iii. approve the UN to use the deposit for environmental restoration purposes, or emergencies if the company fails to meet obligations,

- iv. refusals will result in companies prohibited from extracting resources, supported by the UN,
 - b. establishing a shared insurance fund to pay for local healthcare and environmental repair specifically:
 - i. require all participants to contribute effort amount proportionally based on extraction volume and environmental footprint,
 - ii. allocate funds to communities affected by pollution caused illnesses, water contamination, or habitat loss,
 - iii. ensure transparent annual reporting on fund usage, community benefits, and environmental recovery progress,
 - c. mandate the implementation of continuous environmental monitorization throughout extraction operations to ensure compliance with Responsible Extraction Principles (REPs) through measures such as but not limited to:
 - i. integrate real time monitoring systems that track air quality, water contamination, and soil degradation,
 - ii. require every season environmental impact reports submitted to both national authorities and the UN oversight body,
 - iii. impose penalties, including temporary suspension of extraction licenses, for companies that exceed pollution thresholds;
- 3. Invites the establishment of nationally led regulatory frameworks within LEDCs to ensure equitable revenue-sharing from natural resource extraction with local communities, by implementing measures such as but not limited to:
 - a. guaranteeing that local government authorities own at least a minimal portion of any mining project, so they get a share of the profits directly specifically:
 - i. this is determined through negotiated agreements between companies and local communities, which are often a percentage of gross revenue for local development,
 - ii. requiring companies to allocate community shares before extraction licenses are approved,
 - iii. ensuring community representatives have voting rights proportional to their ownership stake,
 - iv. providing financial literacy and management training to help communities effectively oversee and benefit from their shares,
 - b. establishing publicly accessible reporting systems for local communities specifically through measures such as but not limited to:
 - i. publishing annual extraction revenue reports in clear, nontechnical language,
 - ii. making environmental and financial data available through community centres, local governments, and public notice boards,

- iii. allowing civil society organizations to audit and verify the accuracy of published information,
 - c. developing online revenue monitoring systems specifically for:
 - i. developing digital dashboards that track payments from extraction companies to governments and communities in real time,
 - ii. ensuring these systems are mobile friendly to increase accessibility in rural areas,
 - iii. protecting the platforms with cybersecurity measures to prevent data manipulation or corruption;
- 4. Endorses the establishment of a United Nations Development Programme (UNDP) facilitated “Global South Resource Technology Exchange” (GSRTE), aimed at providing technical assistance and concessional financing for sustainable extraction infrastructure in Less Economically Developed Countries (LEDCs), through measures including but not limited to:
 - a. support for domestic resource processing industries to raise economic advantages from natural resources through measures such as but not limited to:
 - i. support the establishment and modernization of local production facilities,
 - ii. provide technical expertise and employee training initiatives,
 - iii. promote partnerships with international firms to transfer knowledge and best practices in eco-friendly resources handling,
 - b. implementation of environmentally friendly technologies for dissemination and collaborative research and development programs:
 - i. develop digital and physical platforms to share environmentally responsible extraction methods,
 - ii. facilitate collaborative research and innovation initiatives between less economically developed countries and developed nations,
 - iii. promote the adoption of renewable energy and environmentally friendly technologies in resource extraction activities,
 - c. enhancement in laws and organization in resource management specifically:
 - i. establish training programs for policy makers, regulators, and local administrators on sustainable resource governance,
 - ii. support the establishing and applying policies that promote environmental protection and fair treatment of workers,
 - iii. facilitate collaboration between governments and neighboring countries to enhance oversight and accountability in resource extraction;
- 5. Recommends the establishment of UNDP-supported initiatives to strengthen the capacity of LEDCs in technology and expertise support, incorporating Resource Revenue Stabilization Funds (RRSFs) to strengthen extractive sector governance and mitigate commodity price volatility, in ways such as but not limited to:

- a. encouraging countries to team up in Regional Groups to set fair “Minimum Prices” for important minerals, such as but not limit to:
 - i. coordinating regional negotiations to prevent underpricing caused by external market pressure,
 - ii. sharing market data and forecasting tools to help countries determine stable and fair price floors,
 - iii. establishing regional committees to review and adjust minimum prices based on global demand trends,
 - b. building storage warehouses so countries can hold onto their minerals when prices are low instead of being forced to sell them for cheap, such as but not limit to:
 - i. providing technical assistance for designing secure, climate-controlled storage facilities,
 - ii. training local staff to manage inventory, quality control, and long-term mineral preservation,
 - iii. allowing countries to sell minerals when prices rise, increasing national revenue stability,
 - c. ensure that the systems mentioned are monitored by credible third parties' oversight to prevent corruption and further escalate the problem, such as but not limit to:
 - i. creating independent third parties with people from civil society, government, and international partners to supervise,
 - ii. carry out digital tracking systems for mineral storage, sales, and revenue flows to reduce opportunities for fraud,
 - iii. conducting regular third-party audits to verify transparency, accountability, and compliance with anticorruption standards;
6. Encourages investment in local value-addition industries, downstream processing, vocational training, and infrastructure in extraction areas, and supports the establishment of Special Economic Zones (SEZs) to facilitate domestic industrialization of raw materials, through methods that can include but not conclude to:
- a. development of local processing facilities to reduce reliance on raw material exports, such as but not limit to:
 - i. prioritizing the establishment of refining and manufacturing industries within extraction regions,
 - ii. facilitating partnerships between governments and private sector actors to support industrial development,
 - iii. supporting government partnerships to lessen natural resource extraction in underdeveloped countries,
 - b. expansion of vocational training programs to build skilled labor forces in extraction regions, such as but not limit to:

- i. implementing training programs focused on technical, industrial, and environmental management skills,
 - ii. establishing accessible training centers in extraction-affected areas,
 - iii. developing standardized training frameworks and instructions programs aligned with international recognized labor and environmental standards,
 - c. improvement of infrastructure to support industrial growth, such as but not limit to:
 - i. expanding and modernizing transportation networks to facilitate movement of processed goods,
 - ii. ensure reliable energy supply with renewable energy integration,
 - iii. developing digital infrastructure to support trade and investment activities, thus improving governance and transparency,
 - d. establishment of Special Economic Zones (SEZs) targeting investment and increase in domestic production, such as but not limit to:
 - i. ensuring that SEZ operations comply to internationally recognized environmental protection standards and labor rights,
 - ii. prioritizing industries that contribute to domestic value addition to promote local economic development,
 - iii. promoting technology transfer, capacity-building, and increased local participation and ownership within SEZ frameworks to enhance long-term national benefits;
- 7. Stresses the need for such arrangements to maintain sustainable debt levels through transparent implementation and opened to national governments and relevant bodies, including without limitations:
 - a. strengthening financial transparency in extraction-related agreements through public disclosure of contracts, such as but not limit to:
 - i. require governments and corporations to preserve records and contracts, making available for different administrative level, which includes echelon level, policies, and transparency programs,
 - ii. ensuring disclosure of loan terms and resource-based financial contracts to recent hidden debt accumulation,
 - iii. establishing open-access data where such contracts can be viewed by oversight bodies, civil society, and the public,
 - b. enhancing accountability and oversight mechanisms, such as but not limit to:
 - i. enforcing effective debt management reforms to maintain sustainable debt levels,
 - ii. establish strong monitoring and evaluation systems based on past proven standards,
 - c. improving responsible debt management through regular reporting of extraction related debt;

8. Supports the development of national strategies for managing economic transition after resource extraction to ensure long-term sustainability, including diversifying the economy, setting up sovereign wealth funds, and preparing for changes in commodity markets, through measures including but not limited to:
 - a. support for workforce transition through professional training programs, such as but not limit to:
 - i. providing training for workers to learn expertise skills for jobs in variety of industries,
 - ii. work with schools, companies, or other organizations to create opportunities for worker training,
 - iii. offer guidance and help workers to find new employment after leaving the resource sector,
 - b. support investment in clean energy and responsible industries to reduce reliance on resource extraction, such as but not limit to:
 - i. encourage funding for renewable energy and environmentally friendly businesses,
 - ii. create policies and incentives to attract reliable corporations to areas dependent on resources,
 - iii. promote innovative ideas and technologies that help build alternative economic resources,
 - c. improving financial stability and economic management for a sustainable post extraction economy, such as but not limit to:
 - i. set up accounting system to manage profit from natural resources with cautious,
 - ii. implement policies to protect the economy from unpredictable changes in resources' prices,
 - iii. share knowledge and experience among nations to improve planning.