



**Ministry of  
Mines and Petroleum**  
Islamic Republic of Afghanistan



## Memorandum of Understanding

Between

The Ministry of Mines and Petroleum

&

CORDAID

Kabul, September 10<sup>th</sup>, 2018

The memorandum of Understanding (MoU) is entered and effective upon signing between;

The Ministry of Mines and Petroleum of the Government of Islamic Republic of Afghanistan (the ministry) having its office at Abdul Haq Square, Kabul, Afghanistan, hereafter referred to as 'the Ministry'.

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and

Stichting CORDAID, with its registered seat in The Hague, The Netherlands and having a Country Office at Qalai Fatullah, Aberoni Watt, PD10, house number 334, in Kabul, Afghanistan, and registered with the Ministry of Economics of the Government of Islamic Republic of Afghanistan under registration number 135 as International NGO, hereby legally represented by Country Office Director Jaap van Hierden, hereafter referred to as "Cordaid".

The Ministry of Mines and Petroleum of the Government of the Islamic Republic of Afghanistan and Cordaid jointly are from now onwards mentioned as 'Parties'.

Both parties;

Acknowledging the desire of the Parties to broaden and deepen the collaboration and joint efforts between the Ministry and CORDAID in the field of extractive sector in Afghanistan.

Noting the opportunities for enhanced community engagement in the extractive sector.

Recognizing the importance of a strategic partnership between the Ministry and CORDAID for creating an enabling environment and building social contracts in Afghanistan, where both the Ministry and CORDAID work together on flourishing communities in Afghanistan.

Desiring to facilitate the rights and empowerment of women, youth and local people in the locations where mining takes places focusing on DO NO Harm principle to women, youth and future generations.

The parties hereby agree as follow;

#### **Article1: Objective**

1.1 Cordaid will support the Ministry in strengthening the social contract between the Afghan government and its citizens in the area of extractives, through coordination and information sharing

## Article 2: Areas of Cooperation

### 2.1 National and International Lobby for mining and transparency

CORDAID will conduct evidence-based lobby and advocacy at national and international level and shall also be joining other international organizations and/or coalitions for policy influencing efforts. The Ministry will be informed of these activities. At its turn, the Ministry will inform CORDAID of important national and international policy initiatives regarding extractives in which it is involved.

### 2.2 Policy level Dialogues

In order to strengthen the social contract between the Afghan government and its citizens, CORDAID will have policy level dialogues with the Ministry, among others, on strengthening the domestic resource base by including articles in extractives contracts on mining companies' payments to the government (taxes, royalties, etc.) and establishing effective mechanisms of revenue collection.

Suggestions and recommendation for a stronger position of local communities in the relevant law would be provided, building on e.g. international common practice of community consultation before starting extractive operations and during the exploration and closing phase of a mine.

### 2.3 Awareness Raising and Community Mobilization, with a special focus on women and youth

CORDAID and its implementing partners will conduct awareness-raising activities for local communities (potentially) affected by mining operations and if required mobilize local communities before the start of a new project/program. Awareness raising will be through media, printed materials, workshops and meetings and focus on community rights. Communities will be selected in consultation with the Ministry.

Within the awareness-raising, specific attention will be paid to the rights of women and youth, as these play a key role in the community and should be part of all activities on an equal footing, so as to make sure that their concerns and proposals are taken into account and responded to.

### 2.4 Protection of rights of local communities

In the capacity development activities carried out by CORDAID and its implementing partners, local communities will be enabled to advocate for their rights related to extractives, in order to have their voices heard and receiving a fair share of extractives benefits. E.g. in the field of employment, where they could encourage mining companies to hire local people (and not bring in only workers from the outside) and to make use of local service provision (e.g. for food supply for the meals of the mine workers and staff).



### **Article 3: Roles**

3.1 CORDAID will develop the capacity of local CSOs and enable local communities to monitor and ensure that mining companies comply with the terms and conditions of their contract with the Afghan government and, more in general, respect Afghan legislation on extractives, e.g. in the field of community consultation, particularly give women a greater voice and be part of the process.

3.2 CORDAID will address the lack of capacity of stakeholders in the extractives sector; by providing capacity development to local CSOs and give orientation to government actors on how to manage relations with local communities.

3.3 The Ministry will support CORDAID at local, national and international level in implementation of activities and providing relevant information not being confidential to the extractive and mining sector.

3.4 The Ministry will support CORDAID in its interventions to secure community rights, e.g. in setting up and carrying out consultation sessions with local communities before awarding a contract to mining company, making sure that proper environmental and social impact assessments (ESIA) are carried out, the monitoring of community impacts of mining operations and ensuring that local communities receive their share of mining benefits.

3.5 This MoU does not entail any financial obligations for the two parties to fund costs related to the areas of cooperation. All agreements between Parties regarding the funding of above-mentioned areas of cooperation will be laid down in subsequent Funding Agreements.

### **Article 4: Amendment**

4.1 The provisions of this MoU may be amended by mutual written consent of the Parties and such amendments will be effective on the date of signing.

### **Article 5: Applicable Law**

5.1 This MoU is subject to the applicable Laws and Regulations of the Islamic Republic of Afghanistan.

### **Article 6: Entry into force, Duration, Dispute Resolution and Termination**

6.1 This MoU shall enter into force of the day of its signing and shall remain in force for ( 5 ) years, and may be extended for a specific period by mutual written consent of the parties.

6.2 The Parties shall primarily endeavour to settle any dispute in connection with or arising out of this MoU amicably.



6.3 Any dispute, which is not amicably solved between the Parties, or controversy or claim arising out of or in connection with this MoU or the breach, termination or invalidity thereof, shall be finally settled by the courts of The Netherlands in The Hague.

6.4. Performance of this MoU shall not stop during any proceedings.

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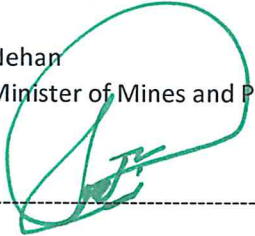
6.5 This MoU may not be terminated unless either of the party gives notice, in written, at least thirty (30) days before the termination of this MoU.

6.6 The termination of this MoU shall not affect the completion of cooperated activities initiated, unless otherwise mutually determined in written by the parties.

This MoU is duly effective and signed on 10 September of 2018 in English and two copies consisting of (5) Articles, whereas both the copies are deemed in original.

For The Ministry of Mines & Petroleum,

Nargis Nehan  
Acting Minister of Mines and Petroleum

A green ink signature, appearing to be 'Nargis', is written over a horizontal dashed line.

For CORDAID,

Kees Zevenbergen  
Chief Executive Officer

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