

Sustainable Economic Development in Mining Territories is Theme of FGV Europe Webinar

Day 1

Session 1

*Webinar Participants: **Leonardo Amaral Diniz Medina**, Specialist in the Articulation for Economic Development and Co-Coordinator of the Productive Reconversion Program in Mined Territories, Support Service for Micro and Small Enterprises of Minas Gerais (SEBRAE-MG); **Marcus Temburg**, Head of the Department of Development and Landscape Planning, Construction and Housing, Rhein-Kreis Neuss; **Thiago de Carvalho Zakrzewski**, Commissioner for Climate Protection and Sustainability, Department of Development, Landscape Planning, Construction and Housing, Rhein-Kreis Neuss; **Mariana Pedrosa Nahas**, Socio-environmental Manager and Researcher at the Center for Studies in Applied Economic and Environmental Modeling (NEMEA) from Cedeplar-UFMG (Regional Planning and Development Center of the Faculty of Economic Sciences of Minas Gerais – UFMG); **Anderson Costa Cabido**, Specialist in Economic Development, SEBRAE-MG and Former President of AMIB - Association of Mining Municipalities of Brazil. The event was moderated by Marco Saverio Ristuccia, Senior Economist, Coordinator of the initiative "Toward a Just Transition: An Opportunity for Minas Gerais", FGV Europe.*

This seminar is part of an agenda of activities planned until December included in the bilateral technical cooperation initiative Brazil - Germany "Toward a Just Transition: An Opportunity for Minas Gerais". To finalize the activities in 2020, four sessions were held over two days under the title "Horizon for the Just Transition: From 2021 to the Future".

In the 7th webinar of the "Just Transition" virtual event series, on December 14th, 2020, FGV Europe held a debate on the theme of Sustainable Economic Development in Mining Territories, with the goal of fostering a reflection on the new economic models that can be linked to the Just Transition in mining areas in Minas Gerais (MG), to promote the change from a predominantly extractive economy to a more sustainable and diversified economy, taking as an example the German experiences, thus creating a bilateral cooperation between Brazil and Germany, for the development of actions and projects.

The presentations were initiated by Anderson Costa Cabido, Specialist in Economic Development, SEBRAE-MG and Former President of AMIB - Association of Mining Municipalities of Brazil, who brought the perspective of the municipalities, as well as a diagnosis of the municipalities and mayors, regarding the issues of mining activities. According to the specialist, the mining municipalities face environmental challenges, such as the need to reduce environmental risks and a commitment to water resources management. The social challenges are illustrated by the low management capacity of the territories for development, a non-flexible labor force, and others.

The Webinar continued with Leonardo Amaral, Specialist in the Articulation for Economic Development and Co-Coordinator of the Productive Reconversion Program in Mined

Territories, Support Service for Micro and Small Enterprises of Minas Gerais (SEBRAE-MG), and Mariana Pedrosa, Socio-environmental Manager and Researcher at the Center for Studies in Applied Economic and Environmental Modeling (NEMEA) from Cedeplar-UFMG (Regional Planning and Development Center of the Faculty of Economic Sciences of Minas Gerais – UFMG), who presented the Project "Productive Conversion of Mined Territories". Leonardo highlighted how the project emerged and how the partnership between the promoting institutions is structured, while Mariana presented data on the relationship between mining and mining municipalities, and the socioeconomic impacts that resulted for the state of Minas Gerais. Also, the speakers highlighted that the project intends to help the mining municipalities and regions to build and implement strategies for productive reconversion, minimizing the economic dependence related to the mining activity. Three paths for this productive reconversion were presented: finding a new economic segment, strengthening vocations that already exist, and repositioning the mining activity. The presentation was concluded showing how the project's governance is conducted.

Marcus Temburg, Head of the Department of Development and Landscape Planning, Construction and Housing, Rhein-Kreis Neuss, presented the reproductive reconversion in Germany referring to the Rhein-Kreis-Neuss region, which totals 450,000 inhabitants and showed the coal and lignite mining regions. Marcus also showed important German government goals related to energy production and, specifically, one of them aiming to close all the coal factories by the year 2038. Marcus concluded by stating that an active involvement of all stakeholders in the structural change model is one of the main challenges for the future.

Afterwards, Thiago de Carvalho Zakrzewski, Commissioner for Climate Protection and Sustainability, Department of Development, Landscape Planning, Construction and Housing, Rhein-Kreis Neuss, presented his work in the area of development policy focusing on the possibilities of implementing cooperation or development projects at municipal level. He also described some cooperation projects in municipal development and federal projects, such as: Sustainable development through cooperation and COVID-19 Solidarity Package. Finally, he presented the federal development support structure, and to conclude he stated that parts of the structure presented could serve as a model for future cooperation between German and Brazilian entities in the context of the Just Transition.

Session 2: Brazil-Germany Cooperation in Just Transition Projects

*Participants of the Webinar: **Marcelo Ladeira Moreira da Costa**, Mining, Energy and Logistics Policy Superintendent of Minas Gerais State Secretariat for Economic Development (SEDE); **Nadine Gerner**, Senior Researcher, Strategic River Basin Management Department, Emschergenossenschaft und Lippeverband; **João Teixeira Soares**, Business Manager, EULA Information Technology, **Claudia Diniz** Executive Director, Mining Hub; **Alexandre Valadares Mello**, Director of Relations with Associates and Municipalities, Brazilian Mining Association (IBRAM). The event was moderated by Marco Saverio Ristuccia, Senior Economist, Coordinator of the initiative "Toward a Just Transition: An Opportunity for Minas Gerais", FGV Europe.*

This session discussed how to develop a cooperation between Brazil and Germany in the context of the Just Transition by identifying cooperation opportunities, highlighting two enablers for the Just Transition: 1) Innovation for sustainability and technology transfer processes; and 2) Planning and governance of the Just Transition.

The event was initiated by Marcelo Ladeira, Mining, Energy and Logistics Policy Superintendent of Minas Gerais State Secretariat for Economic Development (SEDE), highlighting the history of agreements and terms of cooperation that existed between the government of Minas Gerais and German institutions. According to Marcelo, the challenge today is to deal with the socioeconomic aspects and the productive reconversion of the mining territories. Marcelo emphasized the importance of working on these issues of diversification and the development of forms of governance that involve representatives of civil society in the decision-making processes and work on transparency in this process, stating that Germany has various opportunities for learning by example.

Nadine Gerner, Senior Researcher, Strategic River Basin Management Department, EmscherGenossenschaft und Lippeverband, showed aspects of the potential collaboration between Emscher and Minas Gerais, focusing on questions of collaboration in regional development, and ideas on how to have a smarter water treatment and energy generation. Nadine also spoke about the company's experience in environmental risk management, such as flood protection management, mine closure experience and post-mining process. In her conclusion, she highlighted an OECD publication on water resources management made exclusively for Brazil, giving an overview of the institutions involved in water management, and highlighting recommendations on how to achieve good governance of this management.

The Webinar continued with Alexandre Mello, Director of Relations with Associates and Municipalities, Brazilian Mining Association (IBRAM), describing the Brazilian Mining Institute – IBRAM that represents more than 85% of the Brazilian Mineral Production, acting in mineral sectors at federal and state levels. Alexandre presented examples of Multiplier Effects of the mining project in the region's economy, with a chain that can promote business in this region. He showed a cycle of how economic growth can generate development, placing sustainability transparently in this cycle. Last year, the Institute launched a Sectoral commitment, such as operational security, relationship with the community, among others. The director finished presenting projects for the state of Minas Gerais.

Claudia Diniz, Executive Director at the Mining Hub, talked about the "Mining Hub" and innovation in the Brazilian mining sector. Following a pillar of open innovation, Mining Hub uses image, culture, behavior and innovation as a basis. After this process, innovative and efficient solutions are developed in a collaborative environment. To finalize her presentation, Claudia presented Mining Hub's suppliers and associates, and its partner institutions.

João Teixeira Soares, Business Manager, EULA Information Technology, presented the company EULA IT, a German startup and innovative platform for intelligent services. With a technological background, EULA IT also acts as a facilitator in the creation of synergies between German and Brazilian partners in the field of technological innovation, and in the development of systems and solutions targeting the needs of Minas Gerais. João described a

model of innovative business and presented some partnerships already made between Brazil and Germany.

The moderator Marco Saverio Ristuccia finished the event with a discussion among the speakers and thanking everyone.

For more information visit our websites:

Website FGV Europe:

<https://fgveurope.fgv.br/>

Website FGV Europe dedicated to Just Transition:

<https://fgveurope.fgv.br/projects>

Exclusive website for the Just Transition initiative/event, in Portuguese and English:

<https://eventos.fgv.br/transicao-justa>

<https://eventos.fgv.br/en/just-transition>

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