

classM

LOCAL ISSUES • BUSINESS SOLUTIONS



Training course: Improving the management of local economic development projects

2024

Course on Managing local economic development projects

1 Context: growing pressure on local economic development for extractive industries

For several years now, pressure has been mounting on players in the extractive industries from political authorities, civil society and customers, who are calling for a **better sharing locally of the value created and for improving the sustainable economic development of the areas around operating sites**. Expectations from communities living close to these sites are high, especially in areas that are often far from major economic centers and where local governance is weak, thus increasing the responsibility of the industrial players.

Companies have adapted by strengthening their community relations teams and investing substantial budgets in ESG initiatives. Governments have also adapted their mining and petroleum codes to increase the value captured locally: local content obligations, creation of local development funds, etc.

However, it is not easy to strike a balance between these expectations and the economic realities of often volatile markets in the extractive industry business, with strong constraints on costs and profitability from investors. On the ground, one can often see a gap between the actions taken, the budgets deployed and the results in terms of job creation or diversification of resources.

The theme of local economic development thus remains an issue, and with it the need for industry executives to train to improve their practice and make their projects more efficient.

The course “improving the management of local economic development projects” (or projects financing “income-generating activities”) brings together participants in charge of social performance and local economic development issues within the extractive industries. The aim is to shed light on the specific methods used to manage these projects, and to give concrete tools to help **improve the effectiveness of the community development strategy by matching available budgets with the performance targets**.

2 Training content

2.1 Goals and targeted results

The aim of the course is to provide practical tools for selecting and monitoring economically viable community projects involving local communities around extractive industry sites. Participants will be trained in:

- Understanding local economic development issues
- Designing and managing local economic development projects
- Understanding the budgetary issues involved in implementing a controlled short and medium-term local economic development strategy.

The targeted results are:

- Improved scope, relevance and viability of local economic development projects
- The acquisition of tools and procedures for selecting, supporting, evaluating and reporting on projects implemented
- Better control of budgets, in line with the Group's business development objectives

2.2 Target audience

The course is designed for middle and senior managers in the following positions:

- Managers and executives in charge of social performance, local economic development and community projects.
- Directors and executives in charge of ESG, sustainability and impact issues
- Non-financial managers and project managers in charge of extra-financial reporting and impact monitoring

2.3 Proposed teaching approach

- Theoretical and empirical contributions
- Analysis of practical cases and field-tested solutions
- Collective intelligence exchanges and experience sharing, networking with peers

Each participant will receive training material and a certificate at the end of the course. Courses are given in French and English.

2.4 Dates and prices

The full course is offered in:

- A three-day session: project management theory, context, methodological input, case studies, role-playing and experience-sharing.
- A remote follow-up and "individual coaching" phase: 4 sessions (2 individual, 2 in small groups) organized during one year to monitor the implementation of the tools and to discuss ongoing projects (feedback, difficulties encountered, review of key concepts and tools).

The training session takes place in a hotel in Abidjan (Ivory Coast). Quarterly follow-up meetings are organized with each participant by videoconference, enabling the tools taught to be fully integrated into the day-to-day operations of the company's social performance teams. Number of participants limited to 16 per session to promote the quality of experience sharing.

The rate is of \$2,600 per participant per session, including coaching phase. Lunch and snacks are provided throughout the day and included in the price. Practical information and registration links are available at classm.fr/en/services/training

3 Speakers: a training operated by classM

classM is a consulting firm that supports the development of projects with a societal impact in Africa. We take an economic and entrepreneurial approach to local development issues. Our action is based on the conviction that what is profitable is sustainable. With over 150 assignments carried out in recent years, we have acquired solid experience in West and Central Africa, both in the design and implementation of projects aimed at local economic impact.

Drawing on a 12 years' experience working with international players in the extractive sector, classM has developed a range of training courses designed to support CSR/ESG departments in all aspects of setting up local economic projects.

4 Program

4.1 Module 1

4.1.1 Day 1: Local economic development issues

8am-10am	1. Introduction
	<ul style="list-style-type: none"> - Purpose and objectives - Scope and limits of current projects led by private players and development banks - The role of the private sector in local economic development
10am-12pm	2. Regulations and standards governing the impact of extractive sector companies
	<ul style="list-style-type: none"> - Local economic development regulations - Strengths and limitations of local development funds - Strengths and weaknesses of <i>local content</i> constraints
1:30 pm - 4:30 pm	3. Best practices in IGA development
	<ul style="list-style-type: none"> - Common uses in extractive sector companies - Donation vs. investment: what's the best way to create local value over the long term? - Investor and customer expectations (trends and case studies)
4:30 p.m. - 5 p.m.	Conclusion of the day, sharing

4.1.2 Day 2: Designing a local economic development project

8am-10am	1. Project identification
	<ul style="list-style-type: none"> - Establish a diagnosis of the local economic context in the company's area of operation (needs, markets, active economic players, etc.). - Maintaining community dialogue (listening to village expectations, dialogue methods)

	- Introduction of a call for projects procedure
10am-12pm	2. Project analysis and selection
	- Definition of project eligibility criteria and project owner - Project selection (risk management, transparency) - Project flow chart
1:30 pm - 3pm	3. Project planning and structuring
	- Project structuring (market research, business plan) - Identify and secure project partners (operational, financial, commercial) - Implementation of indicators to monitor achievement and performance
3pm-4:30pm	4. Implementation, monitoring and control
	- Financing disbursement and conditionalities - Execution monitoring, performance measurement, use of IT tools - Reporting
4:30 pm - 5pm	5. Fence
	- Mark the end of project implementation with the end of funding

4.1.3 Day 3: Toolbox for local economic development projects

8am-9am	1. Implement a local economic diagnosis
	- Study methodology - Main information to be collected (local needs, understanding economic flows, identifying valuable resources)
9-10:30am	2. Drawing up a simplified business plan
	- Getting to grips with a business plan (essential information, main tabs) - Reading and interpreting a business plan (income statement) - Optimize your budget
10:30 am-12 pm	3. Assess the relevance of proposed projects and key success factors
	- Test the economic and operational feasibility of projects (financing requirements, ramp-up, partnerships) - Monitor project parameters (qualifications and motivation of project leaders, existence of a market, available financing) - Evaluate expected spin-offs
1:30 pm - 2:30 pm	4. Define a standardized project selection procedure
	- Selection criteria, governance bodies, budgetary approach
2:30 pm - 3:30 pm	5. Set up a project monitoring organization
	- Dialogue with project leaders - Monitoring dashboard - Disbursement planning
3:30-4 pm	6. Define impact indicators and ensure reporting
	- Establishing a monitoring model (theory of change) - Setting up a results measurement grid - Involvement of project leaders in reporting results - Project follow-up and reporting (digital tools available)
4pm-4 :30pm	7. Engaging stakeholders
	- Organizing dialogue with communities - Define a call for projects procedure - Report on the positive impact of projects undertaken
4:30pm – 5pm	Module conclusion