Tool 1.1: PEST Analysis Template

PEST analysis (Political, Economic, Socio-cultural, Technological) is a tool for discovering and evaluating background factors that influence the operational environment of a business or an organisation. In the case of mining and metallurgy, it is useful for understanding different conditions and factors that may affect projects. There are variations on it as well, the most popular being PESTLE, which adds categories for Legislation and Environment. In the MIREU project, a simple PEST analysis was conducted for eight partner regions to map the 'lay of the land' and understand how different regional contexts may affect the acceptance of exploration and mining projects. In this analysis, legislation was incorporated into the Political category and Environment was considered a cross-cutting category and not explicitly broken out. In retrospect, considering the environment as its own category is recommended as specificity tends to be lost when it is combined with other categories.

Looking at political, economic, socio-cultural and technological conditions, PEST helps to give a broader view of the situation in the region of interest. The PEST for SLO melds publicly available background information with the expectations and concerns of interested actors.

In Brief:

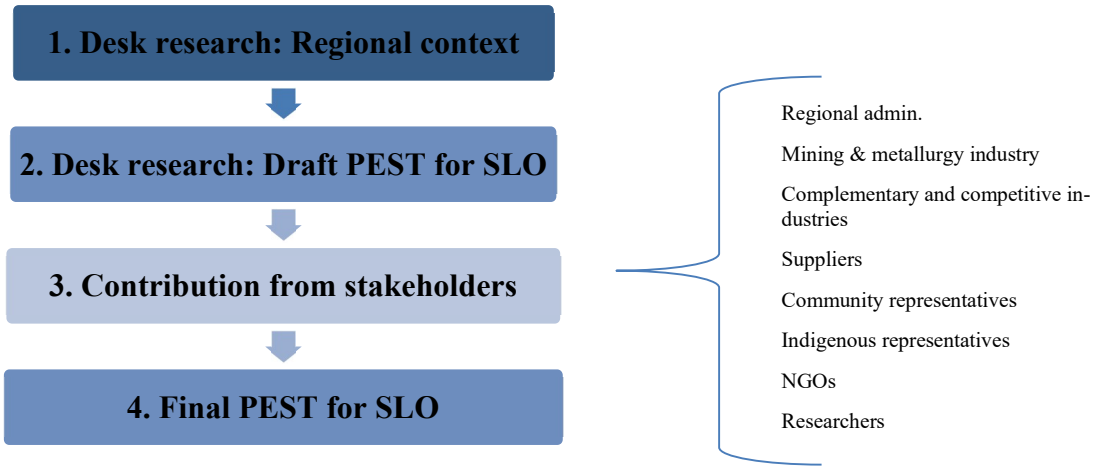
- PEST stands for Political, Economic, Socio-cultural, Technological
- In the case of mining and metallurgy, it is useful for understanding background factors that may affect projects.
- The PEST for SLO melds publicly available background information with the expectations and concerns of interested actors.

Steps in PEST analysis for SLO:

1. Collect background information about the region through desk research.
2. Collect background information through desk research for the PEST model.
3. Contribution from regional stakeholders.
4. Finalise PEST for SLO

PEST analysis for SLO

Steps



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Step 1: Collect background information about the region through desk research

STEP 1) Desk Research: Regional Context	
Collect general information about the region, such as:	☐ Mining history and traditions ☐ Legacy sites ☐ The distribution of urban or rural areas ☐ Demographics, population density, unemployment rate ☐ Population of indigenous people and special use of land (e.g. reindeer herding, hunting, berry picking) ☐ Areas with environmental protection and regional/local development plans ☐ Existing land use conflicts noted in the media whether mining related or other industry ☐ Key industries both complementary and competitive with mining ☐ Identification of historically marginalized groups in the region

Step 2: Collect background information through desk research for the PEST model

- **Political landscape and legislative framework**: This category includes the political support at the regional level, the pertinent mining legislation, and the mining-related governance structure, in particular, whether regulatory powers over mining rest primarily at the national or regional levels. It also contains relevant soft law measures.

- **Economic effects and influences**: This category looks at the economic role, past and present, of the mining and metallurgy industry in the regions. It does not focus on community level economic development and wealth capture but does peripherally discuss the importance of jobs and training at the local level.

- **Socio-cultural dimension**: This category addresses specific cultural features of the regions, their identity as a mining region or not, and whether indigenous peoples, recognized minorities or historically marginalized groups are present. It also looks closely at the sources of tension in a region, i.e. land use tensions involving world heritage, traditional livelihoods such as reindeer herding, etc.

- **Technological influences and opportunities**: This category mainly looks at current technologies used, future technologies waiting in the wings and public perceptions of both. Although the mining industry is currently applying friendly technologies to be more socially acceptable, for example, those that are less invasive and contribute to a circular economy by recycling waste, there are also emerging issues of contention such as the jobs/technology balance, issues over how technology should be 'socialized' and how to (and who should) communicate the pros and cons of technology to the public.

STEP 2) Desk Research: Draft PEST for SLO	
Political landscape and legislative framework:	☐ Mining legislation and the latest amendments ☐ Mining policies, plans and raw materials strategies and their impacts ☐ Mining authorities ☐ Quality/level of public participation during the EIA and permitting process ☐ Government-led initiatives to ensure a responsible mining industry
Economic effects and influences:	☐ Economic contribution to region, i.e. jobs created (direct, indirect, induced) by the mining and metallurgy industry in the region ☐ Composition of the mining and metallurgy industry, e.g. international companies or junior companies ☐ Main commodities and projects ☐ Mining and metallurgy clusters and activities

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Socio-cultural dimension:	☐ Public confidence in the environmental/regulatory authorities. Information can be found in news excerpts about project conflicts in general, public comments on any EIA, surveys taken by research organisations/academia, etc. ☐ People's perceptions of the mining and metallurgy industry and the possible reasons ☐ Is SLO a common term used in the region? If not, is there a comparable concept? ☐ Is there SLO or similar guidance that is publicly available prepared either by companies or government? ☐ Indigenous peoples' roles in developing the mining and metallurgy industry in the region ☐ Sources of tension between stakeholders and mining and metallurgy industries, e.g. competing land uses, competing industries, environmental awareness, media
Technological influences and opportunities:	☐ Research capacity in SLO or comparable topics ☐ Research capacity in raw materials related topics ☐ Technologies currently in use to further the acceptability of mining, e.g. more environmentally friendly, contributing to circular economy ☐ Technologies currently in use related to the type of mine project proposed (i.e. treatment plant)

Step 3: Contribution from regional stakeholders

- It is encouraged or even essential to collaborate with stakeholders to add more information as desk research is unlikely to cover everything. If possible, stakeholders with different backgrounds should all be consulted, including the regional administration, mining and metallurgy industry, complementary and competitive industries, community representatives, indigenous representatives, NGOs, interest groups, media.

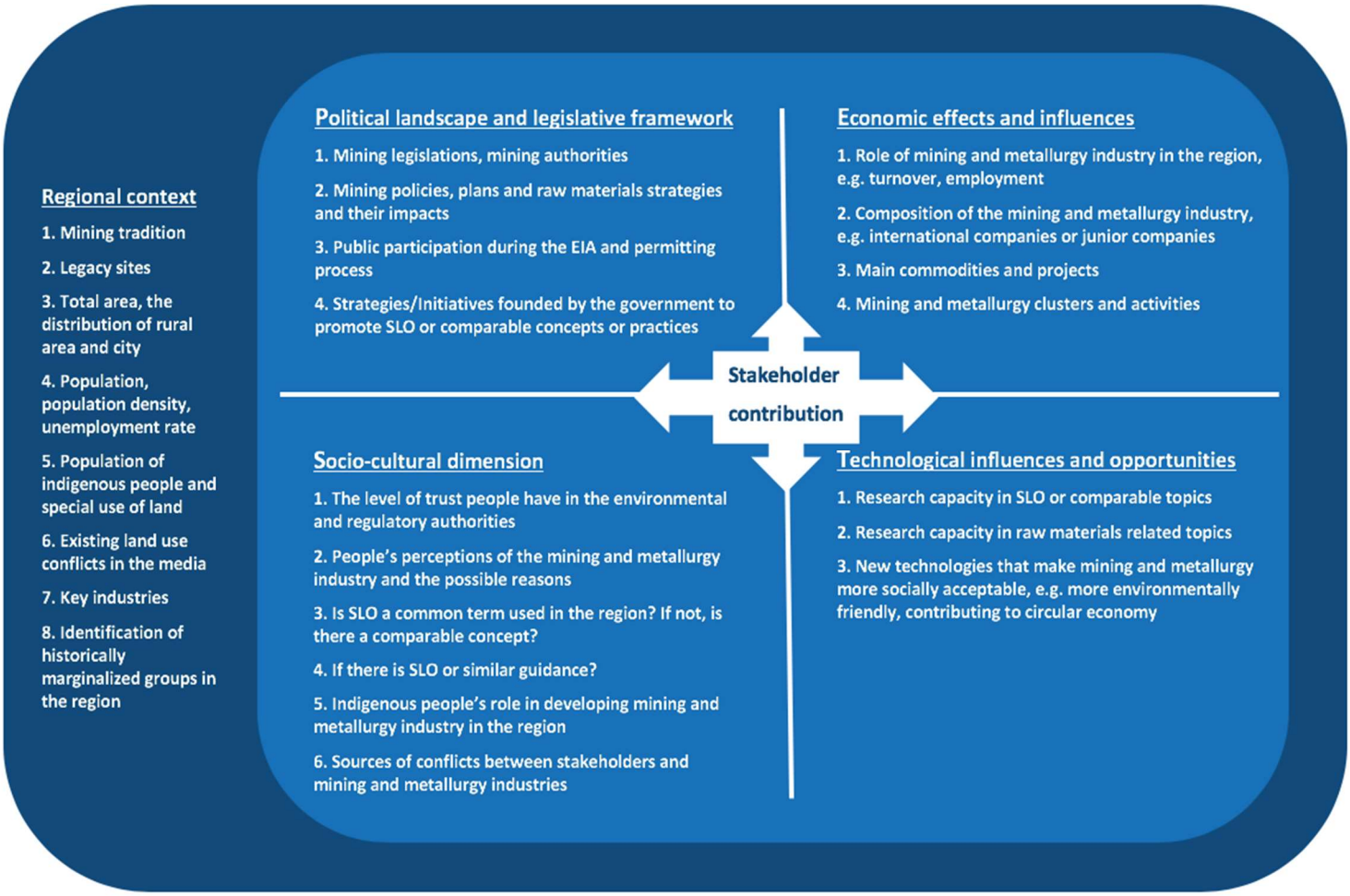
The draft PEST from step 2 should be reviewed by stakeholders from the region to make sure that the information from desk research is correct and up to date

STEP 3) Contribution from Regional Stakeholders	
Consult different stakeholders such as the regional administration, mining and metallurgy industry, complementary and competitive industries, community representatives, indigenous representatives, NGOs, interest groups and media to fill in the gaps in desk research. Collect information about:	☐ General attitudes towards mining in the region ☐ Competing land use interests ☐ Relationships between regional administration, NGOs and local communities ☐ Current and previous mining disputes in the area (reported by the media or NGOs)

Step 4: Finalise PEST for SLO

- After amending the draft PEST from step 2 using the information provided by stakeholders (step 3), the informal PEST for SLO is finalized. It provides an overview of the region from the SLO perspective and can be used as a cornerstone for further SLO study in the region.

Guiding Questions and the PEST Matrix



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