

John Strongman
Consultant
USA

Dear RMI,

My name is John Strongman and I worked with the World Bank Mining Division from 1978-2008 when I retired as Mining Advisor. Since then I have continued to work as a Mining Consultant - mostly for the World Bank but also for other clients.

On turning the pages I have to congratulate you. On the one hand you have kept the work approachable which is not easy given the scope involved, and, on the other hand, you have covered most if not all of what I would see as the hot button issues - though some may warrant more attention. (For example, one is managing the harmful effects of in-migration which often include huge stress on education and health services and increased crime - which are not mentioned in the text).

That said, one of my great passions is the issue of mining and gender. All too often I read work which is somewhat deficient as far as addressing the impacts of mining from a gender perspective.

I think you have done a great job in including gender issues. How you present them is right on target - at least for me. It is first rate - so very well done.

Comments by John Strongman

1. Sub-topics C.1, D.1, D.4, E.5 and F.6 are all very important from my perspective and new indicators could usefully be added as follows:

C.1	A new indicator C.1.3 might be added along the lines of C.1.3 The company prepares in close consultation with the local community and government a Final Mine Closure Plan prior to the commencement of mine closure, which is audited by independent experts.
D.1	A new indicator D.1.2 might be added along the lines of “D.1.2 The company consults with local communities and government in the preparation of key assessments and plans (such as Environmental and Social Impact Assessments and Management and Mitigation Plans; Mine Closure and Reclamation Plans; and Emergency Preparedness and Response Plans), records the results of the consultations in writing, makes them publicly available and uses the results in the finalizing the various assessments and plans.”
D.4	A new indicator D.4.2 might be added along the lines of “D.4.2 The company ensures that women’s representatives are included on both sides of the table in its meetings with community representatives”
E.5	Two new indicators E.5.2 and E.5.3 might be added along the lines of “E.5.2 The company is committed to and has measures in place to implement affirmative action or similar initiatives and programs to increase the hiring and employment of women” “E.5.3 The company is committed to and has measures in place to support its women workers including providing childcare support; maternity leave; suitable work clothing

	(such as two piece uniforms designed for women); and separate and secure changing, toilet and shower facilities for women”
F.6	A new indicator F.6.2 might be added along the lines of “F.6.2 The Company identifies, manages and protects biodiversity by preparing, updating and implementing biodiversity protection plans and by monitoring and reporting on biodiversity and using off-sets in the protection of biodiversity”

2. Some rankings could be improved by seeking the following sets of quantitative data:

B.6.1	The use of quantitative tax data in Indicator B.6.1 could be strengthened by also including <ul style="list-style-type: none"> the ratio of total tax (including mineral royalty) payments to total sales revenues on a national and project-level basis.
E.2.1	Indicator E.2.1 could be strengthened by the addition of quantitative data in terms of <ul style="list-style-type: none"> the frequency of reported accidents and the number of fatalities per year relative to the size of the work force.
F.3.1.	Indicator F.3.1 could be strengthened by the addition of quantitative data in terms of <ul style="list-style-type: none"> the number of citations each year for violation of standards the number of complaints each year from local communities.
F.7.1	Indicator F.3.1 could be strengthened by the addition of quantitative data in terms of <ul style="list-style-type: none"> the quantity of GHG emissions/carbon release

3. There are five indicators which might be modified and expanded as follows:

D.2.1	D.2.1 The company conducts regular and ongoing social impact assessments to identify baseline conditions and changes, assess positive and negative impacts, and identify measures to manage these impacts. Indicator D.2.1 might be modified and expanded along the lines of “The company conducts regular and ongoing social impact assessments to identify baseline conditions and changes and assess positive and negative impacts, and update Social Management and Mitigation Plans and Community Development Agreements with improved measures to manage and mitigate potentially harmful impacts and increase and enhance potential benefits for the community”.
MS.2	MS 2 The operating company has measures in place to support local employment opportunities especially for women and youth. Indicator MS 2 might be modified and expanded along the lines of “The operating company has measures in place to support local employment opportunities especially for women and youth including identifying goods and services that are suitable to be procured locally; providing training to local suppliers so that they fully appreciate the requirements for delivery of the required quantity at the required time with required quality; providing business training and micro finance to local people, including local women and youth, who want to establish small businesses to supply the mine”
D.8.1	D.8.1 Where applicable, the company establishes formal engagement agreements with artisanal and small-scale mining (ASM) communities and operations in and around mines to regulate the relationship between itself and ASM. It is not always evident that artisanal and small-scale mining communities are in a position to come to “formal engagement agreements ... to regulate” with companies. I realize that there is an issue regarding keeping artisanal miners away from commercial mining

	<p>operations – but regulate may not be the right word. Regulate is what Government does, not companies.</p> <p>Indicator D.8.1 might be modified along the lines of</p> <p>“Where applicable, the company engages proactively with artisanal and small-scale mining (ASM) communities and operations in and around mines to improve the interactions between its operations and the ASM miners and their communities and ensure a safe separation of the two activities.”</p>
F.1.2	<p>F.1.2 The company has systems in place for monitoring, evaluating, and reporting on the management of the environmental impacts of its operations”.</p> <p>Indicator F.1.2 might be expanded along the lines of</p> <p>“The company has an approved Environmental Management and Mitigation Plan which is publicly available and has systems in place for monitoring, evaluating, and reporting on the management and mitigation of the environmental impacts of its operations”.</p>
F.3.1.	<p>F.3.1 The company publishes mine-site level air quality monitoring data in a timely manner</p> <p>Indicator F.3.1 might be expanded along the lines of</p> <p>“The company publishes mine-site level air quality monitoring data in a timely manner and has in place systems and takes corrective action for excessive emissions and non-compliance with air quality standards”.</p>

4. There are eleven indicators might be strengthened by small wording additions as follows

C.1.1	<p>Indicator C.1.1 might be expanded as follows (add undertakes progressive rehabilitation)</p> <p>“.....undertakes progressive rehabilitation and integrates mine closure....”</p>
C.3.2	<p>Indicator C.3.2 might be expanded as follows (add community-related facilities such as health and educational facilities)</p> <p>“.....company-funded shared infrastructure and community-related facilities such as health and educational facilities, both around.....”</p>
D.2.4	<p>Indicator D.2.4 might be expanded as follows (add signs Community Development and Benefit Sharing Agreements with local communities and local governments)</p> <p>“The company signs Community Development and Benefit Sharing Agreements with local communities and local governments and publicly discloses the agreements and publicly reports on a regular basis on progress in implementing the agreements.”</p>
D.6.1	<p>Indicator D.6.1 might be expanded as follows (add follows FPIC in practice)</p> <p>“The company supports the principle of Free, Prior and Informed Consent (FPIC) through its policies and implementation guidelines and follows FPIC in practice.”</p>
D.7.2	<p>Indicator D.7.2 might be expanded as follows (add takes measures to put in place improvements when needed)</p> <p>“..... evaluates the extent to which livelihoods, livelihood security and living standards have been improved or restored and takes measures to put in place improvements when needed.”</p>
D.11.1	<p>Indicator D.11.1 might be expanded as follows (add independent)</p> <p>“.... has formal and independent grievance mechanisms....”</p>
F.2.	<p>Topic F.2 might be expanded as follows (add Waste)</p> <p>“Tailings and Waste Management”</p>
F.2.1	<p>Indicator F.2.1 might be expanded as follows (add waste)</p> <p>“.... systems in place for tailings and waste management”</p>
F.2.2	<p>Indicator F.2.2 might be expanded as follows (add internationally recognized standards)</p>

	“... designs and operates its tailings, waste and process facilities in line with internationally recognized standards to prevent”
F.4.2	Indicator F.4.2 might be expanded as follows (add water consumption) “... mine-site level water consumption and quality monitoring data.....”
F.8.1	Indicator F.8.1 might be expanded as follows (add transportation) “... linked to the transportation, handling”

5. Eleven miscellaneous thoughts

A.1.1	1) “Accommodation” is not a frequently used word in the mining context – does the indicator refer to accommodation for construction workers or for mining workers who in-migrate? Depending on what is intended, the indicator might be revised to “infrastructure and influx management including accommodation for construction workers”
A.2.1	The following clarification would help for this question and others which refer to “regional” aspects. Since the sequence is sub national, national and regional, logic would imply that regional mean a regional grouping of countries rather than one of the regions within a country. If so, I would see “regional” procurement as far less important than subnational and national.
A.3.1	I cannot think of any examples in my experience of companies providing capacity building at the national or regional level – but maybe I have missed this? But if there are no examples at the national and regional levels, then is it useful question to include them in the question?
A.3.2	For me this does not warrant being one of the 75 questions
B.1.1	It is not self-evident to me why the indicator refers to “cross-departmental” adherence
B.5.1	Not everyone will be familiar with tax transparency and it might be useful to add a definition along the lines of “tax transparency relates to a company publishing information on how much profit it makes in each country where it operates and how much taxes it pays in each country”. I may be out of touch because of the impact of European requirements, but are there any mining companies which publish this information. If there are none, then is it a useful question?
C.2.1	I had not come across stage-gating before and I very much appreciate the explanation in the text
D.3.2	It could usefully be clarified if this applies just to the workforce or for the community as a whole. Either “... diseases on its workforce such as ...” or “... diseases on the local communities such as ...”
D.9.3	Can companies really/reasonably be expected to “publicly report any identified risks for human right defenders in its areas of operations”?
E.1.1	I don’t know if “verified living wage standards” exists in most producing countries
F.9	Emergency Preparedness is important but for me does not warrant 4 indicators. F9.1 and 9.2 could be combined.

6. A couple of methodological questions

1) Commitment and Plans as compared with Performance

I would like to compare Indicators F.7.1 & F.7.2 with C1.1 and C.3.2

Indicators F.7.1 & F.7.2 are what I would call simple and straightforward outcomes or performance measures - they do not consider the under pinnings of commitment or plans, just what is happening in practice. (But it must be noted that they lack any attempt to measure or quantify how much GHG emissions are being released and how much energy efficiency is being improved over time).

- Indicator F.7.1 states The company monitors and minimizes GHG emissions generated by its activities
- Indicator F.7.2 states The company monitors and improves energy efficiency throughout its operations

By contrast

Indicator C.1.1 confirms a performance commitment and C.3.2 confirms that planning take place, but neither consider what performance is in practice.

- Indicator C1.1 states that The company commits to adopt a lifecycle approach that integrates mine closure throughout project development and operations
- Indicator C3.2 states The company designs and plans operations to ensure the transition and continued viability of livelihoods and company-funded shared infrastructure, both around the mine and in labour sending areas, where applicable

In the case of C1.1 lifecycle approach – it would be useful to know whether the company has produced key outputs such as an initial Mine Closure and Reclamation Plan (MCRP), updated it on a regular basis (all in is consulting with the local community on its mine closure plans) and whether the Final MCRP has been subject to an independent audit by external experts. In the case of C3.2 it would be useful to know whether the company is operating in practice in a way that will ensure the transition and continued viability of livelihoods and company-funded shared infrastructure.

I am wondering to what extent the difference in style was a deliberate choice or reflected different groups writing different indicators.

2) Ranking and Presenting the Results

I am somewhat intrigued by how you will make and present the rankings. Will you present results overall? By topic? By sub topic? By indicator?

Will you present companies in groups – say top ten; middle ten; bottom ten or individually.

Will there be some type of scoring system to get the rankings? One possible approach is to rank the companies in order 1-30 and add the scores on each indicator – the company with the highest score being the best and the company with the lowest score the worst. But this could be tricky, since if you had say 2 companies that provide beneficial ownership and 28 that do not – what rank would you give them? - Top two rank 1.5 and other twenty eight rank 16.5?

A second possibility is to score each company on a scale of say 0 to 5 for each indicator. In which case the two companies would both score 5 and the other twenty eight would score zero.

It needs to be considered whether, when aggregated across indicators, sub-topics and topics, different scoring approaches may give different rankings.