

**Mining Association of Canada  
Towards Sustainable Mining**

**Summary Report**

**13<sup>th</sup> Meeting of the  
Community of Interest Advisory Panel**

**March 10, 2010  
Toronto, ON**



**Towards Sustainable Mining  
Vers le développement minier durable**

Prepared by:



**Stratos Inc.**

1404-1 Nicholas Street

Ottawa, Ontario

K1N 7B7

tel: 613 241 1001

fax: 613 241 4758

[www.stratos-sts.com](http://www.stratos-sts.com)



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## 1 Introduction

This report presents a summary of discussions from the March 10, 2010 meeting of the TSM Community of Interest (COI) Advisory Panel (“the Panel”), including decisions on the work of the Panel and recommendations to the Mining Association of Canada (MAC). Any dissenting views have been identified and recorded.

## 2 Summary of Action Items

Below is a summary of new and outstanding action items, as well as action items that have recently been completed. New and outstanding action items are underlined throughout the report.

| NEW AND OUTSTANDING ACTION ITEMS  |            |   |             |   |
|---|------------|---|-------------|---|
| ITEM  | IDENTIFIED | RESPONSIBILITY  | TIMELINE    | STATUS  |
| Further clarify “Reference to Panel by MAC Representatives” in the Communications and Reporting Protocol.   | March 2010 | J. Gelfand and Stratos                                  | August 2010 | To be provided in advance of September 2010 meeting |
| Address additional Panel concerns regarding the Safety and Health protocol.   | March 2010 | J. Gelfand  | May 2010    | In progress   |
| Provide the Panel with a comparison of the original External Outreach Protocol and the new Aboriginal and Community Outreach Protocol to highlight the key changes.   | March 2010 | Stratos   | April 2010  |   |
| Share with the Panel the notes from the biodiversity lessons learned workshop.  | March 2010 | J. Gelfand  | June 2010   |   |
| Share the link to George Miller’s report on different options for financial assurance.  | March 2010 | Stratos   | April 2010  | To be included in March 2010 meeting report         |
| Share MAC’s analysis of TSM scores.   | March 2010 | J. Gelfand  | TBD         | Pending approval to share from GT                   |
| Determine next steps for the COI Panel Outreach Working Group, such as: <ul style="list-style-type: none"> <li>Meeting with Jantzi and Ethical Funds to explain TSM, understand their needs, where the gaps are vis-à-vis TSM, etc.</li> <li>Attend Conference Board event on sustainability and social media (<a href="http://www.conferenceboard.ca/conf/10-0114/default.aspx">www.conferenceboard.ca/conf/10-0114/default.aspx</a>)</li> </ul> | March 2010 | G. Gibson, A. Young, S. Kibsey, D. Horswill, J. Gelfand | Ongoing     |   |



| NEW AND OUTSTANDING ACTION ITEMS  |                |   |            |  |
|---|----------------|---|------------|--|
| ITEM  | IDENTIFIED     | RESPONSIBILITY  | TIMELINE   | STATUS   |
| <ul style="list-style-type: none"> <li>Outreach to MAC members to encourage them to put more TSM information in their own sustainability reports</li> </ul> |                |   |            |  |
| Draft a briefing note for IAMGOLD asking follow-up questions and requesting additional information.   | March 2010     | G. Gibson, A. Penn, S. Kneen, D. Mackenzie, D. Benoit | April 2010 | Timeline to be confirmed with the Panel members drafting the briefing note   |
| Draft 2010 Work Plan based on input at meeting for Panel comment.   | March 2010     | Stratos   | April 2010 |  |
| Next meeting of the Panel.  | September 2010 | J. Gelfand  | ASAP       |  |
| Share ICMM water scoping study with ILs and COI Panel.  | September 2009 | J. Gelfand  | June 2010  |  |
| Put in place Panel working group to scope out a proposed approach to addressing water.  | September 2009 | D. Benoit, A. Penn, L. Haber, G. Ball, J. Gelfand     | TBD        | MAC will convene the Panel water working group later in 2010 once the ILs have done some further work on the water issue   |
| Create a shared space on the MAC website for posting meeting materials, etc.  | March 2009     | J. Gelfand  | 2010-11    | No immediate action will be taken on this issue. MAC recognizes that its website needs to be improved, and will revisit this issue in the context of a broader overhaul. |
| COMPLETED ACTION ITEMS  |                |   |            |  |
| ITEM  | IDENTIFIED     | RESPONSIBILITY  | TIMELINE   | STATUS   |
| Follow-up with MAC about a memento for outgoing and previous COI Panel members.   | March 2009     | Stratos   | May 2009   | Done – outgoing and previous MAC members have been sent a Miners’ Lamp as a thank you for participation in the Panel   |
| Guidance from MAC to the Panel on what level of information Panel members are allowed to divulge to their communities of interest.                          | March 2009     | J. Gelfand  | July 2009  | Done – this is addressed through the Communications  |



| NEW AND OUTSTANDING ACTION ITEMS   |                |                |                             |   |
|--|----------------|----------------|-----------------------------|---|
| ITEM   | IDENTIFIED     | RESPONSIBILITY | TIMELINE                    | STATUS  |
|  |                |                |                             | and Reporting Protocol added to the Panel Terms of Reference  |
| Inform Panel members whether the North Slave Métis Association was invited to the Yellowknife Aboriginal and Mining Forum.   | March 2009     | J. Gelfand     | May 2009                    | Done – yes, the North Slave Métis Association was invited to the Yellowknife Aboriginal and Mining Forum held January 2009. |
| Include meeting evaluation summaries and results of the facilitator's follow up calls with selected Panel members in the meeting minutes.  | March 2009     | Stratos        | Post-September 2009 meeting | Done – see September 2009 meeting report  |
| Follow-up with AFN about replacements for Chief Jim Boucher and former Chief Darren Taylor.  | March 2009     | Stratos        | Ongoing                     | Done – Chief Eric Morris and Chief Roger Augustine are the new AFN representatives on the Panel.                            |
| Distribute the electronic version of the TSM update deck to the Panel.   | September 2009 | Stratos        | October 2009                | Done – emailed February 2010  |
| Send ICMM comparison to the Panel.   | September 2009 | J. Gelfand     | October 2009                | Done – emailed February 2010  |
| COI Panel to select 2-3 companies for post-verification review in September 2010.  | September 2009 | COI Panel      | March 2010 Panel meeting    | Done – at March 2010 meeting selected Breakwater Resources and IOC for the September 2010 post-verification review          |
| Provide alternate wording for the second paragraph in the purpose statement of Indicator #2: Effective COI Engagement and Dialogue (Aboriginal and Community Outreach Protocol). | September 2009 | D. Benoit      | September 2009              | Done – provided by Dan in September 2009  |
| Circulate the summary report Challenges to Communications and Critical Success Factors from Teck Resources Ltd.  | September 2009 | Stratos        | October 2009                | Done – emailed February 2010  |
| Edits to the Panel Terms of  | September      | Stratos        | November                    | Done – emailed  |



| NEW AND OUTSTANDING ACTION ITEMS   |                |                |               |               |
|--|----------------|----------------|---------------|---------------|
| ITEM   | IDENTIFIED     | RESPONSIBILITY | TIMELINE      | STATUS        |
| Reference and Communications Protocol as per COI Panel input.  | 2009           |                | 2009          | February 2010 |
| Issue letters requesting/offering meetings with the appropriate AFN, MNC and ITK committees to present on TSM, the Mining and Aboriginal Relations Framework, and the approach for implementing the framework. | September 2009 | J. Gelfand     | February 2010 | Done          |

### **3 Welcome and Approval of September 2009 Panel Meeting Report**

#### **3.1 Welcome**

The facilitator welcomed Panel members to the 13<sup>th</sup> Panel meeting, and introduced two new Panel members:

- Chief Eric Morris, AFN Regional Chief, Yukon
- Chief Roger Augustine, AFN Regional Chief, NB/PEI (not in attendance)

Chantal Lavoie, COO and acting CEO of De Beers, participated as an alternate for Jim Gowans, and indicated that he would be taking over for Jim on a permanent basis as an industry representative on the panel.

#### **3.2 Approval of September 2009 Panel Meeting Report**

Panel members approved the September 2009 report without additional amendments.

#### **3.3 Review of Panel Terms of Reference**

A Panel member questioned whether the following clause in the Communications and Reporting Protocol is too restrictive and needs to be clarified:

- ✚ *Representatives of MAC or its member companies will not reference the Panel or its advice to MAC:*
  - *In its participation in regulatory or policy processes, without formal approval of all Panel members*
  - *In its involvement in any role in legal court cases, legal challenges or where it has intervener status in a legal proceeding*

The concern was raised that this clause may be interpreted as preventing MAC or MAC members from mentioning that a Panel exists as part of TSM. The intention is that MAC and MAC members will not use the *advice* of the Panel in these ways, or imply Panel endorsement. Stratos will clarify the wording in the Communications and Reporting Protocol.

## 4 TSM Implementation

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### 4.1 TSM Update

Julie Gelfand provided the following TSM update:

*Safety and Health Protocol:* The new Safety and Health Protocol was approved by the Governance Team (GT) and MAC Board in November 2009, pending clarification of the terms “accountability” and “responsibility”. The protocol was field tested in the summer of 2009, reviewed by ICMM to ensure compatibility with ICMM principles, and reviewed and commented on by the COI Panel at the September 2009 meeting. Self-assessment and reporting to MAC will begin in 2010, with public reporting of aggregate 2011 results in 2012.

In advance of the Panel meeting, a Panel member raised the concern that while further advice on the protocol was offered and there seemed to be a willingness on behalf of MAC and some of the MAC members to seek this advice, no action was taken. It was also felt that MAC and some of the MAC members did not do a good job of closing the loop on the decisions of the Initiative Leaders (ILs) regarding the use of the Panel’s input on the protocol. MAC agreed to reopen the protocol to revisit the offer of additional advice, and to do a better job of following up with the Panel on how the input it provides is used and why. It is important that comments are logged – either in Panel minutes or another form of documentation if feedback is provided outside of Panel meetings – and that the follow up happens so Panel members understand how their feedback is incorporated. It was noted that MAC reserves the right to decide what will ultimately be included in the protocol.

*Aboriginal and Community Outreach Protocol:* In February 2009, the ILs decided to explore modifying the External Outreach Protocol to become an Aboriginal and Community Outreach Protocol. The External Outreach Protocol was modified accordingly, reviewed and commented on by the COI Panel at the September 2009 meeting, and approved by the GT and MAC Board in November 2009. MAC members will continue to report publicly on the External Relations Protocol in 2010. Self-assessment and reporting to MAC on the new Aboriginal and Community Outreach Protocol will begin in 2010, with public reporting of aggregate 2011 results in 2012. Reporting on the External Outreach Protocol will cease in 2012.

One Panel member asked if there are significant differences between the original External Outreach Protocol and the new Aboriginal and Community Outreach Protocol. Stratos will provide the Panel with a comparison of the original External Outreach Protocol and the new Aboriginal and Community Outreach Protocol to highlight the key changes.

*Biodiversity Protocol:* The new Biodiversity Protocol was approved by the GT and MAC Board in November 2009. Alan Penn and Dan Benoit participated in the biodiversity



working group towards the end of the process. The protocol was field tested in the summer of 2009 and a lessons-learned workshop was held in September 2009. The protocol was also reviewed by the MAC Science Committee, and reviewed and commented on by the COI Panel at the September 2009 meeting. Self-assessment and reporting to MAC will begin in 2010, with public reporting of aggregate 2011 results in 2012.

A Panel member asked whether the results of the pilot testing could be shared with the Panel. MAC agreed to share with the Panel the notes from the lessons-learned workshop, pending approval to share from the ILs.

*Mine Closure:* The Mine Closure Working Group met in February 2010 to begin exploring options for integrating the Mine Closure Framework into TSM. The working group decided to develop a Mine Closure Protocol. The next steps are for the group to review existing data and information on how mine closure is handled in different sub-sectors, and to meet again in April 2010.

*Water:* MAC is completing a scoping paper on water and mining issues, and will have a first draft prepared in time for discussion at the in-person IL meeting in May 2010. The Panel will be asked for input once the ILs have explored this issue a little further.

*Integration and International Application:* The discussion continues in MAC on integration of TSM with other programs and international application of TSM. While there are mixed perspectives on international application, there is consensus on the need to explore issues related to integration with the plethora of similar programs and systems that currently exist. An Integration Working Group met for the first time in February 2010 to explore issues related to integration.

*External Verification Schedule:* Companies that will verify their 2009 results in 2010 include Breakwater, HudBay, Iron Ore Company of Canada (IOC), Shell Albian, Suncor, Teck, and Vale Inco.

*Online Database for 2009 TSM Results:* An online database was developed for MAC members to report 2009 TSM data. The database is currently being used, and will allow greater ability to analyze results at facility level and in the aggregate.

## 4.2 2010 TSM Work Plan

The following overview of the 2010 TSM work plan was presented:

- Frameworks
  - Water and Mining scoping papers
- Protocols
  - Determine if protocol is required for Mine Closure
  - Implementation of self assessment of new protocols
- Results
  - Analysis of TSM results
  - Lessons Learned Workshop
- Integration and Equivalency
  - Form working group to determine equivalency of TSM with other standards
- Governance
  - Two COI Advisory Panel Meetings
  - Three GT meetings
  - Monthly IL calls – 2 in person meetings
- TSM Communications
  - Begin implementing TSM communications plan
  - On line TSM Data Capture
- Training
  - Two TSM Self Assessment Workshops
  - One VSP Workshop
  - Investigate on line TSM training

## 5 Post-Verification Review

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The companies chosen for the 2009 post-verification review were BHP Billiton Diamonds Inc. (EKATI Diamond Mine) and IAMGOLD. BHP Billiton Diamonds' post-verification review was conducted in September 2009. Due to logistical challenges, IAMGOLD was unable to attend the September 2009 meeting, and was invited to a post-verification review at the Panel's March 2010 meeting.

The Panel Post-Verification Review Working Group prepared guidelines for background information which were submitted to IAMGOLD. Its written response to the guidelines for background information was included in the briefing book. Panel members did not respond to a request to identify more specific questions for the March 2010 post-verification review.

The results of the post-verification review are provided in a separate report that will be sent to Panel members and posted on the MAC TSM website.

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## 6 Government Initiatives

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### 6.1 National Pollutant Release Inventory

Justyna Laurie-Lean, MAC's Vice President, Environment and Health, provided an overview of the National Pollutant Release Inventory (NPRI) and the new reporting requirements related to tailings and waste rock.

The NPRI is a national inventory of annual releases, disposal, and transfers of listed substances that began in the early 1990s. Reporting to the NPRI is mandatory under the Canadian Environmental Protection Act. Facilities must report what they are "reasonably expected to know", but are not obliged to generate new data. NPRI was modeled initially on the U.S. Toxic Release Inventory (TRI).

The NPRI has evolved over time, including the addition of more substances and of criteria air contaminants (CACs). The expansion of the U.S. TRI beyond manufacturing sparked a discussion of the extractive exemption in NPRI. Many years of consultations by the NPRI secretariat led to a consensus recommendation to remove the exemption of mining, but there was no consensus on whether NPRI substances in tailings and waste rock were to be considered reportable or part of a facility.

A series of consultations in 2007 led to the Mining Sector Sustainability Table consensus recommendation for a national inventory of core information on mine sites under CEPA, but disagreement on whether this information would be within or outside NPRI. Environment Canada's decision was to develop an inventory outside NPRI in the future. NGOs applied for a judicial review of this decision.

In April 2009, a federal court ruled that NPRI should include reporting of NPRI substances in tailings and waste rock. After brief consultations in the summer of 2009, two notices were published in the Canada Gazette in early December regarding reporting NPRI substances in tailings and waste rock. With the new requirements, facilities must now report the quantities of NPRI substances released to the environment from the mine, as well as the quantities of NPRI substances contained in the waste rock and tailings disposed of at the mine or transferred off site for disposal. Teleconference information sessions were held in late December, and the document "Guidance for the Reporting of Tailings and Waste Rock to the National Pollutant Release Inventory" has been published.

Publication of the preliminary NPRI data for 2009, as well as historical mine tailings and waste rock data for 2006–2008, is planned for June–July 2010. For each substance for which its mass reporting threshold for the year is met, the facility will report:

- Mass and concentration of the substance in net tailings and in net non-inert waste rock for 2006, 2007, 2008, 2009
  - Definitions of "net" may result in facilities reporting negative numbers in some years.
- For 2009, mass of the substance in releases to air, water and land; in on-site and off-site disposal; and in transfers for treatment or recycling

- Many more substances are expected to trigger the mass reporting threshold than in previous years.

Some of the challenges associated with these new requirements include:

- Very large numbers will be reported for many NPRI listed substances from all facilities with processing plants, and from some stand-alone mines. The quantities are expected to dwarf quantities reported by other sectors, and to dwarf release quantities by orders of magnitude (10,000 times or more).
- The data will be challenging to explain (e.g. relevance of quantities reported to risk to environment and health, comparisons between facilities, sub-sectors, other countries, and year to year).
- Challenges of comparison:
  - Differences will arise from factors such as features of NPRI rules; crudeness of estimates in heterogeneous material, large volumes and small concentrations; volume of material moved, and changes in production; availability of data; variation in interpretation; and estimation method
  - Explaining the sources of differences, especially in aggregate, will be difficult in the long term, and impossible in the short term.
- Challenges related to risk:
  - Quantities of substances in tailings will catch attention, but bear no relationship to amount that will or may be released to the environment.
  - Inclusion of concentration information will assist interpretation but is insufficient without information on whether concentration is elevated (compared to, for example, natural crustal abundance).
  - Potential for release is driven by unreported aspects such as acid generating potential, mineralogy, and management.

MAC's priorities are to:

- Understand the requirements of the Notices;
- Disseminate understanding of the Notices;
- Prepare a communications handbook to assist members with outreach; and
- Engage the COI Panel once work on the handbook is advanced.

A Panel member noted that it sounds as though MAC is still uncomfortable with the reporting requirements, and asked whether MAC will continue to make the case that this is not an effective or environmentally useful way of reporting on tailings and waste rock. Justyna noted that MAC is now focused on helping members meet the legal obligation to report, but will continue to raise issues with Environment Canada (e.g. there are some substances that should not be reported, like manganese and silica, while there is other important information that Environment Canada is not collecting). MAC is not arguing against disclosure, but is concerned that the requirements as they stand will not provide useful information to contribute to public policy, may create undue cause for concern, or may actually disguise real problems that appear smaller in comparison.

## 6.2 “Building the Canadian Advantage”

“Building the Canadian Advantage: A Corporate Social Responsibility (CSR) Strategy for the Canadian International Extractive Sector” was released in March 2009. It was informed by a series of consultations with industry, civil society and other stakeholders held in 2006 (the National Roundtables) and additional input from leading Canadian companies and industry associations. It has taken into account recommendations raised in the June 2005 Standing Committee on Foreign Affairs and International Trade (SCFAIT) report, *Mining in Developing Countries—Corporate Social Responsibility*. The strategy is based on four pillars:

- 1) *Support for host country resource governance capacity-building initiatives.* This is often done through the Canadian International Development Agency (CIDA). MAC has put members in touch with CIDA to help develop these initiatives.
- 2) *Endorsement and promotion of widely-recognized international CSR performance guidelines.* There are three codes that the federal government has officially recognized: Voluntary Principles in Security and Human Rights; Global Reporting Initiative; and International Finance Corporation Performance Standards. The government has not indicated it will recognize TSM.
- 3) *Support for the development of a CSR Centre of Excellence.* The CSR Centre of Excellence will serve as a place for all to learn about CSR and to help companies build their CSR capacity. Julie Gelfand is sitting on an interim board of the CSR Centre of Excellence.
- 4) *The creation of the Office of the Extractive Sector CSR Counsellor.* The Office of the Extractive Sector CSR Counsellor – Dr. Marketa Evans – opened in early March 2010. MAC met with Dr. Evans to inform her of the sector’s concerns, and committed to work with her to develop the process for which she will receive complaints and conduct investigations.

## 6.3 Natural Resources Canada Social Licence Task Group

At the 2009 Energy and Mines Ministers’ Conference (EMMC), Natural Resources Canada’s Social Licence Task Group (an intergovernmental working committee) presented a report highlighting measures and initiatives from various industry sectors to secure a social licence to operate. To build upon these findings, the Social Licence Task Group was given a new mandate to look at the performance improvements in the mining sector, focusing specifically on:

- Environmental performance,
- Optimization of social and economic benefits,
- Transparency and accountability, and
- Community engagement and involvement in decision-making.

Alan Young, Jim Gowans and Julie Gelfand were approached individually by Natural Resources Canada and asked to sit on the Mine Performance Review Committee that is undertaking this work. The research will provide a credible basis for developing strategic directions and actions for governments and industry. The research will also promote the responsible and sustainable development of mineral resources through clearly outlining improvements and best practices, and identifying gaps that need to be addressed. A report will be prepared for the next Energy and Mines Ministers Conference on September 16-17 2010 in Montreal.

## 7 Scoping a Mine Closure Protocol

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In November 2008 MAC released its Mine Closure Framework. As part of the 2010 TSM Work Plan, a MAC Mine Closure Working Group is exploring the development of a Mine Closure Protocol to support the framework. The working group met for the first time on February 17, 2010. There was consensus to proceed with the development of a Mine Closure Protocol, and the group raised some key issues for consideration:

- Definition of mine closure – is it different in different sectors of the industry?
- How detailed does the protocol need to be? Should it look like the crisis management protocol, the tailings management protocol or the biodiversity protocol?
- Does the management system approach taken for the other protocols work for mine closure?
- The Mine Closure Protocol will need to have strong ties to a few of the other TSM protocols (tailings management, external outreach and biodiversity conservation).

The Mine Closure Working Group is looking for the Panel's perspectives on what a Mine Closure Protocol could look like. Specifically, the Panel was asked to:

- Review the Mine Closure Framework to identify important elements that could be integrated into a Mine Closure Protocol, and
- Discuss the applicability of management-system based indicators (as used in the other TSM protocols) to mine closure.

All Panel members were given the opportunity to provide perspectives and input on a Mine Closure Protocol in a roundtable discussion. A summary of the input is provided below:

- A closure plan should be based on what the actual size of the facility is going to be / on the full scope of the proposed development. While the degree of specificity of the plan will change as the closure date draws nearer, there needs to be a way to integrate new information and change / update the plan whenever appropriate.
- The financial assurance piece needs to be looked at clearly. A self-guarantee is not really a substantial commitment unless it is tied to some other element of performance and guarantee. There should be good emphasis on how funds are being invested so that future closure cost requirements can be met.
- The protocol should take a management system approach, and include both issues related to policy and performance. The "presence and absence" approach (like the crisis management planning protocol) is not sufficient to address mine closure.
- Socio-economic considerations (e.g. community capacity, opportunities for workers, future land uses, etc.) are important parts of a closure plan, and should be discussed as early as possible to ensure that impacts are mitigated, plans are in place, and the community is left with options and solutions. There must be sensitivity to the social supports that are going to be needed when a big employer like a mine shuts down.
- The timeframe within which communities of interest are engaged needs to start earlier and continue throughout closure planning in order to develop a sound plan and build more socio-economic development opportunities.
- The protocol should reflect that closure practices and requirements are always changing, and consider the evolving legal framework as well as the context in different jurisdictions.
- The protocol should be linked to what is happening on water.

- Companies that do not have unions will need some guidance on transitioning of work force, particularly in remote communities.
- The protocol should speak to leaving behind a positive environmental and social legacy.
- The concept of adaptive management should be incorporated (e.g. what to do when things go wrong during closure, like disappearance of permafrost).
- An ecosystems-services approach might be a way to integrate the land and water aspects.
- Making the link to sustainable development is critical –from planning through to closure.

A Panel member suggested that a presentation on financial assurance might be useful to inform the Panel of the range of financial assurances options available. Elizabeth Gardiner noted that there is a paper on ICMM's website on the different options for financial assurance, written by George Miller. The paper, entitled "Financial Assurance for Mine Closure and Reclamation", can be downloaded at [www.icmm.com/page/1158/financial-assurance-for-mine-closure-and-reclamation](http://www.icmm.com/page/1158/financial-assurance-for-mine-closure-and-reclamation).

## **8 Three-Year TSM Trend Data**

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In 2009, MAC began to analyze TSM performance trends based on three years of comparable TSM results (2006-2008). As the basis of the analysis, MAC is looking at the percentage of companies scoring Level 3 or higher for each indicator within the protocols, across the three years. MAC sees Level 3 as representing good performance, and it is MAC's goal to help all members ultimately achieve a minimum of Level 3 in all indicators. This is a long-term goal that is still a work in progress.

Generally speaking, there is fairly strong performance across the membership on Crisis Management and External Outreach. However, TSM results are weaker for Tailings Management and Energy Use and GHG Emissions Management. Improving MAC member performance in these areas was identified as a top priority by the Governance Team in June 2009. A copy of the graphs is provided in the COI Panel briefing binder.

MAC members were each sent a letter signed by the President and the Chairman of the Board of MAC with their results over the past 3 years. The Chair of the Initiative Leaders and MAC's VP of Sustainability are reviewing the results in detail prior to the Tailings Working Group and the Energy and GHG Working Groups conducting more detailed reviews of the results. The goal is to identify what barriers are preventing companies from achieving Level 3 for the indicators within each protocol. An analysis of the TSM scores is being developed and will be shared with the COI Panel at the next meeting.

Some concern was raised as to the reasons why the scores are not improved, or going down. A Panel member requested that MAC report back at the next Panel meeting in September 2010 on what the barriers are, and what the companies are going to do to address those barriers. MAC agreed to report back.

Another Panel member noted that it will be difficult to get all members performing at a Level 3, considering factors such as new members. Another challenge is maintaining the integrity of the system without focusing on details that are less significant (e.g. a company's scores being affected because a document is not page-numbered).

## 9 TSM Communications and Outreach

When the Towards Sustainable Mining (TSM) initiative was launched in 2004, the MAC Board made a strategic decision to focus its efforts on launching the program. A deliberate decision was made to take a balanced and measured approach in communications. With the program now well under way, the MAC Board requested the development of a communications strategy that focuses on the promotion and development of a TSM brand for both industry and civil society audiences. In summary, the GT agreed that having “walked the talk”, it is time to start “talking the walk”.

The MAC Draft Communications Plan includes input from the COI Panel Outreach Working Group, which included representatives from industry and civil society, as well as the Mining Association of Canada’s Public Affairs Committee and the TSM Initiative Leaders. Other inputs include information from a MAC member survey on how members are using TSM, research on other certification schemes / standards (Responsible Care, FSC, etc.), and the information session with the investment community that was organized by Stephen Kibsey. The target audience for the plan includes a wide range of stakeholders, from MAC member companies and company employees, to communities and investors. The plan is going to the GT for approval in March 2010.

Below is a summary of some of the internal and external goals and challenges related to the communications plan and TSM communications and outreach more broadly:

|                            |   |
|----------------------------|---|
| <b>Internal goals</b>      | <ul style="list-style-type: none"> <li>• Promote the value of TSM to industry – how it helps improve reputation of the sector and helps maintain social license to operate</li> <li>• Ensure achievements are recognized by stakeholders (highlight differences between non-TSM competitors, ensure that communities are asking other mining companies the same kinds of questions that MAC members are addressing in TSM)</li> <li>• Disseminate best practices</li> <li>• Incite employees to want to achieve higher ratings under TSM</li> </ul> |
| <b>Internal challenges</b> | <ul style="list-style-type: none"> <li>• Internal communications about TSM within MAC member companies is weak</li> <li>• MAC member companies do not use TSM to support their CSR initiatives</li> <li>• Only a few staff are aware of TSM within each company</li> <li>• MAC member companies do not have tools to describe TSM to employees, why it is important and mandatory for MAC members</li> <li>• There are a plethora of other CSR initiatives</li> </ul>   |
| <b>External goals</b>      | <ul style="list-style-type: none"> <li>• Having “walked the talk”, it is now time to “talk the walk”</li> <li>• Show commitment to the TSM Guiding Principles</li> <li>• Report on TSM results and their significance</li> <li>•</li> </ul>   |
| <b>External challenges</b> | <ul style="list-style-type: none"> <li>• Which audience to target first</li> <li>• Limited budget</li> </ul>  |



The key messages of the communications plan are that TSM is about improving performance, is mandatory for MAC members, involves external stakeholders, is evolving, and that results are externally verified, a first for a mining sector CSR initiative.

MAC has also developed a set of key messages for each of the specific performance areas, including:

- Substantial progress has been made in external outreach and crisis management.
- 75% of companies and facilities have crisis management plans.
- 60-70% of facilities have reached or exceeded good performance in dealing with their communities of interest.
- MAC has developed an Energy and GHG Management Guidance Document and held workshops to improve scores in this area.
- MAC will also release an updated Guide to Management of Tailings facilities and a new guide to Audit and Assessment of Tailings Facility Management to help improve performance in this area.

MAC is looking to enhance existing TSM communications tools, as well as develop new tools that MAC and MAC members can use to communicate about TSM. A summary of these is provided below:

#### **Existing Tools**

- TSM Website – needs an overhaul
- TSM Report – a number of changes are proposed for the next TSM report:
  - The printed report will be shorter and smaller (booklet-style), and will focus on aggregate TSM results, releases to the environment, TSM Awards, and the COI Panel.
  - The TSM Report may be housed within an updated "Common Ground Brochure", which may be reformatted to be like a file folder with a spot to insert the TSM report.
  - "How TSM Works", company profiles and facility-level TSM results will be on MAC's website.
  - There will be separate datasheets and profiles for each company that will be printed on demand.
- TSM Common Ground brochure – needs to be updated
- TSM Awards – could be higher profile
- Speaking opportunities / tradeshows – take advantage of more opportunities

#### **New Tools**

- TSM 101 – a primer for MAC company employees, new MAC Board members, new ILs, new GT members, new COI Panel members. The TSM Primer describes TSM, where it came from, what it is and how it works.
- Guide to using TSM Mark and Reference Document – used to promote TSM in member sustainability reports, provides guidance on use of TSM Logo, boilerplate for press releases/speeches/Power Point slide, TSM Power Point presentation.
- Use of social media – participating more fully in the CSR/SD debate on mining via blogs, Facebook, Twitter, etc.
- TSM You Tube type video – requires new website capacity
- TSM Case Studies - to highlight performance improvement

A Panel member suggested that MAC pre-test the idea of a smaller TSM report with the target audience. Another Panel member noted that not everyone will have access to the internet to view the longer report.

The Panel discussed potential next steps on communications and outreach, particularly for the Outreach Working Group. Options include:

- Meeting with Jantzi and Ethical Funds to explain TSM, understand their needs, where the gaps are vis-à-vis TSM, etc.
- Attend Conference Board event on sustainability and social media ([www.conferenceboard.ca/conf/10-0114/default.aspx](http://www.conferenceboard.ca/conf/10-0114/default.aspx)).
- Outreach to MAC members to encourage them to put more TSM information in their own sustainability reports.

## **10 Panel Work Plan for 2010**

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The Panel would benefit from a formal work plan outlining activities and outcomes for 2010. In developing this work plan, the Panel should consider MAC's needs as per the 2010 TSM work plan, and the potential areas of greatest contribution by the Panel. Several Panel members noted that the Panel's work should support all areas of the MAC work plan, as identified in Section 4.2 above. In a roundtable discussion, Panel members identified the following specific priorities:

- Equivalency / integration and international roll-out of TSM, discussion on the performance issues and gaps related to international application of TSM, have someone present to the Panel on the issues and challenges faced in international mining
- Understand why TSM results are not improving
- Artisanal and small-scale gold mining
- Mining communities
- Environmental impact assessment
- NPRI
- Aboriginal consultation and impact benefit agreements, implementation of agreements between Aboriginal constituencies and mining companies
- How companies develop relationships with Aboriginal communities, and how traditional knowledge is being incorporated along-side scientific knowledge
- Additional comments on the safety and health protocol
- Outreach to and feedback from SRI community and civil society, explore opportunities to link TSM with SRI
- Community / socio-economic mine relationship
- TSM communication strategy
- Water
- Mine closure
- Updating the TSM guidelines to the companies / guidelines to verifiers

MAC raised the concern that this is a long list and that it may not be possible to include all of these elements in the Panel's 2010 work plan. Stratos will draft the COI Panel's 2010 work plan, and provide it to the Panel for feedback.

## **11 Information Items**

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A Panel member informed the Panel of the launch of the IBA Community Toolkit. The toolkit is a free resource for First Nation, Inuit and Métis communities in Canada considering impact and benefit agreements, such as those with mining companies. While the toolkit focuses on the mining industry, many of the issues and processes addressed in the toolkit are relevant to agreement making in other industry sectors and contexts, including protected areas, oil and gas, hydro and forestry. The goal is to help communities, negotiators, and consultants to achieve positive agreements for Aboriginal communities. The toolkit can be downloaded from [www.ibacommunitytoolkit.ca/](http://www.ibacommunitytoolkit.ca/).

## **12 Future Agenda Items**

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Possible future agenda items will be informed by the 2010 work plan.

## **13 Next Panel Meeting**

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The next COI Panel meeting date is still under discussion. The date will be announced shortly and details will follow closer to the meeting date.

## 14 Meeting Evaluation

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Panel members provided evaluation of the Panel Meeting through two mechanisms:

- Submission of Meeting Evaluation Form (4 members)
- Submission of post-meeting written comments to the facilitator (1 member)

### Panel Member Evaluation of the Meeting

All of the Panel members who evaluated the meeting stated that the meeting met or exceeded their expectations, and that the meeting was well organized and facilitated. Comments raised included that coffee breaks are important to the functioning of the COI, and should not be skipped or shortened, and that it is good that substantive information is provided in advance of the meetings. Two panel members commented that the meeting provided a short time frame to work within, and one indicated that that this makes it very difficult to “get below the surface and probe the issues which merit the panel’s attention”. More specifically, a couple of panel members commented on issues that they would like to see explored in further depth at the panel including: issues faced by mining companies operating internationally, labour issues, Aboriginal outreach and consultation, artisanal gold production, the status of former and current mining communities in Canada, NPRI, and mine closure.

One panel member provided a number of comments/suggestions in writing concerning TSM including:

- TSM reporting, as presently conceived does not provide adequate context to interpret the results.
- The COI panel would benefit from knowing how TSM reporting is seen by other communities of interest outside industry.
- COI panel members would benefit from having a better understanding of TSM and its relation to other performance indicators/industry standards and the challenges of company reporting against a number of different requirements.

## Appendix 1: List of Participants

| NAME                   | TITLE AND ORGANIZATION   |
|------------------------|--|
| Dan Benoit             | Métis National Council   |
| Richard Briggs         | President, Mining Council, Canadian Auto Workers                       |
| Barry Ford             | Makivik Corporation  |
| Ginger Gibson          | Individual member  |
| Larry Haber            | Executive Director, Kimberley Community Development Society            |
| Brenda Kelley          | Community Development Coordinator, Bathurst Sustainable Development    |
| Stephen Kibsey         | Senior Portfolio Manager, Caisse de Dépôt et Placement du Québec       |
| Soha Kneen             | Inuit Tapiriit Kanatami  |
| David Mackenzie        | United Steelworkers of America   |
| Christy Marinig        | Manager, Timmins Economic Development Corporation                      |
| Eric Morris            | Assembly of First Nations, Regional Chief, Yukon                       |
| Alan Penn              | Lands and Environment Science Advisor, Cree Regional Authority         |
| Alan Young             | Director of Corporate Programs, Canadian Boreal Initiative             |
| Gordon Ball            | Vice President, Bitumen Production, Syncrude Canada Ltd.               |
| Craig Ford             | Vice President, People and Environment, Inmet Mining Corporation       |
| Doug Horswill          | Senior Vice President, Environment and Corporate Affairs, Teck Cominco |
| Gordon Peeling         | President, Mining Association of Canada                                |
| Eira Thomas            | President and Chief Executive Officer, Stornoway Diamond Corporation   |
| <b>REGRETS</b>         |  |
| Roger Augustine        | Assembly of First Nations, Regional Chief, NB/PEI                      |
| Jim Gowans             | President and Chief Executive Officer, De Beers Canada Inc.            |
| <b>OTHER ATTENDEES</b> |  |
| Chantal Lavoie         | COO and Acting CEO, De Beers Canada Inc.                               |
| Ross Gallinger         | IAMGOLD  |
| Annie Blier            | IAMGOLD  |
| Julie Gelfand          | Mining Association of Canada   |
| Elizabeth Gardiner     | Mining Association of Canada   |
| Justyna Laurie-Lean    | Mining Association of Canada   |
| Michael van Aanhout    | Stratos Inc.   |
| Karla Heath            | Stratos Inc.   |