

# Engagement guide on biodiversity and mining



# Engagement guide on biodiversity and mining

## Table of contents

<b>INTRODUCTION</b>	<b>3</b>
Challenges of Biodiversity for Mining Companies	3
Deciding on Engagement	3
<b>1. SITE-LEVEL BIODIVERSITY MANAGEMENT AND CONSERVATION</b>	<b>4</b>
<b>2. IMPLEMENTATION PROGRESS</b>	<b>6</b>
<b>3. DISCLOSURE AND REPORTING</b>	<b>7</b>
<b>4. ACCOUNTABILITY AND RESPONSIBILITY</b>	<b>8</b>
Follow-up and conclusion	9
Appendix	10
Shortlist of standards, guidelines and other publications regarding biodiversity in the mining industry	



# Introduction

This engagement guide is intended to function as a possible tool for asset managers for engagement with mining companies on biodiversity. It aims to aid in the development of sustainable practices and policies adhering to SMART principles (Specific, Measurable, Achievable, Realistic, Time-bound), leading to an environmentally and socially responsible biodiversity management and conservation strategy. Using this guide, not all questions will be relevant for all mining companies; rather this guide is intended to be used as a supporting document from which most relevant questions can be selected.

This guide is a result of a joint working group on responsible mining by ACTIAM, Aegon Asset Management, NN Investment Management, Robeco, IUCN NL and VBDO. The joint group participants have been working on starting engagement with mining companies on pressing sustainability issues of which Biodiversity is one (the other two topics are Reclamation and Water Management).

This engagement guide is based on multiple international standards and guidelines including IRMA, ICMM, IFC and the GRI.

## **CHALLENGES OF BIODIVERSITY FOR MINING COMPANIES**

The mining industry faces many challenges when it comes to biodiversity. Impacts on biodiversity are highly location specific as they are influenced by the local and/or regional climate and local dependencies and uses, prompting the need for a tailored approach. This means biodiversity management and conservation methods can vary greatly per site. It is essential to involve local stakeholders to mitigate risks. When strong biodiversity management is not in place, on company level as well as on mine-site level, the surrounding environment can be damaged and local communities can be negatively affected, which can result in reputational and material risks.

Inadequate biodiversity management can lead to unforeseen damages to human health and the environment, which are often irreversible.

## **DECIDING ON ENGAGEMENT**

Assess the company's views on biodiversity and biodiversity management including the materiality framework. How important is biodiversity conservation? What is being done and are there points in which to engage? The engagement process should clarify if and how biodiversity-related risks are on the company's radar, and how it views biodiversity management in-general, on both a company and mine-site level. Ideally, the engagement process will enhance the company's understanding of biodiversity-related risks and their importance; and induce improvements to their biodiversity management.

# 1. Site-level biodiversity management and conservation

Optimal biodiversity management and conservation methods and strategies can vary greatly per site. It is important to map local conditions and maintain positive relationships with (local) stakeholders (current and future) in order to mitigate risks. Following good practices is encouraged. Examples of relevant questions are:

- › **Could you give a brief overview of your general biodiversity management and conservation strategy and its main components? (company level)**  
*Good practices would be:* A specific policy on biodiversity management and conservation, example of how biodiversity is embedded in other policies, (for example climate policy, sustainability policy etc.), a statement on biodiversity and/or biodiversity management and conservation.
- › **What methodologies for screening, assessment, etc. did you select and on what grounds? (company level, site level)**  
*Good practices would be:* Methodologies.
- › **What possible challenges regarding biodiversity management and conservation are there? (local level, regional level)**  
*Good practices would be:* Mapping document on waterbodies relevant to/affected by the mine's operations, list of challenges (for example use of river water by local communities, depletion of aquifers, groundwater pollution etc.).
- › **What concrete steps have you taken to collaborate with/consult local communities? Which stakeholders did you consult, how frequently did you consult with them and at what stages of the mine's operation? Have concerns and observations by stakeholders been taken into account in the EIA (Environmental Impact Assessment) or the SEA (Strategic Environmental Assessment)? (site level)**  
*Good practices would be:* Overview of engagement with local communities, list of steps taken to engage stakeholders, process of implementing stakeholder observations in relevant documents.
- › **How have you applied FPIC<sup>1</sup> (free prior and informed consent), and with what parties? If not, how will you fully account for the consequences of your mining operations at the local and regional level? (site level)**  
*Good practices would be:* Process of applied FPIC.
- › **How have you incorporated concerns from the local community into your strategy and operations? (site level)**  
*Good practices would be:* Overview of engagement with local communities, list of steps taken to engage stakeholders, examples of integrating concerns from the local community in policy/strategy/the mine's operations, etc.
- › **How often are data collected about environmental consequences in the area surrounding the mine (e.g. check on consequences for biodiversity)? (site level)**  
*Good practices would be:* Periodical reports on collected data, locally conducted studies on biodiversity etc., related mitigation strategy.

<sup>1</sup>Free prior and informed consent (FPIC) refers to a UNDRIP recognized right for Indigenous Peoples to give or withhold consent to projects, the usage of resources, developments etc. within the concerning Indigenous Populations territory and/or ancestral lands. Additionally, FPIC requires consultation with affected communities. For more information, see the FAO's Manual for Project Practitioners Free Prior and Informed Consent

- › **What impacts and risks on biodiversity, ecosystem services, and protected areas caused by past mining-related risks have you identified? (site level)**  
*Good practices would be:* Mapping and assessment documents on protected areas, KBAs, etc., list of impacts caused by past mining-related risks, list of past, current, and future mitigation actions.
- › **What impacts and risks on biodiversity, ecosystem services, and protected areas that might/will be caused by proposed mining-related activities have you identified? (site level)**  
*Good practices would be:* Mapping and assessment documents on protected areas, KBAs, etc., list of impacts caused by proposed mining-related risks, list of past, current, and future mitigation actions.
- › **Are you aware of legally protected areas, KBA's, etc. in the mine's area of influence and how to deal with the values based on which the areas were designated? How do these areas affect your operations? (site level)**  
*Good practices would be:* Mapping and assessment documents on protected areas, KBAs, etc., list of predicted impacts, list of mitigation measures etc.
- › **What scenarios have you accounted for in your mitigation management plan? (site level)**  
*Good practices would be:* Mitigation management plan.
- › **If offsetting occurred, what measures have you taken to mitigate adverse impacts before deciding on offsetting activities? (site level)**  
*Good practices would be:* Offsetting procedures, measures taken to enhance biodiversity values (relevant policies, procedures, etc.).
- › **In what ways are you enhancing biodiversity values in the mine's affected area? (site level)**  
*Good practices would be:* Measures taken to enhance biodiversity values (X).
- › **What are your conservation and/or biodiversity management goals? What are these goals based on? (site level)**  
*Good practices would be:* Conservation and biodiversity management goals and targets including underlying data, if applicable data on previously achieved results.
- › **How have you addressed concerns by stakeholders/affected communities with regards to (perceived) impacts on biodiversity and ecosystems? (site level)**  
*Good practices would be:* Stakeholder engagement procedure including any complaints and concerns, proof of implementing stakeholder concerns into relevant procedures and/or policies.

## 2. Implementation progress

The implementation of an effective biodiversity management and conservation strategy can be achieved by using one of the leading international standards and guidelines (ICMM, IRMA, etc.). Additionally, external auditing can be a motivator to improve existing strategies and policies, and aid in developing a more progressive strategy by pointing out gaps and/or flaws in the implementation of existing protocols. Examples of relevant questions are:

- › **Which international standards or guidelines are you using (ICMM, IRMA, GRI chapter 304: Biodiversity 2016 etc.) to inform your biodiversity management and conservation practices? If you aren't using any of these standards, are you aware of such initiatives and what is the reason for not incorporating them? (company level)**  
*Good practices would be:* Proof of signing/subscribing to a standard/guideline/initiative, reference(s) to a standard/guideline/initiative in reporting (sustainability report, annual report etc.), reference to standard/guideline/initiative in biodiversity management and conservation strategy.
- › **Are you aware of best practices in the sector and do you incorporate said practices in your policies? (company level)**  
*Good practices would be:* Reference to best practices in biodiversity management and conservation strategy, reference to best practices reporting (sustainability report, annual report etc.).
- › **Have any external checks and/or audits on behalf of stakeholders been performed? If not, was this not requested? (company level, mine-site level)**  
*Good practices would be:* Proof of independent third-party auditing.
- › **What challenges related to biodiversity did you identify during the impact assessment process? What measures have you identified to deal with these challenges? (mine-site level)**  
*Good practices would be:* Impact assessment results, list of identified challenges including possible measures to be taken.
- › **Have you established baseline conditions and how operations might influence these criteria? (site level)**  
*Good practices would be:* Impact assessment results, baseline conditions data, potential causes of changes in baseline conditions, measures to be taken to prevent changes in baseline conditions.
- › **What scenarios/options to avoid and/or minimise adverse impacts to biodiversity and ecosystems did you consider? Which options are you implementing into relevant policies and procedures? (mine-site level)**  
*Good practices would be:* Impact assessment, considered options/scenarios to avoid adverse impacts including assessment of said options, proof of implementation into relevant policies and procedures (e.g. mitigation procedures etc.).
- › **Are you currently involved in any partnerships related to conservation and biodiversity efforts? If not, are you actively looking for opportunities to join or found such initiatives? (company level, mine-site level)**  
*Good practices would be:* List of joined partnerships, founding plan for conservation/biodiversity partnerships including list of proposed partners.
- › **Does your company have, or do you consider developing a list of no-go areas for its mining operations? (company level)**  
*Good practices would be:* List of no-go areas including criteria for rewarding that status, relevant policy/statement on (operations in) protected areas, examples of ways the list has been used in the company's operations, proof of such a list currently being in development.

## 3. Disclosure and reporting

Disclosure and reporting are key tools to enhance transparency, which in turn can lead to positive stakeholder relationships, knowledge sharing and improved performance. Examples of relevant questions are:

- › **How do you discuss strategy, performance and adaptive management with relevant stakeholders? How do you determine who the relevant stakeholders are? (company level, mine-site level)**  
*Good practices would be:* List of all relevant stakeholders for each mine site including communication methods, dates and summaries of stakeholder meetings.
- › **How do you report on biodiversity management and conservation in your annual report, sustainability report, or any other reports? (company level)**  
*Good practices would be:* Quantitative and /or qualitative data relating to biodiversity in reporting, separate statement or document on biodiversity management and conservation.
- › **Are reports on biodiversity made publicly available or do you provide them to stakeholders when requested? If no, why are reports not published in the public domain and/or why are reports not provided to stakeholders on request? (company level)**  
*Good practices would be:* Location (online and offline) of reports, list of viewing requests (anonymous).
- › **Can grievances be reported without any obstacles or potential risk to the person reporting said grievance? How do you ensure that there are no negative repercussions to people reporting grievances? (company level, mine-site level)**  
*Good practices would be:* Location of grievance reporting system, method of communicating existence of grievance system in all relevant languages, accessible (online and offline) grievance reporting system, option to report anonymously.
- › **Do you discuss reports of biodiversity research with local communities? What methods? If no, why not? (company level, mine-site level)**  
*Good practices would be:* Reports on stakeholder meetings, sample reports, stakeholder engagement strategy/plan/report, dates with possibilities for stakeholders to participate and summaries of said events.
- › **Do you have multi-stakeholder monitoring teams? How are these teams formed? Is there a system for participatory monitoring set-up? (mine-site level)**  
*Good practices would be:* Monitoring plan, stakeholder engagement strategy, list of monitoring team members.
- › **How often do you grant community stakeholders the opportunity to review and participate in revising monitoring plans? (mine-site level)**  
*Good practices would be:* Local reports on stakeholder meetings, stakeholder engagement strategy/plan/report, dates with possibilities for stakeholders to participate and summaries of said events.

## 4. Accountability and responsibility

Companies can demonstrate their commitment to effective biodiversity management and conservation strategies through holding (executive) management accountable and taking responsibility for its practices. Examples of relevant questions are:

- › **Which scenarios do you consider for the assessment of future risks? (company level, mine-site level and related infrastructural works)**  
**Good practices would be:** Safety parameters, monitoring plan, value of trigger indicators that provide early warnings, planned actions to monitor predicted impacts, adaptive management plans for when threshold levels are reached including timelines for their implementation, previous data on the use of the adaptive management plan, its execution, and possible setbacks.
- › **To what extent is policy adapted/revised if a predicted potential risk has become reality? (company level, mine-site level and related infrastructural works)**  
**Good practices would be:** Planned actions to monitor predicted impacts, adaptive management plans for when threshold levels are reached including timelines for their implementation, previous data on the use of the adaptive management plan, its execution, possible setbacks.
- › **To what extent is it considered to be the responsibility of the board and/or board committee that an effective biodiversity management and conservation strategy is implemented? Is this linked to executive compensation? (company level)**  
**Good practices would be:** Proof of the implementation of an effective water management strategy being linked to executive compensation



# Follow-up and conclusion

This interview guide has been developed for use during initial engagement on biodiversity and mining. These concluding questions are intended to encourage continuing engagement on the topic.

Examples of relevant questions are:

- › **How will you follow-up on this discussion? (company level, mine-site level)**

**Good practices would be:** List of proposed changes to be implemented, agreement on follow-up appointment for continued engagement.

- › **Will you commit to any changes in your biodiversity management and conservation strategy/ planning after this discussion? (if the interview has been held with someone not in the position to make these decisions, ask for a follow-up on any actions taken based on this discussion) (company level)**

**Good practices would be:** List of proposed changes to be implemented, potential timeline, agreement to commitment.

<sup>3</sup>Source: [www.icmm.com/website/publications/pdfs/commitments/revise-2015\\_icmm-principles.pdf](http://www.icmm.com/website/publications/pdfs/commitments/revise-2015_icmm-principles.pdf)

# Appendix

## Shortlist of standards, guidelines and other publications regarding biodiversity in the mining industry

Biodiversity Management, Leading Practice Sustainable Development Program for the Mining Industry, Australian Government (September 2016).

Biodiversity Offsets: A User Guide, World Bank Group (October 2016).

Biodiversity offsets: voluntary and compliance regimes, UNEP (August 2012).

Good Practice Guidance for Mining and Biodiversity, ICMM (2006).

GRI 304: Biodiversity 2016, GRI (2018).

Guidance on Good Practice Biodiversity Offsetting in New Zealand, New Zealand Government (August 2014).

Guidelines for Mainstreaming Biodiversity and Ecosystem Services in Extractive Industry, SADC (November 2015).

Integrating Mining and Biodiversity Conservation, Case studies from around the world, IUCN, ICMM (2004)

IRMA Standard for Responsible Mining IRMA-STD-001, Responsible Mining (June 2018).

Mining and Biodiversity Guideline, Department of Environmental Affairs, Department of Mineral Resources, (South Africa) (2013).

Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources, IFC (1 January 2012).

Responsible Jewellery Council Code of Practices Guidance, Responsible Jewellery Council (April 2019).

The World Bank Environmental and Social Framework, The World Bank (2017).

Towards Sustainable Mining Biodiversity Conservation Management Protocol, Towards Sustainable Mining Initiative (May 2015).



## **Colofon**

Vereniging van Beleggers voor Duurzame Ontwikkeling (VBDO)

Pieterstraat 11, 3512 JT Utrecht

+31 (0) 30 234 00 31 | [info@vbdo.nl](mailto:info@vbdo.nl)