



COMMITTEE FOR MINERAL RESERVES
INTERNATIONAL REPORTING STANDARDS





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Sustainability and Social Acceptance

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- Overview
- Importance
- Governing Principles
- Modifying Factors
- New Code

Sustainability and Social Acceptance is an area of significantly increasing focus for many mining companies. The International Council on Mining and Metals (ICMM) and CRIRSCO have a strategic partnership just renewed for a 3 year period. The ICMM's vision:

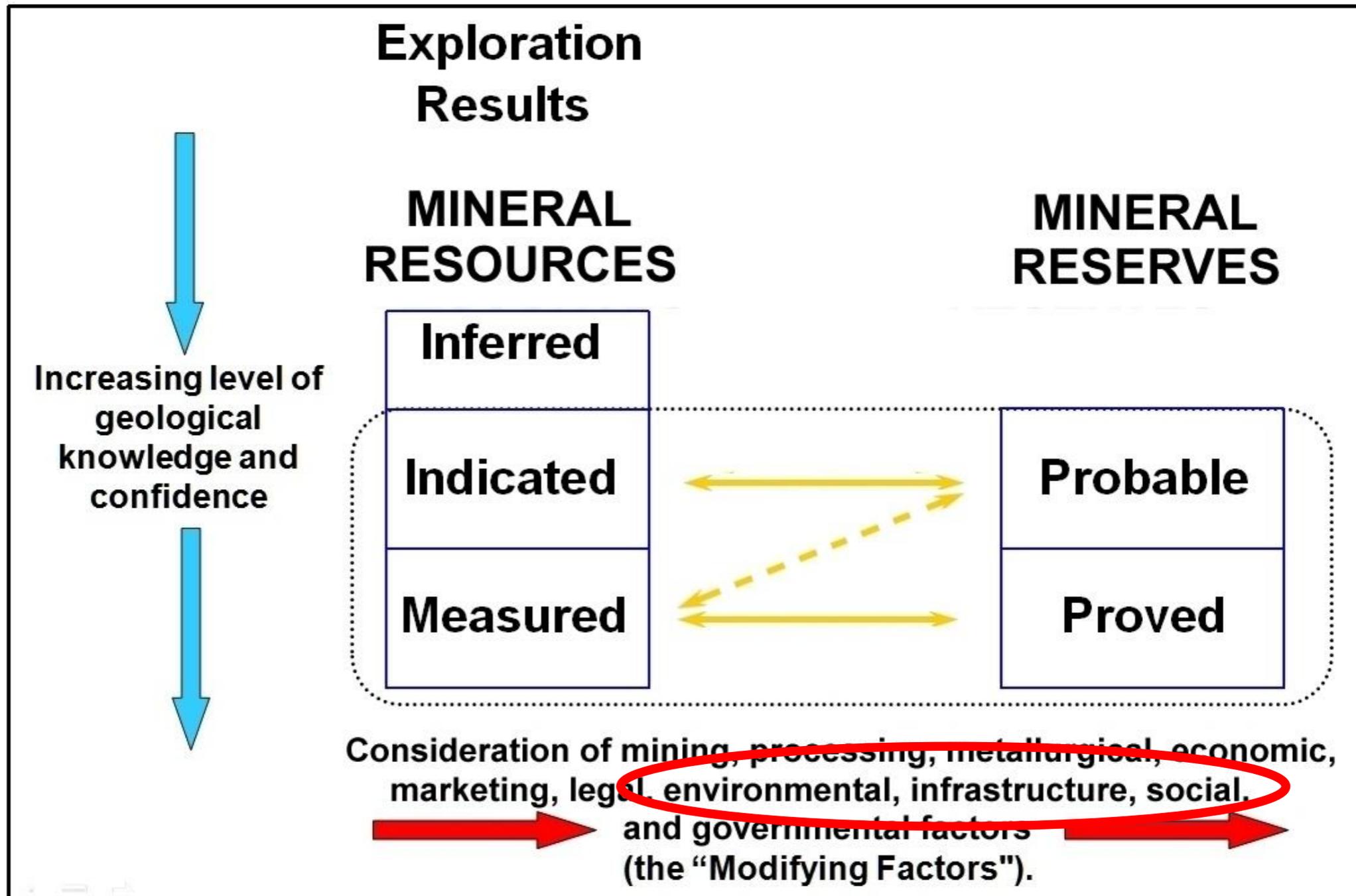
Leading companies working together and with others to strengthen the contribution of mining, minerals and metals to sustainable Development.

CRIRSCO recognizes the importance of sustainability and social acceptance. Many recent examples where mining projects have lost this acceptance comes at significant loss of investment capital as well as lost benefits for local and national communities. Some recent conflicts in South America include:

Conga, Tia Maria and Las Bambas in Peru
Pascua Lama in Chile, Esquel in Argentina
La Colosa in Colombia

CRIRSCO member guides and codes are developed under the principles of Transparency, Materiality and Competence. These principles are important to the estimation and public reporting of Reserves and Resources, which require that Modifying Factors be applied in the conversion of Resources to Reserves that include Environmental, Social and Sustainability considerations.

Figure 1 Modifying Factors



The strategic partnership with the ICMM has helped CRIRSCO to adopt language in member codes to address more specific guidance related to sustainability and social acceptance.

The SME Guide in 2014 and the SAMREC Code in 2015 included new sections related to Environmental, Social, and Health & Safety Considerations.

Social Challenges

- Social issues surrounding mining have proved difficult to predict and measure in advance and once impacted, difficult to resolve.
- Issues often are more about perceptions and lack of understanding
- Issues can also get caught up in politics becoming lightning-rods for simmering issues not resolved
- Ensuring better relationships, education, and local benefits, including ensuring more tax benefits remain in the affected areas, can help projects/mines and communities work better together and reduce conflict

The ICMM has defined 10 principles for sustainable development:

1. Ethical business practices
2. Integrate sustainable development considerations.
3. Respect cultures, customs and values in dealings with stakeholders.
4. Integrated and scientific risk management strategies
5. Continual improvement of our health and safety performance.
6. Continual improvement of our environmental performance.
7. Integrated approaches to land use and conservation
8. Responsible use, re-use, recycling and waste disposal.
9. Contribute to the social, economic and institutional development of communities
10. Implement effective and transparent engagement and communication

Carajas Iron Mine in Para offers an excellent example of visible mining benefits to both environment and sustainability. The mine license when granted initially required preservation of the rainforest surrounding the mining activities such that the benefit is visible from space.



In conclusion, CRIRSCO codes and the member countries are working to ensure that Sustainability and Social Acceptance are critical areas that require careful study and management for public reporting of Mineral Reserves and Resources.

Thank you