

**Mining Association of Canada
Towards Sustainable Mining**

Summary Report

**2nd Meeting of the
Community of Interest Advisory Panel**

**September 22, 2004
Toronto, Ontario**

Prepared by:



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***Note: Before the meeting began, the facilitator sought approval from the group for a representative from Suncor, who would be giving a presentation later in the day, to participate in the meeting as an observer. No objections were raised.*

1 Background

The Mining Association of Canada started its Toward Sustainable Mining initiative (TSM) in 2000 with the intention of enhancing the industry's reputation by improving its environmental, social and economic performance. As part of this initiative, the MAC Board agreed to develop a Community of Interest Advisory Panel as a means of strengthening engagement with mining communities of interest, and to help achieve the objectives of the TSM initiative. What follows is a report from the second meeting of the Community of Interest (COI) Advisory Panel, held in Toronto, Ontario on September 22, 2004.

2 Report Format

The report presents a summary of discussions from the September 22, 2004 meeting of the Community of Interest (COI) Advisory Panel, including decisions on the work of the Panel and recommendations to the Mining Association of Canada. Any dissenting views have been clearly identified and recorded.

Any questions or comments regarding the content of this report should be directed to:

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3 Introduction of New Members

At the previous COI Advisory Panel meeting in March, members were informed that the Métis National Council (MNC) had submitted a request for membership in the Panel. At the time of the request, the MNC sought two participants on the Panel: one for a national representative, and another to provide regional representation. This is consistent with the approach taken with the Inuit Tapiriit Kanatami, as well as the Assembly of First Nations.

The Panel members agreed that the MNC are an important mining community of interest, and recommended that they be offered membership to the Panel. However, with the Panel already being at its upper limits in terms of size, the Panel proposed that the MNC be offered only one seat.

Shortly after the meeting in March, the MNC nominated Mr. Allan Morin to represent the interests of the Métis People on the Community of Interest Advisory Panel. Mr. Morin has since accepted the proposal from MAC that MNC be represented by only one individual.

It should be noted that while some members viewed this as a good compromise, others indicated that the MNC should be offered both national and regional representation. Of particular note, Soha Kneen of the Inuit Tapiriit Kanatami (ITK) indicated that should MNC request an additional seat, ITK would be in support of the request.

Decision: The Panel reconfirmed that the Métis National Council will be represented by one individual.

Other Views: To be consistent with the approach taken with the AFN and ITK, Soha Kneen of the Inuit Tapiriit Kanatami indicated support for a second (regional) representative from the MNC, should such a request be made.

4 Follow-up from 1st Meeting

There were several follow-up items from the previous meeting, including the need to finalize the Terms of Reference for the Panel, as well as approval of the summary report. There were no objections to the Terms of Reference, which were revised based on discussions at the first meeting, and the March 2004 meeting report was accepted. Recommendations for improving the next report included more clearly identifying dissenting views; noting where consensus has been achieved; and clearly indicating that it is a summary report, rather than detailed minutes.

Decision: Terms of Reference for the COI Advisory Panel were adopted
Summary Report from the March 2004 meeting was accepted

In addition, it was noted that the Mining Association had agreed at the previous meeting to explore the option of creating a listserv for Panel members, both as a means of facilitating ongoing communication, and to encourage greater information exchange. While some members supported this concept, others expressed concern that including their name on a listserv might contribute to a greater incidence of SPAM. It was recommended that Panel members create their own COI Panel distribution list. To assist in this process, the Mining Association will distribute to the Panel a list of email addresses for all members.

Follow-up:

The Mining Association will continue to explore the option of creating a listserv through a secure link on the MAC web site, and will report back to the Panel on possible options.

4.1 TSM Guiding Principles

Improvements were made by MAC to the Towards Sustainable Mining (TSM) Guiding Principles in response to suggestions made at the previous Panel meeting and follow-up communication between members of the Panel and MAC. New Principles adopted by MAC and included in the TSM brochure read as follows:

- “protecting the health and safety of our employees, contractors and communities”;
- “working with our communities of interest to address legacy issues, such as orphaned and abandoned mines”; and
- “recognize and respect the unique role, contribution and concerns of Aboriginal and indigenous peoples.”

Recognizing that additional input is needed on the principle concerning Aboriginal Peoples, MAC has noted in its public communications that the principle is still “being reviewed” by the COI Advisory Panel.

In addition to the new principles listed above, the following principles were modified (changes are highlighted in bold print):

- “seeking to minimize the impact of our operations on the environment and biodiversity, **through all stages of development, from exploration to closure**”; and
- “provide lasting benefits to local communities through self-sustaining programs to enhance the economic, **environmental**, social, educational and health care standards they enjoy.”

The Panel recommended that additional TSM brochures (which state the Guiding Principles) be sent to Panel members for distribution to constituents. It was also suggested that future brochures be printed on 100% post-consumer paper, and that in the interest of saving paper each Panel member indicate in which language they require their materials (French, English, or both).

4.2 Guidelines for Honoraria

The Mining Association has produced “Guidelines for Honoraria” for members of the Panel. The guidelines were included in the materials sent to participants in advance of the meeting, and outline the criteria for provision of honoraria and for reimbursement of expenses.

Feedback was received on the proposed guidelines, and suggestions for improvement were made. In particular, it was suggested that the phrase “with the knowledge of his or her organization” be omitted from the criteria for provision of honoraria, recognizing that some members of the Panel are sitting in their own capacity, and not as representative members. There were also questions surrounding the definition of ‘need,’ which created some confusion as to who is actually eligible for an honorarium. It was explained that the general rule for making this decision would relate to whether or not

the work completed in support of the Panel fits into the mandate of the members' organization. In the event that the work is being conducted *in addition* to regular duties or *outside* of the organization's mandate, an honorarium to compensate for lost time would be appropriate. The primary goal is to ensure that all members have the necessary resources to participate in the activities of this group, and that resources do not become a barrier to full participation. It was stated by the Mining Association of Canada that it will not deny any requests for an honorarium.

Finally, it was recommended that the Mining Association of Canada review the possibility of creating a standard expense claim form.

Follow-up:

- MAC will distribute revised Guidelines for Honoraria to Panel Members for additional feedback
- The statement "with the knowledge of his or her organization" will be omitted from the revised guidelines
- MAC will explore the option of creating a standard expense claim form

4.3 Evaluating Meetings / Panel Progress

At the meeting in March, it had been recommended that an informal evaluation be completed after each meeting. The evaluation would provide a channel for feedback, and would provide a mechanism for determining the extent to which individual goals and the goals of the Panel are being met. In addition to tracking progress towards the achievement of individual and collective objectives, the evaluation would also track how MAC is responding to recommendations and advice made by the Panel.

It was recommended that each member clearly identify their goals, and that interim milestones be established to track progress on an ongoing basis. The meeting facilitator can play a role in assessing progress against Panel member objectives by checking in with Panel members between scheduled meetings to determine if individuals feel that their input has been recognized, and if there has been adequate response on behalf of MAC to recommendations made by the Panel. Results of meeting evaluations should be summarized, and reported back to the Panel.

One Panel member volunteered to develop an evaluation framework for this meeting, and to contribute to the development of a more comprehensive evaluation approach.

Decision:

- Evaluations will be completed at the end of each meeting; an evaluation summary will be distributed to the group
- An evaluation framework will be developed to measure the overall success of the Panel, as well as the achievement of Panel member goals and objectives (Panel Lead: Ginger Gibson)

Follow-up:

- Panel members will state their individual goals and objectives, against which progress will be measured
- The facilitator will check in with Panel members on an ongoing basis to ensure that individual goals and objectives are being met

5 TSM Guiding Principle on Aboriginal Peoples

The Guiding Principle on Aboriginal Peoples was revised in advance of the May publication of the TSM brochure. The brochure noted that additional revisions may be needed, and that input is required from the Assembly of First Nations.

A statement on the Guiding Principle on Aboriginal Peoples was given by Allan Morin on behalf of the Métis National Council. The statement included a cultural and historical overview of the Métis People, as well as a discussion of Aboriginal rights, spirituality, and traditional knowledge. Mr. Morin noted that the Métis People view themselves as part of the land, and are therefore impacted directly by mining activities – a concept he recommended be incorporated into the Guiding Principle.

There was a lengthy discussion surrounding the wording of this principle. In the end, it was recommended that “Aboriginal and indigenous peoples” be reworded as follows to reflect the distinct nature of Canada’s Aboriginal peoples:

- “recognize and respect the unique role, contribution and concerns of **Aboriginal peoples (First Nation, Inuit and Métis)**, and Indigenous peoples **worldwide**”

While the focus of the TSM Guiding Principles is on domestic performance, the Mining Association also wants the principles to be relevant on an international level. The use of the word ‘indigenous’, for example, is an internationally accepted and understood term, and allows for broad use of the principle, regardless of the region of application. However, in Canada there are three Aboriginal Peoples recognized under the Constitution, and the term Aboriginal Peoples is more appropriate for the MAC Guiding Principles.

Discussion of the use of the word 'indigenous' also sparked a broader discussion of the role of the TSM Guiding Principles in affecting the decisions of Canadian companies operating overseas, as well as the actions of international companies when operating in Canada. While it was agreed that the principles should be relevant internationally, it was recommended that the focus be on improving the relationship between Aboriginal communities and the mining industry in Canada. Panel members recognized that the TSM Guiding Principles could become a model for associations in other jurisdictions, particularly if the Guiding Principles translate into improved performance on the ground level.

There was also a discussion of the treatment of 'rights'; while Panel members agreed that it is important to recognize rights as an issue, many felt that it is not the role of the Panel to establish expectations or guidelines related to Aboriginal rights. Finally, it was noted that the principles should include a statement about ethical conduct in the context of Aboriginal Peoples and rights, and that there should be explicit reference to the importance of preserving and recognizing the use of traditional knowledge. The concepts of Prior Informed Consent as well as Access and Benefit-Sharing were also raised for consideration.

Recommendations:

- The TSM Guiding Principle on Aboriginal Peoples should be revised as follows: "recognize and respect the unique role, contribution and concerns of **Aboriginal peoples (First Nation, Inuit and Métis)**, and indigenous peoples **worldwide**"
- The TSM Guiding Principle should include reference to traditional knowledge and ethical conduct

Follow-up:

- MAC will consider revisions to the Guiding Principle on Aboriginal Peoples in consultation with existing Panel members, as well as with individuals from the Assembly of First Nations
- Input from this meeting will be taken into consideration when revising the Principle
- A revised Guiding Principle will be brought back to the Panel for review and comment

6 Review of 2004 TSM Indicator Reporting

The Mining Association of Canada provided an overview of TSM reporting by MAC members, focusing on the quality of information received, participation rates, and overall scores. It was noted that 20 of 24 companies submitted information, and that the process of reporting has been informative in and of itself, with some members indicating that the process has helped them to identify areas where they can improve operational performance and efficiency.

As the first year of TSM reporting, the level of response by MAC members was seen by most Panel members as very good. Some Panel members also commented positively on the candid reporting by companies that presented both corporate and facility-specific results. While it is recognized that the reporting criteria could be strengthened, and consistency in reported information improved, the high level of engagement denotes a very positive first step. Also seen as positive is evidence that members are sharing best practices, and that peer pressure has had a positive influence on the number of submissions received.

However, while it was generally agreed that the information provided for this first reporting year represented an excellent first attempt, there were recommendations for further improvement. As an example, to improve transparency and enhance comprehension of the reported results, it was suggested that the reporting guidance and the indicator criteria accompany the reported information – at least in summary form. It was also noted that the information being reported should be useful and of relevance to the community in which it operates, and in some instances should also be reviewed by communities of interest.

The discussion surrounding the interpretation of TSM indicators and criteria was hampered by the fact that the detailed reporting guidance was not included in the materials for the meeting, although these had been distributed to Panel members at the first meeting. Participants recommended that the COI Advisory Panel review the criteria in more detail, and provide substantive comments to the Mining Association after having reviewed both reported results and the guidance provided to MAC members for year one.

Following the presentation by the Mining Association, INMET and Suncor provided an overview of their individual company performance on TSM indicators. Both presentations highlighted areas of strong performance, opportunities for improvement, and challenges in the reporting process. INMET also indicated that their participation in the TSM reporting program was viewed by senior management as an opportunity to improve performance at the operational level, and to enhance corporate competitiveness.

In general the Panel members were encouraged by the information being provided, but questions remained with respect to measurement protocols. While reporting guidance is given to MAC members, the scoring criteria remain rather subjective, and not necessarily clearly measurable. As such, it is difficult to gauge the actual performance of each company – particularly if each MAC member interprets the criteria differently. It was recommended by one participant that the indicators and their criteria be revised to include more clear and concrete requirements. MAC responded that the MAC TSM Initiative Leaders (members committee) have already begun work to do so.

It was also noted that information reported to the public should include an assessment of the industry's overall performance, as well as an interpretation of the results to assist

the reader in understanding what the reported information means in terms of actual performance. There were also comments made about whether readers will be able to sufficiently interpret the results as presented in the proposed graphical form. There should also be a careful balance between graphical presentations and narrative text, because it is hard to know whether individual companies have tended to rate themselves high or low. It may be helpful if companies were encouraged to make available supporting text to explain how they have done their evaluations against the indicators, including with respect to site-specific factors (including historical, cultural, demographic and geological / geographical). In addition, performance targets for the industry should be established over time, and ownership interests should be made clear for companies that provide facility-level information.

Several comments were received with respect to the crisis communications indicator. One participant indicated that the definition of crisis should be clarified, and that it should make explicit both imminent crises (e.g. those requiring emergency response) and long-term crises (e.g. issues related to economic and community development, such as downsizing, mine closure, etc.). It was also suggested that the most important aspect of crisis communications is the underlying management system, which should include mechanisms for engaging the community, and for enhancing public awareness.

Suncor and INMET also identified improvements for future reporting. As an example, Suncor stated that COIs could be involved in the rating process, and that the definition of “communities of interest” be clarified; INMET stated that the indicator related to crisis communications could be revised to include requirements related to the engagement of local communities.

6.1 Advice on Strengthening TSM Indicators and Criteria

Following the presentations from INMET and Suncor, the COI Advisory Panel provided advice to MAC on the application of the indicators, the interpretation of the criteria, and of the utility and transparency of the reported information.

Role for External Review: Since external perceptions on company performance may differ from internal views (e.g. on external outreach), stakeholder perspectives should be incorporated into reported results as a means of improving credibility. In addition, a number of Panel members felt that external parties – particularly communities - should have the opportunity to review results before they are submitted and published.

Performance Expectations: Performance expectations and objectives should be clarified to help the reader interpret the results (i.e. is anything less than 5 unacceptable? Or, does a score of 3 represent good practice, with 5 indicating extraordinary performance?). MAC participants emphasized the need to establish manageable and flexible expectations for the first few years of the program as a way of encouraging greater participation among MAC members. Concrete performance

expectations will be established at a later date, after the companies have had the opportunity to establish the necessary internal management systems to achieve ongoing improvement in TSM areas.

Role of Panel in Monitoring Performance: One participant raised the role of the Panel in monitoring and reporting on the performance of the mining industry. While performance in some areas is already monitored and reported through government agencies, other TSM areas are not subject to any regulations or guidelines. The Panel should consider if it wants to play a role in the monitoring of industry performance where regulatory gaps exist.

Crisis Communications Reporting: This indicator could be improved by including discussion of how companies communicate with and involve local communities in crisis response, and how companies exercise transparency of information in a crisis situation.

Tailings Management: One participant suggested that is important that the guidelines on which this indicator is based take account of climate change risk related to extreme hydrological events. In response, MAC noted that its tailings guides do take into account extreme weather conditions (e.g. severe floods), though they do not explicitly address the issue of climate change risk. MAC agreed to put the interested Panel member in touch with the responsible MAC staff person, as well as bring it up for discussion at the next meeting of the MAC Tailings Working Group to assess the extent to which the industry is addressing this issue. MAC would then follow-up with Panel members, and the Panel member in particular, on the issue.

Process for Selecting Indicators: When selecting additional indicators, MAC should consider what is relevant to both the industry and its communities of interest.

Designing measurable criteria and indicators: The current set of criteria can be subjective, and in some cases are not clearly measurable. The Mining Association recognizes the need to establish clear, concrete and measurable criteria, and has acquired the services of an environmental auditor to review the criteria in order to help the Association develop a verification protocol. This should help MAC members or companies to more consistently apply the indicators, as well as provide the basis for good verification. The ultimate goal is for TSM to become a recognizable and respected brand, where performance levels are clearly identified and understood, and results are verified by an external party.

Additional Indicators: One Panel member identified that climate change impacts and adaptation, while indirectly addressed through other mechanisms (e.g. land use planning, emergency response, engineering design), could have significant impacts on mining operations and the adjacent environment and communities - making clear the need to isolate climate change as a separate performance area. Other MAC participants

responded that climate change impacts and adaptation strategies are addressed in site management plans and engineering design.

Recommendations:

- New indicators should be relevant and understandable to local mining communities of interest
- Stakeholder views should be taken into consideration during the selection of indicators, and in the review of performance information

6.2 Advice on Presentation of Information

Accessibility of Information: Reported information should be accessible to a wide range of audiences, and should be understandable and relevant to local communities. Acronyms should be used sparingly, and the information provided should be meaningful to communities of interest. A definitions list should accompany the reported information, assumptions and uncertainties related to data quality should be clearly identified, and the indicators and assessment scheme should be included with the performance results.

Testing TSM Communications: To ensure information provided by MAC to mining communities of interest is relevant and understandable, the Association should test the reported information with COIs. The Mining Association indicated that it would be willing to put together a focus group to review the information that will be included in the TSM Performance Report.

Avoiding Duplicative Efforts: Mining companies use a range of reporting frameworks to meet the requirements of other initiatives. To avoid duplicative efforts, MAC should ensure that the TSM reporting framework is consistent with existing frameworks, and should explore opportunities for creating a consolidated reporting process.

Focus of Reported Information: While the Association should report on the overall performance of its members, it is also important to provide facility-level information. It is this information on local impacts that communities of interest are most interested in, and as such local COIs should have access to this level of detail, if requested. The involvement of local COIs in preparing and/or reviewing reported information should also be clearly noted by reporting companies.

Responding to Results: MAC should identify how it will respond to performance gaps, and how it will encourage member companies to improve their performance in specific areas. In the future, mechanisms should be in place to deal with companies that do not take action to improve performance (i.e. making participation in TSM a requirement for MAC membership, and down the road having the option of denying membership renewal to companies that are not in good standing with respect to TSM performance).

Reporting on Positive Aspects: Much of the information being measured is negative in nature. To create a more balanced discussion, the Association should encourage reporting on positive aspects (i.e. health and safety initiatives), as well as key challenges.

Follow-up:

- MAC will send Panel members the indicator definitions and assessment descriptions for the four TSM indicators to be reported in 2004
- Suncor agreed to send out the justification notes supporting its TSM indicator results
- MAC will use the Panel as a focus group to assess the readability and understandability of information to be included in the TSM Performance Report
- One Panel member agreed to review the draft presentation / graphics for the TSM Performance Report from a reader / communications perspective

7 Review of New TSM Indicators

The Mining Association of Canada provided a presentation that summarized the work to date on the development of new TSM performance indicators. It was noted that the work on indicators for Biodiversity was just beginning, and that the indicator for Environmental Management Systems will be undertaken by the MAC Environment Committee. The development of a closure and reclamation performance indicator has been deferred until 2005, as it requires more time and thought.

A MAC member Task Force has been working on, and struggling with, development of appropriate indicators for community development and Aboriginal Relations for MAC members. While it is recognized that these will be important indicators, MAC is unclear as to how they should proceed – particularly when it comes to determining what information is most relevant and of value to Aboriginal Peoples.

7.1 Aboriginal Relations and Community Development Indicators

With respect to reporting on Aboriginal Relations, it was noted by MAC participants that information of this nature is already being tracked, but the type of information provided differs across member companies and different operations. It is also difficult to establish expectations in this area: i.e. what is the optimal level of Aboriginal employment? What percentage of goods and services should be purchased from Aboriginal business?

It was suggested that Aboriginal relations be separated from community development for the purposes of developing indicators and TSM reporting. From the perspectives of a community, the important issues relate to the overall benefits and impacts resulting from the company's involvement in the community (e.g. what does the company give

back to the community?). Aboriginal impact-benefit agreements (IBAs) vary from site to site, and should be considered *in addition* to community development concerns. Mining companies operating in the north could benefit from additional guidance on how to create positive opportunities for local communities; having a separate indicator related to community development therefore seems appropriate, rather than having it combined with performance measures related to Aboriginal relations. It would also allow the appropriate level of attention to be directed towards the mining industry's relationship with Aboriginal Peoples.

In contrast, other members of the Panel indicated that Aboriginal Peoples are a complex community of interest. Further, the situation of individual mines in relation to Aboriginal communities is very diverse. However, it was suggested that rather than creating a separate indicator for Aboriginal Relations, these considerations should be woven into all TSM performance areas (e.g. the biodiversity indicator should consider the use of traditional knowledge; socioeconomic indicators should look at Aboriginal employment and procurement). The role of Aboriginal interests in each of the pillars of sustainable development were highlighted in a statement from the Métis National Council, which demonstrated the importance of incorporating Aboriginal considerations into all aspects of sustainable development. An overarching principle related to Aboriginal relations could serve as guidance for MAC members in each performance area.

Concern over the focus on measurable indicators was expressed by several Panel members who felt that the focus of community development reporting should be on the practices of MAC members. Thus, "indicators" need to reflect best practices in company interactions with communities, including planning processes for involving communities, and strategies used by companies to improve the social and economic well-being of mining communities.

In addition, some participants suggested that objectives be developed for each of the performance areas under the TSM Guiding Principles. The relevant Guiding Principles for Community Development include:

- *Support the capability of communities to participate in opportunities provided by new mining projects and existing operations;*
- *Be responsive to community priorities, needs and interests through all stages of mining exploration, development, operations and closure; and*
- *Provide lasting benefits to local communities through self-sustaining programs to enhance the economic, environmental, social, educational and health care standards.*

Another Panel member suggested a broader "social performance" perspective be used when developing community and Aboriginal relations indicators, using guidance from internationally recognized initiatives such as the Global Reporting Initiative as a starting point. The importance of ensuring that communities with limited resources have access to this process, and are provided with the same engagement opportunities as other

COIs, was also highlighted. MAC participants also stated that it is important for the COI Panel members to advise on which social and economic performance areas they view as most important.

The role of TSM indicators in improving company-level performance was clarified by the Mining Association, which reiterated that the indicators represent more than a reporting initiative: TSM as a whole aims to drive performance, and it is through the development of and reporting on indicators that MAC can identify performance gaps, and begin to develop targeted initiatives.

7.2 Biodiversity Indicator

The Panel members generally agreed with the approach proposed by MAC to develop a Biodiversity indicator, which would focus initially on company biodiversity policies. It was agreed that a 'think piece' was needed before the indicator could be developed, and that the end result should be the establishment of guidelines for corporate biodiversity policies.

Aspects of biodiversity to consider include: species at risk and other species valued by communities; protected areas; land reclamation activities; and, habitat fragmentation. Company initiatives should link with local recovery efforts, as well as policies developed at the national and international level - including those related to access and benefit-sharing, and the use of traditional knowledge.

MAC recognizes that many companies have environmental policies in place, but Panel members indicated that most of these policies do not provide sufficient details on biodiversity. One Panel member said that while environmental regulations do exist at both the federal and provincial level, they do not always cover all aspects of biodiversity – particularly when it comes to local-level impacts.

General Conclusions:

- Aboriginal Relations is a very complex area
- COI involvement in the development of Aboriginal Relations and Community Development indicators is essential
- The indicators should drive performance and the development of best practices
- A background paper should be completed in support of the development of a biodiversity indicator, including identifying what aspects need to be considered, and the current environmental policies of companies

8 Design of TSM Verification Framework

The Mining Association of Canada provided an overview of the design of the proposed TSM Verification Framework. Following the presentation, the COI Panel was asked to

provide comment and advice on the proposed approach, key elements, and the scope and timing of the program.

In general, Panel members expressed support for the broad three-step approach to TSM verification. It was noted by some Panel members that external reviews are viewed positively by the public, and that they create transparency and credibility that is of benefit to companies, and to communities of interest. Audits of performance can create useful information, and the availability and exchange of information will also build trust among COIs. Such information can also assist in more comprehensive ecological land use planning and management (e.g. by providing inputs into ecological effects monitoring at the watershed level).

Panel members identified the need for some form of outside involvement, such as review by communities of interest in carrying out TSM verification. MAC clarified that the proposed external verification process means that member companies will hire someone outside of the company to conduct a review. This is different than third-party verification, which implies that the review is conducted by an individual or firm that has been hired by someone outside of the company. Although 'external verification' implies that the audit will be conducted by a certified auditor, one Panel member noted that some elements of TSM represent new and innovative areas where auditors do not necessarily have expertise (e.g. community engagement). Panel members also recognized that the COI Panel itself can serve an external review function – particularly given their knowledge of the TSM program and relevant mining issues.

It was also suggested that there be consequences for member companies that fail to commit to follow the Principles of TSM, including making improvements to performance. Otherwise, some Panel members stated that MAC faces the risk of having 'free riders' in the TSM program who publicly subscribe to TSM Principles, but fail to demonstrate ongoing improvement in performance. MAC participants responded that there is a balance needed between protecting the reputation of TSM by assuring good performance, and losing members who then continue to perform poorly. The program in its first few years should focus on assisting companies in making improvements in performance, as an overly rigorous program in the first few years could result in some members backing out – particularly if the requirements are viewed as being too onerous.

Finally, MAC has committed to a 2006 review of the TSM program, which will include a review of the verification system. Panel members stated that the Panel should be given the opportunity to participate in this review.

Recommendation:

- The COI Panel supports the broad three-step approach to TSM verification proposed by MAC
- MAC should consider community participation to become a part of company facility-level verification
- The design details for the external verification stage of the TSM verification program should be discussed at a future COI Panel meeting
- The review of the TSM verification program proposed by MAC for 2006 should involve the COI Panel

9 Issues for Future Meetings

Panel members identified possible issues to be covered at future meetings:

- protected land areas and mining interactions;
- building capacity of Aboriginal communities to develop mineral resources on their lands;
- best practices in community development;
- role and importance of environmental effects monitoring; and
- abandoned and orphaned mines (e.g. perhaps by having an invited guest give a presentation at the next meeting).

In addition, the Panel recommended that it provide input and advice on the first MAC TSM performance report at the next meeting. Finally, several members indicated that having a get together the night before the COI Advisory Panel meeting was beneficial and should be reconsidered.

10 Other Items

10.1 Meeting Reports

Panel members recommended that there should be a formalized method for making recommendations, and agreeing to recommendations. As such, the report should clearly identify where decisions or recommendations have been made, and where dissenting views have been expressed. It should also be noted whether the views provided are 'representative' or personal if the individual wishes to be identified in the report. The reports should also specify where there is full agreement or where all members are generally aligned. The report should be a summary record of the meeting, as opposed to detailed minutes.

Decision: The Facilitators are requested to prepare meeting reports to specify: (a) decisions and recommendations; and (b) where there are dissenting views.

10.2 Guidelines for Community Consultation

One Panel member raised the point that mining issues often require consultation with communities, but there are no strict guidelines on how to consult. The Panel could play a role in developing guidelines for consultation, based on members' experience with community-based consultations, and knowledge of the mining industry. As an example, Aboriginal communities have developed guidelines for consultations with oil companies in the oil sands region, which could be informative in developing broad-based guidelines.

One way forward would be to review current guidelines and initiatives, and identify elements of good practice that could be applied in the Canadian context. It might also be beneficial to have a presentation given to the group on effective community consultation.

It was cautioned that any work in this area should focus on the provision of information related to ongoing engagement, rather than addressing legal issues such as those associated with rights (it is not the role of this group to intervene in regulatory practices).

MAC offered to put together an information package that would include its existing guidelines on external / community consultation, and other relevant materials. If desired, this information could be forwarded to the group and added to the agenda for the next meeting.

Follow-up: The subject of community consultation guidelines will be included in the agenda for the next COI Panel meeting.

11 Meeting Evaluation and Wrap Up

A member of the Panel prepared a set of questions for Panel members to evaluate the meeting. Participants were asked to respond to the questions and submit their information to the meeting facilitators. The feedback acquired through the evaluation will be summarized, and results will be reported.

Proposed date for next meeting: March 10, 2005

List of Participants

Chief Jim Boucher, Fort McKay First Nation
Richard Briggs, Canadian Auto Workers
Ginger Gibson
Larry Haber, City of Kimberley
Stefan Lopatka, Nunavut Tunngavik Incorporated
Brenda Kelly, Canadian Environmental Network (Bathurst Sustainable Development)
Soha Kneen, Inuit Tapiriit Kanatami
Christy Marinig, Timmins Economic Development Corporation
Elizabeth May, Sierra Club of Canada
Allan Morin, Métis National Council
Alan Penn, Cree Regional Authority
David Scott, CIBC World Markets

Peter Jones, Inco Limited
George Pirie, Placer Dome Canada
Trevor Roberts, Suncor Energy Inc.
Richard Ross, INMET Mining Corporation
Eira Thomas, Stornoway Diamond Corporation

Pierre Gratton, Mining Association of Canada
George Greene, Stratos Inc. (facilitator)
Mary Jane Middelkoop, Stratos Inc. (rapporteur)

Brenda Erskine, Suncor (presenter)
Craig Ford, INMET (presenter)

Regrets:

George Nakitsas, United Steelworkers of America
Joe Carrabba, Diavik Diamond Mines Inc.
Assembly of First Nations