

MCEP Supporting Document 4: Model Field Trial Terms of Reference

TERMS OF REFERENCE

Mining Certification Evaluation Project Field Trial

Background

The Mining Certification Evaluation Project (MCEP) is a research and development initiative. Its primary purpose is to evaluate the feasibility of establishing independent, third party certification of the environmental and social performance of mine sites. Working Paper 1 lists criteria for evaluating performance, which build on the principles developed by the International Council on Mining and Metals. These criteria have permitted the development of a protocol to be used during the field trials. These field trials, which have been conducted at four sites around Australia with two planned overseas, involve the collection of information about how mine sites are addressing the issues outlined in the principles and criteria. The trials provide an opportunity for performance standards and a rating system to be developed and tested. They also allow opportunities for experimenting with various data-gathering techniques. The final phase of the project will address questions of governance and institutional arrangements for a potential certification scheme. Please note that the MCEP itself will not certify mine sites or mineral products, nor will it develop a certification scheme or establish an institution to manage a certification scheme. All MCEP papers are intended to be only the starting point of a broader international dialogue about mine site certification.

Scope

The field trial will assess the current corporate governance, employee relations, health & safety, environmental management and community relations (CEHEC) systems and performance of the Mine Site Operator (MSO). Additionally, the trial will test the suitability of the protocol – its adequacy, clarity, lack of redundancy, etc.

The field trials will build on knowledge provided by the MSO, together with data gathered through the any social and environmental reporting process to which the MSO responds. Team members will review some documentation before arrival on site. Investigation of issues during the site visit will expand this knowledge base.

Method

The field trial process commences with a pre-site visit assessment, which consists largely of document review. At site, key elements of the trial are interviews with site personnel, inspection of selected operations and/or particular facilities, and document and record reviews. Interviews are also undertaken with external stakeholders, arranged after consultation with the MSO.

Upon receipt of the organisational chart, the Team Leader will provide the Site Contact with a list of site personnel to interview and will designate which team members are to interview

each. The Site Contact will then be requested to arrange an interview schedule for the field trial week.

It is essential that the appropriate company personnel be available to be interviewed by the team. It follows that sufficient time must be allocated to all aspects to ensure a comprehensive review.

At least two meetings will be held with the Site Contact, who will normally be the General Manager of the MSO or a nominated representative:

- Opening meeting at the beginning of the trial to explain the process and objectives and receive management's view of key strategic issues; and
- Exit meeting following the site visits to enable the team members to convey their preliminary findings and general impressions.

The exit meeting, in particular, is a vital component of the process. If the site General Manager or representative is likely to be unavailable for this meeting then an alternative arrangement will be made to conduct the debriefing.

Information Required

In order for the trial to be as effective as possible, it will be necessary for the team to have access to a range of information to undertake a preliminary assessment of the issues.

The pre-site visit assessment will be assisted if the MSO can forward the following information to the Team Leader *at least three weeks prior to the site visit*:

- Organisational chart showing the management structure, including personnel with CEHEC accountability;
- Documentation relating to the Business's strategic planning for CEHEC;
- Documentation related to the outcomes of previous reviews and audits related to CEHEC;
- Performance data for CEHEC gathered as part of the public reporting processes; and
- Information on emerging regulatory trends and/or industry standards that is potentially relevant to the current and proposed future activities.

During the site visit, the team will also likely require access to further information, subject to the outcomes of the pre-site visit assessment and follow-up discussions at site, which may include:

- Documentation related to management systems for CEHEC;
- Monitoring data related to performance in CEHEC; and
- Correspondence with stakeholders on key CEHEC matters.

The Team Leader and Project Officer will provide a more detailed list requesting such information. Subject to confidentiality, copies of some of the above may need to be retained by the team to assist in the preparation of the report.

Procedure for Report Preparation

At the exit meeting, the team will provide feedback on the MSO's systems and performance in an informal manner and will also request feedback on the field trial process. The team will

then prepare a draft report before leaving site. Site comments will be requested and a final draft report prepared following receipt of these.

All proposed changes will be subject to comment by the MSO before being incorporated into the final report.

Review Team

The Review team will comprise:

- Name – Organisation (Team Leader, Audit Protocol Section(s) covered);
- Leah Horowitz – WWF (Project Officer and Community Relations);
- Name – Organisation (Audit Protocol Section(s) covered);
- Name – Organisation (Audit Protocol Section(s) covered);
- Name – Organisation (Audit Protocol Section(s) covered).

Schedule

Pre-Site Visit Assessment:	Date - Date
Site Visit:	Date - Date
Draft Report issued:	Date
Site comments on Draft Report:	Date
Final Report Issued:	Date