

STANDARD GUIDANCE

(COP 30) Community Engagement

A. Definitions and applicability

Community is a term generally applied to the inhabitants of immediate and surrounding areas who are affected in some way by a company's activities; these effects may be economic and social as well as environmental in nature.

There is a diversity of values and interests held within a group of people who identify as a community. Communities are not homogenous or static.

Community engagement is a two way information sharing and decision making process covering community issues and priorities as well as the concerns and needs of the business. Beyond just listening, the aim is to ensure mutual understanding and responsiveness by all parties to enable them to manage decisions that have the potential to affect all concerned.

Source:

- *Leading Practice Sustainable Development Program for the Mining Industry (Australia) - Community Engagement and Development (2006)*
www.minerals.org.au/file_upload/files/resources/enduring_value/CED.pdf
- *International Council on Mining and Metals (ICMM) - Community Development Toolkit (2012)*
www.icmm.com/news-and-events/news/articles/icmm-presents-updated-community-development-toolkit

The **Community Engagement** section of the COP is applicable to Members in the Mining Sector. While Provision 30.1 on early and ongoing engagement is applicable from the earliest stages of exploration, retrospective conformance is not expected where such practices were not applied prior to joining the RJC.

The **Community Engagement** provisions should be implemented in conjunction with the **Human Rights, Community Development** and, where applicable, **Indigenous Peoples and Free Prior and Informed Consent** provisions and **Artisanal and Small-Scale Mining**.

B. Issue background

Community Engagement

The time taken to plan, finance and regulate any mining operation has increased substantially in the past few decades, particularly in the case of large-scale mines. Communities now expect to be able to participate in a dialogue about risks, impacts and benefits of mining developments. As a result, community engagement approaches have become a critical ingredient in building a 'social licence to operate'.

Community engagement can take a range of forms, depending on what is appropriate for a given situation. The various approaches can be considered as part of a spectrum, where each step along represents increasing public impact and power in the process. Practical approaches to community engagement include:

- Information delivery: fact sheets, website information, open days
- Consultation: focus groups, surveys, public meetings
- Involvement: workshops, deliberative polling
- Collaboration: community advisory committees, consensus-building processes
- Empowerment: citizens juries, ballots, delegated decision-making

Key stakeholders representing broad issues or groups, such as civil society or non-government organisations (NGOs), employees, unions or worker organisations, and other interested parties, including women, should be identified and engaged. Members are also encouraged to engage beyond community representatives and

leaders to enable equitable engagement through a 'whole-of-community' approach. Approaches should be conflict-sensitive and seek to manage expectations of the process and outcomes.

Relationships between exploration and mining companies, local communities and other stakeholders begin long before construction of a mine commences, and companies should begin engagement at the earliest stages possible. The interests and development aspirations of communities affected by mining should continue to be a major consideration throughout the consultation process at successive stages of a mine's life. Members should seek broad community support for new mining projects or activities.

Broad community support is a collection of expression by the affected communities, through individuals and/or their recognized representatives, in support of the project. Support may take a range of forms depending on the situation, such as a formal agreement between the company and community, or expressed during community participation in an ongoing dialogue about impacts and benefits of a project. There may be broad community support even if some individuals or groups object to the project; conversely, community participation in a dialogue with the company does not necessarily equate to support. The right to grant development consent usually rests with the sovereign state, and is a matter between the state and its citizens. Following consultation with local people and relevant authorities, a decision may sometimes be made by a company not to proceed with developments or exploration even if this is legally permitted.

Benefits of successful community engagement can include increased community awareness and trust, reduced time in negotiating agreements, an improved corporate risk profile, and potentially the ability to secure access to capital on more favourable terms. However community engagement and development can be challenging as well as rewarding and may need to take place in situations of conflicting perspectives and relationships. Communities are complex and dynamic and there are unfortunately no simple solutions for success. One of the keys to operating effectively is to have good systems and processes in place, including regular evaluations, and the capacity to learn and adapt when circumstances change.

Operational-level complaints and grievance mechanisms

Complaints and grievances can be expected to arise where a company's activities have a complex set of impacts on stakeholders, however benign that company's intentions. An effective complaints and grievance mechanism is thus an essential tool in a company's community and stakeholder engagement approach.

The focus of the RJC requirement is on mechanisms that a company can credibly establish, ideally in cooperation with key stakeholders. This does not include adjudicative processes (judicial or non-judicial), which should be situated at least one step away from all parties, including the company. Instead, the emphasis here is on dialogue-based processes at the local or operational level. This does not mean that every complaint or grievance can be processed through a non-judicial mechanism, but many can.

Company complaints and grievance mechanisms should be situated within a wider understanding of society's vehicles for raising, resolving and remedying disputes. Available avenues may include judicial systems (through the courts), public administrative systems (through government, quasi-governmental or independent statutory agencies), traditional or local dispute processes, and private non-judicial mechanisms. The operational level complaints and grievance mechanism should encourage early resolution of issues at the local-level wherever possible, without precluding access to other mechanisms. Companies should also

Box X: Small mining companies and exploration

Community engagement may be a challenge for smaller mining companies, particularly those involved in exploration and development. However inaccurate and/or inappropriate statements, activities or commitments being made at an early stage in a project can lead to confusion and unrealistic expectations, and possible conflict. These circumstances can create unnecessary costs for all stakeholders.

Before filed activities commence, care should be taken to gather relevant information about local conditions and ensure the project team has the information, direction and capacity to engage effectively with local communities and other stakeholders. The PDAC's e3 Plus – a Framework for Responsible Exploration (2013) provides guidance and strategies to address risks and challenges for community engagement by explorers.

consider providing access to complaints mechanisms run by external services, which can enable complaints to be de-identified so they can be presented anonymously to the company. The intent is to encourage concerns to be raised by legitimate stakeholders who may otherwise remain silent in some circumstances.

Human rights are an important dimension of complaints and grievance mechanisms, both in terms of process of dealing with disputes, and in the potential scope of complaints. A rights-compatible mechanism is one that provides a vehicle for addressing complaints and grievances – whether or not they relate to substantive human rights issues – in a manner that respects and supports human rights. There is no one-size-fits-all approach for companies. Complaints and grievance mechanisms should be developed in consultation with stakeholders and tailored to suit the industry, country and culture for which they are designed. Gender may be an important consideration in some grievances and/or in the design of mechanisms. Impacted stakeholder groups may request access to independent information and/or expertise, or a facilitator/mediator to support the dialogue process for some grievances. Company funding for these resources should be transparent.

Effective, rights-compatible complaints and grievance mechanisms offer a channel for individuals and communities affected by a company's activities to raise concerns early, openly, on an informed basis, with due protection and in an atmosphere of respect. They have the potential to limit dispute escalation, facilitate dispute resolution and contribute to the prevention of future disputes by enabling learning and enhancing relationships. Wherever possible, a complaints and grievance mechanism should be in place before disputes arise, not in reaction to their occurrence. Where appropriate, mechanisms should be integrated with negotiated agreements with affected communities. Relationships between mine sites and stakeholders will continue after a mine has ceased operation, so the continuation of a complaints and grievance mechanism should be an integral part of closure planning.

C. Key initiatives and frameworks

Community engagement

Community engagement is in most cases a voluntary business activity. However it is increasingly a component of agreements with communities or governments, or a regulatory requirement as part of development approvals for new or expanding industrial projects. It is essential to be aware of applicable law in all jurisdictions of operation.

In 2012, the International Council on Mining and Metals (ICMM) launched an updated Community Development Toolkit. The Toolkit includes 20 tools aimed at fostering constructive relationships among communities, companies and governments. It features a number of new tools and draws upon work on sustainable development that has emerged since the 2005 version was published with the World Bank.

The Prospectors and Development Association of Canada (PDAC) have released *e3-Plus: A Framework for Responsible Exploration* in order to help exploration companies continuously improve their social, environmental and health and safety performance and to comprehensively integrate these three aspects in to all their exploration programs. The Framework includes guidance on community engagement, and an accompanying toolkit that aims to reduce the risk of conflict at the community level (available in English, French and Spanish).

The International Finance Corporation (IFC) Performance Standard 1 (2012) on Environmental and Social Impact Assessments also includes Guidance on community and stakeholder engagement, including related to gender, disadvantaged and vulnerable groups, and disability, as well as considering workers as key stakeholders. IFC Performance Standard 7 - Indigenous Peoples (2012) includes Guidance on informed consultation and participation approaches for these affected communities.

Complaints and grievance mechanisms

The 2012 UN Guiding Principles on Business and Human Rights presents a framework that comprises three core principles: the State duty to protect against human rights abuses by third parties, including business; the corporate responsibility to respect human rights; and the need for more effective access to remedies. (For

more information, see the Guidance on [Human Rights](#)). The Guiding Principles include a list of effectiveness criteria for rights-compatible grievance mechanisms:

- A. Legitimacy: enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes;
- B. Accessibility: being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access;
- C. Predictability: providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation;
- D. Equitability: seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms;
- E. Transparency: keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake;
- F. Rights-compatibility: ensuring that outcomes and remedies accord with internationally-recognized human rights;
- G. Dialogue and engagement: consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances;
- H. Continuous learning: drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms.

The United Nations Human Rights Council published a 2011 report on a two-year pilot project that tested the practical applicability of these principles for rights-compatible grievance mechanisms, originally developed by Harvard University in a 2008 Guidance tool. The UN report provides a summary of key lessons learned for each of these principles in practice.

D. Suggested implementation approach

[Community Engagement](#) can be used to support COP provisions on [Community Development](#), [Indigenous Peoples and Free Prior Informed Consent](#), [Impact Assessment](#) and [Mine Rehabilitation and Closure](#) and where applicable [Resettlement and Artisanal and Small-Scale Mining](#).

- **COP 30.1: Early and ongoing community engagement:** *Members in the Mining Sector shall have systems in place for early and ongoing engagement with affected communities and other relevant stakeholders.*

Points to consider:

- Responsibility for community engagement should fall to a senior management function. Draw on experienced and expert assistance to develop policies, training, strategies, plans and actions.
- Policy and procedures should include the business' approach to community engagement. Points to consider:
 - Outline the aims of community programs, the key principles to be followed, and the expectations of staff and other stakeholders. Consider how expectations and outcomes of community engagement approaches can be managed.
 - Where affected communities include Indigenous Peoples, consider how culturally appropriate engagement approaches can be put in place. Note effective approaches will vary between communities and across different social contexts – what works with one community may not be appropriate in another. (Also see [Indigenous Peoples and Free Prior Informed Consent](#) Guidance).
 - Monitor the progress of engagement approaches, complaints and grievance mechanisms, development-focused projects and participation in collaborative programs, and evaluate impacts in conjunction with key stakeholders, including women.
 - Seek to continually improve plans, policies and procedures based on evaluation outcomes.

- **30.1a:** *Apply appropriate skills and resources.*
Points to consider:
 - Good community engagement and development depends on having people with suitable skills and understanding to run programs and on giving community development staff the training support they need to perform their jobs well.
 - Consideration should be given to the need for cultural awareness and gender training, training in engagement processes and practices, dispute resolution training and understanding of community and regional development approaches.
 - External expertise may also be required to deal with situations that involve Indigenous Peoples, resettlement, or artisanal mining communities, or at particular stages of the project eg impact assessment.
 - Assess the resource requirements for a community engagement program to ensure staff and external experts can carry out their roles effectively.
 - **30.1b:** *Apply throughout the project's lifecycle, from exploration activities, construction prior to commencement of mining, during mine operations, through to closure and post-closure monitoring;*
 - **30.1c:** *Identify affected communities and other relevant stakeholders in relation to project Risks, impacts, and phase of development.*
Points to consider:
 - A stakeholder mapping exercise is useful to map stakeholders and review social and environmental impact assessments, assess current engagement and dispute resolution strategies as appropriate, and consider local development priorities and needs, existing programs, and strategies for partnership.
 - **30.1d:** *Establish effective communication measures to disseminate relevant project information and receive feedback in an inclusive, equitable, culturally appropriate and rights-compatible manner.* The interests and development aspirations of communities affected by mining should be a major consideration throughout the consultation process at successive stages of a mine's life.
When planning community engagement approaches, consider how to make them:
 - Inclusive: engage beyond community representatives and leaders, making sure that women, minority, vulnerable and other marginalised groups have access;
 - Equitable: being aware of power imbalances and attempting to mitigate these, being sensitive to the potential for community conflicts to arise;
 - Culturally appropriate: considering issues such as authority structures, language and gender;
 - Rights-compatible: approaches that respect and support human rights.
 - **30.1e:** *Through informed consultation, consider the interests and development aspirations of affected communities in major mining decisions in the project's lifecycle, and seeks broad community support for proposals.* Support may take a range of forms depending on the situation, such as a formal agreement between the company and community, or expressed during community participation in an ongoing dialogue about impacts and benefits of a project. Note that there may be broad community support even if some individuals or groups object to the project, and conversely, community participation in a dialogue with the company does not necessarily equate to support.
Consider the how the following could be supported when seeking broad-based community support:
 - Comprehensive information on proposed activities, including potential negative impacts and positive opportunities;
 - Access to reliable independent advice;
 - Community participation in social and environmental assessments, and in any elements of project design that may affect communities;
 - Respect for social values, with consultations carried out in good faith;
 - Mutually informed understanding of interests and activities;
 - Active support for local economic opportunity and development.
- **COP 30.2: Access to rights-compatible complaints and grievance mechanisms:** *Members in the Mining Sector shall ensure that affected communities have access to rights-compatible complaints and grievance mechanisms at the operational level for raising and resolving disputes and communicate*

their availability to the affected communities. Records of grievances raised, investigation processes and outcomes shall be maintained.

Points to consider:

- A senior manager should be given oversight and responsibility for the complaints and grievance mechanism.
- Make the name/s of company contacts for raising questions, complaints or grievances available to affected communities and other stakeholders as appropriate.
- When designing, revising or assessing a complaints and grievance mechanism, consider how it addresses the UN Guiding Principles on Business and Human Rights effectiveness criteria (see Section C above) to help ensure its effectiveness in practice.
- Maintain clear documentation on the company's or site's complaints and grievance mechanism and make this available to affected communities and stakeholders.
- Maintain records of complaints raised, investigation processes and outcomes.
- Regular analysis of the frequency, patterns and causes of complaints and grievances can enable the company to identify where their policies, procedures or practices could be improved to avoid future issues.

Check:

- ✓ Do you have a comprehensive system in place for early and ongoing community engagement, including clear lines for responsibility, appropriate skills and resources, and policies and procedures?
- ✓ Are your approaches for engagement inclusive, equitable and culturally appropriate?
- ✓ Have relevant stakeholders been identified in relation to project risks and impacts?
- ✓ Are effective communication measures in place to disseminate relevant project information and receive feedback?
- ✓ Do you consider, through informed consultation, the interests and development aspirations of affected communities in major mining decisions?
- ✓ Is a rights-compatible complaints and grievance mechanism in place for all operations, and are appropriate records kept?

E. Further information

The following websites have further information on community engagement and development issues:

- Anglo American – Community Engagement
www.angloamerican.com/development/social/community-engagement/engagement
- Anglo American – Speak Up program – independent grievance mechanism
www.anglospeakup.com
- Association for Mineral Exploration British Columbia – Mineral Exploration, Mining and Aboriginal Community Engagement: A Guidebook (Canada) (2005)
commdev.org/content/document/detail/843/
- Canadian Foundation for the Americas - Sustainable Communities: Mining and Indigenous Governance (Americas) (2008)
www.focal.ca/pdf/indigenous_FOCAL_sustainable%20communities%20mining%20indigenous%20governance_March%202008.pdf
- Centre for Social Responsibility in Mining (CSRM) - Community Engagement and Development
<http://www.csr.uq.edu.au/Research/CommunityEngagementandDevelopment.aspx>
- Harvard Kennedy School: Piloting Principles for Effective Company-Stakeholder Grievance Mechanisms: A Report of Lessons Learned (2011)
www.hks.harvard.edu/m-rcbg/CSRI/publications/report_46_GM_pilots.pdf
- Harvard University - Rights-Compatible Grievance Mechanisms – Guidance Tool (2008)
www.hks.harvard.edu/m-rcbg/CSRI/publications/Workingpaper_41_Rights-Compatible%20Grievance%20Mechanisms,%20January%202008.pdf
- International Council on Mining and Metals (ICMM) - Community Development Toolkit (2012)
www.icmm.com/news-and-events/news/articles/icmm-presents-updated-community-development-toolkit

- International Council on Mining and Metals (ICMM) - Guidance Note on Mining and Human Rights (2009)
www.icmm.com/page/14855/icmm-presents-new-guidance-note-on-mining-and-human-rights
- International Council on Mining and Metals (ICMM) - Human Rights in the Metals and Mining Industry: Handling and Resolving Local Level Concerns and Grievances (2009)
www.icmm.com/document/691
- International Association of Public Participation (IAP2) – Participation Spectrum (2007)
www.iap2.org/associations/4748/files/spectrum.pdf
- International Finance Corporation (IFC) Performance Standard 5 – Land Acquisition and Involuntary Resettlement (2012)
www1.ifc.org/wps/wcm/connect/3d82c70049a79073b82cfaa8c6a8312a/PS5_English_2012.pdf?MOD=AJPERES
- International Finance Corporation (IFC) Guidance Note 5 – Land Acquisition and Involuntary Resettlement (2012)
www1.ifc.org/wps/wcm/connect/4b976700498008d3a417f6336b93d75f/Updated_GN5-2012.pdf?MOD=AJPERES
- International Finance Corporation (IFC) Office of the Compliance Advisor/Ombudsman – A Guide to Designing and Implementing Grievance Mechanisms for Development Projects (2008)
www.cao-ombudsman.org/howwework/advisor/documents/implemgrieveng.pdf
- ISO 26000 – Guidance on Social Responsibility (2010)
www.26k-estimation.com/html/user_guides_iso_26000.html#user-guides
- John Ruggie - Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework (2011)
www.business-humanrights.org/media/documents/ruggie/ruggie-guiding-principles-21-mar-2011.pdf
- Leading Practice Sustainable Development Program for the Mining Industry (Australia) - Community Engagement and Development (2006)
www.minerals.org.au/file_upload/files/resources/enduring_value/CED.pdf
- Leading Practice Sustainable Development Program for the Mining Industry (Australia) - Working with Indigenous Communities (2007)
www.ret.gov.au/resources/Documents/LPSDP/LPSDP-IndigenousCommunitiesHandbook.pdf
- Mining Association of Canada – Outreach and Dialogue - A Field Guide for Building Shared Understanding (2003)
www.mining.ca/www/media_lib/TSM_Documents/outreachguide.pdf
- Mining, Minerals and Sustainable Development (MMSD) Avoiding New Poverty: Mining-Induced Displacement and Resettlement (2002)
www.iied.org/pubs/pdfs/G00549.pdf
- Prospectors and Developers Association of Canada (PDAC) – e3 Plus – a Framework for Responsible Exploration
www.pdac.ca/e3plus
- Rio Tinto – Why Gender Matters (2009)
www.riotinto.com/documents/ReportsPublications/Rio_Tinto_gender_guide.pdf
- United Nations Human Rights Office of the High Commissioner for Human Rights - Basic Principles and Guidelines on Development-Based Evictions and Displacement – Guidance for States
www2.ohchr.org/english/issues/housing/docs/guidelines_en.pdf
- World Bank - Community Driven Development (2011)
web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTCDD/0,,menuPK:430167~pagePK:149018~piPK:149093~theSitePK:430161,00.html
- World Resources Institute – Breaking Ground: Engaging Communities in Extractive and Infrastructure Project (2009)
www.wri.org/publication/breaking-ground-engaging-communities