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WORKING WITH LOCAL COMMUNITIES

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Comment by Paul Mitchell, Secretary General of ICMM A new model for transparency

In her article on emergency planning in this issue of the newsletter, UNEP's Monique Barbut writes about the need for proactive engagement with local communities. A recent ICMM survey backs up this view – it found that mining and metals companies are technically prepared for emergencies but that more effort is required in working with stakeholders to ensure that all potentially affected people are prepared.

This sharing of good practice, in whatever area, is a core element of ICMM's mission. By working together as an industry and with all our stakeholders, including local communities, we can successfully contribute to sustainable development.

This is evident in our work to find common standards for public reporting, another core ICMM work area, to which all our members are committed. After going through a multi-stakeholder process to develop indicators for the mining and metals sector, ICMM's corporate members have committed to reporting in accordance with the Global Reporting Initiative (GRI) Framework.

Not surprisingly, a key focus of the Mining and Metals Sector Supplement, which was launched in January 2005, is stakeholder and community engagement. This encompasses disclosure on how an organization is identifying its stakeholders and consulting with them, as well as how information resulting from stakeholder engagement is used. For example, the supplement encourages the reporting of a company's overall community engagement policy, the basis for identifying community-level decision-makers and representative institutions, and its approach to community engagement processes.

Another issue covered in the Sector Supplement is land and customary rights which feature as part of an Argyle Diamonds article in this issue (see back page). The company, a subsidiary of Rio Tinto, has reached an historic agreement with local Aboriginal people in the Kimberley region of Australia. Thanks to Argyle's voluntary action, the indigenous peoples of the Kimberley will have access to funding to support social and economic improvement as well as an ongoing stake in the profitability of the enterprise.

The Sector Supplement also covers environmental indicators to demonstrate progress in areas like recycling, eco-efficiency and

biodiversity. It places a strong emphasis on key performance indicators to demonstrate that certain things are happening and case studies to illustrate this in practice. Reporting requirements also extend to the issue of mine closure. A company reporting to its stakeholders using GRI should outline the number or percentage of its operations that have closure plans and discuss what has been done to minimise the impact of closure.

The broad range of reporting indicators included in the Sector Supplement sets new standards of corporate transparency for the mining and metals sector. It includes both areas of benefit, like economic contributions, as well as the challenges, like closure. Providing this comprehensive coverage for corporate reporting will assist all stakeholders obtain a better understanding of the sector, and of the opportunities for improved performance.

Our overall transparency and accountability theme in this issue is also supported by articles on the emergence of assurance and verification standards (Alan Knight of AccountAbility) and on developing a harmonised approach to setting occupational exposure limits (Martin Webb of BHP Billiton). ICMM members are committed to supporting these developments, both within their own organizations and across the mining and metals sector.

Anniversary conference platform

The Mining Industry and the Challenge of Economic Development will be the subject of a keynote address by Paul Mitchell at the **International Lead and Zinc Study Group**, which takes place in London on 26-28 October.

The annual event is an opportunity for industry and governments to exchange views on current trends in the lead and zinc markets as well as look at related topics such as environmental management. Around 200 delegates are expected to attend the session, including representatives of government and industry from around 28 member countries plus participants from a range of invited observer countries and organizations.

This year is a milestone with ILZSG holding its 50th and last session while the organization is headquartered in London. From 1 January 2006 it will be based in Lisbon.

Breaking ground

Spotlight on biodiversity

The two-month public consultation period on the draft Good Practice Guidance for Biodiversity ended during August. There was a good geographical spread of comments and a broad cross-section of respondents.

Reviewing comments

The consultation produced a consensus that the document needed to be more concise and accessible to practitioners. The IUCN-ICMM Advisory Group is reviewing the comments and discussing the way forward.

Biodiversity good practice was also under discussion in Belém, Brazil, where the mining company, MRN, which is part-owned by ICMM member Alcoa, hosted a seminar.

MRN's CEO, Mr. Júlio Sanna Ribeiro, told the audience about the importance of carrying out studies on the environment. "It is MRN's policy to respect people and the environment and support wider social and public responsibility. These principles, which make



up the Mission and Vision Statements of the Company, define and guide our way of working," he said in his speech.

The event, which addressed environmental professionals and students, included presentations on several MRN biodiversity projects.

Offsets made simple

ICMM has published two papers on biodiversity offsets as part of its continuing dialogue with The World Conservation Union (IUCN). The first is an ICMM proposition statement, which provides an industry perspective on offsets and is designed to provoke discussion on unresolved issues.

The second is a synthesis paper to educate and inform industry managers and executives in the mining

industry, though it should be useful to anyone who wants to know more about offsets.

While biodiversity offsets are part of the legal framework in several countries there are a number of uncertain areas which are hampering voluntary uptake.

The proposition statement addresses such issues as how to establish offsets, which activities are acceptable and how to compare biodiversity loss

through mining activity and gains from offset.

For companies, offsets can ensure a continuing license to operate and access to land. For governments, they are helping to meet national and international obligations such as those made under the Millennium Development Goals and the Convention for Biological Diversity. For their part, environmental groups can potentially achieve greater conservation outcomes through offsets.

In the coming months, ICMM will be working with IUCN to promote debate and discussion around unresolved issues.

November workshop
ICMM is hosting a workshop on biodiversity offsets in South Africa on 15 November (see page 4 for details). To reserve a place at this session email: Ranj.Bains@icmm.com or fax +44 207 290 4921 no later than 14 October 2005.

The 2005 Chamber of Mines "Mining for Sustainable Development" Conference takes place in Kyalami, Midrand, South Africa on 16-18 November 2005. The theme of the conference will be Mining for Sustainable

Development: Extracting more benefit for Africa. ICMM Secretary General Paul Mitchell will give an international perspective on the sustainable development challenges in Africa on the opening day of the conference,

while ICMM's John Atherton, Julie-Anne Braithwaite and Andrew Parsons will also be presenting papers.

For further information see www.chamberofmines.org.za

www.icmm.com

Alongside the main Chamber of Mines conference (see facing page), ICMM and project partners are hosting three workshops which will be held on 15 November at the same venue as the conference and cover mining and biodiversity good practice, biodiversity offsets and community development tools. For a place at the workshops email: Ranj.Bains@icmm.com or fax +44 207 290 4921 no later than 14 October 2005.

Breaking ground

Awards for BHP Billiton and Anglo American

BHP Billiton's commitment to responsible business practice was recognised recently with a Company of the Year Award at the Business in the Community (BITC) National Awards for Excellence and G8 Business Action for Africa Dinner.



BHP Billiton is one of the first companies to comply with the Global Reporting Initiative Sustainability Reporting Guidelines. ICMM Secretary General

Paul Mitchell said, "This award acknowledges BHP Billiton's long-term commitment to sustainable development and underlines its role in improving industry

performance alongside fellow ICMM members."

BITC Chief Executive Julia Cleverdon said "BHP Billiton provided an inspiring example of building business success on values of sustainable development and responsible business practice."

Oracle award

Another ICMM member, Anglo American, was given one of three new awards, the Oracle International Award, at the same ceremony. The company was singled out for its support for development, for example in investing in social projects and in tackling HIV and Aids.

BHP Billiton was given the award for its leadership in corporate responsibility, its collaboration with campaign groups and its positive long-term relationships with governments and people affected by its operations.

It is the first time the award has been made to a company in the mining industry. A founding member of ICMM,

Health guidance on metals

A new approach to assessing health risks from exposure to metals is being developed as part of the ICMM-sponsored HERAG (Health Risk Assessment Guidance) project which is producing a series of fact sheets to address gaps in current methodology.

In July a well attended HERAG project review meeting was held in Hanover, Germany, to review the first set of methodology fact sheets.

The meeting was well attended by 20 industry and association experts who were invited to review seven fact sheets covering a number of different topics.

Produced by EBRC consulting, the facts sheets are designed to look at positive as well as negative impacts from exposure to metals. They cover metals essential for human health – for example iron and zinc – and those which can cause harm. The sheets were well received for using sound scientific concepts and it was agreed that there was a need to include data on a range of metals. The need for feedback from the industry, particularly in providing data and case studies, was highlighted.

The fact sheets will be edited and updated based on discussion at the meeting and participants were invited to submit written comments for consideration. Work on the second set of fact sheets is underway.

Resource endowment

ICMM is holding a workshop in October to discuss the findings of Phase 2 of its Resource Endowment project. The project is designed to enhance the contribution of mining to local and national economies in developing countries. Representatives of ICMM member companies, labor organizations, donors, governments and NGOs have been invited to the workshop.



Freeport helps Katrina victims

ICMM sends its condolences to member company Freeport-McMoRan which has its head office in New Orleans and was severely damaged by Hurricane Katrina. The company has contributed \$1.5 million in cash to the Louisiana Disaster Recovery Foundation Inc. to provide assistance to victims of

the hurricane – including individual donations of \$250,000 each from its two most senior executives. While assessing the needs of its employees and its business operations the group's independent exploration business, McMoran Exploration, has been operating from offices in Houston, Texas.

Community development

Dr Catherine Macdonald will give a talk on ICMM's Community Development Tools at the **Mineral Councils of Australia Sustainable Development Conference** from 31 October-4 November. The conference is a leading minerals industry forum for advancing the business case for sustainable development. Developed in partnership with the World Bank, the Community Tools are designed to encourage local community ownership and support the development of local capacities in project design, planning and implementation. Dr Macdonald is a specialist consultant in the field of community relations and development programs. For more information visit the official conference website at <http://www.minerals.org.au/sd05>.

Platform

Recent workshops, meetings and conferences

Kathryn McPhail represented ICMM at the MIAASA (**Mining Industry Associations of Southern Africa**) meeting in Dar es Salaam, Tanzania on 1 July, where she spoke on ICMM's current work programme.

Kathryn McPhail presented ICMM's contribution to sustainable development at the **IPIECA Corporate and Industry Reporting Workshop**, Paris on 11 July. IPIECA members were impressed at the Global Mining Initiative/MMSD contribution to the principles, the GRI multi-stakeholder process and the mandatory nature of the Framework.

Paul Mitchell delivered a keynote address *Making Poverty History: The Roll of the Mining Industry* at the opening session of the **4th International Congress on Environmental Protection in Mining and Metallurgy** on 13 July in Lima, Peru.

Julie-Anne Braithwaite attended the **International Conference on Engaging Communities** in Brisbane on 15-17 August where she presented ICMM's work on the Community Development Toolkit.

ICMM and Eurometaux co-organised a workshop in Prague on 25 August to prepare input to separate but ongoing reviews of the **tools and approaches to environmental classification of metals and metal compounds** within the EU and OECD. The outcome of these reviews will have significant consequences for chemicals management and policy within the metals sector, notably within the context of REACH. At the forefront of ICMM's activity is the development of guidance on environmental classification, for which a fact sheet can be downloaded from <http://www.euras.be/merag/>.

Kathryn McPhail presented at the **27th Mining Convention** in Arequipa, Peru on 12-16 September. She spoke on how leaders in the mining industry are meeting the challenge of sustainable development.

John Atherton attended the **Americas Nickel Conference** on 26-28 September in the Dominican Republic. He spoke on the global perspective and implications of mining nickel in the Americas.

A number of new references have been added to the Good Practice website - a one-stop shop for guidelines, case studies, and other key materials exemplifying leading practices globally. These include Argyle Diamond's Breaking New

Ground booklet (see article on p.12), ILO's Digging for survival: The Child Miners, and a guide on site-tailored HIV/Aids programmes developed by the World Economic Forum. www.goodpracticemining.org

to "implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders".



Setting standards in stakeholder assurance

By Alan Knight, Head of Standards, AccountAbility

Through their agreement to report in accordance with the Global Reporting Initiative earlier this year, ICMM members underlined their commitment to providing a more transparent insight into their operations. The GRI Supplement for the mining and minerals sector covers everything from emergency response procedures to biodiversity but with it comes the challenge of ensuring that reports reflect stakeholder priorities and are an accurate reflection of what is happening on the ground. Below Alan Knight looks at the standards available and the need for verification.

A quick glance at Principle 10 of the ICMM Sustainable Development Framework is enough to remind us of the key elements of transparency. It sets out the need to "implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders" and its three key elements of stakeholder engagement, transparent communication and verified reporting merit further examination. In all cases, relevant standards, best practice guidance and the right tools will be important to achieve the commitments in this principle.

ICMM has been proactive in developing the means to comply with the second element: reporting. It has worked with the Global Reporting Initiative to develop a Mining and Metals Sector Supplement to accompany the GRI 2002 Sustainability Reporting Guidelines. Together with the Guidelines, the Supplement includes indicators for tracking performance against the Principles. In December 2004, ICMM members agreed to report on their performance using the GRI Framework.

The first element, stakeholder engagement, is being partly addressed by ICMM's work with the World Bank to develop tools to support more sustainable community development around mining and minerals operations. These include tools for identifying possible stakeholders at the local level and developing effective relationships with them. While stakeholder engagement has long been a driver of organisational performance, and is necessary for effective sustainability assurance, it is clear that there is a need to establish an agreed basis for what constitutes effective engagement in this area.

Both the GRI guidelines and the AccountAbility Assurance standard, AA1000AS refer to the need for stakeholder engagement. But neither provides guidance as to what is sufficient engagement. AccountAbility is responding to this gap. At the end of September 2005, it will publish an Exposure Draft of its Stakeholder Engagement Standard, AA1000SE. This new standard has undergone an extensive consultation process and will provide a generally applicable, non-proprietary, open source framework for quality stakeholder engagement.

This brings us to verification. Verification as a term is somewhat limited and limiting. Verification is usually defined as 'confirming, through obtaining and evaluating evidence, that specific requirements have been met'. The ICMM Sustainable Development Framework would appear to require more than this.

The broader term, "Assurance", captures the intent more adequately. Assurance is defined in the AccountAbility AA1000AS Assurance Standard as "An evaluation method that uses a specified set of principles and standards to assess the quality of a reporting organisation's subject matter, such as reports, and the organisation's underlying systems, processes and competencies that underpin its performance".

"It is clear that there is a need to establish an agreed basis for what constitutes effective engagement"

There are two standards for this type of assurance in the marketplace at the moment: AccountAbility's AA1000AS, and the International Federation of Accountants' (IFAC) ISAE 3000. Members of IFAC must now use ISAE when conducting assurance engagements for non-financial information. The standard is essentially a process standard and is very useful for managing the assurance process.

The AA1000AS standard is quite different. It complements the GRI Guidelines and is designed to improve accountability and performance through stakeholder engagement. It is guided by the overarching principle of inclusivity and requires that the

principles of materiality, completeness and responsiveness be applied during the assurance process.

KPMG and AccountAbility recently published a study comparing ISAE3000 and AA1000AS titled *Assurance Standards Briefing*. The study looked in detail at the two standards and reached a number of important conclusions. It found that AA1000AS and ISAE3000 are technically complementary and can be applied together in an assurance process. There is no underlying methodological conflict between the two standards.

ISAE3000 provides the guidance to support a rigorous approach to assurance and procedures that enable the engagement to be undertaken in a systematic and consistent manner in line with professional auditing standards and codes of conduct. AA1000AS introduces its own concept of responsiveness with the emphasis on driving future performance.

Assurance based on either AA1000AS or ISAE3000 alone is unlikely to deliver adequate results. Underlying methodological differences, including differences in the objectives of the two standards, lead to differing emphasis in the assurance process, with consequent variations in the results and how they are communicated. In particular:

- ISAE3000 aligns the assurance process to the reporting organisation's definition of the scope of the report and the assurance engagement (which may focus on less than the whole report). The assurance practitioner is required to address materiality in relation to errors or omissions in the chosen subject matter.
- AA1000AS aligns the assurance process to the material interests of the organisation's stakeholders, so requiring from the outset that the (assurance) practitioner highlights any omissions or misrepresentations in the report as a whole, which could impact on the intended users' behaviour.

Companies providing assurance services have now corroborated this. Recent assurance engagements using both standards have resulted in better assurance.

While simple verification provides requested information on compliance to a specific set of criteria, full sustainable development reporting and assurance can be transformative.

ICMM verification – the story so far

Now that the reporting element of ICMM's Sustainable Development Framework is in place, work has begun on the verification element.

The first stage of this process involved reviewing current approaches to verification and answering the question, 'what is being verified'? This included discussion among ICMM members and with a range of experts involved in this area. It quickly became apparent that ICMM members are the first industry group to seek to develop, and eventually adopt, a common approach to verification. Other key findings included:

- There are no universally agreed definitions for key terms and no generally agreed approaches to verification.
- Verification activities currently undertaken by companies, not just in the mining and metals sector, vary widely in terms of definitions, objectives, scope and methods.
- The terms verification and assurance are often used interchangeably.
- At the same time there is increasing use of standards such as AA1000 and ISAE3000 (see main article).
- There is a need to build on existing initiatives and work with others in this area. The aim will be to minimise duplication wherever possible.
- The focus should be on verifying that corporate members are meeting their two ICMM commitments to implement the 10 sustainable development principles and report performance against them, using the GRI Framework.

The next phase of work will focus on further developing the key terms, scope and detailed guidance for the verification element of the Framework.

The ACCA and AccountAbility recently published a report on the *Impact of Reporting*. It concluded that "assurance increases the effectiveness of reporting by enhancing management systems. The assurance of trustworthiness of what companies publish in public reports is relevant in building stakeholder's trust, which in turn tend to support the development of their perceptions about, and affect their decisions that impact on, the company. Effective assurance processes foster internal learning, skill development and more effective decision-making supported by strengthened management systems. The combined effects of assurance confirm its importance in influencing the impact of reporting."

In other words companies need to demonstrate that they are doing what they say they are doing and independent verification is an important part of this process.

...includes a commitment to “develop, maintain and test effective emergency response procedures in collaboration with potentially affected parties”.

www.icmm.com



Developing community approach to emergency planning

By Monique Barbut, UNEP Director of Technology, Industry and Economics

Publications Corner
News reports, papers and case studies' series

Organizations of all shapes and sizes are continuing to focus on improving safety and dealing with incidents in a responsible way when they happen. The mining and metals industry is no exception with major companies making great strides both in reducing the risk of disasters and developing appropriate emergency response procedures.

To this end both UNEP and ICMM are playing their part. In 2001 UNEP published *APELL for Mining* with the support of ICME (the International Council on Metals and the Environment). The publication provides a framework to help companies and their stakeholders prepare emergency response plans for dealing with major incidents. By promoting APELL (Awareness and Preparedness for Emergencies at Local Level) UNEP and its partners are supporting the industry and helping to raise public awareness. Mining and metals companies need the internal tools and resources to apply APELL but so do community services which will themselves have to respond in the event of an emergency.

The raising of public awareness and with it the willingness of the mining and metals industry to proactively engage with local communities is an essential part of this process. APELL for Mining can help companies develop the technical tools to respond to an incident but it is a two way process. Companies, including ICMM members, recognise the need to communicate their approach and to ensure that communities and emergency response providers can play their part in responding to an incident.

More recent examples of how companies are applying APELL can be found in a new report of APELL case studies, *Good Practice in Emergency Preparedness and Response*, which is being published by ICMM and complements *APELL for Mining*. The new guide has been put together following a survey by ICMM which focused on APELL issues of particular concern facing ICMM members and other stakeholders. Finding the right approach to community engagement was one of the most pressing issues raised and one of the reasons that the new handbook places such a strong emphasis on this area.

The question of how a company should approach community engagement can be a sensitive one, but the industry has taken a commendable lead in its desire to be more transparent and raise public awareness in this respect. UNEP and ICMM are committed to supporting new programmes and initiatives as the industry steers a path between promoting safety and also demonstrating that it is well prepared to respond to incidents.

That means demonstrating how the impact of a dam, pipeline failure or of a transport accident involving hazardous chemicals can be minimised. It means having the tools in place to deal with such an incident but also ensuring that local community services are ready to play their part should the need arise. And it means keeping the lines of communication open by reporting and engaging with the local community via a variety of media.

UNEP welcomes the efforts of ICMM and its members in this direction, notably via the transparency and reporting commitments that are now enshrined in the ICMM principles. Between us we will continue to make APELL a practical reality.

You can access an electronic version of *APELL for Mining* at www.unep.fr/apell

To receive a copy of the new *APELL* report or further information email info@icmm.com.

10 Steps to APELL

- Step 1 – Identify participants and their roles**
- Step 2 – Evaluate and reduce risks offsite**
- Step 3 – Review existing plans and identify weaknesses**
- Step 4 – Identify tasks**
- Step 5 – Match tasks and resources**
- Step 6 – Develop an overall plan and reach agreement**
- Step 7 – Draft a final plan and obtain endorsement**
- Step 8 – Communicate and train**
- Step 9 – Test, review and update**
- Step 10 – Educate affected communities**

Setting standards in Peru

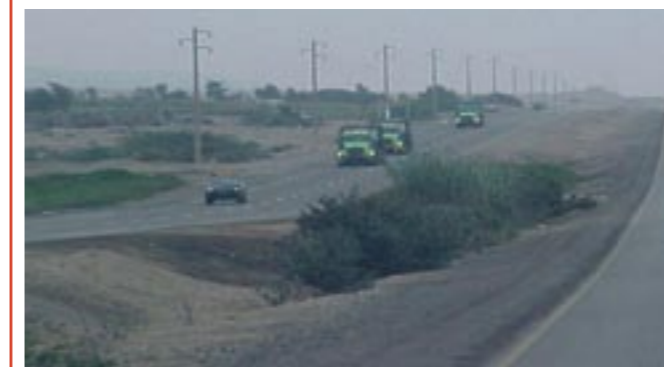
Following a serious mercury spill at the Yanacocha Mine in Peru, three Peruvian mines – Yanacocha (Newmont and Compañía de Minas Buenaventura), Compañía Minera Antamina (BHP Billiton, Falconbridge, Teck Cominco and Mitsubishi) and Pierina Mine (Barrick) – have used APELL as part of programmes to improve emergency response planning and implementation.

The Safe Transportation Initiative is designed to ensure common standards and plug any gaps in existing legislation. It includes the following key elements:

- A specialist contractor monitors all transportation and provides support in the event of an incident.
- Hazardous materials trucks travel in convoy, escorted by vehicles with equipment to deal with an incident.
- Drivers and supervisors are trained to respond to an incident.
- Trucks are inspected for tyre treads, preventative maintenance, first-aid kits and spill control equipment.
- Transporters are certified through audits carried out by a third-party contractor and the three mines.
- Routes are evaluated by experts.
- Trucks and containers display UN substance codes and hazard identification.

Community outreach is based on APELL. Communities receive education in first-aid treatment, how to recognise hazardous materials and basic actions in case of an accident. Incidents along an extended route from the coast to mines are decreasing in frequency and gravity as a result of this initiative.

More generally the companies involved have been trying to promote APELL implementation by the government at both national and regional levels. An APELL workshop in Lima attended by UNEP, the Peruvian Government, NGOs and industry led to the formation of a national committee to promote APELL which is now part of government policy.



Ten steps towards more effective emergency planning are outlined in a new ICMM publication on the subject. **Good Practice in Emergency Preparedness and Response**, which will be available from October 2005, introduces a model emergency plan in line with UNEP's APELL (Awareness and Preparedness for Emergencies at Local Level) programme and covers everything from identifying who does what in an emergency, to training and proper community liaison.

The publication is aimed at mining companies, local communities and other stakeholders and it highlights the key requirements for more effective emergency planning in the sector. Among the most important is the need for better communication with local communities about roles and responsibilities in the event of an incident.

“Prior to producing the publication, we circulated a questionnaire to ICMM members about the status of emergency planning,” explained ICMM's Programme Director for Environment, Health and Safety Dr Andrew Parsons. “While our members take the preparation and practice of emergency plans very seriously, many admitted that there were sensitivities as to how to involve local people in an emergency plan. The message we're trying convey is the need to involve local communities in preparations.”

Other gaps identified by the questionnaire and covered in the publication include a low level of awareness of the risks posed by neighbouring operations and a reliance on corporate HSE staff to prepare plans for use at an operational level.

After listing the key elements of a model emergency plan (see UNEP article opposite) the publication provides case studies with a wide variety of examples, from companies that have improved incident planning by recourse to APELL (or APELL-like) procedures, to incidents that were not well responded to because of inadequate preparation or communications.

Responses to the ICMM questionnaire are analysed as part of a series of Appendices which also cover charters, codes and regulation and major risks in relation to incidents.

Electronic copies of the publication will be available on the ICMM web site in October. To request a hard copy send an email to info@icmm.com.



Driving down the risk of occupational exposure

By Martin Webb, BHP Billiton

Operations in the mining, minerals and metal processing industries have the potential to bring workers into contact with harmful materials. A key goal of ICMM members is to reduce the risk of harm by promoting a harmonised and a more transparent approach to the setting of exposure limits. Below Martin Webb outlines progress to date.

From inhaling dust and diesel particulates in underground mining operations, to having direct skin contact with metal solutions in plating operations, there are many pathways by which people in the industry can come into contact with potentially harmful materials. Furthermore, the range of potentially harmful materials is broad and some are known or suspected carcinogens. Asbestos, sulphuric acid mist and silica are just a few of the many hazardous substances with which the industry has to deal.

Zero harm

ICMM members are committed to achieving zero harm to their people – especially in relation to immediate and longer-term impacts on worker health. ICMM's fifth sustainable development principle requires member companies to "seek continual improvement of their health and safety performance". This includes a commitment to take all practical and reasonable measures to eliminate workplace fatalities, injuries and diseases to employees and contractors.

The first priority in operations is to eliminate the potential for exposure to hazardous materials through appropriate engineering and design. Where total elimination is not possible or practicable, workplace condition monitoring and the use of personal protective and respirative protective equipment is employed. In all cases, having clear, science-based exposure limits for all potential workplace materials and agents is an important element in the effective control of workplace exposures.

Generally, occupational exposure limits are set by government authorities and are embodied in mining and workplace safety laws and regulations. Many companies also have their internal

corporate standards which are usually equal to, or stricter than the respective government-set limits. In the circumstances in which this is the case, workers should have confidence that they are not being exposed to an elevated risk of disease or illness.

Confusingly, both for the industry and its workforce, there are some examples where there is a significant difference in the occupational exposure limits for the same material between jurisdictions. The limit for nickel, for example, ranges from 0.05 to 1.5 milligrams per cubic metre of air – a thirty-fold difference! In these cases, while companies are obliged to meet the standard in the country in which they operate, achieving the lowest of all standards across all operations is often not practicably possible. In some cases, the limits may not be supported by comprehensive research or appropriate risk assessments. Where differences occur, it is difficult for companies to explain to their workforce and other stakeholders why standards must vary from site to site.

Occupational exposure limits vary between jurisdictions because of differences in the approach taken to setting the limits. These differences include the selection and interpretation of data, the approach to risk assessment and the risk acceptance criteria used in the assessments.

Benefits of harmonisation

ICMM member companies believe that the harmonisation of the approach to setting occupational exposure limits would benefit companies, their workforces and government regulators. A key element in this harmonisation is making the process for setting the limits transparent. It is believed that the companies would benefit by having more consistent standards against which to operate. The workforce would in turn benefit by having greater confidence that the occupational exposure limits are providing necessary protection. Regulators would also benefit from a system with greater simplicity.

To this end, ICMM members have developed a straight-forward approach for the harmonised setting of exposure limits.

The approach seeks to achieve harmonisation and agreement for the science-based elements of occupational exposure limit setting - for example the collection and evaluation of data - and provides occupational exposure limit setting organisations the opportunity to apply risk acceptance criteria consistent with their respective community norms.

Specific elements of the approach cover:

- **Harmonised data evaluation methodology:** a proposal to develop and agree a systematic methodology by which data and evidence can be evaluated, assessed and agreed.
- **Harmonised risk assessment methodology:** a proposal to establish, through wide stakeholder engagement a standardised approach to undertaking risk assessments on exposures and health effects.
- **Jurisdiction-set risk acceptance criteria:** recognition that risk acceptance criteria will vary between national and community groups dependent on their cultural acceptance of risks.
- **Agreed technical feasibility guidelines:** recognition that current scientific methods limit the lower levels of detectability of agents in the workplace.
- **Impact assessment and stakeholder engagement:** recognition that the impact of changed exposure standards needs to be understood and that a wide range of stakeholders need to be engaged.
- **Exposure measurement and compliance guidelines:** a proposal to establish and agree guidelines to ensure that all stakeholders understand how exposures are to be measured and compliance is to be assessed.

With the assistance of the Institute for Environment and Health, ICMM has invited leading regulators, academics and practitioners from around the globe to participate in a workshop

OEL workshop: the search for harmony

Participants at ICMM's OEL Workshop in London from 9-11 November 2005 will be invited to discuss the scientific and socio-economic foundations of A Harmonised Approach to Setting Occupational Exposure Limits for Metals and Metal Compounds. A report outlining ICMM's approach to the review and establishment of OELs has been prepared by the Medical Research Council's Institute of Environment and Health and will provide the basis for discussion.

The workshop is intended as a significant step towards achieving a harmonised approach to OELs wherever ICMM members operate. Key elements of the approach include:

- a common definition of an OEL
- using sound science as a basis for the approach;
- being consistent in the application of risk assessment;
- recognizing socio-economic impacts and what is technically achievable;
- being open and transparent to all stakeholders.

If you are interested in attending the workshop email info@icmm.com.

to discuss the potential to progress this harmonised approach to the setting of occupational exposure limits.

The workshop is to be held in London in November 2005. While an agreement to the harmonised approach is not on the agenda, it is hoped that the workshop will agree on benefits from the approach and the work needed to achieve its acceptance.

To subscribe

THE ICMM newsletter is a quarterly publication of the International Council on mining and Minerals (ICMM), the industry's CEO-led organization in support of sustainable development.

ICMM comprises many of the world's leading mining and metals companies as well as a regional, national and commodity associations, all of which are committed to improving their sustainable

development performance and to the responsible production of the mineral and metal resources society needs. To receive future issues and other updates on ICMM activities, please email info@icmm.com.

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Good practices...

Argyle points the way in community engagement

Those who gathered for a celebration at the Argyle Diamond Mine on the 8th June 2005 did so to herald a new era in community engagement. Argyle Diamonds and the Traditional Owners of the Argyle mine lease in the East Kimberley region of Western Australia had come together to acknowledge common interests, a meeting of modern commerce and traditional occupancy from which both sides would secure sustainable benefits.

The Argyle Participation Agreement recognises traditional ownership of the land, acknowledging the rights of Aboriginal peoples who are believed to have lived in the region for over 40,000 years. It also allows Argyle Diamonds, a wholly owned subsidiary of Rio Tinto, to continue mining there as long as it is feasible to do so for the benefit of all parties.

The Agreement is an historic one for a number of reasons. On the part of Argyle Diamonds it is entirely voluntary. Argyle has undertaken to provide training, business development support, preferential employment and financial benefits to the Traditional Owners. It will also consult over land management and on decommissioning and will provide access to the mine lease area.

Financial benefits are indexed to Argyle's profits from the mine. Since operations began it has generated A\$800 million in royalties paid to the State of Western Australia and more than A\$5 billion for that State's economy. Argyle Diamonds is by far the largest employer in East Kimberley and in 2004 spent around A\$16 million in salaries and A\$27 million on local goods and services.

The majority of financial benefits will be managed through two trusts: the Kilkayi Trust and the Gelganyem Trust. The Kilkayi makes bi-annual distributions to specific signatories of the Agreement and to community development projects to help those with traditional rights, while the Gelganyem invests for the long term to provide a capital base for the children and grandchildren of the current Traditional Owners – long after mine closure.

"The benefits reach people on the ground and does what it is set up to do," commented Ted Hall, chairman of the Gelganyem Trust. "We have a sustainable Agreement with each other but we also have mutual respect, we have learnt from each other and we have made many friends."

Leadership has been essential to the success of the process. Argyle's managing director Brendan Hammond has a track record of effective engagement and has helped encourage a series of partnerships in education, health, training and new business development.

As an example, Argyle is providing much needed job opportunities for local people - 50% of the site workforce is made up of local residents and more than half of these are indigenous people. In addition, the company is committed to improving local skills and it has entered into a five-year agreement with the Australian government to train 150 indigenous apprentices.

In recognition of past mistakes, Argyle issued a formal apology to the Traditional Owners for disturbing an area known as the Barramundi Gap, a sacred site which lies on the lease area. As Brendan Hammond put it, the company has been prepared "to sensitively recognise the inadequate historical relationships that existed between Argyle, and Traditional Owners and East Kimberley communities."

The Argyle Participation Agreement shows that historical difficulties between mining and indigenous peoples can be rectified, and that sensitive development of mineral resources can provide sustainable benefits to local communities.



Argyle managing director Brendan Hammond celebrates the land rights agreement with aboriginal leaders Chocolate Thomas and Evelyn Hammond.