



Chapter 2.3 Obtaining Community Support and Delivering Benefits

BACKGROUND

There is widespread acknowledgement from extractive industries that efforts spent on building respectful relationships, responding to community and indigenous peoples' concerns, and minimizing project-related impacts can be beneficial to both companies and affected communities.

Mining companies typically contribute national and local economic benefits through payments in taxes and royalties, and can contribute even more by procuring goods and services from the host country. Leading companies also recognize the need for delivering additional benefits to affected communities, and that benefits are best defined by the communities themselves. When communities' needs and aspirations are not at the forefront of mining company investments, experience shows that efforts often fail to deliver long-lasting benefits. Increasingly, efforts are being made to ensure that community investments made by mining companies provide both immediate and ongoing benefits that last beyond the life of the mining operation.

In addition to providing tangible benefits to affected communities, there is a growing need for mining companies to obtain and maintain broad community support for their projects and operations.⁵⁶ A high level of community support can provide reassurance to a company's shareholders and investors, and steps taken by a company to earn community support can foster the development and maintenance of strong relationships with affected communities.

TERMS USED IN THIS CHAPTER

Affected Community ■ Broad Community Support ■ Collaboration ■ Consultation ■ Existing Mine ■ Grievance ■ Inclusive ■ Mine Closure ■ Mining Project ■ New Mine ■ Operating Company ■ Post-Closure ■ Stakeholder ■ Vulnerable Group ■

These terms appear in the text with a dashed underline. For definitions see the Glossary of Terms at the end of the document.

OBJECTIVES/INTENT OF THIS CHAPTER

To obtain and maintain credible broad support from affected communities; and produce tangible and equitable benefits to communities that are in alignment with their needs and aspirations and sustainable over the long term.

SCOPE OF APPLICATION

RELEVANCE: Operating companies may provide evidence that this chapter is not relevant if they can demonstrate that there are no communities that may be affected by their mining activities or potential mine expansions.

NEW VS. EXISTING MINES: The chapter applies to new mines and existing mines. With respect to obtaining broad community support, new mines are expected to demonstrate that they obtained it prior to the construction of the mine while existing mines shall demonstrate that they have broad community support when they apply for certification. This approach recognizes that existing mines may not have had broad community support at the time they were constructed, but that through the building and maintenance of strong relationships with affected communities and stakeholders they have been able to earn this support over time.

⁵⁶ For example, ICMM members recognize that: "Successful mining and metals projects require the support of a range of interested and affected parties. This includes both the formal legal and regulatory approvals granted by governments and the broad support of a company's host communities." (ICMM. 2013. Indigenous Peoples and Mining. Position Statement. <https://www.icmm.com/en-gb/members/member-commitments/position-statements/indigenous-peoples-and-mining-position-statement>)

Obtaining Community Support and Delivering Benefits Requirements

2.3.1. Commitments to Affected Communities

2.3.1.1. The operating company shall publicly commit to:

- a. Maintaining or improving the health, social and economic wellbeing of affected communities; and
- b. Developing a mining project only if it gains and maintains broad community support.⁵⁷

2.3.2. Obtaining Community Support⁵⁸

2.3.2.1. For new mines, the operating company shall demonstrate that it obtained broad community support from communities affected by the mining project, and that this support is being maintained.

2.3.2.2. For new mines, broad community support shall be determined through local democratic processes or governance mechanisms, or by another process or method agreed to by the company and an affected community (e.g., a referendum). Evidence of broad community support shall be considered credible if the process or method used to demonstrate support:

- a. Occurred after the operating company carried out consultations with relevant stakeholders regarding potential impacts and benefits of the proposed mining project;
- b. Was transparent;
- c. Was free from coercion or manipulation; and
- d. Included the opportunity for meaningful input by all potentially affected community members, including women, vulnerable groups and marginalized members, prior to any decision or resolution.

2.3.2.3. For existing mines, the operating company shall demonstrate that the mine has earned and is maintaining broad community support.

2.3.3. Planning and Delivering Community Benefits

2.3.3.1. The operating company, in collaboration with affected communities and other relevant stakeholders (including workers and local government), shall develop a participatory planning process to guide a company's contributions to community development initiatives and benefits in affected communities.⁵⁹

2.3.3.2. The planning process shall be designed to ensure local participation, social inclusion (including both women and men, vulnerable groups and traditionally marginalized community members, e.g., children, youth, the elderly, or their representatives), good governance and transparency.

⁵⁷ This also may be referred to as social licence to operate, or community support, etc.

⁵⁸ The requirements in 2.3.2 apply to non-indigenous communities. If an affected community is an indigenous peoples' community, the operating company is required to obtain the free, prior and informed consent of that community (as per Chapter 2.2). A company may need to obtain FPIC from indigenous peoples and also demonstrate that it has broad community support for the same project, if there is a community of non-indigenous peoples also affected by the mine.

⁵⁹ "Relevant stakeholders" may include, for example, local economic planning entities, community service groups, social services agencies, land-use focused groups, chambers of commerce, artisanal and small-scale mining representatives, faith-based groups, school boards, conservation organizations, etc.

"Community initiatives" may include any projects or undertakings that support the community, such as infrastructure, training programs, social programs, scholarships, mentorships, grants, etc.

2.3.3.3. If requested by the community and not provided by the appropriate public authorities, the operating company shall provide funding for mutually agreed upon experts to aid in the participatory process.

2.3.3.4. Efforts shall be made to develop:

- a. Local procurement opportunities;
- b. Initiatives that benefit a broad spectrum of the community (e.g., women, men, children, youth, vulnerable and traditionally marginalized groups); and
- c. Mechanisms that can be self-sustaining after mine closure (including the building of community capacity to oversee and sustain any projects or initiatives agreed upon through negotiations).

2.3.3.5. The planning process and any outcomes or decisions shall be documented and made publicly available.

2.3.3.6. In collaboration with the community, the operating company shall periodically monitor the effectiveness of any mechanisms or agreements developed to deliver community benefits, based on agreed upon indicators, and evaluate if changes need to be made to those mechanisms or agreements.

CROSS REFERENCES TO OTHER CHAPTERS	
CHAPTER	ISSUES
1.2—Community and Stakeholder Engagement	See Chapter 1.2 for requirements relating to engagement and communication with <u>stakeholders</u> . In particular, criterion 1.2.3 is important to ensure that <u>stakeholders</u> have the capacity to fully understand their rights and <u>collaborate</u> effectively in community planning processes. Also, 1.2.4 ensures that communications and information are in formats and languages that are <u>accessible</u> and understandable to <u>affected communities</u> and <u>stakeholders</u> , and provided in a timely, culturally appropriate manner.
2.2—Free, Prior and Informed Consent	Chapter 2.2 is relevant for <u>mining projects</u> that may affect communities of <u>indigenous peoples</u> . Rather than obtaining <u>broad community support</u> as per this chapter, when there are <u>indigenous peoples</u> whose land, resources, cultural heritage or rights may be impacted by mining activities, <u>operating companies</u> must adhere to the requirements of Chapter 2.2.
3.6—Artisanal and Small-Scale Mining	If <u>ASM</u> entities are present and are affected by the <u>mining project</u> , they should be included in the process to plan and determine benefits in 2.3.3.