



The session will start soon

IRMA Standard Revision Process

Stakeholder Feedback Webinar

Chapter 2.6 – PLANNING AND FINANCING RECLAMATION AND CLOSURE

Agenda

1. House rules
2. Ways to contribute today
3. IRMA revision process
4. Overview of the proposed changes
5. Q&A and live chat contribution

1. House rules

- This event is hosted by **IRMA, the Initiative for Responsible Mining Assurance.**
- This event is being recorded and the recording will be made publicly available on the IRMA website.
- Participants may not post any unlawful, offensive, threatening, libelous, defamatory, obscene or otherwise objectionable content.
- Participants may not post, or send, or link to hateful, degrading, criminal or sensitive imagery or content, or to any content or material that violates laws, violates third party's privacy rights, advocates intolerance or hate against other people on the basis of actual or perceived ethnicity, national origin, caste, sexual orientation, gender, gender identity, religious affiliation, age, disability, or disease.
- Participants may not post or send or link to Spam content or mass unsolicited or aggressive activity that attempts to drive traffic or attention to unrelated accounts, products, services, or initiatives.

2. Ways to contribute today

- This event represents one of the many opportunities and channels available to contribute to the IRMA Standard Revision Process (incl. a dedicated online platform: www.responsiblemining.net/comments2)

Chat function

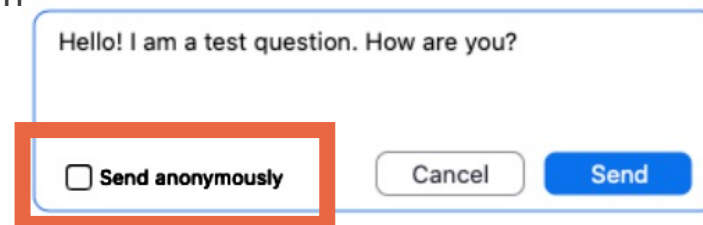
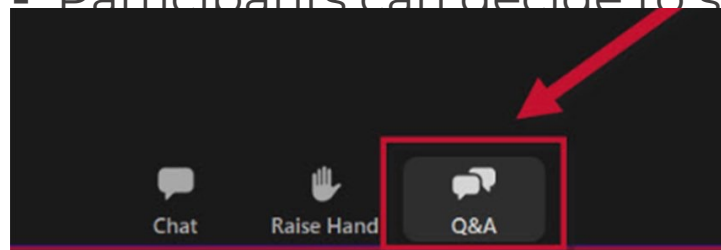
- Participants can also use the Chat function of zoom to share content with the whole audience
- Please note that the chat cannot be used in an anonymous way

2. Ways to contribute today

- This event represents one of the many opportunities and channels available to contribute to the IRMA Standard Revision Process (incl. a dedicated online platform: www.responsiblemining.net/comments2)

Q&A function

- Participants can use the Q&A function of zoom to submit any comment, suggestion, feedback, question, concern, recommendation to IRMA.
- Participants can decide to submit content via the Q&A function in an **anonymous** way



2. Ways to contribute today

- This event represents one of the many opportunities and channels available to contribute to the IRMA Standard Revision Process (incl. a dedicated online platform: www.responsiblemining.net/comments2)

=> All content shared with us today will be saved and considered by IRMA as part of the Standard revision process

3. IRMA revision process

A comprehensive revision of our standards allows us to:



Ensure our system remains accountable to all sectors and is aligned with our mission and vision



Remain up-to-date: Reflect the latest scientific understanding in our standard; learning from other standards, policies, laws



Add clarity: Make the standard clearer, more accessible for all stakeholders; learning from first audits



Add consistency: Better align the structure and flow of chapters that are similar; embedding good management systems practice and models



Fill gaps: Address the most significant environmental and social issues

Holistic and integrated approach

IRMA is evolving to address key phases of the mineral supply chain.

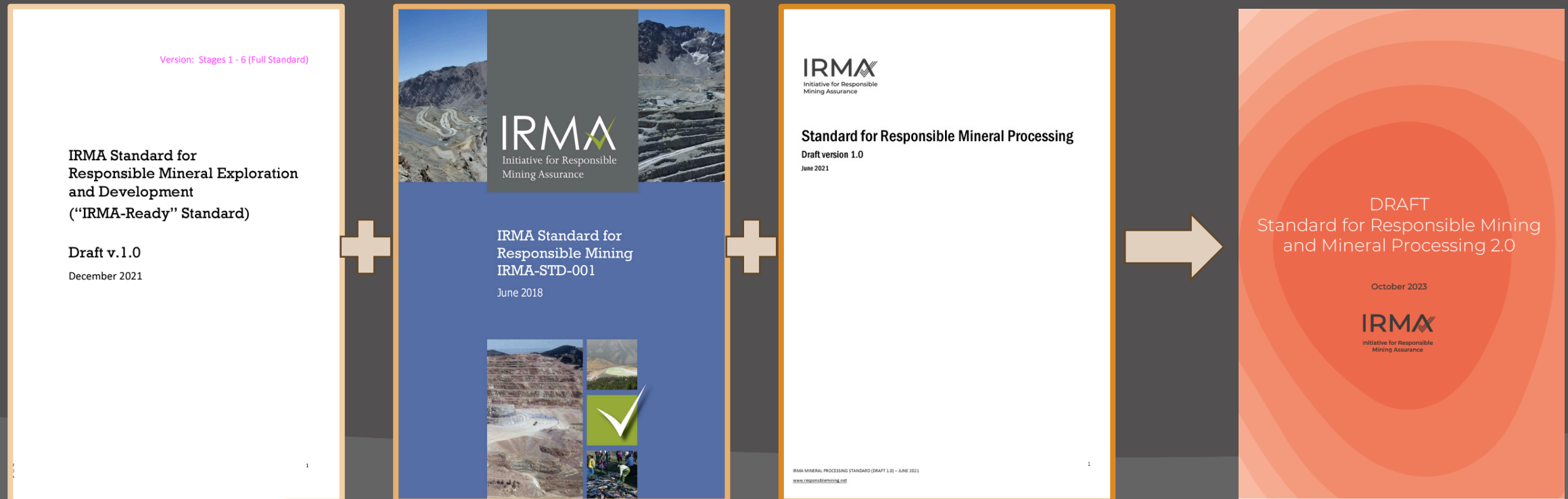
■ Mining



Holistic and integrated approach

IRMA is evolving to address key phases of the mineral supply chain.

- Exploration & Development
- Mining
- Mineral processing



What is in the new consultation draft?

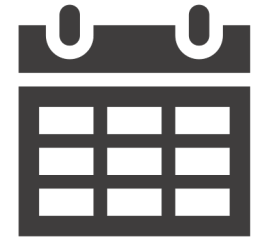
- **Transmittal Letter:** **Not Board approved**; invitation for comments on all content; reflection of IRMA principles (best practice, sound science, efficiency, equal stakeholder value, etc.), the context for proposed changes and questions
- **Drafters' Notes:** Indicate divergence with the 2018 Mining Standard, why the change is being proposed.
 - **NOTES** at the beginning of each chapter (summary of changes proposed)
 - **NOTES** under requirements that are proposed to change and why (e.g., previous requirement wording was unclear, or we had a gap with other standards, international norms, regulatory bodies. Indicates **NEW** or **REVISED** or unchanged.)
 - **CONSULTATION QUESTIONS** lay out the challenging issues that have been raised and ask for feedback to help resolve them
- An **Excel version**, as some prefer to read and comment back in Excel. It contained consultation questions and NOTES.

Consultation draft informed by:

- Experiences from initial IRMA audits
- Review of other standards
- Increased public awareness and evolving expectations of best practice
- Review of emerging issues garnering international discussions
- Comments on DRAFT IRMA-Ready and Mineral Processing
- Ongoing input from stakeholders on particular content
- Expert working group discussions

Public Consultation period is open

From Oct 26 – Jan 26: **90 days**

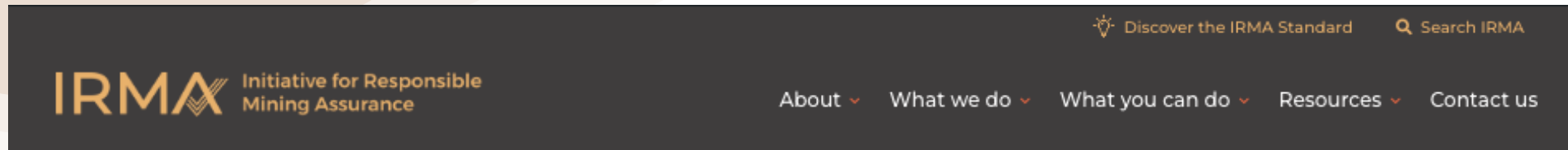


End date:
January 26, 2024

- Consultation period is 90 days
- There are many ways to participate!
- All comments will be considered equally and objectively
- They will be included in a public summary of all comments received
- **Comments may be treated confidentially if desired**

Online platform

<https://www.responsiblemining.net/comments2>



Standard 2.0 online comments

Welcome to the online commenting form for the DRAFT Standard for Responsible Mining and Mineral Processing 2.0. Commenting on the draft is open until 25 January 2024.

To start commenting enter the required fields on the *Get Started* tab and click *Proceed*. For assistance with this form visit the *Support* tab. Visit the [main Standard 2.0 page](#) to learn more about the Standard and other ways to comment.

A screenshot of the 'Get Started' tab in the online commenting form. On the left, there are three tabs: 'Get Started' (selected), 'Support', and 'Chapter 1.1 Legal Compliance'. The main content area is titled 'Get Started' and contains a 'Name (REQUIRED)' section with two input fields: 'First' and 'Last'.

Other channels

- Via email

comments@responsiblemining.net

- Via WhatsApp

To comment via text or voice, use the IRMA WhatsApp number:

+1.301.202.1445

- Via postal mail to

IRMA Std Comments

113 Cherry St, #74985

Seattle, Washington, 98104

USA

4. Proposed changes

Objectives/Intent of this chapter

To protect long-term environmental and social values, and ensure that the costs of site reclamation and closure are not borne by affected communities or the wider public.

Scope of application

This chapter is applicable to all exploration, mining and mineral processing projects and operations.

— not all requirements will be relevant in all cases —

Overview of Proposed changes



Add consistency

+ Add clarity



This chapter has gone through fairly extensive restructuring in an effort to streamline the chapter.

In particular, requirements that referred to post-closure activities and financial assurance have been wrapped into the requirements that relate to closure, as there was already a lot of overlap (and some duplication).

Overview of Proposed changes

2

Add consistency
+ Add clarity



Exploration phase:

Criterion 2.6.1 on Exploration Reclamation was deleted, and exploration was **integrated** into the general requirements.

Overview of Proposed changes

3

Add consistency
+ Add clarity



Complaints and Grievances:

The requirement relating to complaints was deleted (as it duplicated requirements in “*Chapter 1.4 - Complaints and Grievance Mechanism and Access to Remedy*”)

Overview of Proposed changes



Add consistency
+ Add clarity



Post-closure monitoring:

Criterion 2.6.5 on Post-Closure Planning and Monitoring was deleted. The requirements were moved into new requirement 2.6.1.2, which lays out the details of what needs to be in the reclamation and closure plan.

See sub-requirements 2.6.1.2 (j), (k) and (l).

Overview of Proposed changes

5

Add consistency

+ Add clarity



Post-closure water treatment:

Criterion 2.6.6 on Post-Closure Water Treatment was deleted, and the requirements contained within were moved to Chapter 4.2 on Water Management so that all water-related requirements could be consolidated (see 4.2.4.3, 4.2.4.4 and others).

However, the calculating of costs and financial assurance for long-term water treatment are still included in Chapter 2.6 See 2.6.1.4.i and 2.6.3.1.c.

Overview of Proposed changes

6

Add consistency

+ Add clarity



Post-closure financial surety:

Criterion 2.6.7 on Post-Closure Financial Surety has been deleted. The criterion was deemed redundant because the reclamation and closure plan includes post-closure activities and the estimation of post-closure costs, and requirement 2.6.3.1 on financial assurance requires that financial assurance be in place for closure and post-closure activities.

Overview of Proposed changes

7

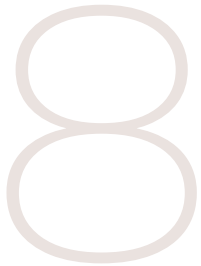
Fill gaps



Financial assurance:

Proposed to address what to do when no government ability to manage financial security.

Overview of Proposed changes



Add consistency



Credibility of cost calculation:

Proposed to require that reclamation and closure costs are calculated by professional engineers using a credible method (i.e., a credible engineering cost estimate method) or the costs are reviewed by third-party competent professionals.

Overview of Proposed changes

9

Remain up-to-date



Learning from audits:

Proposed to add a couple of new requirements from previously existing sub-requirements to ensure that adequate attention is paid to these elements during audits.

- Specifics for concurrent/progressive reclamation (2.6.1.2)
- Stand-alone requirement for an interim fluid and site management plan (or equivalent) (2.6.1.3)

Applicability to all phases: Full document available on IRMA website, under Resources

Criteria #	Criteria name	Req #	Critical	Exploration - Stage 1	Exploration - Stage 2	Exploration - Stage 3	Project Development	Project Permitting	Operating Mine or Mineral Process
2.6.1	Reclamation and Closure Planning	2.6.1.1	Yes			Yes	Yes	Yes	Yes
2.6.1	Reclamation and Closure Planning	2.6.1.2				Yes	Yes	Yes	Yes
2.6.1	Reclamation and Closure Planning	2.6.1.3				Yes	Yes	Yes	Yes
2.6.1	Reclamation and Closure Planning	2.6.1.4				Yes	Yes	Yes	Yes
2.6.1	Reclamation and Closure Planning	2.6.1.5				Yes	Yes	Yes	Yes
2.6.1	Reclamation and Closure Planning	2.6.1.6				Yes	Yes	Yes	Yes
2.6.1	Reclamation and Closure Planning	2.6.1.7				Yes	Yes	Yes	Yes
2.6.2	Backfilling as a Part of Reclamation	2.6.2.1			Yes	Yes	Yes		
2.6.2	Backfilling as a Part of Reclamation	2.6.2.2						Yes	Yes
2.6.2	Backfilling as a Part of Reclamation	2.6.2.3				Yes	Yes	Yes	Yes
2.6.3	Financial Assurance	2.6.3.1	Yes			Yes	Yes	Yes	Yes
2.6.3	Financial Assurance	2.6.3.2				Yes	Yes	Yes	Yes
2.6.4	Disclosure	2.6.4.1				Yes	Yes	Yes	Yes

2018/2023 comparative analysis

TOTAL NUMBER OF REQUIREMENTS

28 requirements in 2018 standard

13 requirements in 2023 draft standard

Key consultation questions

- **Revised requirement 2.6.1.7 on stakeholder engagement and input:**

Do you agree that stakeholders should be provided with the opportunity to provide input on reclamation, and reclamation and closure plans, throughout the operation's life cycle? If so, does it make sense to tie this opportunity to when the plans are updated?

Key consultation questions

Revised requirement 2.6.3.1 on Financial Assurance (**CRITICAL**) is suggested as follows:

Financial Assurance is:

- a. *In place **throughout** the project/operation life cycle;*
- b. *Independently guaranteed, reliable, and readily liquid; and*
- c. *Sufficient to cover the costs of interim fluid and site management, reclamation (including concurrent reclamation), closure and post-closure activities estimated in the most current reclamation and closure plan.*

Compared with 2018 Mining Standard requirements:

*2.6.4.1 (**CRITICAL**) Financial surety instruments shall be in place for mine closure and post-closure.*

2.6.4.2 Financial surety instruments shall be:

- a. *Independently guaranteed, reliable, and readily liquid;*
- b. *Reviewed by third-party analysts, using accepted accounting methods, at least every five years or when there is a significant change to the mine plan;*
- c. ***In place before ground disturbance begins;** and*
- d. *Sufficient to cover the reclamation and closure expenses for the period until the next financial surety review is completed.*

2.6.4.3 Self-bonding or corporate guarantees shall not be used.

Key consultation questions

Should IRMA leave the requirement 2.6.4.3 from the 2018 Standard unchanged (i.e., “Self-bonding or corporate guarantees shall not be used”)? In that case, if self-bonding is used, the most the entity can score on this requirement would be “partially meets” (and that would only happen if the site fully meets sub-requirement b). Or are there other ways to sufficiently highlight the financial risk of not having government-supported financial assurance in place?

Note: This question has been asked specifically by NGO Sector leaders concerned with transparency of risks where mining operations lack government-supported financial systems.

Key consultation questions

Should IRMA add that that self-bonds or corporate guarantees are not used “unless there is no other option available,” and create some requirements that evaluate the credibility of any self-bond or corporate guarantee, so that stakeholders are provided with some information on the likelihood that funds would be available to cover the cost of reclamation and closure either at the end of the operation’s life or if the entity were to go bankrupt prior to the planned closure date. There are existing approaches such as ‘balance sheet tests,’ which require periodic verification of compliance with financial health criteria.

Key consultation questions

Are there realistic options for "Independently guaranteed, reliable, and readily liquid" that do not specifically require a government body to oversee financial management and reclamation execution? What are those options and how have they been implemented to date in practical terms? Are there examples of success? challenges?

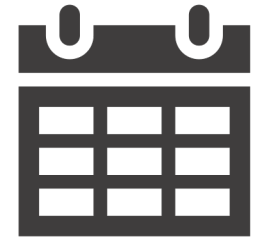
Key consultation questions

Should IRMA consider provision of guarantees by corporates of sufficient creditworthiness that have secured an independently assessed “investment grade” credit rating by one of the recognized credit ratings agencies? What are the benefits and shortcomings of this approach?

Note: This question has been asked specifically by Mining Sector leaders seeking solutions where government supported systems are not in place or may not be sufficiently robust.

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