

# IRMA Theory of Change

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**IRMA**

Initiative for Responsible  
Mining Assurance



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## IRMA's Theory of Change

**IRMA's vision** is a world where the mining industry respects the human rights and aspirations of affected communities, provides safe, healthy and supportive workplaces, minimizes harm to the environment, and leaves positive legacies.

Our Theory of Change (ToC) shows how IRMA works towards fulfilling our vision. It includes the following summarized elements:

- A. **Strategies:** IRMA's main interventions that support stakeholders to advocate for, contribute to, and adopt best practices for responsible mineral value chains.
- B. **Outputs:** actions that we expect will be implemented in the shorter term by IRMA members, engaged mining and mineral processing companies, and other stakeholders and rights holders using IRMA.
- C. **Outcomes:** medium-term results that IRMA members, engaged mines and mining companies, and other stakeholders achieve or benefit from because of engagement over time in IRMA.
- D. **Impact:** the longer-term effects that this generates for people, the environment, and mineral value chains.

In addition, the ToC describes some of the **unintended effects** that may occur due to IRMA interventions.

# STRATEGIC PATHWAYS

1

## PROTECT PEOPLE AND THE ENVIRONMENT

**Create Standard**  
Standard created by diverse sectors with equal power

**Measure Achievement**  
Measuring achievement in a way that everyone trusts

**Evaluate**  
Evaluating IRMA system's impacts and continuously improving

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## VALUE AND DEMAND CREATION

- Financial Value
- Reputational Value
- Resiliency of Supply — reducing conflicts where mining happens
- Meeting Regulatory, Due Diligence or ESG Expectations — supporting end brands and investors to exert positive power of responsible sourcing / investing

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## INDEPENDENCE AND STAKEHOLDER ACCOUNTABILITY

- Equal decision-making by 6 stakeholder sectors most affected by this system
- Shared Accountability via Membership

## OUTPUTS



### ACTIONS IMPLEMENTED

- Raised awareness of value of more responsible practices
- Global leaders call for and use IRMA as a tool in advocating for more responsible mining
- Purchasers and investors increase call for mining companies to use IRMA to reduce harm and improve practices
- More mines engaged in IRMA
- More visibility of performance
- Company commitments

## OUTCOMES



### TRUST AND IMPROVED PRACTICES

- Progress made on companies' commitments
- Improved practices in mining operations
- Clear examples of increased trust

## IMPACTS



### IMPROVEMENTS FOR PEOPLE AND COMPANIES

- Harm reduction for people and the environment from the negative impacts of mining
- Improved industrial scale mining practices in significant number of countries and materials
- Enhanced value for responsible mining and responsibly mined materials
- Sector transformation that drives a significant change in how mining is done

## A. IRMA's Strategies

The IRMA system works through the following three (3) strategic pathways

### Strategy 1: Raise the bar for a shared definition of responsible mineral value chains

The IRMA system sets and credibly measures achievement of or improvement towards best practices.

This happens at the following levels:

- **The Standard** is developed through an inclusive, equally governed, expert-driven process. It serves as a publicly available shared definition of what constitutes responsible mining and mineral processing and can serve as a blueprint for companies to improve practices, civil society to advocate for change, or governments to set policy.
- **The independent assurance system** delivers impartial, accessible, and credible assurance processes. Independent assessments (third-party audits) are performed by IRMA-trained and accredited independent audit firms. By design, the scoring system, corrective action processes, and surveillance audits drive continuous improvement at the site-level. In a world where traditional auditing systems have not been trusted across sectors, IRMA strives to be a transparent and accountable tool for those most affected by mining.

### Strategy 2: Create value and demand for responsible mineral value chains

IRMA delivers a market incentive for best practice, with outcomes that serve all parties whose support is critical to a mine's long-term success.

- **Financial value** – IRMA harnesses the power of the market to drive change. The system reflects the leading edge of market demand for on-the-ground improvements in responsible mineral value chains. Independent assessments offer detailed and transparent information about the social and environmental performance of mining and mineral processing sites, providing a credible claims system to back up company claims, and meet the expectations of purchasers and the finance sector.
- **Reputational value** – Mining and mineral processing company, purchasing company, and investor engagement in IRMA can demonstrate responsiveness to calls from Indigenous rights holders, affected communities, organized labor, and NGOs to prevent harm and remedy past, current, and future harms to nature and people. Through brands having more visibility into their mineral supply chains, they may be more aware of risks, harm and disruption earlier, and more prepared to respond, making them more resilient and responsive to reputational risk.
- **Future supply availability** – There is no security in supply chains when there's community conflict and lack of consent to mining and mineral processing. Without consent, raw materials from mining may be delayed or stopped due to community fears of long-lasting harm, lawsuits, and protests. IRMA supports opportunities for companies to improve dialogue with local communities, workers and Indigenous rights holders and avoid conflict. Where there are more positive relationships, reduced harm, benefits sharing, and community consent to the operations, minerals supply chains are more reliable and resilient.
- **Meeting regulatory, due diligence, and ESG expectations** – IRMA aims to align with and complement the growing number of mandatory and voluntary due diligence frameworks in multiple jurisdictions, supporting company compliance. Many national and international frameworks and best practices are incorporated into IRMA standards, allowing companies to gain recognition for their efforts in multiple contexts.

- **Improving legal frameworks and implementation** – As a voluntary standard incorporating best practices, IRMA serves as a benchmark for assessing and improving legal frameworks. IRMA standards call on operators to meet and exceed legal compliance, and IRMA audits provide an opportunity for audited sites to gain market recognition for this performance and continuous improvement.
- **Capacity building** – We must go beyond setting standards and assessing performance to meet our objectives of driving value for more responsible mineral value chains, and protecting people and the environments on which they rely. Mining companies, their customers, investors, government staff, labor unions, NGOs, and affected communities want to know *how* more responsible mineral value chains can be forwarded, and what is the contribution that each sector or group of people can contribute. IRMA provides hands-on in-depth support to stakeholder and Indigenous rights holder groups to use IRMA as a practical tool for protecting their rights and to companies to use IRMA as a roadmap to implement and demonstrate best practices in mining and mineral processing.

### Strategy 3: Ensure independence and stakeholder accountability

IRMA seeks to be independent and impartial while providing a mission-driven space for cross-sectoral dialogue and collaboration. Operating as an independent nonprofit that is not controlled or owned by the private sector. IRMA is accountable to all stakeholders it seeks to serve. IRMA's impartiality and accountability further drive change, increasing trust in IRMA as a credible tool and system.

Accountability happens in several ways, including:

- **Multistakeholder governance** – IRMA remains committed to serving each of our six stakeholder houses equally, each with equal representation and equal voting rights in the IRMA multistakeholder Board of Directors. The six houses on the Board have two seats each and include mining companies, purchasers of mined materials, finance and investors, mining affected communities, organized labor, and NGOs. The IRMA Board strives to make decisions by consensus. Where the Board cannot achieve consensus, they agree to vote. Any vote that results in two “no” votes from the same house does not pass and the issue must go back to the full group for further discussion and resolution. Multistakeholder accountability is also unique in the IRMA audit process, where diverse stakeholders and Indigenous rights holders are included in audits, audits are publicly announced, and proactive outreach to affected communities and rights holders is conducted before, during, and after the audit.
- **Shared accountability via IRMA's membership program** – IRMA's membership program drives engagement and shared accountability as all members play a role in driving more responsible mineral value chains. Members have a role in multistakeholder governance, by nominating and electing Board members for each sector. Mining and mineral processing companies engage sites in IRMA audits. Purchasers of mined materials call for mining and mineral processing sites in their supply chains to conduct IRMA audits. Purchasers also use the IRMA Chain of Custody system to verify the flow of IRMA-audited material across supply chains. Investors also call for mining and mineral processing companies to engage in IRMA. Other members drive uptake of the IRMA Standard and contribute to IRMA's mission and vision through their own strategies and programs including advocacy, service provision, investments, research, or other activities.
- **Transparency of audits** – IRMA's accountability includes public announcement of audits taking place, public release of detailed audit results, and an accessible complaints mechanism for the independent auditing system.
- **Accessible grievance mechanism and access to remedy** – IRMA's accountability includes our work to maintain a grievance mechanism that is accessible to all, holds the IRMA system and auditors accountable, and may serve as a backup if a company grievance mechanism is not trusted or effective to manage a complaint.

- **Monitoring and evaluation** – IRMA has a system to measure our reach, outputs, outcomes and impacts of our system based on our Theory of Change. A commitment to active learning and making improvements in real time drive improvement and accountability within IRMA.

## B. Outputs

In the short term, IRMA's three strategic pathways drive stakeholders to take certain actions. These short-term actions (outputs) include:

- **More mines engage in the IRMA system and implement the standard**, increasing a more transparent and honest accounting of mining's impacts, catalyzing opportunities to improve practice, and supporting differentiation/preference in the marketplace for these companies' transparency and improved performance.
- **More companies and organizations participating in IRMA membership including civil society and labor unions joining to engage in the cross-stakeholder dialogue** and to positively influence further development of IRMA's standard.
- IRMA membership and stakeholder engagement more widely leads to **increased awareness of the IRMA Standard as a global resource** for a comprehensive, credible, shared definition of responsible mining and mineral processing.
- Awareness of IRMA leads to **more calls for and references to responsible mines and mineral processing from diverse stakeholders** across all six of IRMA's houses. Often these different 'asks' or demands converge where the call from civil society matches the demand from buyers and investors, amplifying a drive for action.

## C. Outcomes

In the medium term, actions taken by stakeholders inspired and supported by IRMA should lead to tangible results. These intermediate results (outcomes) include:

- **Increasing the number of mining and minerals processing sites engaged in independent audits** by IRMA.
- **Improved practices through continued expansion of site-level implementation of requirements in the IRMA Standard** as shown through transparent, public audit reports showing increased scores from one audit to the next audit.
- **Examples of increased trust, improved dialogue, and benefit sharing** between mines in IRMA system and the communities, workers, unions and Indigenous rights holders affected.



## D. Impacts

IRMA sees potential longer-term effects (impacts) that can be reached through our intermediate results (outcomes). These are:

- **Empowered stakeholders who ask for harm reduction** for people and the environment from the negative impacts of the mining sector.
- **Improved industrial mining practices** in a significant number of countries and mined materials.
- **Improved laws and government oversight in countries** inspired by IRMA's demonstration of value associated with higher standards set for mining.
- **Enhanced value for responsible mineral value chains** and responsibly mined materials.
- **Climate solutions** that ensure the raw materials for energy transition aren't undermining our goals for a healthy planet.
- **Sector transformation** that drives a significant change in how industrial scale mining is managed.

## Improving our understanding of our effectiveness: Possible unintended effects and avoidance responses

The strategies and actions described in this Theory of Change may lead to possible unintended effects. These may be positive, negative, or neutral. They may also affect a small group of stakeholders or a larger group of stakeholders. Some of these that we have identified could include:

- **Increased procedural burdens** along minerals supply chains due to IRMA requirements and auditing procedures.  
→ **Response:** Continuously work across the IRMA Standard and system, across standards for the mining sector, and with governments to incorporate best practice requirements in the IRMA Standard into rule of law, to reduce redundancies across voluntary and mandatory frameworks, and to streamline procedures.
- **Creating a desire to shift to 'easy' standards with a lower bar** due to IRMA being perceived as too aspirational or not attainable. In addition, the success of IRMA may drive industry-governed standards to more directly compete seeking to control or limit what improvements their members will need to make.  
→ **Response:** Continue our work with companies of all sizes completing IRMA Audits, demonstrating continuous improvement, and experiencing benefits from the process.
- **Costs of IRMA verifications** and the investments needed to make changes required by the Standard are challenging for smaller companies or those with lower value minerals who may struggle to meet expectations.  
→ **Response:** Work with the many small companies engaged in IRMA to move from self-assessment to completion of IRMA Audits and share the value they experience.
- **Investments in IRMA requirements or audits are made at the reduction of other types of investments in sites** which might have a more immediate positive effect on stakeholders such as workers or affected communities.  
→ **Response:** Conduct surveys to track the veracity of this possible unintended effect and make corresponding improvements to the IRMA Standards and system to avoid the effect.
- **Companies pay less environmental or social attention to sites that have not been prioritized** for independent audit, creating additional harm or neglecting potential improvements needed.  
→ **Response:** Conduct surveys to track the veracity of this possible unintended effect and make corresponding improvements to the IRMA Standards and system to avoid the effect.
- **New conflicts, such as with affected communities, created for mining companies engaged in IRMA**, due to requirements that bring greater attention to practices that are now more visible to all stakeholders.  
→ **Response:** Review surveillance audit reports and reassessment reports to track the veracity of this possible unintended effect and make corresponding improvements to the IRMA Standards and system to avoid the effect.
- **Increased scrutiny and criticism of most-motivated mining companies that agree to undergo audits** – some companies that are most motivated to complete independent audits and demonstrate increased transparency may receive more negative attention at first due to stakeholder perception of standards as pro-industry tools, mistrust of audits, or fear that a company will use the results for greenwashing.  
→ **Response:** Conduct surveys to track the veracity of this possible unintended effect and make corresponding improvements to the IRMA Standards and system to avoid the effect.

Part of credible monitoring and evaluation activities focus on understanding and sharing when these unintended effects are identified, so that an organization can enhance ways in which our work, or the external environment, might seek to avoid or reduce negative unintended consequences. IRMA will implement the responses noted above and others to avoid unintended effects and will ensure that these are reported on in our impact evaluations, that we regularly have discussions about them for learning, and that we regularly consult stakeholders on these.