5. ENGAGE HOST COMMUNITIES AND OTHER AFFECTED AND INTERESTED PARTIES

Objective: To interact with communities, indigenous peoples, organizations, groups and individuals on the basis of respect, inclusion and meaningful participation.

Introduction

Developing and maintaining positive, mutually-beneficial relationships with local communities, indigenous peoples, and other local stakeholders based on respect, transparency, and participation is fundamental to obtaining a social license to operate. Active engagement with stakeholders and other affected and interested parties from the early stages of exploration and community participation in decision making can decrease the likelihood of conflict.

For each exploration project, the stakeholders and other parties to engage with and the form and scope of engagement

will vary with local circumstances and the stage of exploration. As such, the character of engagement will be context specific, dynamic in nature, and will require constant monitoring and adjustment as exploration advances. In practice, engagement can range from notification and the provision of information, through to participation and an active role in aspects of project planning and decision making.

Explorers are encouraged, therefore, to develop and implement management practices and programs for engagement that are appropriate for the local situation and stage of exploration.[14]

Preparing for Engagement

To facilitate engagement, explorers are encouraged to consider the need to:

---

[14]   *For more information on the range of interactions see the materials provided by the International Association of Public Participation available at: www.iap2.org/ associations.*

a. Adopt and make public policies and procedures for community relations and stakeholder engagement; land use, mitigation and possible compensation; disclosure of information, and dispute resolution;

b. Identify the geographical area of impact of exploration activities, noting the community or communities, and other parties that may be affected by the exploration project (see Principle 4). It is recommended that this process be repeated at each stage of exploration in order to engage all affected parties;

c. Assemble relevant information in order to understand local social, political, economic and cultural characteristics, including:

- Identification of key groups and individuals, social structures and decision-making processes, and representative leaders;

- Land-use, ownership and occupancy characteristics; and

- Institutional and technical capacity.

Such information can provide a basis on which to develop plans for engagement, communications and community relations and to identify benchmarks against which social and economic changes can be monitored. This process should be repeated periodically in order to ensure that engagement, communications and community relations are appropriate to the stage of exploration (see Principle 2).

Implementing Engagement

Explorers should:

a. Engage with relevant parties during the early stages of exploration to develop a process and schedule for access to and use of land;[15]

---

[15] *Procedures for land access vary across jurisdictions. At a minimum, explorers must comply with any legal requirements and government regulations pertaining to access to land and approval to conduct work.*

b. Identify and implement a process that provides for the mutual exchange of information in a transparent, inclusive and respectful manner and that facilitates community participation in decisions that affect their wellbeing and livelihoods. Explorers are encouraged, where possible, to ensure that all groups within the community, including vulnerable and **marginalized groups**, are included in this process and that they have sufficient time and capacity to participate (see Principle 2);

c. Be aware that the absence of legal title to surface rights on the part of an individual, group or community does not eliminate the need for engagement and mitigation of, or possible compensation for, any adverse impacts (see Principle 3);

d. Where possible, conduct exploration activities on the basis of an agreement[16]

---

[16] *Agreements may take the form of a signed written document or be oral before witnesses.*

with the appropriate group, person or persons. It should be anticipated that such agreements will become more detailed as the scale and intensity of the project advances;

e. Confirm commitments with the community in the form of written agreements that incorporate terms which respect community values and processes for interaction and decision making. Explorers are encouraged to structure such agreements so that they provide long-term sustainability for both the community and any future owner or operator;

f. Identify and, where possible, address the need to provide resources for the provision of expert advice to support stakeholders and other affected and interested parties to both understand the project and to participate in the engagement process;

g. Ensure that all employees, contractors, and subcontractors are fully aware of the

mechanisms adopted for engagement, and of their role and responsibility to the community in the engagement process; and

h. Conduct temporary displacement of people and purchase or acquisition of surface rights to land in a manner consistent with the provisions of the International Finance Corporation's Performance Standard 5 (2012): Land Acquisition and Involuntary Resettlement.[17]

Disclosure of Information

Explorers are advised to:

a. Provide non-confidential information about the company and its exploration program, including relevant permits and potential timelines. When possible, explorers are encouraged to provide this information in the local language of the stakeholders and other affected and interested parties, be timely, and use

---

[17] *www.ifc.org/performancestandards*

appropriate forms of speech so that the information is easily understood by non-technical persons (see Principle 2); and

b. Be receptive and cooperative with stakeholders and other affected and interested parties who choose to obtain independent advice on the quality, relevance and validity of the information disclosed by the company.

Issues Management, Grievance and Dispute Resolution

Explorers are strongly encouraged to develop, in collaboration with the community, a mechanism for managing issues, grievances and disputes arising from exploration activities.[18] More information on developing a grievance mechanism can

---

[18] *See 'IFC Performance Standard 1: Social and Environmental Assessment and Management System,' 'Guidance Notes for Performance Standard 1'and also 'A Guide to Designing and Implementing Grievance Mechanisms for Development Projects' available at: www.cao-ombudsman.org/html-english/Grievance _mechanism2.htm*

be found in the *e3 Plus* Excellence in Social Responsibility Toolkit.

Monitoring and Reporting

Explorers are advised to implement processes of monitoring and reporting on the social and environmental performance of their projects (see Principle 2). In doing so, explorers are encouraged to:

a. Provide monitoring and reporting information that is timely, accurate, relevant and accessible; and

b. Involve the local community or civil society groups in monitoring activities and, where appropriate, confirming the accuracy of reports (see Principle 2).

Exploration-Specific Issues

In addition to the above items, explorers are encouraged to:

a. Develop mechanisms to facilitate communication and the provision of information to local stakeholders and other affected or interested parties during extended periods of time when

the company is absent from the field location (for example, if the project is on hold);

b. Develop systems to manage relationships with local stakeholders and other affected and interested parties in order to facilitate the possible transfer of project management or ownership from one company or team to another, or from exploration to mine construction; and

c. Develop a management process with sufficient resources to mitigate any potential social and environmental impacts of projects which do not lead to mine construction.