

GUIDANCE TO ACCOMPANY THE PRINCIPLES

7. PROTECT THE ENVIRONMENT

Objective: To conduct exploration activities in ways that create minimal disturbance to the environment and people.

Introduction

In most countries environmental law, regulations and guidelines exist to provide direction for exploration activities. In the absence of such instruments, explorers are advised to apply good practice as described in the PDAC on-line manual Excellence in Environmental Stewardship and, in the case of more advanced exploration projects, the Performance Standards of the International Finance Corporation (2006).¹

Policies and Management Processes

In preparing instruments for the management of environmental and socio-environmental matters, it is recommended that explorers follow established guidelines and also give consideration to the following:

- a. Adopt, and make public, policies and procedures for the management of environmental and social issues;
- b. Create a management and reporting structure that identifies objectives and allocates appropriate resources and responsibilities for the environmental and social aspects of exploration projects;
- c. Apply relevant national regulations, home country, or international good practice guidelines for environmental management, whichever is the highest standard of performance;
- d. Establish procedures for management of the environmental issues that are appropriate to conditions in the area of exploration. Explorers are encouraged to involve the local community in the identification and implementation of preferred environmental management options;
- e. Advance understanding amongst employees, contractors, and local populations of the potential impacts of exploration and mining on the environment and procedures to prevent, mitigate, and ameliorate adverse environmental impacts;
- f. Take reasonable steps to ensure that contractors have the capacity to implement operational controls and comply with environmental policies and procedures; and
- g. Conduct capacity building and education of community members and other stakeholders in environmental management using appropriately qualified, independent experts.

¹ www.ifc.org/ifcext/sustainability.nsf/Content/PerformanceStandards

Impact Assessment and Management

Explorers should be aware of the potential impacts of their activities and apply appropriate management processes to avoid, manage or mitigate negative impacts. In doing so, Explorers should consider the need to:

- a. Conduct an initial, and then periodic, assessments² of the direct, indirect, and cumulative environmental and social impacts, risks, and hazards of exploration activities on the environment and people, and anticipate environmental and social effects should exploration lead to development of a mine (see also Principle 4);
- b. Conduct and document baseline environmental and social studies to establish pre-existing conditions against which changes can be monitored and share the results of such studies with the local community;
- c. Consult with government and the local community to identify the potential to augment or complement existing land use and development strategies or plans;
- d. Wherever possible, incorporate local or traditional knowledge and practice into baseline studies and the management of environmental issues, but also be respectful of the nature of such information and maintain confidentiality as and when requested to do so;
- e. Have in place and periodically test procedures and equipment to respond to environmental incidents;
- f. Create and implement procedures for managing chance finds of archaeological sites, artifacts or cultural items;
- g. Use processes that reduce the consumption of energy and water and provide for the safe storage and disposal of hazardous materials and residual wastes; and,
- h. Carry out continuous remediation and reclamation of lands affected by exploration activities.

Vulnerable Environments and Biodiversity

Explorers should respect and protect vulnerable environments and species, areas of biodiversity, locations with special social and cultural significance, and:

- a. Respect legally designated protected areas and promote practices that support biodiversity assessment and management;
- b. Consult with indigenous peoples and local communities to identify valued environmental and cultural heritage sites, and any other locations of importance to local people so that the exploration project is responsive to and respectful of these matters; and
- c. Support the development and implementation of sound, inclusive and transparent approaches to land-use planning, biodiversity, conservation, climate change and mining based on the best available data, including traditional knowledge.³

² Explorers are encouraged to consider independent, third party assessment of risks, particularly in the advanced stages of exploration.

³ Explorers may find this is most easily accomplished through participation in local or national industry associations or working directly with local indigenous peoples.

Monitoring and Reporting

Explorers are advised to implement processes of monitoring and reporting on environmental performance (see also Principle 2) to inform management, government, local communities, shareholders, and other interested parties⁴. In doing so, explorers are advised to report promptly all environmental accidents or incidents to the local community and appropriate authorities and to disclose plans to manage the accident or incident. Explorers are also encouraged to consider the need to:

- a. Create a community-based process for participation in environmental monitoring and verification of environmental management performance and, where necessary, provide training and resources to community participants so that such activities are meaningful and effective; and
- b. Prepare and publish regular reports on environmental performance that, wherever reasonably possible, are validated by the community or other third-party observers or investigators.

⁴ The Global Reporting Initiative has developed a reporting template for mining, which unfortunately is unsuitable for exploration projects. It is the intention of PDAC to sponsor development of a template specifically for exploration.