

GLOSSARY OF TERMS

Aboriginal: See also Indigenous and Tribal Peoples. The term Aboriginal is used in Canada, Australia and some other countries instead of indigenous. In Canada, this term refers to the peoples who self-identify as First Nations, Inuit and Métis.

Affected Community: The community or communities subject to the risks or impacts, both positive and negative, arising from an exploration project. Such communities may be defined as physical entities or comprise dispersed populations in the area of impact of an exploration project.

Affected Parties: Groups and individuals subject to the risks or impacts, both positive and negative, arising from an exploration project.

Area of Impact: The area of impact of a project includes the primary project site(s) and related lands and facilities that the explorer and contractors control directly or indirectly;

associated facilities whose viability and existence depend exclusively on the project and whose goods and services are essential for the operation of the project; areas impacted by the presence of the project and the activity of the explorer and their employees, contractors and service providers; and those potentially impacted or affected by further planned or probable developments caused by the project in the future.

Baseline Surveys: The gathering of data to describe the existing physical, biological, socio-economic, health, labour, cultural heritage, or any other variable considered relevant before project development. The data is used as a basis for estimating the impact of development, planning measures to avoid, manage or mitigate impacts, and establishing baseline conditions and indicators against which change resulting from the presence of an exploration or mining project can be measured.

Biodiversity: An integrating concept that includes the ecosystems within which people of the world live, as well as the multitude of species that are used by humankind for food, fiber, medicines, clothing and shelter. Biodiversity is the variety of life in all its forms, including genetic, species and ecosystem diversity.²⁴

Capacity: The sum of the skills, procedures and abilities of individuals, groups, organizations or institutions to perform functions, identify, analyze and resolve problems, and set and achieve objectives.

Capacity Building: Developing abilities, relationships and values that will enable organizations, groups and individuals to improve their performance and achieve their development objectives.²⁵

²⁴ IFC Glossary of Terms, 2006

²⁵ United Nations Environment Program, www.unep.org/PDF/Capacity_building.pdf

Chance Finds: Archaeological or cultural sites and artifacts, including such items as ceramics, tools, buildings, burials, etc., previously unrecognized in baseline studies that are discovered during the course of exploration activities.

Child Labour: Work that deprives children of their childhood, their potential and their dignity; that is harmful to physical and mental development; that is mentally, physically, socially or morally dangerous and harmful; and that interferes with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely, or requiring them to combine school attendance with excessively long and heavy work. Whether or not particular forms of 'work' can be called 'child labour' depends on the child's age, the type and hours of work performed, the conditions under which it is performed and the objectives pursued by individual countries. The

answer varies from country to country, as well as among sectors within countries.²⁶

Civil Society: The wide array of non-governmental and not-for-profit organizations that have a presence in public life, expressing the interests and values of their members or others, based on ethical, cultural, political, scientific, religious or philanthropic considerations. Civil Society Organizations (CSOs) therefore refer to a wide of array of organizations: community groups, non-governmental organizations (NGOs), labor unions, indigenous groups, charitable organizations, faith-based organizations, professional associations, and foundations.²⁷

²⁶ *IFC Glossary of Terms, 2006*

²⁷ <http://go.worldbank.org/PWRRFJ2QH0>

Collective Bargaining: Discussions and negotiations between employers and representatives of workers or workers' organizations for the purpose of determining working conditions and terms of employment by joint agreement. Collective bargaining also includes the implementation and administration of any agreement that may result and the resolution of other issues that arise in employment relationships with respect to workers represented by their leadership or a workers' organization.

Community: A social group possessing shared beliefs and values, stable membership, and the expectation of continuous interaction. It may be defined geographically, by political or resource boundaries, or socially as a community of individuals with common interests.

Completion Agreement: A formal agreement, either written or made orally before witnesses, between an explorer and another party that provides formal confirmation that the explorer

has complied with a contract, promise or other form of obligation to the other party. Examples of such agreements include the reclamation of land after exploration activities and the delivery of benefits to a community.

Conflict of Interest: A conflict of interest exists when an individual is, or is perceived to be, in a position to exploit a professional or official capacity in some way for their personal benefit. Such situations make it difficult for an individual to act or, more importantly, be perceived to act impartially. A conflict of interest exists even if no unethical or illegal act results from the situation; hence it is necessary to be proactive in the avoidance of any circumstance in which a conflict of interest may exist or be perceived to exist.

Cultural Heritage: Unique and non-renewable resource that possesses cultural, historic, scientific, spiritual or religious value and includes immovable objects, sites, structures, natural features or landscapes that have archaeological,

paleontological, historical, cultural, artistic and religious values, as well as unique environmental features that embody cultural values.²⁸

Cumulative Impacts: The combination of multiple impacts arising from existing projects or activities, and/or anticipated future projects or activities that may result in adverse and/or beneficial impacts that would not arise from the original project.²⁹

Development Benefits and Opportunities: Benefits and opportunities provided with the aim of improving the standard of living and livelihoods of host and affected communities in a manner that is culturally appropriate and fosters long-term sustainability of the resources on which they depend.³⁰

²⁸ IFC Glossary of Terms, 2006

²⁹ *Ibid*

³⁰ *Ibid*

Disclosure: The process of providing information to project-affected communities and other interested and affected parties that is timely, understandable and in the appropriate language(s). This should include information on the purpose, nature and scale of the project, the duration of the proposed project activities, and the potential risks to and potential impacts on such communities of not only the exploration project, but also those that may arise should exploration lead to development of a mine.

Discrimination in Employment: Any distinction, exclusion or preference with respect to recruitment, hiring, working conditions or terms of employment made on the basis of personal characteristics unrelated to inherent job requirements that nullifies or impairs equality of opportunity or treatment in employment or occupation.³¹

³¹ *Ibid*

Due Diligence: Process of assembling and evaluating all relevant information to provide the basis for an assessment of potential risks, opportunities and costs on which informed decisions can be made by the company.

Economic Displacement: Loss of assets or access to assets that leads to loss of income or means of livelihood.³²

Engagement: A process of relationship-building comprising contact, dialogue and interaction that assures that project-affected communities and other affected and interested parties are adequately informed and can participate in decisions that affect their lives and livelihoods.

Exploration: The systematic endeavour of searching for and evaluating potentially commercially viable concentrations of minerals (commonly called ore). Exploration is considered to encompass those activities involved in area selection, discovery, definition, economic

³² *Ibid*

and technical evaluation of mineral deposits, beginning with conceptual planning and extending through reconnaissance, prospecting, ore deposit identification and measurement, environmental and social baseline surveys for impact assessment, and ending with the initiation of financial feasibility studies.

Explorers: Companies, corporations, firms, syndicates, partnerships, groups and individuals involved in the management and execution of mineral exploration.

Financial (Final) Feasibility Study: An estimate based on commercial considerations that include project investment, operating and maintenance costs together with relevant costs for managing and mitigating environmental and social impacts that establish whether a project is economically viable or non-viable to the proponent.

Forced Labour: Any work or service exacted or coerced from a person under threat of force

or penalty, or work otherwise not performed voluntarily. Forced labour includes any kind of involuntary or compulsory labour, such as indentured labour, bonded labour or similar labour arrangements.³³

Free Prior and Informed Consent: The concept of free, prior, and informed consent (FPIC) provides a standard for interaction with indigenous communities. The concept has been developed through the UN Declaration on the Rights of Indigenous Peoples (UNDRIP)³⁴ and Convention 169 of the International Labour Organization³⁵ (ILO 169).³⁶ The International Finance Corporation's (IFC) Performance Standards update of 2012³⁷ requires that recipients of IFC financing consult

³³ *IFC Glossary of Terms, 2006*

³⁴ <http://social.un.org/index/IndigenousPeoples.aspx>

³⁵ www.ilo.org/indigenous/lang--en/index.htm

³⁶ *Although a number of states are signatories to ILO 169 and have indicated their support for the more aspirational UNDRIP, only a few have implemented the principle of FPIC into national law.*

³⁷ www.ifc.org/performancestandards

with indigenous communities and in certain circumstances obtain their FPIC.³⁸ The IFC recognizes that FPIC is a process that will be the result of negotiation and will be evidenced by “agreement between the parties as the outcome of the negotiations.”³⁹

Guidance for the extractive industry has been produced by the International Council on Mining and Metals (ICMM) and further information can be found in the *e3 Plus* Excellence in Social Responsibility Toolkit.

Grievance and Dispute Resolution Mechanism: Mechanisms to receive and facilitate resolution of concerns and grievances that may be related to issues such as compensation for damage or harm raised by persons or members of host communities; social, environmental, and safety performance by the explorer; and employment and workplace concerns.

³⁸ IFC Performance Standard 1, para. 32

³⁹ IFC Performance Standard 7, para. 12

Hazardous Waste: Substances identified as hazardous on specific lists or characterized as having at least one of the following characteristics: ignitability, reactivity, radioactivity, corrosivity or toxicity, or appearing on designated lists.⁴⁰

Human Rights: The basic rights and freedoms to which all humans are entitled, including civil and political rights, such as the right to life and liberty, freedom of expression, and equality under the law; and social, cultural and economic rights, including the right to food, the right to work, and the right to education.

Impact: Any effect, whether anticipated or unanticipated, positive or negative, brought about by the activity of exploration.

Indigenous and Tribal Peoples: (Also referred to as Aboriginal Peoples) Distinct social and cultural groups which may be defined by legal statute or recognized by displaying some or

⁴⁰ IFC Glossary of Terms, 2006

all of the following characteristics in varying degrees: self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; collective attachment to geographically distinct habitats or ancestral territories and to natural resources in these habitats and territories; customary cultural, economic, social or political institutions that are separate from those of the dominant society or culture; an indigenous language, often different from the official language of the country or region.⁴¹

Institutional Development: The strengthening, improvement and advancement of the organizational, operational and intellectual abilities of institutions to function for the benefit of their members or constituents, notably the institutions of government at all levels and civil society.

⁴¹ IFC Glossary of Terms, 2006

International Good Practice: The exercise of skill, diligence, prudence and foresight that would reasonably be expected from similar corporations or individuals engaged in the same type of undertaking under the same or similar circumstances at any location globally.

International Treaty: A formally concluded and ratified agreement between states. The term is used generically to refer to instruments binding at international law, concluded between international entities (states or organizations).⁴²

Local Community: The community or communities within the area of impact of the project.

Marginalized, Disadvantaged or Vulnerable Groups: Individuals or groups within the project area of impact who could experience impacts more severely than others based on their vulnerable or disadvantaged status. This

⁴² www.unicef.org/crc/files/Definitions.pdf

status may stem from an individual's or group's race, colour, sex, age, language, religion, political or other opinion, national or social origin, birth or other status. In addition, other factors should be considered such as gender, ethnicity, culture, sickness, physical or mental disability, poverty or economic disadvantage, and dependence on unique natural resources.⁴³

Occupational Health and Safety: The range of endeavours aimed at protecting workers from injury or illness associated with exposure to hazards in the workplace or while working.⁴⁴

Participatory Monitoring: The involvement of communities or other affected and interested parties in the monitoring of environmental and social management, mitigation procedures and the verification of information to ensure that such procedures are appropriate and effective.⁴⁵

⁴³ www.unicef.org/crc/files/Definitions.pdf

⁴⁴ *IFC Glossary of Terms, 2006*

⁴⁵ *Ibid*

Physical Displacement: Relocation or loss of home or shelter.⁴⁶

Pre-feasibility Study: An estimate of commercial considerations made on the basis of proven ore reserves, conceptual designs for mining and processing, and probable operating and capital costs that establish whether a project is economically viable or non-viable to the proponent.

Project Life Cycle: The progress of a project from conceptual planning through physical execution, to termination or closure and decommissioning.

Security: Measures taken to guard against espionage, sabotage, crime (theft, assault) or attack on the activities of an explorer.

⁴⁶ *Ibid*

Security Forces: Organizations hired to undertake the task of security that have the ability to apply the legitimate use of force, usually armed force.

Security Personnel: Individuals hired to undertake the task of security who have the ability to apply the legitimate use of force.

Stakeholders: Individuals or groups that are affected by, or have the ability to impact an exploration project.

Sustainable Development: Sustainable development is generally understood as development that meets the needs of today without compromising the ability of future generations to meet their needs. In the context of exploration, sustainable development is considered to be actions and activities that protect and preserve the environment and

improve the wellbeing of the community or ability of the community to manage and sustain its own affairs now and into the future without depending on external sources for their ongoing maintenance.

Traditional Knowledge: Traditional knowledge encompasses the beliefs, knowledge, wisdom, values, teachings, practices, innovations, arts, spirituality, and other forms of cultural experience and expression by indigenous and tribal communities. In many cases, traditional knowledge is preserved and transmitted orally between individuals and generations and expressed in the form of stories, legends, rituals, songs or laws.