The role of and developing “Environmental standards” in the Area

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Discussion on “Environmental standards”

- High level issue No. 6: Risk assessment, evaluation and management. The development of risk assessment and risk management standards and systems (for environmental, occupational health and safety and operational risk)

- High level issue No 10: Internationally recognized standards and their significance in exploitation activities. Standard(s) development as part of good mining industry practice is a pre-requisite to the orderly development of the industry and a key consideration for the regulatory framework across a broad-range of subject matter......
standard (stănˈdərd)

• A standard is a practice that is widely recognised or employed, especially because of its excellence; it is a way of doing work that is widely recognised as good (or even best) practice.

• Can be seen in different guises: regulatory provisions; guidelines; LTC recommendations; industry codes of conduct etc

• Wealth of potentially relevant standards out there: IFC Performance Standards, Equator Principles, ISO family....MIDAS WP8

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- Establish a level playing-field: consistency through standardisation
- Improved management processes and response (and does not stifle innovation)
- Promotes compliance: assessment and verification by 3rd party
- Improves efficiency & potentially cost-effectiveness (economies of scale?)
- Builds confidence & credibility with stakeholder base
- Investor confidence
What are we trying to achieve?

• Good industry practice / Best environmental practice

• The determination of a specific outcome / result (performance-related standards)

• And / or to recommend ways of doing things to help operationlise the regulations? (process-related standards)

• And what should be mandatory or voluntary?
Environmental risk assessment

[High Level Issue 6]

• Hazard identification and risk assessment fundamental to any operating business
• Typically not a regulator’s job to develop this?
• That said, regulation or guideline that sets out the parameters for an adequate risk assessment and management process that is transparent and auditable would seem appropriate
• DR21: provides for the adoption of “internationally recognized risk assessment techniques”
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- Example of a process-related standard relating to EMSs
- Draft reg 28 uses ISO principles to set an EMS benchmark rather than providing for its out-right adoption
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- Need to develop set of standards through a transparent and equitable process
- Link to objectives
- Builds confidence in the result
- Key elements:
  - Content: based on good technical information + needs to be practical and feasible (technical & economic constraints)
  - Credibility: buy-in by relevant stakeholders
A transparent process for development and adoption, to address:

- Which standards are in place already and potentially transferable (as modified where necessary)?
- Which activities need associated standards and which do not?
- Which standards are relevant?
- Which standards will be mandatory or voluntary?
- When will the various standards need to be in place?

- Should industry be encouraged to develop its own representative body which could, among other things, set its own standards (à la ICMM)
- Which standards should the ISA consider adopting?