UNDERSTANDING CONFLICT:
FIELD TOOL FOR EXPLORATION

FIELD TESTING VERSION July 2010

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Foreword

Many multi-national mining companies operate in locations that are low on the socio-economic development scale, are conflict-prone, are in a state of active conflict or recovering from conflict, suffer from chronic instability, or experience escalation in tension due to extractive operations.

In the last several years the extractive industry has made significant progress in developing principles and good practice in implementing corporate social responsibility/citizenship and achieving commitment to the Millennium Development Goals (MDG's) for sustainable development. Interest in addressing peace and conflict issues, whether at the macro or community level is currently emerging, and the more progressive industries are beginning to express a need for building capacity and conflict sensitive practices in their operations. This expanding body of experience and strategies for responsible engagement with communities impacted by mining operations bodes well for expanding opportunities for Corporate/NGO engagement around compatible strategies and goals.

However, despite progress in implementing conflict sensitivity and harm reduction methods by more progressive industries, and in conjunction with locally-operating NGOs, the gap between good intentions and implementing good conflict reduction and community strengthening practices is still very wide, and local communities continue to bear the brunt of the natural resource curse. It is also recognized that the gap between the industries implementing good practices and those ignoring them needs to be narrowed.

It has also been recognized that the understanding and dealing with conflict and conflict prevention and community engagement are themes around which NGOs and industry have a mutual interest and around which they can find a common ground for collaboration. Hence, there a need for both sectors to develop cooperation frameworks that will help contribute towards achieving the MDG's, particularly in areas where NGO operations overlap with industry operations. Building capacity for responsible community engagement and conflict-sensitive mining is of strategic interest for NGOs, companies, host and home governments, and ultimately the local communities impacted by corporate operations.

Understanding Conflict:
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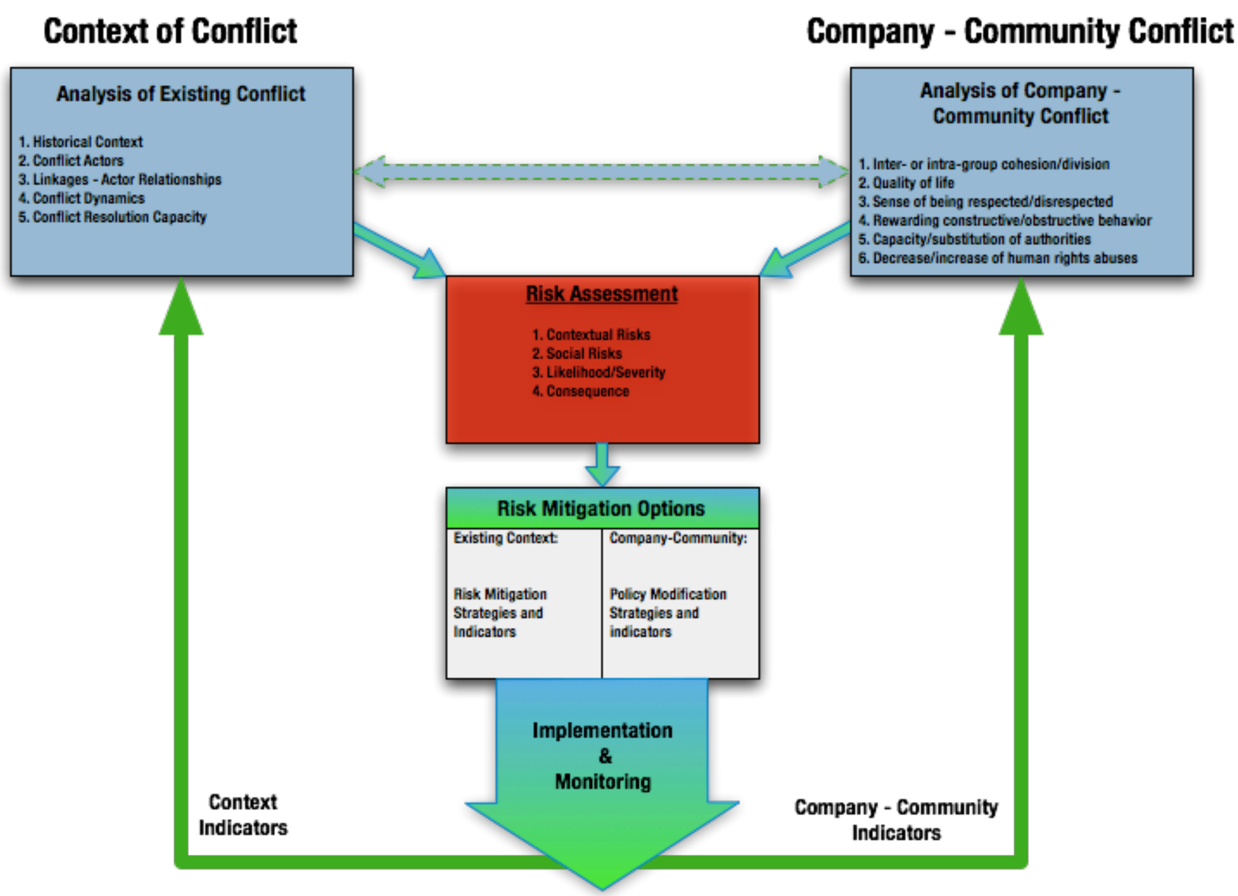

Introduction

Understanding Conflict: Field Tool for Exploration is a simple and practical analysis tool that enables companies, on their own or in collaboration with Non Governmental Organizations (NGOs), to address complex issues that arise in settings of conflict, that existed prior to industry presence or as a result of resource extraction. With the emerging commitment of companies to CSR, there is a recognized need to build capacity for dealing constructively with conflict. Though numerous conflict assessment frameworks and tools for the extractive industry already exist, most are either oriented to companies already operating mines and oil/natural gas wells, or are complex and require external expertise to implement. This tool aims to be sufficiently practical for technical staff, such as geologists, to help make sense of and unpack the situation they face, without the need to rely on significant outside expertise.

Developers and Exploration teams are the face of the company; the expectations they establish will have long term implications for future relations. In each and every exploration site, if field staff do not get the relationship issues right, the company will find it difficult to further develop the mine. Thus, given that the first responsibility of companies operating in conflictive environments is to do everything possible to avoid fueling the conflict, this guidance is rooted in the idea that a company's responsibility, first and foremost is to do no harm.

Development of an assessment tool that gives guidance to explorers and developers to scan the social, political and economic environment in order to identify conflict actors, conflict dynamics in the host communities, and key community actors for engagement, is a first step in a broader strategy for dealing with conflict in company field operations areas. The tool will help exploration teams in their engagement with communities and civil society, to explore strategies and options for reducing and/or preventing conflict related to their operations. It will also help company management go from value protection to value creation, by exploring corporate social responsibility as a driver of innovation and competitive advantage, rather than simply a means for risk mitigation.

The Understanding Conflict tool has been developed in collaboration between The Prospectors and Developers Association of Canada (PDAC), World Vision Canada, and The Corporate Engagement Project – CDA Collaborative Learning Projects, and supported by the Department of Foreign Affairs and International Trade – Canada. The project partners identified that "understanding and dealing with conflict, conflict prevention, and community engagement" are issues where NGOs and industry have mutual needs and interests, and around which they can find common ground for collaboration. Understanding Conflict adapts and integrates components from each organizations established tools, to build a comprehensive "toolkit"; including PDAC's e3Plus – A Framework for Responsible Exploration, World Vision's Making Sense of Turbulent Contexts, and the Do No Harm Framework and the Corporate Engagement Framework for Analysis of Corporate-Community Relations of CDA Collaborative Learning Projects.

DEFINITION: Levels of Conflict: Setting vs. Situation

When a company first enters into a context of conflict, there are two levels of conflict that the company must be aware of and plan for. Understanding Conflict will take necessary and unique steps to analyze and understand each of these types of conflict.

Setting of Conflict: conflicts that are related to the wider socio-political context or intra- and inter-group tensions and are not linked to the corporate presence. The causes of existing macro and micro-level conflicts can be diverse and often include basic and long-standing issues such as poverty, social and political marginalization, injustice, opportunism, greed, and power struggles.

These settings of conflict may be defined as a) Regions that do not currently experience high levels of armed violence, but where significant social or political instability prevails, including factors that make the future outbreak of violence more likely; b) Regions currently experiencing violent conflict, including civil wars, armed insurrections, inter-state wars and other types of organized violence; and c) Regions in transition from violent conflict to peace, in which transition can remain highly volatile and at risk of falling back into violent conflict. Different types of conflicts imply the need for different risk mitigation strategies. There are no quick fixes for these conflicts, and a company neither can, nor should try to address them on its own.

Company-Community Conflict: conflicts that are related to the relationship between the company and community (both directly affected communities as well as other local stakeholders). This type of conflict is most visible to managers because its impacts reach the company immediately in the form of complaints, demands, threats or obstructive activities. It most often is due to activities of the company that exacerbate inter-group conflict or support inter-group connectors, or cause the company to become proxy targets for external conflict. Even when a company is an outsider to pre-existing and ongoing local conflicts among groups, its day-to-day business operations are considered by those involved in the conflict as important to, and having an impact on, the outcome of their struggles. Such broader societal conflicts must be considered by corporate managers because these tensions may inadvertently be exacerbated by corporate operations.

Purpose

The purpose of Understanding Conflict is to help extractive companies and civil society build practical strategies to understand and deal with conflict, and to assist them in achieving sustainable development in host communities in a collaborative manner with local stakeholders. Although external factors may appear out of the company's control, how the company responds to those factors and to the community affects the relationship it is able to maintain with the local community. The tool is applicable in contexts both of open violence and of latent and underlying tensions.

Using the Tool will aid exploration teams in reducing the likelihood of social risks to the company, and provide an opportunity to create and maintain social capital with the community from the onset of the exploration project. It provides practical strategies for companies, and civil society, to understand and deal with conflict, that are equally applicable in developed or underdeveloped countries, in contexts of weak state-governance, low socio-economic development, indigenous/aboriginal peoples issues, lack of provision of social services, and land acquisition.

Understanding Conflict is a comprehensive, but simple and practical Tool that can be adapted and utilized by exploration teams in all contexts. Because companies often encounter operational difficulties due to both an existing context of conflict, and tensions due to the presence of the company operations, it is important to use this tool even if operating in a context that is not traditionally considered one of conflict.

The tool will help the company analyze the context in which it is operating – responding to a set of interrelated guidance questions through a flexible process – to help staff make sense of the company's impact on the conflict and the conflict's impact on the company.

This tool seeks to help companies achieve conflict-sensitive exploration by:

i) Systematically analyzing and addressing complex contexts of conflict, both existing conflict (contextual) AND company-community conflict (social);

ii) Facilitating dialogue and relationship building;

iii) Generating appropriate management and mitigation strategies, integrated into company policies, practices, and activities that respond to the needs and priorities of local communities as well as the company itself.

Understanding Conflict is intended for use from project initiation through all phases of exploration. It is meant as an early and rapid pre-assessment that will inform, not replace, full impact or risk assessments that may be implemented as the project proves more viable. Given the complex nature of conflict, Understanding Conflict cannot be used as a definitive guide nor applied in a one-time event, but serves rather to highlight risk conditions that are dynamic and ever-changing.

Getting Started

- We recommend that you read the entire tool and guidebook before you start using the tool.
- The Tool is presented in a step-wise manner. It is important to follow the steps as they are laid out. Subsequent risk mitigation strategies are based on carrying out preliminary context and social analyses. For this reason, particular focus is given to the first steps of analyzing the context.

What this tool does not do

The Tool does not provide ready-made answers. Rather, it provides guidance questions for which staff and local partners need to work out answers relative to the operations.

These questions are guidance for asking the right questions, but it is up to company staff to think creatively and adaptive to the situation they are in. If a question does not immediately seem to relate to the operations or the specific context, it should prompt more consideration, since the lack of perceived relevance may highlight a gap in the managers' understanding of the context.

Understanding Conflict should not be an exercise of ticking off the boxes, and neither is it a process of completely avoiding risk. Rather, it should be viewed as a process to achieve positive outcomes, both for the company and local communities.

Who should use this Tool?

Going through this process is useful for all company staff, from field geologists and site managers to senior management, as a way to get to know the context of an operation, the people they need to relate with and to, and existing and emergent community issues.

- The tool can be implemented from the first day that company staff steps foot on the ground, and further on through all phases of exploration and development.
- Anyone from the exploration team can take the lead and implement this tool.
- The tool can be implemented by an individual or a group. There should be one person dedicated to tracking and managing information collected.
- It is important to understand that even though an individual is managing the process, s/he will still need to reach out to others in the process of gathering information.
- To foster collaboration and engagement, the exploration team can engage with local community based organizations (CBOs), NGOs, Universities, community representatives, and even ministries and trade commissioners, to ask questions and gather information.
- Depending on the severity of conflict, the company may choose to bring in an external expert to help guide the analysis and strategy development process.
- Sometimes it will be in the company's interest to develop the skills of one staff person who can act as a resource person and facilitate this process across sites.

Who to talk to

- Start by trying to answer the questions internally with other staff
- Consult with a range of national, regional, and local representatives (e.g. politicians, NGOs, media actors, religious leaders, academics, business owners, community leaders), reaching women's groups, youth groups, and other civil society groupings. They are valuable sources, helping to identify information and additional stakeholders relevant to the information gathering process.
- Reach out to locally-operating NGOs who have a deeper understanding of the context – explain that you genuinely want to understand the local communities and you would like to learn from their perspective and experiences.
- Talk to the community – first approaching community leaders as a way to "gain access" to the community
- Talk to a broad range of people in the community:
    - Reach out to both men and women, youth and elders, and families of varying economic status in the community
    - The person you hire as a laborer during exploration and taking samples, can also help you understand the contextual issues
    - The people you speak with over drinks in the local canteen can help you think through these questions

How to ask Questions

How you ask questions is just as important as what questions you ask.

The questions in the tool are provided as guidance, as opposed to a rigid questionnaire. It is all about reaching out and having conversations. It can be casual (and respectful!) rather than feeling like a checklist process. Review questions in both formal and informal settings, including social occasions with staff and local community. Encourage frank, honest discussions. The meaningfulness and usefulness of the tool depends on how participants engage in discussions, and so the process of discussing the questions can be as important as the answers.

- You will need to practice **genuine listening skills** in order to understand local stakeholder perspectives. A few simple steps to follow when asking questions and listening to responses:
- **Test your assumptions.** If you have been in the context for any period of time, you have most likely started to form your own opinions and assumptions of the environment. Make sure to test these assumptions with questions to other staff and, especially, with local stakeholders.
- **Make the implicit explicit.** Make people talk about the obvious things happening that no one talks about.
- **Incorporate questions into your daily work functions.** This tool is meant to be an on-going assessment that should be repeated on a regular basis.
- Use questions as a guide but **allow the conversation to flow naturally.**
- **Use open-ended questions,** that is, questions that do not invite a "yes" or "no" answer but rather encourage people to speak their minds and elaborate.
- Ask **different questions around the same subject**, as a means to press for more information and a deeper analysis of the drivers of conflict. Listening carefully to how people speak about the conflict will aid you in developing strategies later on.
- Go off the main road, away from the beaten path, or across the river, in order to reach a **broad range of stakeholders** impacted by the company's presence.
- When speaking to local stakeholders, take care not to bring up words, like conflict or human rights abuses, that have potential negative connotations or insinuate negative situations. **Try to build off of the words and phrases that the people use,** as opposed to using prescribed words such as conflict, risk, human rights.
- Consider both **official and unofficial** perspectives and **formal and informal** relationships.
- As you work through the steps, you will find that **questions are interrelated.** You may find that the conclusion to one question conflicts with that of another, so you will need to revisit previous discussions.
- If you, staff, or local partners cannot answer a question, it may show a gap in the understanding of the context, relationships, or perceptions regarding the presence of the company. **Beware of avoiding difficult questions** or difficult discussions, because they are probably the most vital!

Community Engagement as a Tool

This Tool is about establishing relationships through proactive, early, and on-going engagement. Engagement is a critical element for understanding the context you have entered in to. Participatory analysis is a key ingredient to the overall analysis and assessment process. Use it as your principal conflict prevention tool.

- Engaging and communicating with the local community will be your primary tool in understanding the existing setting in which you have entered, as well as the relationship between the presence of the company to the community.
- While engagement and communication aids context analysis, it also helps to build long lasting relationships in the process.
- When seeking information from local stakeholders, sometimes you will receive more information than you need. It is important to let people tell you things from their perspective, as it will help to paint a broader picture of the context, as well as being an important step in the process of building relationships with local people.
- Successful engagement is based on some simple, practical principles that represent a blend of ethical considerations and common sense. The key principles to follow are:
  - ✓ **Respect:** Be respectful in your contact and communication; how you dress, speak, and act will determine the level of relationship you have with community members
  - ✓ **Honesty:** Ensure full, true and plain disclosure of information and your purpose, so as not to raise expectations
  - ✓ **Inclusion:** Be inclusive in the process, so that all parties feel they have an opportunity to share their perspectives. Otherwise, the community will perceive that the company only speaks to those who support the project or are easy to talk to
  - ✓ **Transparency:** Establish and maintain complete transparency in all aspects of the process, so that people trust the process that you are taking
  - ✓ **Communication: Genuinely and actively** listen to community members, rather than trying to sell them on the benefits of mining
- You should also understand that communities are not uniform structures. They are inhomogeneous, disparate, change with time and frequently have difficulty expressing their members' deeper concerns. Everyone is different and you will have to deal with each one individually.
- Understand the perspective of the community: The community has had many functioning relationships before the project arrived and will continue to have them, and others, outside of the project. You must understand these relationships, and see your project or mine as one node in a more complex network of relationships. By this means, it becomes possible for you to understand the project or mine within the community, rather than imposing it upon the community.

Tracking and Analyzing Information

Because Understanding Conflict will require reaching out to people external to the company to collect information and to ask their opinion on contextual issues, it is important to understand a few key concepts on how to collect, process, and analyze information obtained from external sources.

- Triangulate information:
    - ✓ In situations of conflict, neutral and objective information is in short supply. The best approach in addressing this difficulty is to diversify information sources as much as possible. When considering apparently contradictory points of view, it is possible to create a more accurate 'on the ground' scenario by triangulating data from different sources.
    - ✓ This means, during initial analysis, reaching out to as many different stakeholders as possible for a broad range of perspectives. The more perspectives you consider, the clearer the picture you can build about the environment that you are working in. Gender balance should also be taken into account in participant demographics.
    - ✓ You might also have to consider that not all cultures are open to talking about conflict with outsiders, especially internal community based conflicts. In a politically sensitive area, especially where state intelligence is active, it can be very risky to talk openly about conflict. Certain environments might necessitate help from a conflict expert or someone practiced in "listening" and community consultation.
- Tracking Information
    - ➢ Although information tracking does not need a large budget or resources, it is important to invest time up front to set up the forms or database that you will use to organize and track information collected.
    - ➢ Each company may have its own system or database for tracking information and field reports, or you can use a generic database or a tabbed excel sheet for data gathering.
    - ➢ Keep information all in one place, and keep in mind that some of the information may be sensitive.
    - ➢ Generally it is not necessary to use voice or video recording equipment, as this sometimes makes community members feel uneasy. DO carry a notepad and DO ask for permission to take notes before talking with someone.
    - ➢ Continually review notes from previous conversations and discussion points as a way to keep the information fresh and to dig deeper into analyzing the context and the company's relationship to the context.

Understanding the Context

The first step in performing an analysis is to understand the context in which the company is operating. This is a two-part process: understanding the existing context in which the company has entered, and understanding the company's relationship to that context.[1]

It is possible to start with either analysis first, or to perform both in parallel. Which step you start with will depend on whether you enter into a context with apparent conflict, or whether you see indications that there is conflict arising from your relationship with the community? However, analysis of both should be performed prior to moving to the risk assessment phase.

Step A: Understanding the Existing Context

The first step to performing an assessment is to analyze and understand the environment you have entered, whether it be one of open violence or areas of latent or underlying tensions.

This is a snapshot of the characteristics of the local landscape, unrelated to the presence of the company. It should explore the footprint area of the operations site as well as larger issues happening at the regional and national level that impact the local level.

However, at this stage it is not necessary to understand every detail of historical, social, security and economic factors that make up the current situation. Rather, through conversations with people in the local community, you seek to understand the key events, actors, and relationships in the context as it relates to the history of conflict and as it relates to the operating environment.

What? Who? How?

Understanding the existing context can be analysed by asking "What? Who? How?" Each includes a set of questions that will help you get started in information gathering. These questions are a starting point, and depending on the situation, will serve to initiate deeper discussions. Use them as a guide, but also allow time to generate a free flowing conversation from the questions.

What happened? Understanding the Historical Context

Who was involved? Understanding the Conflict Actors and their relationships

How did it happen? Understanding the Conflict Dynamics and existing capacity for Conflict Resolution

[1] For more on contextual and social factors that can influence project risk, refer to Getting it Right: Making Corporate-Community Relations Work, and e3Plus: A Framework for Responsible Exploration.

While this analysis is separate from the presence of the company, control over (natural) resources often plays an important role in the history and key events of a country. Part of the analysis process should look at legacy issues; that is how other previous issues around access to and control of natural resources have helped to shape the present-day situation.

Remember that you are collecting the perspectives of local people in regards to "negative" and "positive" actors. It is not your job to judge the validity of people's perspectives on the conflict, but rather to understand what the local perspectives are on the conflict and to draw your own analysis and conclusions on that in regards to impact on the company.

What Happened?

Historical Context	
Analyze what has happened in the past and how it has shaped the present environment. While you are learning about unique events in history, you are most interested in identifying **underlying trends and patterns** in political instability in the environment where you work, how it has shaped the present situation, and how it has created mistrust among the local population. It will help in predicting potential scenarios in the future.	• What are the key historical events of the local region? • What are the key events leading up to past/existing conflict? • What are the characteristics of each phase of past/existing conflict? • What are some identifiable patterns and trends in the history of the region?

Hint: For data collection, you may find it helpful to arrange information in a historical timeline, perhaps tracking events on a flipchart on the wall of your office. You may also find it helpful to keep a spreadsheet in order to track location-specific information or answers by each individual.

Who Was Involved?

Conflict Actor Groups	
Identify relevant actor groups in all sectors and describe their characteristics. Sectors include political, military/security, economic, socio-cultural and humanitarian. Characteristics include political stance, goals, ethnicity, caste, motives, respect for human rights, and view of stability. Be attentive to relevant actor groups at different levels: local, regional, national and international. Remember that certain cultural norms may not favor the inclusion of women or other vulnerable groups in decision making. Analyze who these actors are, what positions they hold in relation to the conflict, and what interests drive their positions. Although different actor groups may hold the same anti- or pro- position in a conflict setting, the reasons for their positions may differ greatly. Understanding what those interests are will help to understand the underlying reasons and issues for the existing conflict and will aid the company in developing appropriate strategies for dealing with each actor group.	• Who are the key actors, individuals and groups, in the environment of company operations? • Who are the key actors (individuals AND groups) involved in the conflict? Who are the negative actors? Who are the positive actors? • What are their stated positions regarding the conflict? • What are their interests in regards to being involved in the conflict? • Who do the actors claim to represent? What are the similarities and differences between these actor groups?

Linkages – Actor Relationships	
Analyze the internal dynamics of key actor groups and the inter-group dynamics, including understanding of the dynamics of grievance (division, resentment and animosity) and affinity (connectedness, cohesion and identification) of each group. Examining trends and triggers for change both within the groups and between groups is also an essential part of the process of using this tool.	• What are the interactions and relations between and within groups/individuals? • What are the power relations between actors? What type of power sharing is taking place? • What are the trends and triggers in the relationships between actors? • Who is gaining or losing power in relation to the conflict? • What are the existing “dividers” between these groups? What are the existing “connectors” between these groups?

Hint: To keep track of actors, you may find it helpful to keep a spreadsheet of various actors, their positions, and their interests. Or you may find it useful to draw an actual map of the various actors, by assigning each group a circle and using solid, dashed, or colored arrows and embedded circles to signify relationships. If you are developing more than one relationship map, make sure the same symbols are used in all maps.

DEFINITION: Dividers/Connectors

All societies are characterized by elements that can be used as:

- **Dividers** – divide people into subgroups, and
- **Connectors** – elements that can connect people across subgroups

When these divisions are fueled or these connectors are undermined, societies can fragment, sometimes even to the point of warfare. When, on the other hand, connectors are reinforced and dividers are overcome, people find ways to live side-by-side, working together to address common problems.

Identifying and understanding the dividers and connectors in the communities in which companies operate should be a central part of the analysis that staff use to carry out both company operations and community relations activities. This is because companies always interact with existing dividers and connectors in the communities in which they work. Whether knowingly or unknowingly, the company’s efforts will either support dividers, or connectors, with either positive or negative impacts. In some instances, corporate activities can even create new dividers or connectors.

How Did it Happen?

Conflict Dynamics	
Analyze the symptoms of instability in the existing setting, and the trends and patterns in the conflict dynamics. Remember, these questions are applicable in all types of conflict. They can be asked in regions where there is open or armed violence. They can also be asked in communities that suffer from underlying tension, such as inter-ethnic disputes or grievances with the national government.	• What causes/subjects are the conflict believed to be about? • What is the conflict NOT about? • What are the symptoms of instability? How do they manifest themselves? • Why are these present? What causes the symptoms? • How and when have the conflict issues changed over time? • Who has been involved in the conflict? • What have been the trends in intensity of the conflict? (i.e. has there been a move from
Existing Conflict Resolution Capacity	
Understand the traditional conflict resolution mechanisms that already exist in the context. The process of understanding them and exploring these options with local stakeholders may open up existing resources previously unknown to the company.	• What are the existing traditional mechanisms for resolution? • What is the government's capacity for remedy and resolution? • What is the capacity of local NGOs for remedy and remediation? • Who do local people trust in the process of resolution?

Hint: Track conflict dynamics and events as line items within the same spreadsheet you have already begun. You may already begin to notice issues that flag concerns or risks for the company. These will be further analyzed in the Risk Assessment section.

Step B: Understanding the Social Context

The next step is understanding the company-community relationship and to understand the changes in the context due to the presence of the company. Successful operations and good risk management require that the company has a firm understanding of its position in the conflict environment. One method to gauge company risk in a context of tension or conflict is to review how all operational activities increase or decrease the likelihood for conflict. For example, how will the company's presence and the resources it brings affect local actors, institutions, and their interrelationships?

The Conflict Lens below provides a starting point to analyze what you see happening in the local context and understand how the company actions are influencing it. Using six impact questions, it provides an overview of how all operational decisions can be assessed for their likely influences on conflict. These impacts are to be considered regarding both company staff and contractors. In the conflict Lens, the importance of these six questions is illustrated by examples that can either increase the likelihood of conflict (C) or increase the likelihood of stability/peace (P).

Remember, ask local community members their perspectives on this!

Review each set of questions in reference to what the impacts are of the company's operational decisions, including Compensation, Hiring, Contracting, Security, Government Relations, Community Consultation, Community Projects, and Relocation (not every operational "decision" will be relevant to all phases of exploration).

For all questions that are answered with a (C), document the action of the company that is believed to lead to an increase in the likelihood of conflict. These items activities will be tracked and reviewed in the Risk Identification in the following section.

Conflict Lens: Understanding how Company Policies Affect the Community

Review each question in reference to the Company's likelihood to increase conflict (C) or the likelihood to increase stability/peace (P).

1. Do company actions reward destructive (not necessarily violent) or constructive behavior?

- Do more peaceful communities get more benefits (P) than "difficult" ones (C)?
- Is there a more immediate response to letters/complaints (P) or to threats/ closedowns (C)?
- Are communities visited informally (P) or only when there is an immediate need or crisis (C)?

2. Do company actions convey disrespect, or respect, for stakeholders?

- Do communities perceive that all promises are followed through (P) or not (C)?
- Do stakeholders feel there are long term corporate benefits (P) or do they feel they benefit more from a short term approach based on conflict (C)?
- Are communities involved in decisions that affect their lives (P) or not (C)?
- Are grievances handled through dialogue (P) or, ultimately, with security forces (C)?
- Is there maximum transparency about company policies and practices (P) or not (C)?
- Does the company understand the community perspectives about impact of mining (P) or does the company only consider what it believes to be fact (C)?

3. Do company actions increase or decrease security (quality of life)?

- Economic: positive (P) or negative (C) impact on livelihoods, e.g. due to spills?
- Political: increased (P) or decreased (C) conflict over leadership?
- Environmental: decreased (P) or increased (C) pollution or availability of scarce resources?
- Physical: increased safety (P) or increased criminality or insecurity (C)?
- Social/Cultural/Psychological: increased (P) or decreased (C) capacity of local people to deal with changing norms and values (prostitution, alcoholism, migration)?

4. Do company actions contribute to intra- and inter-group fragmentation or cohesion?

- Are benefits distributed in an inclusive (P) or exclusive (C) manner (e.g. host communities)?
- Is the hiring policy seen as fair (P) or seen as favoring certain groups (C)?
- Does the company know that community representatives enjoy popular support (P) or not (C)?
- Do all landowners/users get the same level of compensation (P) or do the more vocal or powerful ones get more (C)?

5. Do company actions increase or decrease the capacity/willingness of authorities to provide services?

- Does the company effectively lobby to have social services provided (P) (e.g. through a tri-partite partnership approach) or do company provided services substitute for Government services (C)?

6. Do company actions increase or decrease the capacity of authorities to commit violence?

- Do authorities use company revenues for civil purposes (P) or for warfare (C)?
- Does the company abstain from (materially) supporting one party to the conflict (P) or not (C)?

Do any of these operational "decisions" increase (C) conflict?
Document these within your spreadsheet and move into the Risk Assessment phase of the tool.

Risk Assessment

Risk assessment is a risk based decision and planning exercise to enable you to decide how best to proceed with a project, in a way that manages the social, economic and environmental risks. Now that you have analyzed the context and the company–community relationship in the context, the next step is to understand the company's risk exposure to the context by identifying where company operations are vulnerable to threats.

Risk is frequently defined as the product of the likelihood or probability of the occurrence of a hazard and the magnitude of its consequence (risk = probability x consequence). As the level of risk increases, so too does the priority to respond. The type of action taken to respond will depend on a number of factors, including the extent of control one has over the activity giving rise to risk, available alternatives, costs, etc.

The key component to the risk assessment is to be able to foresee or predict risks, which is why it is important to devote time to understanding the context in Steps A and B above. If the risk can reasonably be foreseen, then steps can be taken to address it. This is why it is a good idea to undertake Risk Assessment in a group setting, so that company staff can work together to consider all possible risk scenarios.

Risk Identification – What can go wrong? How can it go wrong?

Risk identification is a crucial phase; if a risk is not identified, it cannot be evaluated and managed. The purpose of risk identification is to:

- Identify all significant types and sources of risk or uncertainty associated with the project;
- Ascertain the causes of each risk; and
- Assess how risks are related to other risks, and how risks should be classified and grouped for evaluation.

For a project, any condition, situation or event that could occur and jeopardize the project objectives constitutes a risk. You will review two types of risk:

- Contextual Risks – Identified actors and scenarios to the conflict context, reviewed in Step A
- Social Risks – Identified company actions that lead to increase (C) conflict, reviewed in Step B

For both contextual and social risks, develop a risk description for each risk identified (Table 1):

1. List each activity that has been identified as a potential risk
2. Identify the social, environmental and economic impacts of these risks
3. Determine which stakeholders may be impacted and how they may be impacted
4. Add the Risk Rating once you complete the following Risk Estimation steps
5. Include the Mitigation Measure column, which will be completed in the Risk Mitigation section.

Table 1: Risk Identification

ID #	Risk Description/ Conflict Issue	Triggers/ Escalating Factors	Impacts – Social, Environmental, Economic, etc		Impacted Stakeholders	Risk Rating	Mitigation Measure
			Company Impact on Conflict	Conflict Impact on Company			
1	Ex. Company sources all local labor from only one tribe due to lack of technical skills of other tribes	Existing social inequalities, inter-ethnic tension, lack of education	Exacerbating social tensions, limit economic opportunity	Disgruntled tribe directs anger at company, potential protests or violence	Inter-tribal issues	Amber	
2	Ex. Government corruption hinders equitable development and creates grievance in society	Increased internal competition within government and among elites for positions of power	Potential mining revenue perceived to potentially exacerbate corrupt practices. Perceived inadequate share of revenue to the locality increase alienation.	Increased transaction costs, reputational threat, company blamed for lack of benefits accruing to local communities	Local communities	Red	

Risk Estimation – determining the significance of the risk

For both Contextual and Social Risks, perform a risk estimation for each risk identified, as a means to prioritize risks and prioritize action steps taken to mitigate risks. Estimation can include both qualitative and quantitative assessments of the likelihood and consequence of the risk. The following steps illustrate a simple qualitative analysis that explorers can use to estimate risk and determine the action that should be taken.

Risk Probability Rating (Table 2): Identify likelihood of risk occurrence – Based on your combined analysis of the existing context and the potential issues that the company-community relationship may trigger, rate the probability of occurrence for each identified risk.

Risk Consequence Rating (Table 3): Level of severity of risk occurrence – Characterize these risks in terms of socio-economic, reputational, environmental, security, safety, health, social, and financial (if necessary) risks. Risk consequence tolerance can be modified by company, as applicable to their operations.

Risk Estimation Matrix (Table 4): The next step is to chart the risk estimation as a combination of the severity and likelihood of harm arising from an event [Risk = Probability x Consequence].

Table 2: Risk Probability Rating

Rating	Probability of Occurrence	Likelihood Ranking
A	Less than 10%	**Rare** – Event may occur only in exceptional circumstances
B	10% – 20%	**Unlikely** – Event could occur at some time
C	20% – 55%	**Possible** – Event should occur at some time
D	55% – 90%	**Likely** – Event will probably occur in most circumstances
E	90% – 100%	**Almost Certain** – Event will occur

Table 3: Risk Consequence Rating

Consequence	External Reputation, Socio-Economic Status	Natural Environment	Safety & Health	Social	Financial
1	Minor or no inconvenience to the community. No socio-economic change.	Limited damage to a minimal area of low significance. Easy to repair.	First Aid Case	No response from community	No Financial Consequence
2	Public disturbance in the affected community. Minor socio-economic change.	Minor effects on environment. Damage is localized and reversible.	Medical Treatment case	Limited verbal or written grievances logged	Minimal Financial Consequence
3	Limited local media attention and/or public disturbance in the affected community. Limited socio-economic change.	Moderate, short-term environmental effects. Damage is reversible.	Lost time injury	Multiple written or verbal grievances, marked change in community behavior	Project viability threatened but recoverable
4	National headlines, serious community relations impact. High levels of NGO attention. Significant socio-economic change.	Serious medium term environmental effects. Extensive reversible damage.	Single Fatality or Permanent Disability	Community-wide outrage	Project and company viability severely threatened
5	International headlines, disastrous community relations. Significant levels of NGO attention. Massive socio-economic change.	Serious, long-term environmental impairment of ecosystem function. Damage is extensive and irreversible.	Multiple fatalities or long-term disabilities where Company is found to be responsible and/or negligent.	Community protest and outrage leading to forced shutdown	Project Shutdown

Table 4: Risk Estimation Matrix

Likelihood	Consequence				
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
E Certain	H	H	E	E	E
D Likely	M	H	H	E	E
C Possible	L	M	H	E	E
B Unlikely	L	L	M	H	E
A Rare	L	L	M	M	H
L = LOW M = MEDIUM H = HIGH E = EXTREME					

Risk Mitigation

Risk mitigation is the process of identifying and implementing measures to reduce the risks associated with a hazard. This section will lead you through steps to develop risk mitigation strategies and processes for both contextual and social risks; an **Action Plan** for the exploration team to work from.

Based on the level of risk, develop mitigation strategies for risks that have been identified as unacceptable (moderate to high). The specific mitigation strategy will depend on the risk being considered, the context in which the risk occurs, the nature and scale of the proposed project, and the resources available to the company. Efforts should be focused on an Action Plan that helps to eliminate the situation that causes the risk.

Risk mitigation strategies will have implications on the operational policies and practices of the exploration team in the field, and will serve to communicate and inform policies and practices to management as well. That is to say, risk mitigation strategies must be incorporated into existing policies and practices of day-to-day business operations (compensation, contracting, security, relocation, government relations, hiring, community engagement, etc).

Contextual Risks (Table 5): Develop policies and practices to mitigate exposure to risks in the existing context, understanding that the company may not be able to make a significant impact on existing or chronic conflict. Begin to design management and mitigation measures with three targets in mind:

I. Responding to the needs of the local population,

II. Ensuring negative company impacts are minimized, and

III. Addressing, to the extent possible, some of the conflict or potential conflict issues highlighted during the analysis.

Table 5: Risk Mitigation/Action Options

Trivial	• No action required and no documents need to be kept

Low	• No additional risk controls required unless:
	  • There is a legal requirement;
	  • There is a more cost-effective solution; or
	  • A further reduction in risk is possible at no additional cost.
	• Monitoring is required to ensure risks remain low and controls are functioning
	• Document actions taken

Moderate	• Establish controls to reduce the risk; costs of controls should be carefully assessed and the most cost-effective solution identified • Where the moderate risk is associated with extremely harmful consequences to people or the environment, you have an obligation to take action to prevent harm, even if the cost of controls are high • Risk reduction methods should be implemented within a defined time period • Monitoring is required to ensure risk controls are effective • Document actions taken
Substantial	• Project should not be started until the risk has been reduced • Considerable resources may have to be allocated to reduce the risk; this may affect the viability of the project • Where the decision involves continuation of a project, action may need to be taken to mitigate the impacts and risks associated with previous activity, even if the decision is not to continue with the project • Monitoring is required to ensure risk controls are effective • Document actions taken
High	• Project should not be started or continued until the risk has been reduced • If it is not possible to reduce the risk, the project should not be undertaken • Monitoring is required to ensure risk controls are effective • Document actions taken

There are scenarios, as the High Risk section shows, that call for a cessation of project, until external mitigating efforts can be put into place to improve the existing context of conflict.

Social Risks (Figure 1): Take corrective action in adapting company policies and practices to minimize negative impacts on the company-community relationship. Take a stepwise approach to development and modification of policies and practices which will mitigate identified and prioritized risks:

Step 1: Prioritize risks observed as a result of the company's presence.
For example, conflict between local identity groups is due to supplying jobs to only one "qualified" group.

Step 2: Identify the causes of impact of policies or practices that risks are related to perceived unfairness. Because the selection criteria for recruitment are solely based on merit, the identity group with the better education is preferred by the company. Other groups feel they host the company and should get benefits (such as jobs) to compensate for the negative impacts they feel as a result of the corporate arrival.

Step 3: Identify what is the underlying assumption that led to the implementation of this company policy or practice?
The assumption was that in a context of historic differences and conflict, the only way to stay "neutral" as a company is to hire strictly based on merit.

Step 4: Reverse or adapt the assumption.
An adaptation would be to assume that local people have their own definition of fairness, as well as their own definition of equity between identity groups and that hiring based on merit is not a neutral approach by definition.

Step 5: Review policies and practices based on the adapted assumption.
Discuss definition of fair jobs distribution and determine a protocol that provides benefits to all identity groups, as well as satisfies the corporate need for qualified people. Provide transparency on job qualifications whilst agreeing to a plan to develop un-skilled labor.

Step 6: Verify whether the adapted policies and practices have the intended positive impact.
Better relations between local identity groups and the local community viewing the arrival of the company as a positive.

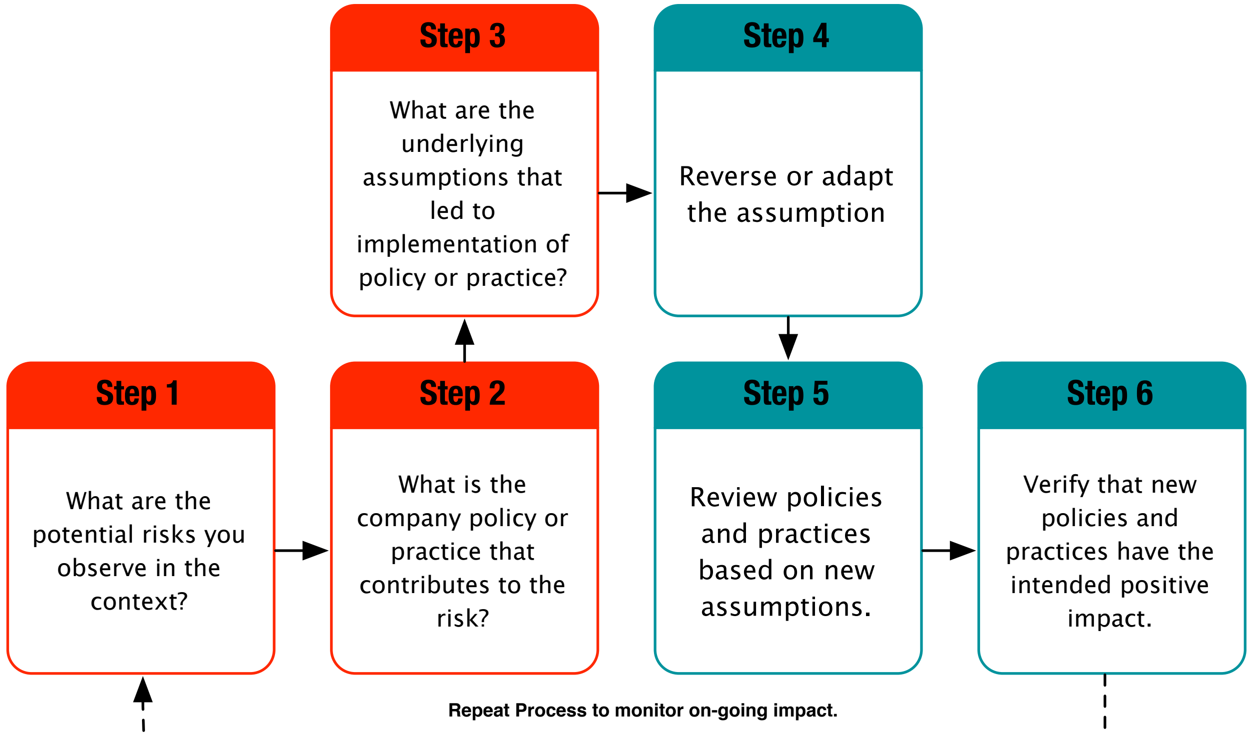

Figure 1: Corrective Action for Social Risks

CONSIDER A VARIETY OF RISK MITIGATING ACTIONS

The **Action Plan** may range from a brief description of routine mitigation measures to a series of documents (e.g., resettlement action plan, indigenous peoples plan, emergency preparedness and response plan, decommissioning plan, etc). The level of detail and complexity of the Action Plan and the priority of the identified actions will be commensurate with the project's potential impacts and risks.

Consider a variety of actions that can be taken to ensure that risk mitigation strategies are integrated into existing management and operating practices. Each mitigation measure should be added to the Risk Identification register above in the Risk Assessment section. This will aid the team in keeping track of their Action Plan.

The management plan should incorporate as appropriate:

Table 6: Building a Management Plan – A Menu of Options

Strategic Areas	**Mitigation Measures**
Performance Objectives	➢ Set financial, strategic and operational objectives ➢ Set social, environmental and safety performance objectives ➢ Comprehensive schedule of activities;
Risk Mitigation	➢ Definition of risks identified and proposed actions for how they will be mitigated, Risk Registry ➢ Contingency plans to manage alternative risk scenarios
Stakeholder Engagement	➢ Keeping track of commitments made, Commitment registry ➢ Community consultation processes ➢ Strategies for engaging with government agencies and local civil society ➢ Use participatory processes (that are inclusive and gender-sensitive)
Compliance and Assurance	➢ Legal requirements, international standards, company policies, or best management practices (as applicable) that govern activities being conducted ➢ How compliance to legal requirements and conformance to company policies and standards will be monitored
Safety and Security	➢ Security arrangements for personnel and contractors ➢ Strategies for dealing with conflict and the presence of illegal activities (e.g., drugs, smuggling) ➢ Emergency response procedures
Environment	➢ Set stringent environmental standards ➢ Communicate standards at local, regional, national level – from posting on community bulletin boards to contractual stipulations
Land Acquisition	➢ Engage with government for proactive community consultation ➢ Good practice in resettlement/compensation processes, reference existing guidance on land resettlement/ compensation
Governance/ Revenues	➢ Ensure future transparency on revenue payments/anti-corruption ➢ Lobby government to ensure equitable distribution of revenue during contract negotiations ➢ Include revenue share for locality in contracts
Grievance Management	➢ Community access to lodge complaints, Grievance registry ➢ Mediation or negotiation processes, including potential external experts
Reporting and Communication	➢ Internal and external communications plan

Implementation & Monitoring

Once policies and practices have been developed or modified as part of the risk mitigation strategy, the next step is to implement those changes. The more these policies and practices are integrated into the day-to-day operations, the greater the success the company will have at mitigating potential contextual and social risks.

Throughout the project, checkpoints should be established to review the effectiveness of risk mitigation strategies and compliance with the Action Plan. Key Performance Indicators (KPIs) need to be clearly articulated so that effectiveness of your risk mitigation plan can be evaluated (The following section will help you develop and modify indicators for the monitoring process).

Start the monitoring process early to ensure that the intended policy changes are having the outcomes you expect to see in the field. This involves repeating the process of Step A (page 12) and Step B (page 15) in section Understanding the Context, reviewing the original information you collected, and testing whether there have been changes in the context since your initial analysis and the current situation.

Some companies may have their own in-house software for tracking the risk mitigation plan. For exploration teams, tracking the development, implementation, and monitoring of the plan can just as easily be done with an excel spreadsheet. This will aid the team in tracking their action plan, communicating their actions to upper management, and storing information for future reporting purposes as the project moves into the next stage.

Table 7: Tracking Risk Mitigation Plan

Risk ID	Risk Rating	Mitigation Measure	Responsible Staff	Action Taken		Indicators Tracked		
				Action	Date	KPI 1	KPI 2	KPI 3
2	Red	Ex. Transparency on revenue payments/ anti-corruption	M. Smith	Negotiate revenue transparency in production contracts.				
				Negotiate revenue share for locality in production contracts.				

If you find there is no change in the original observed contextual or social risk, or if the risk worsens, go back to the Risk Mitigation section and try to determine what other policies, practices and assumptions are undermining company-community relations in the existing context.

Indicators

Once your Action Plan has been implemented, it is important to continually track and analyze whether the plan is having the intended outcomes. The development of key indicators is a means to **systematically and repeatedly** analyze the changing environment and ensure that changes in the context are being incorporated into your Action Plan.

To track changes in both the context and the social relationship between the company and community:

- Develop Indicators: Based on your initial analysis develop a few Key Performance Indicators (KPIs) on the specific risk issues you have assessed and have developed a mitigation strategy for.
- Track Indicators: Put a system in place to document and track indicators, that will aid in communicating to management and provide an up-to-date log of changes.

> Conflict hardly gets out of control over night - especially when it concerns company-community conflict - but rather is an accumulation of seemingly small events that typically need a trigger event to explode. Evidence has shown that companies hear about **indicators** all the time, for example, remarks from staff ("the elders are complaining") or visual observations (people no longer waive back to company staff). However, staff fail to systematically track these, which mean that important information goes unnoted or gets lost.

How to Develop Indicators[2]

Although each context is unique, there are some rules that apply across contexts for effective identification and development of indicators:

- **Define and agree on what success means for the company and for the community.** Because positive company-community relations is a shared success, it is imperative that companies consult with communities to arrive at an agreed definition of objectives.
- **Define and agree on appropriate benchmarks and indicators of success.** Company consultation with communities allows them to agree on appropriate benchmarks and indicators for assessing progress (or regression). When a company asks, "What do you see as our impacts and how do you judge these?" people in communities have concrete and sensible answers that guide the company in assessing its impacts (beyond inputs, outputs and outcomes).
- **Use both quantitative and qualitative indicators.** Most companies find it easier to identify quantitative indicators than qualitative ones. In part, this is because many

[2] Adapted from Getting it Right: Making Corporate-Community Relations Work (Greenleaf April 2009)

companies define their community relations programmes in terms of outputs, such as clinics built or impacts such as improved health status. To understand whether improved health status represents success in company-community relations, one also needs to find out if people link their improved health status to the presence of the company.

- **Use both positive and negative indicators.** To capture real change, it is important to look at both increases and decreases in positive and negative indicators. To highlight only one side of the equation is misleading and counterproductive.
- **Develop indicators that are "SMART".** To aid in measuring changes that occur, develop indicators that are well defined. SMART indicators are Specific, Measurable, Achievable, Realistic, and Time-limited. Each indicator should measure only one specific event or change.
- **Develop indicators that are measureable and actionable.** Often, more indicators are available than are needed to track impacts. Choose indicators that the company can easily and quickly measure, and that translate into action items within the company management system.
- **If indicators are seemingly getting better, it doesn't mean that the situation is necessarily getting better.** It is necessary to check in with local stakeholders to gauge whether the positive indicators are in fact an indication of positive trends. If the indicators are getting worse, it serves as an alarm bell.

Contextual Indicators

The existing context is a dynamic and ever changing environment that you will need to be aware of. These indicators help you take note of variance in context and conflict. They are based on the baseline information collected in the Context Analysis step. Although not exhaustive, the following list represents some of the most significant context indicators that are applicable to risk exposure.

Often, it can seem difficult to know how to measure indicators or to know where to find information and interpret the indicators that staff are seeing in the field.

- Talk to local community members and civil society to discuss what you are seeing and what they think it means.
- Use community engagement as a tool for tracking indicators; Review the Getting Started section for listening and engagement skills.
- Review publicly-available reports that measure levels of violence, corruption, or standards of Quality of Life (health, safety, employment, etc).

Table 8: Do you see changes in the Context regarding:

Changes	Example
• Armed violence, severity of violence?	➢ From throwing stones to automatic weapons
• Who is targeted in conflict?	➢ Women and children are newly targeted
• Actors involved in conflict?	➢ Youth now involved as means to gain power
• Relationships of conflict actors?	➢ Change in power dynamics
• Conflict dynamics?	➢ Change in what people claim conflict is about
• Traditional conflict resolution capacity?	➢ Traditional elder groups no longer perceived as effective
• Community dynamics?	➢ Change in traditional intra-community relationships
• Public display of protest or violence?	➢ From peaceful demonstrations to open violence
• Human Rights issues?	➢ Rise in reported human rights abuses
• Role of police?	➢ From peace keepers to militia
• Judicial system?	➢ Deterioration of, and trust in, legal system
• Displacement due to conflict?	➢ Higher rate of refugees or internally displaced peoples
• Illegal activities?	➢ From petty theft to violent crime
• Economic situation?	➢ Reduction of viable work for community
• International media attention, activism?	➢ More international media attention on human rights
• Level of corruption, resource capture by State?	➢ State begins using natural resources to pay for war

Increases in the type and amount of conflict or violence are an indicator that the situation is becoming worse. If that is the case, staff may need to return to the Risk Assessment section to re-strategize. Depending on the level of escalated violence, the company may need to bring in an external conflict advisor or consider suspending operations.

Social Indicators

In addition to tracking changes in the context, it is important that you continually track changes in the relationship of the company with the local community. This is essential for understanding how the company fits into the conflict.

While table 9 is not an exhaustive list, these are several social indicators that have been found to signal positive or negative changes in the relationship between the company and its local stakeholders.

Table 9: Indicators of Local Community Perceptions of the Company

Stakeholder relations	When a company has a Social License to Operate	When the Social License to Operate is compromised (leading indicators)	When a company does not have a Social License to Operate (lagging indicators)
Company - Community	▪ New notices from the company remain on the bulletin boards without being torn off ▪ Evidence that communities are increasingly able to organize themselves due to corporate presence (e.g. though CBO, civil society groups, the absence of leadership tussles etc.) ▪ Recognition in the community that the company is bringing opposing groups and parties together that otherwise would not meet ▪ Low, or decreasing theft levels, destruction of company properties ▪ The absence, or decreasing trend, of community incidents, or complaints (silence itself is not an indicator) ▪ People associate improvements in their quality of life with the presence of the company. ▪ Outsiders campaigning on an anti-corporate platform (journalists, NGOs, politicians) get no local support ▪ Community requests focus on personal skills development instead of demand for material things. ▪ Communities identify trouble makers and inform company staff about (security) rumors in the community ▪ Communities say they have access to corporate decision makers and say the company is responsive to their concerns ▪ People wave back when greeted	▪Community leaders and elders state they do not feel respected ▪The same problems arising over and over ▪Evidence that individuals, rather than the community, benefit from company-community interaction ▪Staff feels unsafe visiting communities ▪Cold reception in community during company visits ▪Accusations of company association with a repressive government ▪Disproportional negative reaction compared to the nature of an incident ▪Community accusations that the company is 'arrogant', 'not caring' ▪Visible change in community behavior e.g. people stop greeting (waiving to) company staff ▪Proliferation of groups that each claim the company should deal with them ▪Communities demand that company benefits need to be negotiated (e.g. via MoUs) ▪Groups of people hanging around at the company gates hoping to get work ▪Local community members complain of an influx of outsiders taking job that they deserve, and putting a strain on local infrastructure	▪ Rising trends in theft (no reporting and company is seen as target) ▪ Work stoppages ▪ Increased demands and hostile tone of community ▪ No leniency when accidents happen ▪ Bad press ▪ Increasing crime in the area of operations ▪ Increased conflict between communities or within communities ▪ Kidnappings, targeted assaults toward the company ▪ Sabotage ▪ Increasing reliance on police/ army ▪ Communities say the company is "stealing" resources

ANNEX

Additional Guidance Tools and Resources

Reference Name and Description
The Prospectors and Developers Association of Canada e3 Plus Toolkit A Framework for Responsible Exploration designed to help exploration teams improve their CSR practices, and satisfy public expectations of corporate behavior in three areas: Social Responsibility, Environmental Stewardship, and Health and Safety.
CDA Collaborative Learning Projects – Corporate Engagement Project "Getting it Right: Making Corporate-Community Relations Work"; Zandvliet, L. and Anderson, M.B. (Greenleaf April 2009) Practical options addressing constructive stakeholder engagement across all areas of business, including organizational policy analysis, social investment, and key performance indicators.
CDA Collaborative Learning Projects – Do No Harm "Do No Harm: How AID Can Support Peace – Or War"; Anderson, M.B. (Lynne Rienner 1999) Tools for analyzing how all areas of business operations can impact conflict settings, by exacerbating existing divisions and tensions, or supporting options for community cohesion.
United Nations Global Compact ➢ The Ten Principles (http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html) ➢ "Guidance on Responsible Business and Investment in Conflict-Affected and High-Risk Areas" UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption. Additional guidance documents on responsible investment in conflict-affected areas.
Office of the Extractive Sector Corporate Social Responsibility Counsellor / Bureau du Conseiller en responsabilité sociale des entreprises de l'industrie extractif ➢ The Corporate Social Responsibility Counsellor (www.international.gc.ca/csr-counsellor) The role of the Counsellor is to communicate the Government of Canada's expectations regarding corporate conduct, assist companies and stakeholders in the resolution of disputes related to the corporate conduct of Canadian extractive companies (mining, oil and gas) abroad, and assist with the implementation of CSR performance standards. The office is an arm of the Department of Foreign Affairs and International Trade Canada.

International Finance Corporation

- “Performance Standards on Social and Environmental Sustainability”

http://www.ifc.org/ifcext/sustainability.nsf/Content/EnvSocStandards

- “Stakeholder Engagement: A Good Practice Handbook for Companies: Doing Business in Emerging Markets”

http://www.odi.org.uk/resources/download/1436.pdf

- “Good Practice Note: Addressing Grievances from Project-Affected Communities”

http://www.ifc.org/ifcext/sustainability.nsf/Content/Publications_GPN_Grievances

International Council on Mining and Minerals
“Human Rights in the Mining & Metals Sector – Handling and Resolving Local Level Concerns & Grievances”

Toolkit developed by International Council on Mining & Metals (ICMM), UNCTAD, and The World Bank, documenting the policy frameworks, operational practices, and partnership arrangements that deliver sustainable outcomes on the ground. (http://www.icmm.com/library)

International Alert
“Conflict-Sensitive Business Practice: Guidance for Extractive Industries”

International Alert’s work offers detailed policy and operational guidance, research, advisory and training services to companies operating in conflict-affected areas.
http://www.international-alert.org/pdf/conflict_sensitive_business_practice_section_1.pdf

UN Special Representative of the Secretary-General for Business and Human Rights

- “Protect, Respect and Remedy: a UN Framework for Business and Human Rights”

- “Business and Human Rights: Further steps toward the operationalization of the “protect, respect and remedy ”framework”

http://www.business-humanrights.org/SpecialRepPortal/Home

CSR Europe
“Proactive Stakeholder Engagement: A Practical Guide for Companies and Stakeholders”

http://www.csreurope.org/data/files/toolbox/Stakeholder_engagement.pdf

Business for Social Responsibility
“Guide to Engaging with NGOs”

http://commdev.org/files/1922_ file_BSR_Guide_to_Engaging_NGOs.pdf

John F. Kennedy School of Government, Harvard University
“Rights Compatible Grievance Mechanisms – A Guidance Tool for Companies and Their Stakeholders”

http://www.hks.harvard.edu/m-rcbg/CSRI/publications/Workingpaper_41_Rights-Compatible%20Grievance%20Mechanisms_May2008FNL.pdf

Project Collaboration

This tool has been developed collaboratively by the Prospectors and Developers Association of Canada (PDAC), World Vision Canada, and The Corporate Engagement Project – CDA Collaborative Learning Projects.

The Prospectors and Developers Association of Canada (PDAC) represents the interests of the Canadian mineral exploration and development industry. Established in 1932, counts nowadays with 6,000 individual members (including prospectors, developers, geoscientists, consultants, mining executives, and students, as well as those involved in the drilling, financial, investment, legal and other support fields) and 990 corporate members (including senior, mid-size and junior mining companies and organizations providing services to the mineral industry). The PDAC's mission statement is: "To protect and promote the interests of the Canadian mineral exploration sector and to ensure a robust mining industry in Canada. The PDAC will encourage the highest standards of technical, environmental, safety and social practices in Canada and internationally". The association's activities and the services it provides fall generally into four categories: advocacy, leading practices, information, and networking. The association is best known for its annual convention, trade show, and investors exchange. In 2010, this event attracted over 22,000 attendees from more than 110 countries. The work of the association is carried out by a 48-member board of directors, nineteen active committees, and a permanent staff.

World Vision Canada is one of the few international NGOs that is engaging with the extractive industry and its growing interest in responsible community engagement. WVC has been engaging with the extracting industry over the past 6 years through implementing local projects for sustainable development WVC has the core competencies and is well placed to lead an innovative initiative to incorporate conflict sensitivity good practices with CSR practices and good governance. WVC has developed a relationship with the Prospectors and Developers Association of Canada (PDAC) and has been involved in the launch of its "e3 Plus". World Vision has an international and longer-term field presence, which makes it a suitable partner with stakeholders such as industry and government for sustained relationships with the community. WVC is a member of the steering committee of the Devonshire which brings together NGO and the extractive Industry to foster mutual understanding and enhance communication among both sectors.

The Corporate Engagement Project (CEP) is part CDA Collaborative Learning Projects a not-for-profit organization that is committed to improving the effectiveness of international actors who provide humanitarian assistance, engage in peace practice, and are involved in supporting sustainable development. Through a process of field assessments, training's and consultations, the CEP collaborates with companies to help them ensure they have positive rather than negative impacts on the communities where they operate. As part of this approach CEP assists companies in the development and implementation of practical options to build positive, constructive relationships with the communities where they work. Since 2000, over 60 international companies – mostly from the extractive industries – operating in Africa, Asia, Australia and North and South America have participated in the Project. CEP has written field reports on company operations and their impacts on communities from 25 site visits in 16 countries, including areas of social and political tension like Nigeria, Colombia, Sudan and Myanmar/Burma. Findings from the project have been captured in the book Getting it Right: Making Corporate-Community Relations Work (Greenleaf April 2009).