Pioneering New Approaches in Support of Sustainable Development in the Extractive Sector:

GUIDELINES FOR CORPORATE STRATEGIC PLANNING FRAMEWORKS FOR COMMUNITY DEVELOPMENT

Markus Reichardt and Mokhethi Moshoeshoe
The African Institute of Corporate Citizenship

December 2003

Registration number: 2001/007772/08
# Table of Contents

Preface .......................................................................................................................... 3

1  Introduction ............................................................................................................. 4

2  Corporate Social Investment as a Basis for Community Engagement ............... 6
   Defining Communities ............................................................................................. 7
   CSI Strategies ......................................................................................................... 7

3  Finding the Best Organizational Structures for Effective Implementation .......... 10
   Crafting a Vision for Management Commitment to Support ............................. 10
   Moving a Company to a Culture of Pre-crisis Community Engagement Line Functions ... 10
   Top Management Commitment ............................................................................ 11
   The True Test – Integration .................................................................................. 11

4  Integrating Community Engagement into the Life Cycle of an Organization ...... 12
   Target Identification ............................................................................................. 12
   Exploration ............................................................................................................ 12
   Feasibility .............................................................................................................. 13
   Construction .......................................................................................................... 14
   Commissioning ..................................................................................................... 15
   Operation ............................................................................................................... 15
   Major Alterations .................................................................................................. 15
   Unplanned Closure ............................................................................................... 16
   Care and Maintenance ........................................................................................... 17
   Planned Closure ..................................................................................................... 17
   Post-Closure .......................................................................................................... 17

5  Conclusion: Closing the Loop .............................................................................. 18
Preface

These Guidelines are designed to provide a framework for integration of community issues into the strategic planning and management systems of companies in the natural resources sector. A broader discussion of the issues is available in a separate and longer version of this paper. The Guidelines are designed to assist in the effective deployment of skills, systems and resources within the company to allow it to approach community development strategically as well as at an operational level.
1 Introduction

Over the last 10 years it has become increasingly clear that private corporations’ involvement in seeking solutions to social problems facing communities is more than a philanthropic gesture: it is a business imperative. The development of this phenomenon has been particularly apparent among extractive industry companies, especially those in mining.

In responding to the pressures from communities seeking sustainable livelihoods beyond the life of the mine, leading companies have now moved beyond a risk-management mentality. They have come to realize that they can add real commercial and reputational value to their operations by seeking constructive long-term relationships with communities. In this way, the beginnings of the business case for sustainable development in this sector is emerging.

In the late 1990s, the social implications of mine development began to displace environmental concerns in the public debate on mining investment due to a range of separate developments:¹

- steps taken to make mining technology less environmentally destructive;
- a large expansion of exploration expenditure outside of traditional mining areas – often in response to changes in national mining laws – which meant that a larger proportion of new investment occurred in remote areas, often settled by indigenous communities following traditional lifestyles;
- increasing international acceptance of the intrinsic value of indigenous and local cultures, in contrast to the assimilation and developmental attitudes of the past;
- increasing linkages between organized communities and multinational non-governmental organizations (NGOs), leading to a better understanding in industrial countries of the significance of both the direct and the indirect impacts of mining; and
- continued weakness on the part of public institutions in developing countries.

The traditional social problems associated with mining communities – prostitution, alcoholism, violence, unhealthy working and living conditions – have now been joined by a second group associated with tensions with indigenous and local communities – destruction of cultural values, unsustainable development initiatives, destruction of traditional social and health systems, and land use controversies.

Indeed, the fact that mining is among the principal forces opening up access to new areas has pushed the debate concerning the industry’s activities into a more developmental context. There are often social benefits that accompany mining operations, and these can be more significant than the social costs, especially in regions with a history of mining. Large mining operations provide social services and infrastructure, and in small communities these benefits will often be shared by the entire community rather than just the mine employees’ families. All of these benefits, however, may be limited if mining activity is small-scale or short-lived.

Today, mining companies in southern Africa are challenged by several additional realities:

- a region marked by economic growth rates inadequate to accommodate new entrants into the formal job market;
- a politicized economic agenda, informed in part by the historical legacy of colonialism and apartheid; and
- the rising spectre of HIV/AIDS.
In the regional economies that are marked to varying degrees by a large informal sector, mining companies as major operators in the formal sector attract disproportionate attention as players in the development debate.
2 Corporate Social Investment as a Basis for Community Engagement

Corporate community engagement initiatives should consider that, for sustainable development work, all major groups in society – governments, the private sector, and civil society – must play an active and lasting role. As this is not always the case, companies have adopted a range of strategic options for building community engagement frameworks that can overcome the limitations of other players. The evolution of corporate community development intervention is linked to the changes in mining companies’ approaches to philanthropy in recent years, which has been informed by a changing perception of a company’s role in society.

Current corporate social investment (CSI) approaches include:

- Pure philanthropy, a historical tradition whereby company owners accept that success morally obliges them to contribute to society beyond their immediate shareholders.
- Strategic giving, which links philanthropy to marketing and brings philanthropy closer to mainstream corporate functions. This, however, does little to affect a company’s self-perception of its greater role in society.
- Developmental giving, which is the deployment of resources to address policy issues in an effort to overcome the constraints of government delivery on overall economic development.
- An integrated approach to corporate responsibility, assuming that companies can add real commercial and reputational value to their operations by, among other things, seeking constructive long-term relationships with communities.

Corporate giving is moving away from direct charity; the current focus areas are:

- focused support on education, community capacity-building and health care, despite maintaining support for a wide range of causes; and
- preference for infrastructure projects over ongoing expenditure, except with respect to community capacity building and small business support.

CSI is, by its very nature, individualistic and flexible, but some key elements have been identified that make corporate social investment more effective in most cases.2 (See Box 1.)

---

Box 1. Components of a Best Practice Corporate Social Investment Strategy

**Value Systems**

Align CSI activity with company business vision.  
Position CSI programmes to achieve a win-win approach for company and recipients.  
Provide resources for a professional, dedicated management function for CSI.  
Give preference to projects that have a natural fit with the company.  
Favour programmes that are sustainable beyond the grant.
Resources

Keep CSI budgets as part of the budgeting process and not discretionary.
Maintain a sufficient funding level to ensure meaningful impact.
Consider non-cash contributions equal to cash.
Engage the entire company, but particularly senior management, in CSI communications.
Involve employees in a targeted manner that goes beyond volunteerism.
Give CSI practitioners formal training.

Structure

Create a defined and documented structure for the CSI function.
Choose between a centralized and decentralized structure and remain consistent.
Support only as many projects as the company has capacity for.
Maintain a strategic focus in giving.
Use synergies and partnerships with other players.

Communication

Disclose and promote community contributions to projects.
Communicate the programme and its mission consistently to stakeholders, including employees.
Treat marketing expenditures as a separate item.

Impact

Measure and report the benefits of the programme.
Evaluate and benchmark company’s own project performance.
Use shareholder reviews to verify the ongoing legitimacy of vision.

Defining Communities

In developing their CSI strategy, companies need to recognize the object of their efforts – communities – as being self-defining, dynamic, composed of individuals, usually heterogeneous, and unlikely to be bound by particular definitions in the long term. Companies should develop a common understanding of some of the key concepts that can define the communities they regard as stakeholders. There could be divergent definitions within the corporate and even the CSI structure. If these exist, they require acknowledgement. It may therefore not be beneficial or useful for a company to develop too rigid a definition of community.

CSI Strategies

The remainder of this chapter outlines a range of strategic options for companies planning community engagement strategies – a unilateral approach, the use of partnerships, and the outsourcing of CSI.

Unilateral approach
Companies seeking to develop a customized unilateral approach to community engagement above all require the creation of internal capacity. The key issues associated with such internal capacity are discussed later in these Guidelines.

**Partnerships**

The World Summit on Sustainable Development formally endorsed partnerships between groups in society as a critical mechanism for the advance towards sustainable development. Basically, a partnership is established when two or more organizations or individuals find it in their common interest to work together under an agreed arrangement toward a specified outcome. Some of the important elements in any kind of partnership arrangement include trust, commitment to a common outcome, mutual respect between partners, complementary (not necessarily equal) resources, independence of individual partners, and interdependence of the partnership.

An analysis of ‘success stories’ in partnerships points to a number of key steps in the process. (See Box 2.)

<table>
<thead>
<tr>
<th>Box 2. Ten Steps to a Successful Co-evolutional Partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. <strong>Get to know each other and build trust and respect</strong>: Regular meetings (at least once a month) between representatives of prospective partners to discuss, openly and honestly, each one’s interests and expectations should be held. Each partner should be represented by a senior official, preferably the same individual each time, with a clear mandate and support from the highest decision-making body of that organization.</td>
</tr>
<tr>
<td>2. <strong>Focus on real-time information</strong>: Regularly scheduled meetings should focus on establishing a common agenda, shared values, operating basics, clear definitions of each partner’s roles, and specific strategic issues.</td>
</tr>
<tr>
<td>3. <strong>Reward pursuit and expression of honest self-interest</strong>: Do away with the ‘good people collaborate and bad one don’t’ mentality.</td>
</tr>
<tr>
<td>4. <strong>Allow ample time for brainstorming</strong>: People have a tendency to get stuck with their first ideas. Brainstorming provides an opportunity for participants to see beyond their initial thoughts and will expand the range of possible partnership configurations.</td>
</tr>
<tr>
<td>5. <strong>Carefully calculate and analyse each partner’s costs and benefits</strong>: Partners pursue partnerships to further their organizational self-interest and benefit. If one partner discovers at a later stage that the costs outweigh the benefits, the partnership is unlikely to continue.</td>
</tr>
<tr>
<td>6. <strong>Commit resources</strong>: Each partner should clearly and irrevocably commit resources to the partnership, whether these are in cash or in kind.</td>
</tr>
<tr>
<td>7. <strong>Be ready to deliver</strong>: Partners have to reach a consensus about what each is ready to deliver, and when.</td>
</tr>
<tr>
<td>8. <strong>Document both the process and the agreement</strong>: It is not uncommon that disputes, disagreements on certain parts of an agreement, and misunderstandings may arise at various stages. A written record of the discussions that lead to an agreement, and the agreement itself, provide a solid, indisputable basis for dispute resolutions.</td>
</tr>
<tr>
<td>9. <strong>Fine tune as you go</strong>: Nothing should be cast in stone. As time goes by, it is likely that circumstances are going to change and thus demand changes to and adaptation of the original analysis.</td>
</tr>
<tr>
<td>10. <strong>Being ready to terminate the partnership</strong>: There are many reasons for terminating a partnership, such as achieved objective, diverging view of partners, development of</td>
</tr>
</tbody>
</table>
irreconcilable differences, inability to live up commitments, and inability to achieve a desired goal. It does not make much sense to ‘hang in there’ when the arrangement does not work.

Copyright M. Moshoeshoe, 2001.

**Outsourcing Community Development**

Outsourcing the community development function would appear to separate the mining company culture, and thus its way of doing business, even further from the feedback of the community. However, the creation of a company foundation, a formally independent structure contributing to community development on behalf of the company, also creates an entity with CSI as its core business. The independence of such a foundation could lead to resources being devoted to community development without any constraints imposed by company priorities or profitability.

- A foundation’s developmental vision must be clear and based on the company’s core values and developmental objectives to be immune to short-term emotive needs.
- The use of company shares as the foundation’s financial resource can reduce establishment and funding costs to the company while formally tying the foundation’s interests to the company’s ability to deliver returns sustainably.
- A foundation can provide the capacity to use information from site activities as a key component in the ongoing formulation of the company’s high-level response to developmental needs at a regional or national level.

This model can create a mutually beneficial relationship between two independent organizations with different core competencies, adding value to each other beyond the life of individual mining sites. It also allows the foundation to function as a potential knowledge base for any mining company entering the region. Such networks and institutional knowledge are assets to any mining operation coming into the area following the departure of the founders.
3 Finding the Best Organizational Structures for Effective Implementation

Due to the sheer diversity of communities and companies, there is no single model of organizational structure or hierarchy that is best for constructive sustainable community engagement. Yet there are a number of general principles whose adoption is essential for the company’s internal organization to support constructive, mutually beneficial stakeholder relationships. What does work is a systematic process that allows a company to design a structure that aligns its mission, size, sector, culture, business structure, geographic location, and risk area to building more constructive relations with communities. The existence of such structures and hierarchies makes the development and sustaining of community development frameworks viable.

Crafting a Vision for Management Commitment to Support

One key to the successful functioning of any organizational structure is the clarity and legitimacy of its purpose, or its vision. Visions, due to their public nature, receive disproportionate attention. They are only a tool, however, not an outcome. While creating a statement can be a helpful step in the right direction, it is only one of many steps needed.

Visions, policies, and so on should be so clear and compelling that they require little or no explanation. Furthermore, they should:

- be a goal not a statement,
- fall outside the comfort zone, and
- be strong enough in their own right to survive the departure of the original management supporters.

Moving a Company to a Culture of Pre-crisis Community Engagement Line Functions

To acquire an effective planning capacity for community engagement, buy-in from company decision-makers at the corporate and operational levels should be secured to align the objectives of the community engagement activities with the key interests of the company. This buy-in can only come from senior decision-makers developing a real understanding of the purpose and value of this work within the company’s overall activities. Their objectives must be:

- establishing line functions that are integrated into the organizational structures and hierarchies on the basis of equality with other functions;
- recruiting skilled, competent people to staff such structures, and avoiding the transfer of surplus, untrained existing staff from other departments;
- conferring legitimacy to the discipline by developing a professional pride and career paths for staff members, in line with those of other departments;
- establishing hierarchies that allow information from this function to flow to the appropriate level rather than being severed by senior managers who are not trained to assess the importance of information;
- creating systems and procedures to formally integrate community issues into every segment of the project and mine life cycle; and
underpinning all the above with an understanding at management level that forms the basis for sustained commitment towards the company’s objectives in community engagement work.

At the heart of a company’s capacity is a clear definition of competency for all line functions and a commitment for community engagement not to be overruled by the needs of other disciplines.

**Top Management Commitment**

Top management commitment is the critical factor to bring about and maintain the change towards an effective hierarchy and capacity for a discipline such as community engagement. Such commitment by itself is insufficient unless it is based on a thorough understanding of the issues the company is responding to.

Part of sustaining this visible commitment needs to include an upfront understanding that the community engagement team will, over time, function not merely as a conduit of information on communities but also as the channel through which communities will project their ability to influence company decision-making. Thus a top management commitment to community engagement as part of its core business is a process rather than a one-off decision.

**The True Test – Integration**

Companies underestimate the diversity of company voices that have (or perceive themselves to have) a stake in the process of community engagement. The consideration of the concerns of other operating areas of a resource company should ultimately form part of the company’s community engagement systems.

The true test of integration is when a company can answer all the following questions in the affirmative:

- Have you got a policy?
- Is there true commitment at the highest decision-making body of the company? Is the commitment based on full understanding of the policy and operational implications to the company?
- Is there an operational strategy? Has the strategy been tested and debugged?
- Have you allocated adequate resources – both financial and human – as part of the regular budgeting process based on the unit’s own objectives?
- Has the policy and strategy been communicated throughout the company?
- Are you able to communicate the (revised) contents of both on an ongoing basis?
- Can you measure results and outcomes on a regular basis as part of overall performance assessments?
- Can you review the effectiveness of the resource deployment on a regular basis?

Integration means not only attracting suitable staff and placing them into the appropriate simple, effective structure and reporting hierarchy. It also means that these staff are kept there long enough to provide continuity, without which costs to companies must rise.
4 Integrating Community Engagement into the Life Cycle of an Organization

This chapter is structured according to the life cycle of an extractive industry project, outlining risk factors for every stage that need to be considered in a planning framework.

Target Identification

This is the phase during which regions and jurisdictions are identified for exploration. The part of the company tasked with target acquisition must have the capacity to:

- identify current and future issues of a non-financial nature that may be relevant or could potentially affect project viability,
- identify capacity or skills to assess these non-financial issues,
- build relationships with other relevant players in the target area, and
- create a pre-tender selection process for screening appropriate contractors.

This requires a multidisciplinary capacity to consider these issues at a strategic level.

Exploration

This is the phase during which the company physically identifies and delineates the ore body and should create a base-line of the social and environmental setting. Companies should recognize that all members of exploration teams are company ambassadors and should be trained to approach the location in a manner that:

- demonstrates sensitivity to local customs and awareness of local environmental constraints;
- manages expectations and makes communities aware of possible outcomes (including the low probability of an exploration target developing into an operational mine) and the various project stages;
- is transparent concerning the terms of the lease conditions, including the rights and obligations of both the exploration team as well as the community; and
- manages expatriate and contractor behaviour in respect to these factors.

To support this training, the inclusion of specialists other than exploration geologists will be required. These non-exploration specialists should also be given explicit capability and authority to report their findings separately to a central function. They should function as part of the field team conducting the social impact assessment (SIA) or social impact risk assessment.

Mindful of the conditions contained in the lease agreement, members of the field team should, prior to substantial exploration activities, engage the community to identify culturally determined no-go sites, seasonal variations of environmental conditions, longer-term trends of environmental conditions (even if community-induced), and environmental constraints with social implications (such as water issues).

The management of community expectations must be based on the acceptance that communities even in developed areas generally have very limited understanding of the nature of exploration work and its link to mine development. Key issues that should be covered in the community engagement work by the exploration team, preferably prior to the start of fieldwork, are:
transparency concerning the terms of the lease (lease fees, closure of boreholes, and other conditions);
information on the regulated process governing the award of an exploration lease;
information on the company’s ‘equitable’ hiring policy as well as other policies that may affect the community;
information on the job opportunities for local people and the limits to these (in terms of skills and time frame);
information on the opportunities and limitations relating to the supply of goods and services;
clarity that any employment opportunities or supply contracts for the exploration team are likely to be of a finite and temporary nature;
clarity for communities concerning the difference between an exploration and a mining lease;
transparency concerning the low probability of exploration targets converting to full-scale mining operations;
information on the rules and policies governing the behaviour of the field team members (especially expatriates); and
communication that reaches all parts of communities and not only ‘leaders’.

At the end of the exploration presence, specialists other than those included in the field team should audit the fulfilment of all rehabilitation or relinquishment commitments, including any special conditions with respect to social impacts.

Feasibility

This is the phase during which the company explores a variety of physical, technical, and economic scenarios to determine the viability of the project and the choices and timelines involved. Companies should create a link between the results of the exploration work and the feasibility study by including a report back from the non-geological specialists in the field team, as well as those auditing compliance with rehabilitation or relinquishment conditions, as part of the base documents to be used by the feasibility team.

Prior to the establishment of a feasibility team, most companies create a project charter designed to serve as a blueprint for the way in which the project will be approached. Policies and procedures should be in place to ensure that social and environmental issues and the appropriate skills are included at this level.

For community and other non-financial issues to be formally integrated into the feasibility team’s work, company systems must be put in place that ensure:

- that social and environmental skills are available on the team;
- that the range of stakeholders relevant to the project is formally communicated to all members of the feasibility team and to contractors;
- that social and environmental issues are a standard agenda item for team meetings;
- that financial models include social and environmental costs (including the level of estimate required for the feasibility study, along with the assumptions underpinning them) as well as safeguards against rounding off of their figures or ratios;
- that a uniform sense of rigour is applied to all data and numbers included in the feasibility study for decision-making purposes; and
- that the practice in the engineering profession of not issuing engineering drawings without sign-off from the responsible engineer is adopted – thus no part of the feasibility should be deemed complete for use in a project decision without sign-off.
from all feasibility team members, including those responsible for dealing with social and environmental issues.

A tool that should be generated separately at the feasibility stage, normally as part of the SIA, is a community base-line that covers a variety of social and health-related issues. It is critical that this base-line is based on verifiable methodology and is not affected by events arising during the construction phase.

If the feasibility is done at site level, then a line function at corporate level should be identified as responsible for ensuring that company standards are maintained and procedures and policies are adhered to.

**Construction**

This is the phase that follows the decision to proceed with the project but precedes formal operation by the owner or management company. It represents the time of greatest change on the ground. Following the approval of the project, companies should avoid gaps in their community engagement arising from excessive reliance on outsourcing of construction work. Policies and capacity are required to ensure adherence to an agreed standard irrespective of whether construction is outsourced. Without this, companies miss the opportunity to differentiate in the eyes of the community the actions of their staff and those of the contractor. Several key features pose a risk in this context:

- Usually there are more people on site during construction than during operation.
- The presence of multiple contractors on site stretches project management capacity.
- Most key infrastructure required for managing and mitigating impacts on society and environment – such as waste disposal sites – are unlikely to be in place yet.
- Pressing time lines and contractor cost limitations encourage people to cut corners, often with the agreement of the client.

There are several ways to avoid problems arising from this situation. They are equally important, and one cannot take the place of the other. Pre-tender contractor qualification processes that formally include sustainability issues in the company’s supply chain management are the company’s principal means of managing risk. Best practice would require contractors to provide the following prior to the start of work:

- at least a basic environmental management system and occupational health and safety capacity that can be projected to the site and includes an effective incident reporting system,
- induction capacity for employees and subcontractors,
- knowledge and understanding of applicable legal requirements and capacity to retain compliance, and
- a willingness to accept effective penalty clauses for violation of social and environmental stipulations.

In a setting where construction is outsourced, companies should provide for a formal presence on site to ensure not only fulfilment of technical criteria during construction but also compliance with relevant stipulations regarding community interaction. Specific risks arising from contractor-community interaction during this phase can arise:
• from agreements between the contractor or individual members of the contractor’s staff and members of the community regarding the mitigation of a social or environmental impact during or after construction,
• from contractor practices during construction (such as employment practices) that may set precedents for the future owner, or
• from ‘understandings’ between contractors or individual members of the contractor’s staff and members of the community regarding future usage of construction-associated infrastructure.

The deployment of appropriate capacity to the site to monitor implementation of the contractual stipulation in terms of social issues should form part of overall risk management. Without this, companies deprive themselves of the ability to understand the experience of the community they will be working in.

Commissioning

Following the completion of construction there is usually a period during which mechanical completion testing takes place. This process is rigorous in terms of technical matters, and social and environmental criteria should be included. This way companies can avoid confronting the manifestations of non-completion at a much later stage, when they no longer have legal recourse.

The commissioning phase represents the best opportunity for random corporate-level or external audits on social issues, as this is the time when the operation and its impacts become real to people in the community, and their responses and opinions about company credibility begin to form.

Operation

Central to the success of community engagement during the operational stage is that it is maintained in a systematic way. Companies should avoid goal-driven community engagement initiatives that dwindle once the mine is operational and a community development fund is established. Succession planning for mine staff responsible for community engagement and development should seek the continuity that comes from longer hand-over periods.

Companies should plan measures that prevent the community alone from having to adapt to the company’s manner and language of communication. If both company and community have to adjust to each other’s pace and manner of communication, the risk of company and community processes working at different paces can be reduced. Table 1, which was developed by Mokhethi Moshoeshoe, outlines a methodology designed to achieve this in situations where parties operate from different levels of capacity, knowledge, and understanding.

Major Alterations

Where alterations result only in quantitative changes to existing impacts, these should be considered and recorded. All alterations should be considered in the same light as feasibility studies, in that all disciplines, including social, should sign off on the revisions and alterations as well as the management of the associated impacts at either a regional or a corporate level.
When there are alterations from original life-of-mine plans, EIAs and SIAs should not be managed exclusively by site personnel. As most of these alterations tend to be driven from the mine site, it is critical that review and sign off are done by someone whose performance assessment is not linked to the ‘go’ option.

Table 1.

Unplanned Closure

The contingencies for unplanned closure should depart materially from those made for planned closure. Companies should put in place provisions based on verifiable assumptions that can be activated in the case of unplanned closure so that commitments to communities
can be substantially met. Community engagement strategies should require explicit mention of the possibility of unplanned closure.

**Care and Maintenance**

If an operation is truly placed into a care and maintenance condition, the company must communicate explicitly on the ‘active and verifiable measures’ it will take to prevent pollution generation or other impacts for the duration of the care and maintenance period. Best practice would be to publicly commit to the maintenance of certain standards and activities on site and to maintain their inclusion in reporting.

**Planned Closure**

In planning for closure, transparent communication concerning post-closure activities and relationships is critical. At this stage community communication should acknowledge that less-skilled locals will suffer disproportionate job losses, while skilled expatriates tend to be transferred. Companies should also communicate closure details to the community in time for them to use this information to influence the direction of the community development activities.

At this stage, company procedures and policies should prevent project managers from making unacceptable modifications to social and environmental management in the name of cost savings. Similarly, site management should not have the ability to modify closure criteria or block their verification without explicit authorization from a corporate level. In a context of a diminishing resource base and diminishing on-site staff, the risk of unrecorded changes and commitments to communities is real.

**Post-Closure**

As the operation moves into the post-closure phase, companies should communicate any redefinition of on-site line responsibilities and obligations. A company’s presence on a site should formally end through feeding the experience gained on the site back into the company’s project planning system.
5 Conclusion: Closing the Loop

Guideline documents are developed as much to influence behaviour on the ground as to send a positive message about industry priorities. To close the loop, corporate planning frameworks need to consider mechanisms for assessing and reporting back on the contribution of these Guidelines. A number of areas present themselves for future consideration:

- The role and importance of community engagement functions within integrated hierarchies should, from the start, include the means for feedback and assessment of the applicability of the material.
- The need for capacity-building among communities to increase their ability to be involved in sustainable engagement requires consideration of issues like the appropriate (non-mechanistic) translation of documents, the use of existing traditional information dissemination mechanisms for the communication of guideline content, and the opening of the engagement process to community feedback on adherence to the Guidelines.

By formally including in the Guidelines a commitment concerning monitoring and reports on practices, the industry would be closing the loop on its efforts in this area. Such best practice would also provide a powerful argument for increased self-regulation of the industry.

Notes

1 Based in part on G. McMahon, consultant to World Bank, summarizing the proceedings of a conference on Mining and the Community in Quito, 7–9 May 1997, in World Bank, Mining and the Community: A Synthesis (mimeographed).
