



## Canadian Extractives: Skating to Where Puck is Going



“New approaches are required to develop bankable studies, meet good international practice, satisfy investors and secure broad community support”, said Prizma’s Senior ESIA & CSR Advisor, Mehrdad Nazari

Since the publication of Advisory Group Report on the Roundtables on Corporate Social Responsibility (CSR)

and the Canadian Extractive Industry in March 2007, the leaders amongst the mining companies are “skating to where the puck is going to be.” The Report highlighted cross-sectoral convergence around social, environmental and CSR reporting benchmarks and standards. These include the IFC Performance Standards, the revised Equator Principles, and the Global Reporting Initiative sustainability reporting framework. Project sponsors are increasingly harmonizing their impact assessments, community engagement, CSR strategy and reporting with these benchmarks (and note challenges associated with limited capacity). They rec-

ognize that new approaches are required to develop bankable impact assessments to meet good international practice, satisfy investors and secure social license to operate. Prizma continues to assist in this process through tailored advisory services, transitioning “old EIAs” to bankable studies and by delivering capacity building initiatives. Call us to discuss how we can make your projects more bankable, credible and sustainable (Tel: +1-715-355 0141, GMT - 6 hours). Also, [please visit www.prizmasolutions.com](http://www.prizmasolutions.com) to download brochures detailing our training events which are also available for in-house delivery.

## EBRD’s new Environmental & Social Requirements

Catching up with its multilateral and commercial peers, which have adopted the IFC Performance Standards and, its derivative, the Equator Principles, the European Bank for Reconstruction and Development (EBRD) has materially updated its Environmental Policies. They are now called Performance Requirements and are ex-

pected to be approved by mid 2008. They feature more and more explicit social provisions. In some areas, EBRD’s (still in draft form) requirements exceed IFC’s requirements. This includes EBRD’s reference to obtain a “consent” where operations are located in areas with indigenous populations. Reflecting its mem-

bership, EBRD also refers to a number of European provisions related to the Aarhus Convention on Public Participation and the EU EIA Directive. Request EBRD’s new requirements, along with a host of other key international standards and guidelines on a complementary CD from Prizma via e-mail: [mehrdad@prizmasolutions.com](mailto:mehrdad@prizmasolutions.com).

**Short courses:**  
**IFC Performance Standards and Equator Principles: Implications for Mining and Finance**  
 • London, UK  
**December 4, 2008**  
 (after Mines & Money)  
 • Toronto, Canada  
**February 28, 2009**  
 (before PDAC)  
 Download brochure [here](http://www.prizmasolutions.com)  
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## SEA Baseline Studies in Armenia



Site visits and baseline studies for Deno Gold in the Kapan area of Armenia

Prizma is contributing to the international Social and Environmental Assessment of Deno Gold Mining Company's polymetallic mining operation in Armenia.

This continues the fruitful collaboration between Prizma and AATA International on developing bankable impact assessments.

Deno Gold is a subsidiary of Dundee Precious Metals Inc. The mining operation is located in a historic mining dis-

trict in Syunik marz (province) in the southeastern corner of Armenia, 320 km south of the capital city of Yerevan. One of the innovative approaches chosen by Deno Gold is a collaborative socio-economic needs assessment carried out in partnership with the Organization for Security and Co-operation in Europe (OSCE) and by an Armenian NGO based in the project area. The benefit of this approach includes not only cost-sharing and boosted credibil-

ity of the outcome, but also the ability to engage a broader group of report users interested in the economic growth of the region through targeted investments and capacity building initiatives.

Prizma's Mehrdad Nazari assisted the Compliance Advisory Ombudsman of IFC & MIGA in reviewing a community complaint from Kazakhstan

## IFC-CAO Assignment for Kazakh Oil Project Completed

In mid 2007, Prizma's Mehrdad Nazari was appointed to an audit panel to support the Office of the Compliance Advisor Ombudsman (CAO), the independent recourse mechanism for the private sector arms of the World Bank Group, the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA). Mehrdad



and three other audit panel members, comprising Carl Hawkings (ADM), Laks Akella, (Det Norske Veritas) and Leif Axenhamn (Sweco), assisted the CAO in reviewing a community complaint associated

with the Karachaganak I (LUKoil Overseas) project in order to evaluate IFC's internal compliance with its environmental and social policies, standards, guidelines, procedures and project conditionality. You can download CAO's findings and IFC's response on Prizma's web: [www.prizmasolutions.com](http://www.prizmasolutions.com).



Continental's Community Relations Team consulting with affected households

## Supporting Resettlement Planning in China

Prizma was retained by Continental Minerals Corporation to collaborate with Golder Associates, support capacity building and contribute to resettlement planning (RP) for a planned mining project in China. The potential resettlement of 10 households is associated with Continental Minerals' Xietongmen Copper

Project located in the Tibet Autonomous Region. Working with the company, its community relations team and external consultants, Prizma assisted in clarifying and dovetailing the national and local requirements with those defined by the IFC Performance Standards. Continental Minerals announced the posi-

five feasibility study of the Xietongmen project in mid 2007. Continental received the coveted Prospector/Explorer of the Year Award for its activities at the China Mining 2007 conference in Beijing.

## Prizma to Assist Gold Reserve with First CSR Report

Prizma has been selected to assist Gold Reserve Inc. with the development of its first Corporate Social Responsibility (CSR) report. This report will use the Global Reporting Initiative's (GRI) sustainability reporting framework and its Mining and Metals Sector Supplement. The focus of the report will be Gold Reserve's Brisas project in Venezuela and the reporting process is also expected to help fine tune internal communication, data collection and reporting

systems. The Brisas project contains over 10.4 million ounces of gold and 1.3 billion pounds of copper and it is at an advanced development stage. The initiation of its CSR report is one more demonstration of Gold Reserve's commitment to applying leading sustainability practices in the mining sector to its operation. Other activities adopted by Gold Reserve include the adoption of a biodiversity offset strategy, which is being developed in

collaboration with Conservation International and Fundación La Salle in Venezuela. Prizma previously contributed to the Environmental and Social Impact Assessment (ESIA) for the Project. The ESIA was spearheaded by Colorado-based AATA International. Contributors also include Caura (Venezuela) and SNC Lavalin, the latter also selected as the Project's EPCM contractor.



Public consultation meeting hosted by indigenous communities to discuss Gold Reserve's Brisas project in Venezuela

## Global Reporting Initiative (GRI) Training Courses

The Global Reporting Initiative (GRI) is an internationally recognized Corporate Social Responsibility (CSR) reporting framework. The Advisory Group Report on the Roundtables on CSR and the Canadian Extractive Industry recommended that the Government endorse the use of the GRI framework. The International Council on Minerals

and Mining (ICMM) has already adopted the GRI framework for its membership. Building on our successful series of short courses on IFC Performance Standards & Equator Principles, Prizma is now also offering a 1-day short course on 'CSR Reporting using GRI'. The next courses are planned for December 5, 2008, in London,

and in March 2009 in Toronto (during PDAC 09). Please pre-register via email: [mehrdad@prizmasolutions.com](mailto:mehrdad@prizmasolutions.com)

The CSR Roundtables on the Canadian Extractives recommended that Canada endorses the use of GRI's reporting framework

## Assisting LEAD Canada with Strategic Plan

Mehrdad Nazari, Prizma's Director, attended LEAD Canada Inc's (LCI) Annual General Meeting (AGM) in Toronto in March 2008 and was re-elected as a Director. LCI is a nonprofit involved in capacity building and Canadian and international sustainability projects. Mehrdad also spearheaded LCI's strategic

planning meeting convened at the AGM. Attendees re-examined LCI's mission, positioning, institutional structure, successes and failures and resources. They also discussed LCI's professional development strategy, which currently includes Leadership Development and Climate Change, and is generously

co-sponsored by HSBC. Please visit [www.lead.org](http://www.lead.org) and [www.leadcanada.net](http://www.leadcanada.net) to learn more about LEAD Canada and the other dozen global Member Programs of LEAD International and explore how you can join the network of 1,800 LEAD Fellows around the world.



LEAD Canada Inc. emerged from the Canadian Roundtable on Environment and Economy and is now one of 13 global member programs of LEAD International

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*Our clients retain us to make their projects more bankable, credible and sustainable. They benefit from our insights, experience and relationships gained working in and with financial and multilateral institutions, blue chip corporations, consulting firms and academia. We design, develop, evaluate and troubleshoot environmental and social impact assessments, CSR & sustainability strategy and reporting in line with recognized international benchmarks. These include the Performance Standards of the International Finance Corporation (IFC), the Equator Principles (EP2), the Performance Requirements of the European Bank (EBRD) and the Global Reporting Initiative (GRI).*

## Have You Met Prizma's Network of Senior Advisors?

**Mehrdad Nazari** has 17 years of experience in environmental and social risk assessments, including at the EBRD involved in a \$2+ billion extractive portfolio. He was also CSR Research Director at CoreRatings (now Inno-vest) advising asset managers, and Project Manager at Dames & Moore (now URS).

**Dr. Helena Barton** is a social anthropologist with over 10 years of experience in international development issues, management of corporate responsibility and governance risks, and assurance.

**Dr. Martin Birley** has 23 years experience of Health Impact Assessment (HIA).

Martin's previous appointments include senior adviser on HIA at Shell and senior lecturer at the Liverpool School of Tropical Medicine.

**Koichiro Ishimori** has 10 years of international experience as Evaluation and Program Officers at the Japan Bank for International Cooperation (JBIC) and the Foundation for Advanced Studies on International Development.

**Dr. Don Proebstel** is the VP for Environment and Sustainability at Gold Reserve Inc (GRI). Don's career spans 20 years in conservation biology research, environmental consulting, scientific advisor to NGOs, and academia.

**Dr. Bill Kennedy** has over 30 years senior management experience at the North American Commission for Environmental Cooperation, EBRD, OECD and UNEP.

**Tim Murphy** has over 35 years of experience, heading the Environmental Consultancy arm of WS Atkins, one of Europe's largest engineering and planning consultancies, and EBRD's Environmental Appraisal Unit.

**Wayne Forman** has over 35 years of experience, including 25 years as Director of Corporate Environmental, Health & Safety Affairs at Freeport McMoRan.

## CD of Standards



Our clients and course participants value our CD library containing nearly 100

MB of key standards, guidelines and tools needed to develop IFC Performance Standards/Equator Principles compliant ESIA studies for major extractive projects. These are usually disbursed across the internet. **This complementary CD library collection is now available upon request.** Nominal shipping & handling charges (\$10 for US & Canada, \$15 elsewhere) will be waived for requests received by mid May 08 (until batch gone).