

Compliance a priority as Covid-19 continues to shake up mining

By [Janine Espin](#)

5 May 2021

Planning and preparation are essential in undertaking new or extending old mining projects, regardless of size. Whether large-scale or artisanal, the need for mines to be compliant and ethical, as they go through the lengthy processes required in prospecting rights applications, is highlighted by the implications for the environment, economy, and communities in which the mines operate.

Compliance necessitates meeting several regulatory requirements, such as Social Labour Plans (SLPs), carbon tax compliance and a range of other environmental considerations; this is where choosing the right compliance partner can be instrumental in finding the balance between mitigating adverse impacts on communities and the environment while ensuring the sustainability and profitability of the mining project itself.

Environmental, socio-economic, and legal considerations

When applying for mining rights on a piece of land, there are a number of steps to follow and regulatory requirements to be met. From an environmental perspective, an Environmental Impact Assessment (EIA) needs to be conducted, as well as the investigation of the potential impact of mining activities in surrounding communities.

Environmentally speaking, the impact of mining cannot be understated. From earth tremors to dust, noise and water pollution, the potential adverse impacts of mining activities are well documented. This makes it important for mining organisations to show how they plan to minimise harm and risk during and after mining operations.

Provision needs to be made for carbon tax compliance while from a socio-economic perspective, it is necessary for mining organisations to present a SLP to show how mining operations will contribute to the economic development of the local community throughout the lifecycle of the mine, as well as planning for the rehabilitation of the land once operations have ceased.



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These compliance requirements cannot be met in isolation, because environmental, socio-economic and legal factors are all inextricably intertwined, which necessitates a holistic approach.

Tightly intertwined requirements

An SLP is a mandatory component of a mining grant, and this plan is usually valid for three to five years and is transferred to the new owner if the mine is sold.

The SLP makes provision for, among other things, housing and skills development for mine workers and employees. It also provides for social and economic upliftment programs for the communities surrounding the mines or the labour-sending areas and must deal with mine closure and environmental rehabilitation.

This plan must also include arrangements for labour transition when the mine reaches end of life, through upskilling so that employees have the tools to navigate the job market.

While the current framework for SLPs does not include provision for carbon tax compliance, it would be beneficial to tie these compliances together. Non-compliance with the EIA or SLP can result in the audit of an organisation's mining right, which can then be revoked. Covid-19 has also added another layer of compliance from a health and safety perspective, for new and existing mines.

Mining is a high-risk activity specifically in underground mining operations that involve working in close conditions with other people. Therefore, keeping workers safe means meeting Personal Protective Equipment (PPE) requirements and offering the vaccination when it becomes available to the population.

Choosing the right compliance partner

Given the intertwined nature of the compliance requirements for the mining industry, taking a holistic approach is advisable. In order to achieve this, companies must find a trusted partner to whom the tasks can be safely outsourced and not just a compliance specialist company that will just tick the boxes.

In addition, the compliance partner should be interested in the bigger picture - bringing community, environmental and economic considerations together to ensure that the right objectives are met. The partner will therefore need to have a deep understanding of the business side of mining while keeping in mind the human element in order to reach a middle ground for all stakeholders and communities involved.

Compliance specialists must have a tight grasp on all compliance workstreams - environmental, socio-economic, and legal - using smart technology to manage and monitor compliance. Furthermore, this ensures that mining profitability does not come at the undue expense of the surrounding communities or the environment.

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