

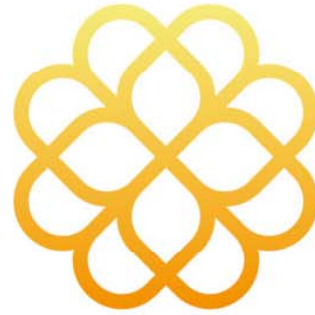


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# Introduction to the Finnish Network for Sustainable Mining

International Raw Materials Conference, Berlin, 10-11 November 2015





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# Finnish Network for Sustainable Mining

Eero Yrjö-Koskinen, Secretary General





# Network for Sustainable Mining

## What

The Finnish mining industry and its stakeholders create a *Network for Sustainable Mining* with the support of the Finnish Innovation Fund (Sitra). The network, built on cooperation and trust, promotes responsible practices for mines operating in Finland based on international best practices. Sustainable mining takes into account other economic activities and the environment.

## How

- Open and balanced dialogue
- Active and constructive cooperation
- Tools: indicators, management and evaluation systems
- Financing model for continuous operation of the network

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## Targeted achievements

### More sustainable mining

improvements in environmental impacts, occupational safety, and citizens' involvement.

### Self-regulation model

which can be copied and that are based on active cooperation of the industry and its stakeholders.

### Practical tools

developed or promoted by the network are used in the mining industry.

### Reduced risk of conflicts

between the industry and the society and help secure a social licence to operate.





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## Mining in Finland

- 12 metallic ore, 27 industrial mineral and 7 other mines
- Ca. 20 exploration companies
- Ca. 4,500 direct jobs
- Turnover €1.5 billion, investments €200 million and €52.8 million in exploration
- Mainly in Northern and Eastern Finland
- 1/112 for investment attractiveness in Fraser Institute's survey

### Why Finland?

- long tradition
- geological data and ore potential
- existing infrastructure
- high educational level
- political and societal stability
- mining and processing cluster
- security

### Challenges & developing issues

- social licence to operate and reputation
- conflicts in land-use
- investments and financing
- volatile commodity prices
- high energy taxation
- long throughput time for permits
- discussion around uranium
- perception of foreign owned companies





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## Background

- Established in May 2014, coordinated by the Finnish Innovation Fund (Sitra) until the end of July 2015.
- **Members:** stakeholders that have signed the Statement of Intent, including the Finnish Mining Association, the Finnish Association for Nature Conservation, the Finnish Sámi Parliament, WWF Finland, the Association of Finnish Steel and Metal Producers, the Finnish Metalworkers' Union, the Regional Council of Lapland, the Association of Finnish Local and Regional Authorities, the Finnish Innovation Fund (Sitra), Finnish Industry Investment Ltd, and the Central Union of Agricultural Producers and Forest Owners (MTK).
- Chairperson: Hannele Pokka (Ministry of the Environment), Vice-Chair: Tommi Siivonen (MTK), Secretary General: Eero Yrjö-Koskinen, Host organisation: the Finnish Mining Association.
- The focus of activities is in **self-regulation**.
- **Produced in cooperation with the stakeholders:** statement of intent; vision, mission and objectives; rules and regulations; work programme; toolbox for local actions; CSR report covering the activities of 19 mining and ore prospecting companies in Finland.
- **To be approved:** new sustainability standard based on TSM.





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# Statement of Intent

We commit to working together within the Finnish Network for Sustainable Mining.

## The aims of the network are to:

- develop an open, balanced and continuous dialogue and co-operation between the mining industry and its stakeholders, and;
- promote the development of more responsible, sustainable and predictable mining practices in Finland.

The network serves as a forum for discussion and co-operation between the mining industry and its stakeholders. It develops and customizes various tools for application in the Finnish operating environment, in order to enable more responsible and sustainable mining practices.

## The network's cooperation activities and operations in general will be based on the following principles, to which we hereby commit:

- compliance with the law
- promoting mining practices that are responsible and ecologically, socially and economically sustainable throughout the life cycle of a mine
- transparent information on mining activities
- engagement in genuine dialogue with stakeholders, for example to settle any conflicts of interest in advance and take into account the operational needs of other economic activities
- protection and conservation of biodiversity;
- management of environmental and social impacts
- systematic and comprehensive risk management
- ensuring the well-being of employees and promoting employment
- protecting cultural heritage
- respecting the special rights of the Sámi people.



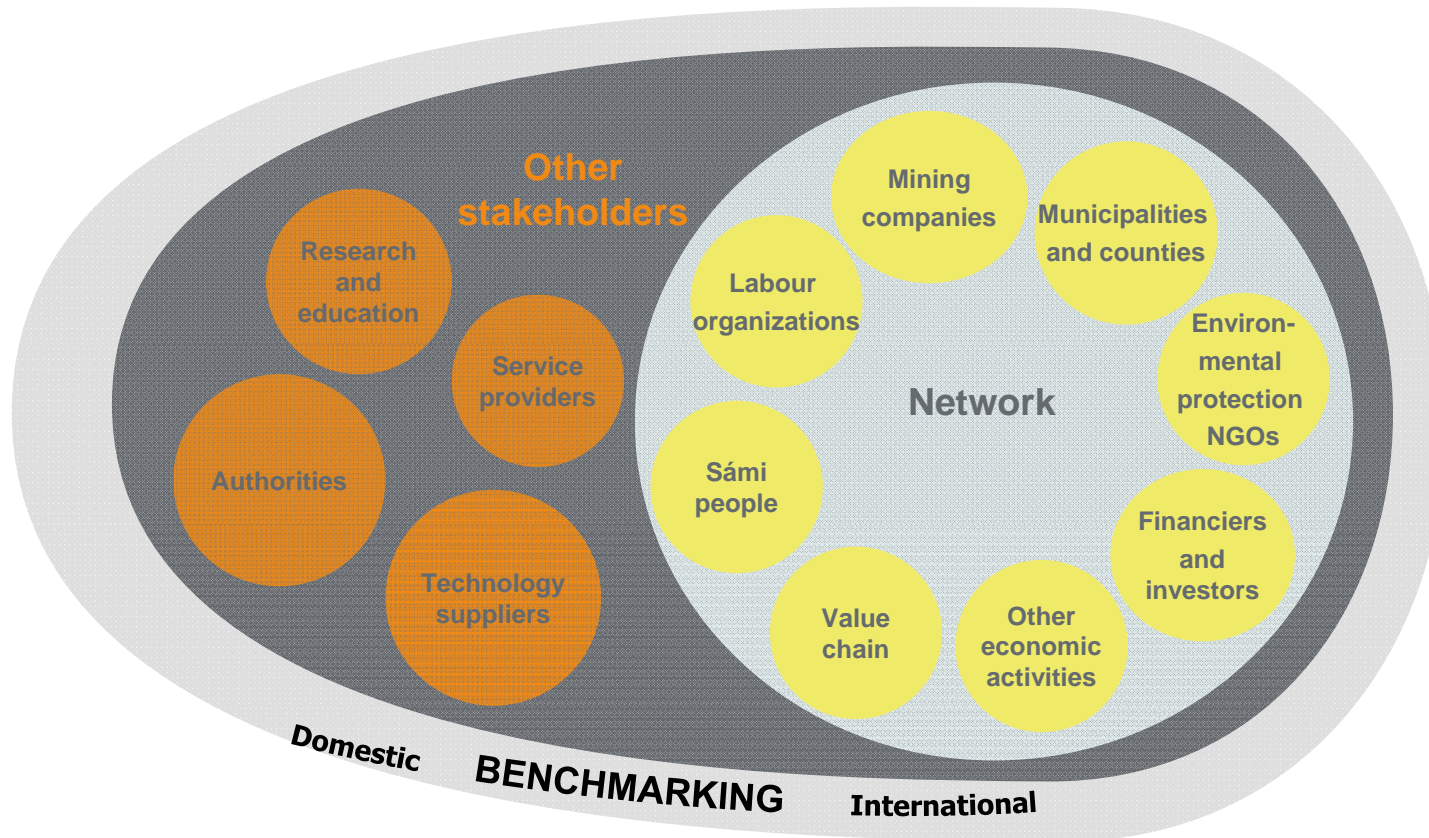




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# Finnish Network for Sustainable Mining

A multi-stakeholder network, **built on co-operation, dialogue and trust**, promotes responsible practices for mines in Finland based on international approaches.





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# Members

Financiers and investors



Tourism



Value chain



Reindeer herding



Labour unions



Hannele Pokka  
Chair



Tommi Siivonen  
Vice chair



Sámi people



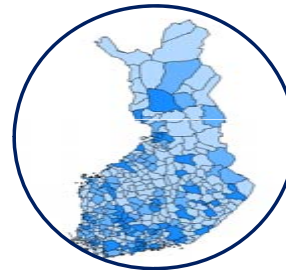
Environmental  
NGOs



Agriculture and  
forestry



Local  
authorities



Mining



Host





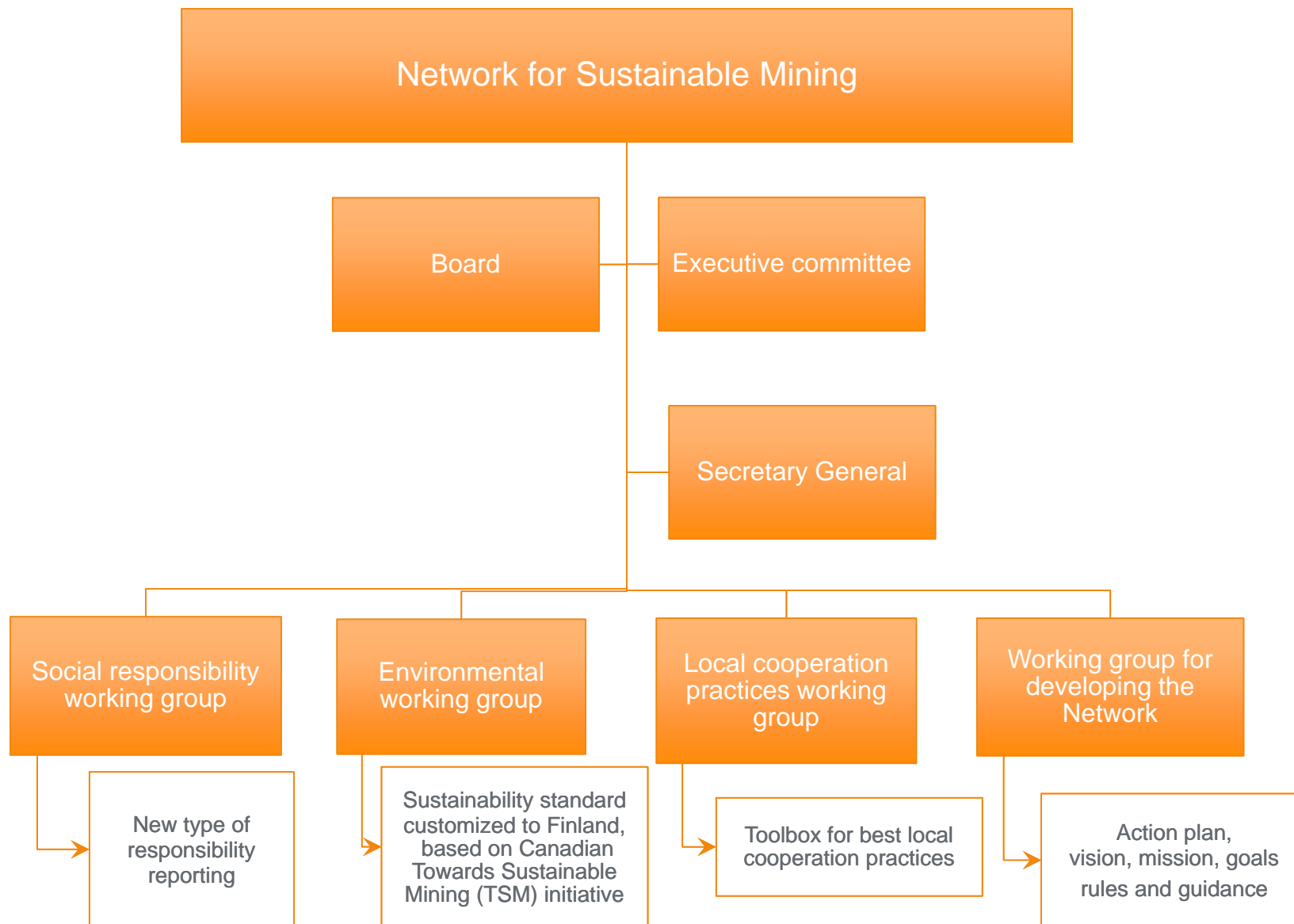


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## Board 2015-2016

<b>Chairperson:</b>	<b>Hannele Pokka – Ministry of the Environment</b>
<b>Vice-Chair:</b>	Tommi Siivonen - Central Union of Agricultural Producers and Forest Owners
<b>Mining industry:</b>	Kimmo Luukkonen - Pyhäsalmi Mine Oy
	Jukka Jokela - Anglo American Exploration
	Joanna Kunttonen - Anglo American Exploration (deputy)
	Anita Alajoutsijärvi - Agnico Eagle Finland Oy (deputy)
<b>Environmental NGOs:</b>	Jari Luukkonen – WWF Finland
	Liisa Rohweder - WWF (deputy)
	Leo Stranius – Finnish Association for Nature Conservation
<b>Other livelihoods:</b>	Anne Olilla – Reindeer Herders' Association
	Tommi Siivonen – Central Union of Agricultural Producers and Forest Owners
	Sanna Hast - Reindeer Herders' Association (deputy)
<b>Local stakeholders:</b>	Viljo Pesonen – Sodankylä Municipality
	Pauli Takala – Association of Finnish Steel and Metal Producers
	Maiju Hyry – Regional Council of Lapland (deputy)
	Heikki Paltto – Finnish Sámi Parliament (deputy)







# Protocols and evaluation criterias of the Finnish TSM

Eight protocols to enable the evaluation of mining companies operating in Finland.

## Biodiversity conservation management

1. Corporate commitment, accountability and communications

2. Planning and implementation

3. Reporting

## Safety and health

1. Policy, commitment and accountability

2. Planning, implementation and operation

3. Training, behaviour and culture

4. Monitoring and reporting

5. Performance

## Tailings management

1. Tailings management policy and commitment

2. Tailings management system

3. Assigned accountability and responsibility for tailings management

4. Annual tailings management review

5. Operation, maintenance and surveillance manual

## Stakeholder involvement and community outreach

1. Stakeholder identification

2. Effective stakeholder engagement and involvement

3. Stakeholder feedback and response mechanism

4. Reporting

## Energy use and GHG emissions management

1. Energy use and GHG emissions management systems

2. Energy use and GHG emissions reporting systems

3. Energy and GHG emissions performance targets

## Crisis management

1. Crisis management preparedness

2. Internal review mechanism

3. Training and practicing

## Closure of operations

1. Closure policy and commitment

2. Planning and implementation system based on life-cycle of the mine

2A. Planning of closure  
2B. Gradual closure and accountability of management  
2C. Closure and post-closure activities

3. Reporting system on the closure of operations

## Water management

1. Water management policy and commitment

2. Risk management and planning of water treatment

3. Water management and water treatment policy

4. Water management and water treatment reporting systems

There is a varying number (3-5) of evaluation criterias for each protocol.  
For each criteria, there are separate levels (C-AAA) according to which the company is classified.





## Finnish TSM standard

- Eight protocols with clear evaluation criteria and individual levels following the logic of credit rating (C-AAA)
- All mining companies that join the standard follow national legislation, which represents level C
- The aim is that each company would eventually achieve level A to ensure the sustainability of operations
- Companies report annually their results in each evaluation criteria
- External, independent auditing every three years to ensure the validity of corporate reporting
- The standard will be approved in November 2015 and introduced at corporate level in January 2016
- It will be revised and complemented with a protocol on ore exploration during the first year of implementation
- Smaller companies can start by choosing protocols that fit best their capacities





# Challenges

- Independence, credibility, continuity
- Fundraising and long-term funding
- Implementation of sustainability standard: training, reporting and auditing
- Expanding membership to new organisations
- New energy and ideas (added-value to members)
- Maintaining the momentum
- Expanding similar practices to other EU countries

**IT'S NOT EASY BUT IT'S WORTH IT!**







***Thank you!***



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## The Finnish Network for Sustainable Mining

[www.kaivosvastuu.fi](http://www.kaivosvastuu.fi)