CMSI Consultation Response

Respondent Details

NAME
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COUNTRY
Netherlands

PERMISSION
Yes, CMSI can disclose my feedback, name, and organisation.

STAKEHOLDER
Other Standard Setting Body

ORGANISATION
Aluminium Stewardship Initiative

COMMENTS & QUESTIONS BY DOCUMENT

> Document:
> ## Governance

1. What is the vision?

COMMENT:

The wording of this section could be simplified - and presumably will be coming out of the consultation process, and as the objectives of the 4 partners further align.

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13. What is the role of National Panels?

COMMENT:

The ability to 'Provide country-specific interpretation to implementers and assurance providers' would need some guard rails and regular oversight from the main Secretariat. Feeding into or out from the Legal Entity on this would make more sense - it currently reads as a kind of independent role (and could end up that way under its own set of governance and stakeholders). The rest of the activities would be useful.

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2. What is the mandate of the Legal Entity to deliver this vision?

COMMENT:

ASI anticipates that the planned harmonisation work will include working with ASI to recognise its full value chain approach, operating since 2017.

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3. What principles have guided the development of the governance model?

COMMENT:

The wording of 'include and go beyond DEI criteria" is a bit odd. Might be better to frame it as diversity of represented organisations (company size, geographies, commodities/value chain etc) plus diversity of individuals (DEI).

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5. What does the overall governance model look like?

COMMENT:

National Panels - are these a carry over from TSM? It might be worth clarifying this and/or giving some examples of where they might be expected initially, if that's possible. Also what might create a percerption of sufficient 'value", and who is anticipated may contribute to funding these types of panels - this will help manage expectations.

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8. What will the composition of the Mining and Value Chain Committees look like?

COMMENT:

If this duplicated membership model is important, the benefits should be explained as well as how this risk would be mitigated. However if you are expecting plenty of nominations for governance roles (particularly mining companies), it would seem that duplicated Board/Committee membership is unnecessary and restrictive of diversity of participation.

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9. How does delegated authority work and what would the delegated responsibilities of Mining and Value Chain Committees be?

COMMENT:

Duplication of Board members in the Committees would set up the potential for dominant 'Board" voices at the Committee level; and to diminish indpendence of review/oversight role of the Board for those Directors (as they were part of the process that is to be reviewed). It holds the potential for Board members in Committees to 'game" this process eg argue within the Board to get a decision they were unhappy with sent back to the Committee by the Board.

QUESTION 1
The governance principles that guided the development of the governance model are inclusive, effective, credible, impact-driven, pragmatic and efficient. From your perspective, does the proposed governance model meet expectations for consistency with these principles?
Response: 3: Meets expectations

QUESTION 2
Does the proposed governance model ensure no single group is able to unduly influence decisions?
Response: unsure

Document:
Assurance

2. Roles and Responsibilities

COMMENT:

What are these? As some examples would be appreciated. For a global programme, are these going to be locally applied only? Clarification here would be appreciated.

Do they have decision making power or only provide advice in regards to dispute resoluition process? Their role is unclear as part of the assurance process.

COMMENT:

Could APSCA be considered here under what would be formally acknowledged auditor training requirements?

COMMENT:

Are these only going to be individuals or a group of individuals? That is, the CABs are not to be considered as Assurance Providers? Clarification required.

COMMENT:

Will Certificates be issued in addition to the Audit Report? Who will be responsible for this.

4. Consolidated Standard External Assurance Process

COMMENT:

Will stakeholders engaged in the Audit be listed? (in a generic/anonyomous way of course)

Appendices

COMMENT:

Surveillance audits: Are these going to be scheduled formally, or only within 9 months if required?

QUESTION 1
From your perspective, does the Assurance process meet your expectations of a robust, credible, replicable and transparent approach?
Response: No Response

Document:
Standard

Introduction

SECTION: 6) Glossary and interpretive guidance

COMMENT:

p. 4 Requirements that require recurring action à 'Recurring action" is not specified, an Entity is to self-determine the frequency of recurring action such as progress against management plan (at "defined intervals…") : risk of plan/what is required not being up to date or missing key emerging risks

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COMMENT:

General: not clear on how achievement of Performance Level works: does a company need to have attained 100% of all requirements at a set level (and lower levels) to warrant a Certification at i.e. ''Good practice''? Does it come with a claim?

Performance Area 1: Corporate Requirements

SECTION: 1.1 Board and Executive Accountability, Policy and Decision, Making, Good Practice

COMMENT:

1.1 Board and Executive Accountability, Policy and Decision-Making à "Integrate sustainability metrics into senior executive compensation': need a definition of what sustainability metric is expected to be in this context/what does a company have to show

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SECTION: 1.2 Sustainability Reporting, Good Practice

COMMENT:

1.2 Sustainability Reporting à consider adding TNFD to the list of "good practice" reporting frameworks

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SECTION: 1.4 Risk Assessment

COMMENT:

1.4 Risk Assessment à Requirements for risk assessment are not coherently built in the standard, whilst there is criterion 1.4 on risk assessment and requirement to assess key risks from the facility as an "overarching" requirement (including at a minimum those idented in the applicable Performance Areas', it is then required separately again later on in i.e. 22.6 "Accidental Polluting Release"

COMMENT:

Believe the bar is set too low here. Foundational level for Corporate Requirements seems too basic to merit any sort of sustainability 'recognition" or certification. This is also an essential foundation and accountability mechanism for everything else in the Standard. Consider whether only Good and Leading Practice are applicable for Performance Area 1, or consider making current Good Practice Foundational and raising the bar further for Leading practice (e.g. consider business model principles under B Corp certification. etc)

Performance Area 10: Emergency Preparedness and Response

COMMENT:

Strong overlap with 1.5 Crisis Management - suggest should be combined to reduce duplication of effort and auditing

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Performance Area 17: Grievance Management

COMMENT:

Suggest this area sits best under Area 1 Ethical Business Practics, since Grievance Mechanisms can cover complaints related to environmental impacts as well as social, and they cover local communities as well as workers and other stakeholders (currently some repetition between GMs under worker rights and under Area 17: GMs)

Performance Area 18: Water Stewardship

COMMENT:

- Could upstream impacts to water be considered here in the Standard? That is, diversions/channeling, dams, land clearance etc.)

- Marine waters - Barging, dredging, ruin-off, impacts to tidal and estuarine regimes, impacts from desalination, harbour activities, ballast water management?

COMMENT:

Consider specifications around erosion and sedimentation from waterways - including in 'non-contact water", and in contact water from passive runoff across the facility.

The 'Contact Water" category is broad and includes lower risk passive run-off across mine features as well as higher risk categories such as process water, tailings decant, AMD leachate or dewatering of pits/voids. [TR]

Performance Area 19: Biodiversity, Ecosystem Services and Nature

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Leading Practice

COMMENT:

should item #3 in LP, be downgraded to GP? This is similiar to GP#4.

Item number 2 in Leading practice is quite vague/not very auditable, what exactly is expected here?

Weed/noxious/introduced/alien species? Where is this risk going to be addressed? Is it inherent/implied in FP#7 and LP#1

Standard allows use of offset for no biodiversity loss/ acheive net gain. Additional governance & transparency issues for use of offsets [TR]

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature

COMMENT:

Very consistent with the requirements of the ASI Performance Standard.

I would consider splitting (and this is a comment in general too I guess) into different criteria. Currently, it concerns World Heritage Sites, communication of prohibition around it, establishment of senior mnmt accountability, etc. It's too many things packed into 1.

Performance Area 20: Climate Action

SECTION: 20.1 Corporate Climate Change Strategy (Corporate Level), Good Practice

COMMENT:

Majority of mining emissions will lie in scope 3 - good practice should reflect inclusion in target setting;

Net zero target setting should lie in good practice

Third party verification of disclosures in good practice

SECTION: 20.1 Corporate Climate Change Strategy (Corporate Level), Leading Practice, 6

COMMENT:

LP 1, 6 & 7 in GP

LP 6 language "science-informed" - I understand (I think) that this language is used to differentiate from SBT (initiative), but it sounds like a weakening of the target setting approach (other criteria included and likely dominating - eg economics)

SECTION: 20.3 Annual Climate Change Public Reporting, Leading Practice, 2

COMMENT:

LP2 and 3 in GP

SECTION: Glossary and Interpretive Guidance

COMMENT:

ASI Intermediate Targets are <5 years; short term here is mid term i would say

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COMMENT:

scope 2 definition is slightly technically incorrect (while being readable); it is the purchase of such energy that makes it scope 2, not the consumption of such alone

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COMMENT:

PA20 does not adequately address land use emissions, which are significant in mining operations. There is a need for specific guidelines to assess, monitor, and mitigate GHG emissions from land use changes to ensure a comprehensive climate action strategy that aligns with the Paris Agreement's objectives.

Performance Area 21: Tailings Management

SECTION: 21.1 Tailings Management, Foundational Practice

COMMENT:

Foundational practice lacks clear transition strategies for existing operations that use riverine tailings disposal, missing a timeline and methodology for phasing out these practices.

SECTION: 21.1 Tailings Management, Good Practice

COMMENT:

Good practice fails to explicitly define criteria and processes for innovation in tailings management that could reduce the volume of tailings or reuse them beneficially

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SECTION: 21.1 Tailings Management, Leading Practice

COMMENT:

Leading practice does not include sustainability metrics and benchmarks that could assess environmental performance beyond compliance, such as reduced footprint and increased reuse of tailings.

SECTION: 21.1 Tailings Management

COMMENT:

No specific prohibition of lake or ocean tailings disposal (ocean disposal used for bauxite historically, and for other ores i.e. nickel laterites in Indonesia until 2021). In particular, approaches such as dry-stacking of tailings are not considered.

COMMENT:

Other standards: The substantive requirements of this PA are Conformance with GISTM OR the MAC Tailings Protocol. Note there are differences between these standards - see alignment doc https://mining.ca/wp-content/uploads/dlm_uploads/2021/04/MAC-Assessment-of-Equivalency-between-TSM-and-the-Standard-2021-03-31.pdf

COMMENT:

The Standards referred to generally describe best practice for maintaining structural integrity of tailings storage facilities. They may not cover other aspects of tailings i.e. closure requirements, management of environmental impacts from surface or groundwater flows of tailings leachate through the installation of liners or managing water inventories.

Performance Area 22: Pollution Prevention

SECTION: 22.2 Mineral Wastes, Good Practice, 1

COMMENT:

Acid and Metalliferous Drainage: This section gives very limited consideration of Acid and Metalliferous Drainage (AMD), and at such a general level that it offers little guidance. It misses crucial aspects of AMD prevention, especially the need for early assessment and planning far in advance of mining. Ideally AMD management would constitute a standalone Performance Area. The requirement to minimise the quantity of

mined waste is unlikely to have a substantial impact on outcomes, as this is a function of mine planning which already seeks to minimise mined waste for financial reasons.

SECTION: Glossary and Interpretive Guidance

COMMENT:

Recommend that the Standard uses the term 'Acid and Metalliferous Drainage" rather than 'Acid Rock Drainage" in line with best practise to capture neutral and saline mine drainage. The Standard does not describe best practice in terms of assessing the risk of AMD through geochemical testing, planning via block models, management of Potentially Acid Forming (PAF) or other waste of concern, management of leachates, monitoring, auto-ignition, nor closure actions for such material.

COMMENT:

Other than Hg and Cn, are there any Other specific pollutants That warrant a sub-section. I am thinking Pb specifically, but are there any others for consideration? [Uranium & NORMS? Acidic and metalliferous drainage as an overarching category (or sulphidic ores/waste rock as specific category)? Acidic solvents for leaching i.e. for REEs, Uranium? NORMS an issue for REEs in particular

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COMMENT:

Sections 22.1-22.7 LP do not address emerging contaminants like microplastics, advanced industrial chemicals, and other novel entities, which are not typically covered by traditional mining pollution controls.

COMMENT:

Sections 22.3 & 22.7 lack requirements for adopting real-time and predictive monitoring technologies, such as IoT sensors and AI-driven analytics.

COMMENT:

Sections 22.1-22.7 are missing detailed mechanisms for community-led monitoring initiatives that enhance transparency and provide valuable data for managing pollution.

Performance Area 23: Circular Economy

SECTION: 23.1 Circular Economy Management at all facilities, Good Practice, 4

COMMENT:

23.1(4) Circular principles included in closure planning are not sufficiently integrated across all operational phases, particularly lacking in the design of mining infrastructure for easy repurposing or material recovery.

SECTION: 23.2 Additional Requirements for Smelters, Leading Practice, 1

COMMENT:

23.2(1) Third-party verification of recycled content claims, especially by smelters, is not required, missing a key aspect of transparency and trust in circular economy claims.

SECTION: Glossary and Interpretive Guidance

COMMENT:

References: ICMM's "Tools for Circularity" document is not included in the references. It should be referenced directly in the standards to ensure facilities are leveraging proven methodologies and frameworks.

COMMENT:

The standard fails to establish clear, measurable targets for circular economy practices such as reductions in virgin material use or increases in waste material reuse.

Regular performance of Lifecycle Assessments (LCAs) to evaluate the environmental impacts across the entire lifecycle of mining products is not sufficiently mandated in the current standards. Although 'Embrace life cycle approach" is a key feature of the proposed governance model, as highlighted during the public webinars, the standards lack explicit requirements for integrating LCAs as a routine governance practice. This integration is key for systematically identifying and seizing opportunities to reduce environmental footprints and ensuring that life cycle thinking is embedded in strategic decision-making.

Community-based programs using mining by-products in local projects are not encouraged, which could support local economies and sustainable community development.

Smelters are not required to integrate circular economy principles comprehensively in product design phases (see ICMM's product circularity principles and strategies).

Protocols for product circularity specific to smelting operations are missing, necessary for designing products that minimize waste and enhance recyclability post-use.

Performance Area 24: Closure

SECTION: 24.1 Closure Management

COMMENT:

There is no requirement for maintaining a form of certification for closed mines to ensure high-standard closure and rehabilitation activities, crucial for protecting the environment and supporting local and Indigenous communities long-term. [Could also add requirement for extensive monitoring and risk assessment before relinquishing ownership & legal liability for Projects - consider significant time requirements to demonstrate effectiveness of closure, in decades or longer - TR]

COMMENT:

Specific measures for biodiversity enhancements in closure plans, like creating wildlife corridors or restoring native vegetation, are not sufficiently included, which are vital for ecological recovery post-closure.

COMMENT:

There is no consideration of mitigation of social impacts from closure i.e. loss of employment and economic activity

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COMMENT:

Closure requirements and environmental liabilities should be considered in divestment processes to ensure the incoming party has the sufficient financial resources to meet the closure costs and their obligations under the financial assurance model.

Performance Area 3: Responsible Supply Chains

SECTION: 3.1 Responsible Supply Chain (applicable to all facilities), Leading Practice, 8

COMMENT:

The wording of 'Leading Practice - 8" is unclear. Here and elsewhere one would be working with Business Partners (also a defined term) as a subject/entity that can take action, but evaluting 'Business Relationships' as an object in relation to the Facility being audited.

SECTION: 3.1 Responsible Supply Chain (applicable to all facilities)

COMMENT:

The separating out of a complaints process (Foundation - respond to enquiries; Good - allowing 'business relationships' to file; Leading - allowing all stakeholders to file on broader issues) is odd structuring that does not sufficiently represent a likely maturing/evolution of a system; it's a good example of note 2 in cell B8.

SECTION: 3.2 Responsible Mineral Sourcing, Leading Practice, 1

COMMENT:

interesting choice of 'bonus points' elements. Unclear what guidance is in place for auditor to an OECD-aligned scheme to add and evaluate dimensions that may not already be covered under the broader set of 'sustainability risks'. The 'Mined and recycled materirals' would apply to any OECD-aligned scheme following the Gold Supplement (which includes ASI).

COMMENT:

1. Significant overlap between 3.1 (which covers a number of due diligence elements) and 3.2 which requires 'due diligence to be carried out').

2. Note that with the 'additive" nature of the performance levels, Companies assessed for leading practice can have MANY requirements to be met/ checked during audits – raising effort and audit cost/ time. For example, on 3.1 'Leading" companies would have to meet a total of 19 requirements (3+6+10)

3. Note that the Facility (eg a mine) is not usually undertaking broader responsible sourcing/due diligence in a larger company - it is usually within the corporate / head office functions. This may need to be acknowledged in this section, or appropriate guidance given to the auditor.

Performance Area 4: New Projects, Expansions and Resettlement

SECTION: 4.1 Risk and Impact Assessments of New Projects and Expansions

COMMENT:

4.1 Recommend to strengthen the linkage with Indigenous Peoples/ FPIC - as covered under Area 14

Performance Area 6: Child Labour and Modern Slavery

SECTION: 6.1 Risk, Mitigation and Operating Performance, Good Practice, 3

COMMENT:

Would expect that workers not paying recruitment fees (Employer pays principle) is fundamental (Foundational) practice - this is a key risk factor for Forced Labour

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Performance Area 7: Rights of Workers

SECTION: 7.1 Workers' Rights Risk, Mitigation and Operational Performance, Foundational Practice

COMMENT:

Foundational Level only requires 'commitments' but doesnt actually require that companies implement practices to ensure compliance with these fundamental human/ labour rights. Elements such as equal pay for equal work and informing workers of their rights to organise must belong at Foundational level - not Good Practice. These are codified in basic ILO rights at work

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SECTION: 7.1 Workers' Rights Risk, Mitigation and Operational Performance, Leading Practice, 4

COMMENT:

Leading Practice 4 (beyond statutory) seems very low bar for 'leading" practice!

Performance Area 8: Diversity, Equity, and Inclusion

SECTION: 8.1 Governance of Diversity, Equity, and Inclusion (Corporate Level), Leading Practice

COMMENT:

8.1. Leading practice should include setting targets on under-represented genders on Board, as well as corporate leadership level. "Diverse" recruitment can be in addition to clear gender related targets

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SECTION: 8.1 Governance of Diversity, Equity, and Inclusion (Corporate Level)

COMMENT:

8.1 and 8.2 - seem to have a fair amount of overlap in practice (corporate vs facility level requirements). Suggest they could be merged

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Performance Area 9: Safe, Healthy and Respectful Workplaces

SECTION: 9.3 Training, Behaviour and Culture, Leading Practice, 1

COMMENT:

9.3 - Leading Practice #1 and #2 are general in nature and would be very challenging to audit consistently (How does one demonstrate that a 'commitment" is embedded effectively? What does 'throughout the facility" mean? How do you measure that?)

QUESTION 1
Does the scope, content, and narrative style of the consolidated standard meet your individual expectations and the collective industry expectation for responsible production practices?
Response: No Response

QUESTION 2
Do the requirements meet your expectations for being sufficiently clear to support consistent and practical implementation and to achieve necessary performance improvement?
Response: No Response

QUESTION 3
From your perspective, does the three-level performance structure (Foundational, Good, Leading) of the Consolidated Standard meet your expectations for providing an effective on ramp and clear articulation of good practice and effective path to continuous improvement?
Response: 2: Below expectations

Some of the requirements in "Foundational" are too low to warrant issuing a certification.

> Document:
> ## Claims

3. Types of Reporting & Claims

COMMENT:

It was initially unclear when reading this section how reporting and claims are inter-linked under section 3. Type of Reporting & Claims - we recommended to make this link clearer

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Annex II: The Company Logos

COMMENT:

Annex II: The Company Logos: Suggest to include a mandatory link to a webpage with more information explaining the meaning of 'behind the logo" and what 'responsibly produced" means (particularly under the Green Claims and Empowering Consumers Directives).

Disclaimer

COMMENT:

Companies may be concerned about how to comply with regulations on green claims and green washing - suggest some general information on how CMSI can support them in meeting these requirements.

QUESTION 1
We would value perspectives on a few additional questions related to threshold of performance associated with achievement claims. Please click here/ see page 11 of Reporting and Claims Policy.
Response: No Response

1. Yes, but is there an incentive (disincentive) to move to the 80

2. Agree with the Tailings Management Performance Area must go beyond good practice, but should apply to other key issues that go beyond legislation (e.g. Performance Area 3: Responsible Supply Chains going beyond EUDDD).

3. There is value in acheiving the higher claim, by being certified or meeting higher thresholds, companies can demonstrate to regulators that they have met and gone beyond legislation (e.g. EU Directives)". Thats if the higher claim are for the specfic requirements that go beyond the legal and regulatory requirements.