# **CMSI Consultation Response**

# **Respondent Details**

NAME Laura Sonter COUNTRY Australia PERMISSION Yes, CMSI can disclose my feedback, name, and organisation. STAKEHOLDER Other

ORGANISATION The Biodiversity Consultancy

# **COMMENTS & QUESTIONS BY DOCUMENT**

# Document: Governance

# 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: No Response

#### OUESTION 2

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

> Document: Assurance

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

# Performance Area 19: Biodiversity, Ecosystem Services and Nature

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Foundational Practice, 1

COMMENT:

Avoidance measures should extend beyond impacts to World Heritage Areas and designated Protected Areas. At minimum this should include commitments towards not sending any species extinct or causing the collapse of any ecosystems. We suggest that this can be achieved through a foundational requirement for companies to at least assess and understand their impacts to Critical Habitat, as defined by "Biodiversity Values" in the Glossary and by International Finance Corporation's Performance Standard 6 (IFC PS6).

# COMMENT:

We are glad to see at least a foundational commitment to prohibiting exploration and operation within World Heritage Sites. However, we strongly encourage strengthening this commitment to be focused on impact avoidance, rather than purely on the location of operations, given that facilities can impact World Heritage Sites at great distances from them. We suggest the following edit to this commitment: "Prohibit exploring or operating within World Heritage Sites, avoid all future operations that would likely compromise the integrity of World Heritage Sites or the outstanding universal value for which they are designated, and mitigate any risks and impacts to World Heritage Sites caused by current operations".

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Foundational Practice, 3

# COMMENT:

Suggest adding communicating measures taken to comply with requirements to avoid impacts to World Heritage Sites and designated protected areas.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Foundational Practice, 4

# COMMENT:

Suggest adding here what the biodiversity outcomes that senior staff are responsible for are. At minimum these responsibilities should include: (1) application of the mitigation hierarchy, (2) ensuring avoidance of biodiversity values (as defined in the Glossary), and, if relevant, (3) achievement of No Net Loss or Net Gain biodiversity targets.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Foundational Practice, 5

# COMMENT:

Clarify the biodiversity baseline year, as per the Glossary definition for No Net Loss on page 98 (i.e. pre-impact for new facilities, 2020 baseline for existing facilities).

#### COMMENT:

Suggest adding local and "indigenous" knowledge here.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Foundational Practice, 6

# COMMENT:

Suggest this should include assessment of risks and impacts to ecosystem services, as well as biodiversity, to align with the intent of these performance requirements.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Foundational Practice, 7

# COMMENT:

Clarify that the biodiversity management plan should set biodiversity targets, which should inform the prioritisation of actions and adaptive management in response to monitoring results. SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Foundational Practice

# COMMENT:

Lift the level of ambition when it comes to application of the Mitigation Hierarchy. If the intent is to contribute to "Nature Positive future" then avoidance of biodiversity losses will be key even for practices that are not yet capable of achieving the Good Practice requirement of achieving No Net Loss of biodiversity.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Good Practice, 1

# COMMENT:

Typo: affected "by" mitigation measures

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Good Practice, 2

# COMMENT:

Great to see No Net Loss of biodiversity required for good practice, although as mentioned above, the application of the Mitigation Hierarchy should be foundational. We also suggest clarification of two terms and their inclusion in the Glossary:

(1) "Materiality", which should include both impact materiality and financial materiality, as used by the Global Reporting Initiative (GRI) and the European Sustainability Reporting Standards (ESRS).

(2) "Residual adverse impacts", which are the biodiversity losses remaining after rigorous application of the Mitigation Hierarchy and measures to preferentially avoid, minimise and restore ecosystems to address biodiversity losses.

# COMMENT:

Suggest adding a third point "c" to clarify that when biodiversity offsets are used to address residual adverse impacts, offsets should be commenced as early as possible and preferably prior to any biodiversity losses have occurred to avoid the risks of time lags in generating biodiversity gains and unexpected costs due to their poor performance.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Good Practice, 3

# COMMENT:

Something that will greatly improve the implementation and outcomes of this requirement is providing clarity around which risks and impacts should be included within the scope of NNL/NG commitments. We recommend including direct, indirect and cumulative impacts and at least all Biodiversity Values, as defined in the Glossary, but also strongly recommend including Natural Habitat too, as defined by the IFC's PS6, as this approach is currently seen as international Good Practice.

# COMMENT:

There should be a requirement for biodiversity offsets to be aligned with good practice principles, as outlined by the IUCN policy on biodiversity offsets: https://iucn.org/sites/default/files/2022-06/iucn\_biodiversity\_offsets\_policy\_jan\_29 At minimum, these should include measures to generate gains that are additional to conservation that would have otherwise occurred, equivalent to losses in type and amount, and lasting for at least the duration of the biodiversity loss.

#### COMMENT:

Excellent to see monitoring progress both in terms of implementation of actions and their effectiveness towards making progress towards No Net Loss targets; however, suggest clarifying here that to do this requires monitoring biodiversity outcomes -i.e. the change in state of biodiversity relative to a stated baseline year and the need for adaptive management when progress monitoring reveals a shortfall in expected gains.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Good Practice, 5

#### COMMENT:

We suggest adding clarity around what is meant by "infeasible" here. We suggest including political, social and ecological reasons may exist to prevent achievement of No Net Loss (for example, see Fig 2 of Simmonds et al. 2022 https://doi.org/10.1111/csp2.12634) but that financial reasons are not.

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

#### COMMENT:

Long-term finance is key to delivering on Good (and Leading) practice. We strongly suggest including criterion on sustainable finance for mitigation activities, and governance around roles and responsibilities for management post-closure.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Leading Practice, 1

#### COMMENT:

Net Gain biodiversity targets must include a statement about "how much" net gain (i.e. a 10% uplift vs a 20% uplift) is required and clarification on whether this is required for all impacted biodiversity values or whether it pertains only to a subset.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Leading Practice, 3

#### COMMENT:

We suggest that a key outcome of this Collaboration should be to ensure that biodiversity management plans and any mitigation measures implemented to achieve Net Gain of biodiversity and implement any additional actions to contribute towards Nature Positive future should be prioritised towards contributing towards regional conservation priorities. This could include ensuring that biodiversity offsets are established in places that enhance existing protected area reserves, or that Additional Conservation Actions are prioritised towards averting pressures on the most threatened species in a landscape.

#### COMMENT:

Collaboration should also ensure that trade-offs between biodiversity mitigation measures and human wellbeing are identified and addressed throughout the mining life cycle.

SECTION: 19.1 Biodiversity and Ecosystem Services and Nature, Leading Practice, 4

# COMMENT:

Encourage a commitment to update biodiversity management plans considering findings of independent reviews, and for the public disclosure of how practice is responding to these findings.

# SECTION: Applicability

# COMMENT:

We agree that these requirements should apply to all facilities and suggest clarifying that this includes existing facilities, planned expansions, permanent infrastructure, and mineral exploration activities.

# SECTION: Glossary and Interpretive Guidance

#### COMMENT:

- The definition of "Baseline data" should be corrected -it currently reflects an action to collecting the data.

- Clarify that the "Area of influence" of a facility should include any biodiversity impact mitigation measures (e.g. biodiversity offsets and additional conservation actions) that it includes

- As suggested previously, include definitions for "materiality" and "residual impacts"

#### SECTION: Intent

#### COMMENT:

We congratulate the CMSI for the level of ambition in the intent. It is appropriate to see the application of the Mitigation Hierarchy here, including requirements for No Net Loss/Net Gain (NNL/NG) and contributions towards Nature Positive future. However, we suggest two key points of clarification are needed to align the intent with global goals for nature.

The first is that NNL/NG targets require specification of a baseline year that NNL will be measured against, the types of biodiversity and impacts that it relates to, and a time frame for achieving it. We suggest a baseline of 2020 or earlier for existing facilities and a pre-operational state for new facilities and major expansions, in line with the goals and targets of the Global Biodiversity Framework. The scope of biodiversity impacts should align with biodiversity values, as currently defined in the glossary. And the time frame for achieving the target should align with the mining life cycle, recognise that losses and gains occur throughout it, but that the target should be achieved by completion of closure when the facility (and its biodiversity offsets) will be relinquished.

The second is to clarify what "Nature Positive" contributions are and build these contributions into "Leading Practice" requirements. Current consensus is that these contributions are conservation actions that are in addition to those used to achieve No Net Loss/Net Gain of biodiversity and ecosystem services. For example, ICMM's Nature Position Statement requires "Landscape Engagement" actions, such as contributing towards the goals and targets of the Global Biodiversity Framework (reference), partner with stakeholders in landscape scale action to build capacity for initiatives that address cumulative impacts; and participate in collaborative initiatives to repurpose and harness value from abandoned or legacy mine sites to halt and reverse nature loss.

# **Performance Area 24: Closure**

# SECTION: 24.1 Closure Management

# COMMENT:

Suggest changes should be made to the intent and performance requirements to broaden the focus from rehabilitation to include all impact mitigation measures, including biodiversity offsets. At minimum, this should include: o An estimation of the financial costs of mitigation measures, including biodiversity offsets, and their inclusion into mine closure plans.

o Inclusion of financial assurance for all aspects of closure, including biodiversity offsets and the requisite and/or management of these sites post-closure.

# Performance Area 3: Responsible Supply Chains

#### COMMENT:

Add biodiversity, ecosystem services and nature into section on Relevant Performance Areas.

#### **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: 2: Below expectations

#### **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: 2: Below expectations

#### 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: 1: Significantly below

The Foundational requirement sets a very low bar for many Performance Areas and does not include requirements to progress to Good or Leading Practice. In some cases, implementing Foundational requirements could even prevent a facility moving to Good practice later in its operation.

For example, Good Practice for Performance Area 19 (Biodiversity) requires of the Mitigation Hierarchy and achievement of No Net Loss (NNL) of biodiversity. Achieving this requires early planning in a mine's life. If a mine starts at Foundational Practice, which does not require NNL, but attempts to achieve this later, the additional financial costs of Good practice would be significant.

We strongly suggest lifting the level of ambition of Foundational requirements, ensuring that they do not prevent realistic progress towards Good practice, and include time-bound requirements for facilities to move towards Good Practice during the life of an asset.

#### Document: Claims

#### 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