

# 8 Things Mine Planners Should Know About ESIA's



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It's been a pleasure working with the SRK team and it is great to have a difficult and long study completed on time and under budget.  
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SRK has been providing environmental and social management services to the mining and natural resource industries for over 40 years. We specialise in bridging the gap between engineers and scientists to provide meaningful input to projects. Amongst our clients are many of the world's leading mining and exploration companies, finance institutions and government departments.

## 1 | What is an ESIA?

An environmental and social impact assessment (ESIA, or in some jurisdictions EIA or ESHIA) analyses the potential risks and opportunities of a project by following a defined process. It results in a report that can be used to inform a number of audiences including: governments, finance institutes, communities and corporate decision makers. It is usually a prerequisite to obtaining an environmental permit and may also be required for a mining licence, water permit or other government approvals.

## 2 | Why are they needed?

A good quality ESIA performed by a respected consultancy can:

- **De-risk the project** – the ESIA identifies the key risks, both to and from the project.
- **Inform management planning** - by identifying design, mitigation or optimization measures for the impacts predicted to result from the mine.
- **Increase company share price, project NPV and potential future investments** – through assessment of alternative designs as part of the process to identify the most environmentally and socially beneficial design, with the lowest risk and optimum CAPEX / OPEX.
- **Save money** – by optimization of the project design and operational controls.
- **Indicate a responsible mining company** - good environmental performance can be linked back to a quality ESIA report. It also shows shareholders the intent to do things the 'right way'.

## 3 | Value add

When applied correctly, the ESIA process adds value to the project by helping to optimise engineering designs and avoiding costly mistakes and project delays. Ultimately helping to identify the issues early when they are easier and potentially cheaper to rectify. Our experts also provide

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SRK provide good quality specialist studies that add value. The reports produced were able to answer key questions relating to impacts and new insights into the project were provided.”

informed input to project designs, focusing on key risk areas, with the aim of both reducing negative impacts and potentially costly liabilities.

#### 4 | **Communicating outcomes**

Usually ESIA's are submitted as bulky reports, which are challenging for most audiences to digest. SRK is developing innovative field data collection methods and seeking to provide a more digital and interactive deliverable that supports decision making by all parties involved in the process.

#### 5 | **ESMP**

The environmental and social management plan (ESMP) arising from the ESIA process is a concise summary of the company's management and monitoring commitments. SRK strives to produce clear, concise management actions that the operational teams can successfully implement.

#### 6 | **Listen to the neighbours**

The ESIA process requires consultation with key stakeholder groups including local communities, NGOs, local businesses and government bodies. Although a company is obliged to have community interaction from initial exploration through to closure, the formal ESIA consultation exercises are a good way to evaluate how successful the relationships are. SRK can help you develop, maintain, and implement programs to ensure key groups are identified and the most appropriate communication methods are used both during and after the ESIA.

#### 7 | **Local content**

SRK routinely partners with local consultants to ensure our clients get the benefit of local knowledge whilst maintaining international mining experience. This approach facilitates compliance with regulator's requirements and alignment with good international industry practice, which may be required for project financing. By working together from the start, costly reworking of poor quality studies can be avoided.

#### 8 | **Project financing**

An ESIA can be used for more than just obtaining a permit. SRK is renowned for working with a wide range of private equity and debt finance institutions to provide due diligence studies, loan monitoring and competent person reporting. We understand their requirements when it comes to environmental and social risk management, and how these can best be addressed through the ESIA process.

The ESIA brings together the current project design and various specialist studies, such as socio-economic, water and biodiversity to assess the combined effect on receptors. At SRK, the engineers who design the project (and produce JORC reports, PFS and FS studies) share the same office as our environmental and social specialists. That gives our ESIA's 'the edge' when it comes to inhouse mining knowledge.

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