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## 13. SOCIAL ACTION PLAN

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### 13.1 SUMMARY

This Chapter contains a plan for the process of management of potential socio-economic impacts resulting from the Project's construction and operation phases; the process covers both direct and indirect impacts.

The Social Action Plan incorporates a specific focus on addressing impacts on local traditional tribes/clans, communities, and communes along with other stakeholders. The Plan, and supporting programs, represents the Project's commitment in avoiding impacts where feasible, and mitigating or managing impacts when they occur. The Plan provides guidelines as to how this will be achieved and is based on the concept of a participatory process with affected stakeholders.

The Plan should be considered a work in progress and is sufficiently flexible to allow modifications and enhancements as Project development proceeds and the participatory process provides input and feedback. The approach is structured to address issues (potential impacts) identified through Project consultation activities to date, as summarised in Chapter 9, and to incorporate issues identified in ongoing participatory consultation moving forward.

In general, individuals and stakeholder groups have identified important areas of concern that require specific and comprehensive information from the Project and government institutions (North Province, VKP communes). These areas of concern include:

- how the Project and North Province will prepare local workers and businesses to take advantage of and participate in Project employment and business opportunities, as well as indirect opportunities created as a result of the Project;
- anticipated changes and improvements to infrastructure (roads, schools, hospitals, water supply, etc.);
- anticipated changes and improvements to public services (education, health care, etc.);
- training programs;
- new business opportunities (markets, required services, etc.);
- mitigation of potential negative environmental impacts (freshwater quality, marine resources); and
- communication of potential socio-economic impacts and corresponding mitigation actions.

The Project has and will continue to attract considerable interest from local, regional and national stakeholders ranging from individuals to well-organised groups and institutions. To date, the North Province has been largely undeveloped as a result of few economic drivers beyond government administration and agriculture. Significant land parcels are dedicated to livestock (cattle). Agricultural output is generally low and many farmers rely on agriculture more for subsistence than as a potent market force.

NC's lagoon has drawn considerable international interest due to its size (second largest), marine biodiversity, and natural beauty. It has previously been proposed for status as a World Heritage Site (UNESCO). In general, the North Province ranks high for biodiversity and has many endemic plant and animal species.

Because of the Project's importance to the economic re-balancing between the North and South Provinces, proximity to Kanak traditional tribal areas and environmentally important areas, an effective and broad-based consultation and communications program will be continued and enhanced. This program will build on the extensive efforts conducted to date with local, regional, national and international stakeholders.

Consistent with the Project's Sustainable Development Policy (KSDP) and its responsibility to the various stakeholders and environmental protection, the Project will take a leadership role, along with the North Province through the Koniambo Committee. An important component of this responsibility includes creating consensus and good will among the local communities within the VKP area and various stakeholders.

The programs described in this Plan respond to currently identified potential impacts and proposes means to monitor both mitigation of those impacts and detection of possible emergence of new ones.

## 13.2 SUSTAINABLE DEVELOPMENT COMMITMENT

The Project's commitment to sustainable development incorporates:

- activities (construction and operation phases) in full compliance with all relevant North Province, New Caledonian and French legislation, as well as applicable World Bank, World Health Organisation and internal guidelines;
- consideration of Kanak customary law, customs and values (Voh-Koné-Pouembout area [VKP]);
- full consultation and meaningful participation of affected communities and stakeholders in identifying socio-economic (and environmental) impacts and planning, implementing and monitoring mitigation measures;
- minimise impacts to culture and livelihoods by incorporating sustainable development principles in design, construction, operation and closure activities. Where impacts cannot be avoided, mitigation actions will be determined through a participatory consultative process;
- support for strengthening of traditional and new economic activities in the VKP area that are less dependent on the mining economy, such that economic dependence is reduced and the region's development is more broadly based and sustainable;
- identify potentially vulnerable groups of the VKP area population and specifically address these vulnerabilities through consultative development and support of socio-economic assistance or other programs;
- help create opportunities for affected people to maintain, or preferably to improve, their quality of life in terms of quality-of-life priorities and monitor socio-economic indicators developed through participatory consultation;
- strengthen the ability of the current VKP area population to realise benefits from Project-related opportunities;
- participate in the social, economic and institutional development of the communes where operations are located;
- integrate Project activities with local, regional and national development objectives and institutions; and
- through cooperative and participatory processes seek to understand and reinforce the communities' ability to manage conflict issues relating to direct and induced Project impacts.

## 13.3 KONIAMBO SOCIAL ACTION PLAN

Consistent with the KSDP, the Project will implement a comprehensive program of consultation and participation for environmental and socio-economic concerns and issues.

### 13.3.1 Organisation and Responsibility

During the operation phase, project organisation will include a Vice-President responsible for the Human Resource and Community Relations Department. This position will report to the Senior Vice President of Operations. The Department will be responsible for developing the social program and for assessing, monitoring, auditing

and reporting performance. An appropriate number of trained specialists will be employed to manage specific aspects of the community relations program. This Department will work closely with other Project Departments, including Environmental, Health and Safety.

The implementation of the Plan activities will be a joint effort of the Project, the North Province, communes and other organisations and institutions. This group will also identify responsibility for monitoring effectiveness of the Plan. Some of the more important components of the Plan are described below.

### **13.3.2 Key components**

The Project Social Action Plan will be developed to respond to significant residual impacts identified through the Environmental and Social Impact Assessment (ESIA) process and to address emerging issues.

Key components of the Social Action Plan are briefly described below. Additional plans will be developed, as required, through participation of the Koniambo Committee, the process of public consultation and identification of emerging issues.

#### **13.3.2.1 Consultation and Stakeholder Engagement Plan**

In participation with the Koniambo Committee, North Province, and VKP area communes, the Project is committed to engaging affected communities in creating strategies to respond to potential direct and indirect Project impacts. Best practice indicates affected communities should be self-identifying. The Project does not believe it has the authority or capacity to make decisions about who does or does not represent the community.

An initial action will be to seek agreement from the Koniambo Committee, a consultative group formed by the Project and North Province, regarding identification of key stakeholder groups and their representatives. Stakeholders may cover specific issues and/or broader themes. The Project will then seek to engage the North Province, communes and groups in building consensus on an acceptable process to finalise identification of key representatives and initiate planning, mitigation management and monitoring.

The Project will make consultation and disclosure part of an ongoing process that started in 1999 and will continue through planning, construction, operation and closure phases. Elements that may be included in this program to address concerns regarding Project information raised by the community during prior consultation discussions may include:

- small-group workshops to engage specific stakeholder groups on focused topics;
- preparing Project communication information materials in simple, non-technical summaries, in French and Kanak dialects as needed;
- building capacity in the community to better understand technical topics and issues, possibly with the assistance of 3<sup>rd</sup> party technical consultants;
- incorporating regional and ethnic differences;
- participatory resource and impact mapping to engage stakeholders in developing mitigation strategies;
- participatory programs to monitor potential socio-economic impacts and modify mitigation strategies to respond to changes;
- use ESIA and ongoing consultation process to build confidence in project transparency;
- participate in the creation of a community information centre in the VKP area that has relevant documents and expertise to help people understand them; and

- working with the communities to identify areas of concern for disclosure and the process used to disclose information.

This plan will be developed and implemented in phases. It will start with workshops to discuss impacts identified in the ESIA and continue through the construction and operation phases.

### **13.3.2.2 Conflict Management Plan**

The Project recognises that its presence will have direct and induced impacts on the manner in which the community manages internal and external conflicts. To mitigate these impacts the Project will work with the communities in the VKP area and North Province to create a transparent plan for how conflicts relating to the Project will be managed. The Project will also seek to reinforce and support existing methods of managing community conflicts. Elements in the program may include:

- transparent engagement of affected community in finding ways to address concerns through traditional means;
- creating programs that take into account regional and ethnic differences;
- building capacity in community to better understand issues and seek solutions;
- creating participatory programs to monitor potential socio-economic impacts related to conflict, using clearly defined and agreed-on conflict drivers and indicators; and
- creating an effective and transparent issue resolution procedure that results in clearly defined outcomes.

This plan will be developed before construction starts in 2006.

### **13.3.2.3 Cultural Heritage Management Plan**

The objective of this component is to safeguard the cultural heritage and protected areas in Project and VKP areas. In co-operation with New Caledonian and North Province agencies responsible for safeguarding cultural heritage and protected areas, the Project will provide support for heritage preservation and archaeological research. Support for dissemination of information, including publication of scientific studies and tourist materials will be provided. Elements of the program will include:

- implementing a Code of Conduct binding on all Project and contractor staff;
- creating a multi-cultural training program for Project employees and contractors that focuses on the various cultures present in the VKP area, and notably the Kanak culture in VKP area; and
- supporting programs for preservation of cultural heritage.

This plan will be created before the start of construction in 2006.

### **13.3.2.4 Education and Training Plan**

The Project will continue to coordinate with and support the New Caledonia (NC) educators and educational institutions to develop, implement and monitor educational programs, including the Diplôme d'études universitaires en sciences et techniques (DEUST) and Formation Complémentaire programs (and other education and training initiatives summarised in Chapter 9) to provide additional skilled workers for the Project. The Project will work closely with the North Province and VKP area communes to provide preferential training opportunities for local candidates and qualified workers.

The Project will continue to monitor the need for skilled workers and employment of workers from NC, particularly from the VKP area and North Province. Considering the current limited pool of qualified construction workers and the time critical nature of the Project's construction phase and planned concurrent VKP public infrastructure developments, the Project is targeting to provide employment opportunities for up to a 20% average of the staffing needs. During the operation phase, the Project will strive to

achieve a predominantly NC workforce by year 5. The Project will strive to continue to reduce expatriate staffing levels throughout the life of the Project.

The Project will also continue to work closely with the North Province to develop additional education and training programs for the mining sector as well as related non-mining sectors. The Project also intends to continue its program of providing hands on training opportunities at Société Minière du Sud Pacifique (SMSP) and Falconbridge operating sites in NC and overseas.

The Project will monitor the effectiveness of the various training and education initiatives and programs.

#### **13.3.2.5 Sustainable Economic Development Plan**

The project commits to working with appropriate government and other organizations to create a community economic development plan specific to the project. The initial phase of this work will be undertaken prior to starting construction. In this phase, the Project will seek to work with stakeholders to create a program that will be implemented before construction and carry on through the construction and operations phases.

Elements of such a plan may include:

- working with North Province and local communities on preferential treatment for “local” job/training seekers and economic development programs;
- coordinate Project efforts with economic diversification funding and participation to the economic development program implemented at various levels of investment by the “Fond de garantie” of the North Province;
- construction related to public infrastructure; and
- through micro-credit associations, such as the ADIE (Association pour le Droit a l’Initiative Economique), working with local tribes, communities and North Province to support and encourage economic development programs that distribute economic benefits.

#### **13.3.2.6 Procurement and Supply Plan**

The Project will procure a significant amount of materials and services, particularly during the construction phase. The Procurement and Supply Plan will include provisions to preferentially solicit certain types of procurement activity in NC, and specifically from VKP area and North Province businesses. This Plan will identify the methods for contracting that favour smaller and local enterprises. Enhancements will include contract scopes and sizes consistent with current and future enterprise capabilities. Opportunities for local and smaller enterprises will be well coordinated and communicated with the VKP area and the North Province. The Project will monitor the effectiveness of this Plan and adjust as appropriate.

#### **13.3.2.7 Local Capacity Building Plan**

The Project is committed to assisting in capacity building for people affected by the Project and Project-related impacts. Consistent with this commitment, the Project will build internal (Project) capacity to facilitate understanding of culturally significant issues in the general area of influence. The Project will also build capacity within the local communities in the VKP area to strengthen and facilitate the ability of local stakeholders to better understand the Project, including technical, socio-economic and environmental topics. This capacity building initiative is an important element in all participatory planning activities and will be undertaken in support of similar community and government initiatives.

#### **13.3.2.8 Information Sharing Plan**

The Project will develop a plan to share information about the Project and potential impacts. This will include Project employees working in conjunction with North Province, the local community, non-governmental organisations (NGO’s) and the scientific

community to conduct environmental studies, evaluate plans or assist in understanding technical issues. The Project environmental impact mitigation plans include conducting a number of surveys and developing protection plans for plant and animals. Some examples of opportunities for the sharing of technical resources would include:

- monitoring data, consistent with permit requirements (noise, air, liquid effluent, etc.);
- pre-construction surveys (archaeological, vegetation, reptiles, marine, etc.);
- mitigation plans (terrestrial flora, mangrove, critical habitats, etc.);
- identification of areas for biodiversity conservation;
- collection of seeds/seedling of endemic plant for revegetation and rehabilitation activities;
- mangrove replacement/rehabilitation; and
- near-shore fisher access.

### **13.3.3 Monitoring of the Social Action Plan**

The Project will develop a program to monitor the implementation of the Social Action Plan and to evaluate its effectiveness. Socio-economic indicators will be developed, as required, through the participation in the Koniambo Committee, the process of on-going public consultation and the identification of emerging issues. The results of the monitoring program will be compared to the objectives of the Social Action Plan. The elements of the monitoring program may include the following.

#### **13.3.3.1 Project Based Indicators**

Employment and other Project statistics, including employees information by position, will occur on a quarterly basis during the construction phase and initial operation phase, then annually, including demographics and residence at the time of hire. Data to include:

- current place of residence (annual basis);
- skill and experience summary, including education and training;
- turnover (annual basis);
- safety performance; and
- project support of various initiatives and mitigation actions.

#### **13.3.3.2 External Indicators**

Monitoring of external indicators in affected communities will be performed in collaboration with the Project and appropriate governmental agencies, local committees and NGO's. This will occur in three areas: community growth and development, social indicators and economic development.

##### **Community Growth and Development**

- urban planning;
- population changes and demographics;
- gain or loss of housing and businesses;
- changes in community infrastructure (water, electricity, schools, medical, etc.); and
- changes in municipal and public services.

##### **Social**

- school enrollment and grade level achieved;
- health;
- crime;
- social problems (substance abuse, domestic violence, etc.);
- types of conflicts and the effectiveness of resolution; and

- cultural heritage promotion activities.

### **Economic Development**

- new businesses (type, number and size);
- expansion of existing businesses (addition of staff, equipment, or new business lines); and
- assessment of new business sustainability.