

## Tool 4.4: SLO Indicators

As a prelude to this section, please note that for a more in-depth description of the indicators, please see Deliverable 4.5: Guide to using SLO Indicators and the Assessment Process.

While the indicators are developed for policy makers and regulators, they can also be used by companies.

### 4.4.1 SLO Measurement Process

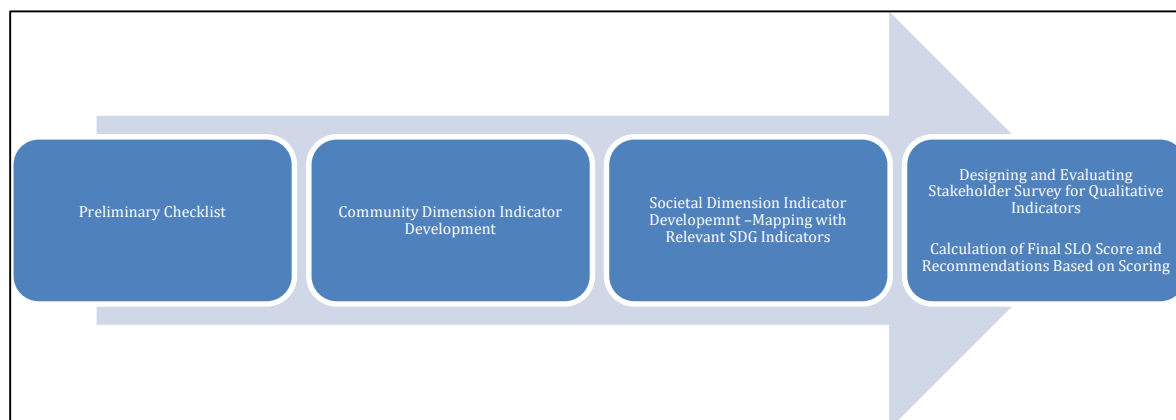


Figure 1. Flowchart describing the steps to be covered in SLO measurement

As depicted in the figure above, the SLO indicator development and measurement process of any mining project can be implemented stepwise.

- Preliminary Checklist:** The preliminary checklist (Table 4.4.1) is useful to understand the present state of any mining project and establish a baseline in terms of where the project lies in the socio-economic stability spectrum. Based on the SLO pyramid developed as part of the MIREU study, a mining project can be situated in one or several of the following levels: Collaboration, Support, Acceptance/ No Acceptance, Resistance and Protest. It can be interpreted that Collaboration, Support and Acceptance are positive states for any mining project and No Acceptance, Resistance and Protest are negative or concerning states for mining projects.
- Community Dimension SLO Indicator List and Measurement:** Once the preliminary checklist identifying the initial mining level is prepared (i.e. Collaboration, Acceptance, Resistance, etc.), for each level there is a list of indicators which have been developed and have been elaborated in Table 4.4.2. For instance, if a project is at the 'Support' level, the evaluator must look into components mentioned in 2.1, 2.2 and 2.3 in the table to calculate the SLO score. The calculation of these components would be done either by designing a stakeholder survey (for qualitative components) or by using pre-existing economic or social indicators (for quantitative components). For instance, component 1.4, which is identified as 'Skill enhancement of local workforce' is a quantitative variable and can be measured directly using Labour Index/Economic data available in the region. But for component 2.1, 'Access of community to company officials', this is a qualitative variable and can be evaluated by interviewing the relevant stakeholders in the form of a survey.
- Societal Dimension SLO Indicator List and Measurement:** As elaborated in Table 4.4.3, for Societal SLO measurement, the process followed is to simply map the components to relevant Sustainability Development Goals (SDGs) developed by the United Nations.

- **Designing and Evaluating Stakeholder Survey:** As mentioned above, for Community SLO, the qualitative components can be measured by designing a survey and quantifying its results. The process of designing the survey and quantification has been discussed in further detail the next section 4.4.2.
- **Final SLO Score calculation:** The final SLO score is calculated on a 5-point scale, which is an average score of all the relevant indicators in column C for Table 4.4.2, 4.4.3. Therefore, in Table 4.4.2, for a project at the 'Acceptance' level, an average score of measurement parameters in column C for components 3.1 – 3.4 in Column B is the SLO score of the project.

Table 4.4.1: Preliminary checklist for identifying the present SLO level of mining project

LEVEL	PRELIMINARY CHECKLIST
Collaboration	<ul style="list-style-type: none"> <li>✓ Frequency of community participation in co-planning, decision making &amp; ongoing co-operation. (monthly/yearly)</li> <li>✓ Increase in economic growth in terms of livelihood of communities (local procurement/salaries) through agreements.</li> <li>✓ Degree of enhancement in well-being in terms of stability &amp; cohesiveness.</li> <li>✓ Proportion of income generated for local government &amp; consequent utilisation in community welfare</li> <li>✓ Quantity and quality of training programs provided or planned for skill development of local mining workforce.</li> </ul>
Support	<ul style="list-style-type: none"> <li>✓ Level of connectivity community feels they have with the company.</li> <li>✓ Perceived level of impact of community's voice in environmental/permitting process &amp; influence in economic, social outcomes of project.</li> <li>✓ Extent of active joint monitoring</li> </ul>
Acceptance/ No Acceptance	<ul style="list-style-type: none"> <li>✓ Level of belief in company as being fair, transparent, respectful &amp; observes legal processes.</li> <li>✓ Frequency of public consultations &amp; public dissemination of information by the company.</li> <li>✓ Proportion of community that believes burden of impact outweighs project benefits.</li> <li>✓ Proportion of community which sees too few economic &amp; social benefits.</li> <li>✓ Number of additional jobs created for the community &amp; amount of additional revenue generated for municipality.</li> <li>✓ Degree of non-acceptance by the community even if laws are complied with.</li> <li>✓ Assessing company engagement &amp; grievance mechanism standard</li> <li>✓ Proportion of community that perceives potential impacts as too large (level of impact; direct/indirect)</li> </ul>
Resistance	<ul style="list-style-type: none"> <li>✓ Level of community perception of the government being unresponsive to environmental risk concerns.</li> <li>✓ Number of unresolved land use conflicts</li> <li>✓ Intensity of threat to livelihoods, no go zones etc.</li> </ul>

Protests	<ul style="list-style-type: none"> <li>✓ Number of times (incidents) individual/community values disregarded by the government &amp; the company historically</li> <li>✓ Instances (events) of community being lied to historically resulting in deep distrust.</li> </ul>
----------	--

Table 4.4.2: Measuring Community SLO

A. LEVELS (Community Dimension)	B. COMPONENTS	C. MEASUREMENT PARAMETERS
Collaboration (benefit sharing)	1.1 Role of community in project planning	Stakeholder Survey (5 point scale)
	1.2 Enhanced well-being and community livelihood improvement	% Employment increase Local content (manufacturing equipment, labor deployed etc.)
	1.3. Additional income generation (due to project)	Economic Index
	1.4 Skill enhancement of local workforce (due to project)	Labour Index/Economic data
Support (engagement)	2.1 Access of community to company officials (interaction level)	Stakeholder Survey (5 point scale)
	2.2 Impact of community feedback in final outcome of project design/EIA	Stakeholder Survey/Media Publications
	2.3 Level of joint monitoring of the project	Stakeholder Survey (5 point scale)
Acceptance (legal & procedural fairness)	3.1 Transparency & fairness in following the legal process (by companies)	Transparency Index [Standard indices available]
	3.2 Public disclosure of steps taken by company	List of accessible publications
	3.3. Impact vs Benefit	Stakeholder Survey (5 point scale)
	3.4 Additional community acceptance parameters	Stakeholder Survey (5 point scale)

Table 4.4.3: Measuring Societal SLO

A. LEVELS (Societal Dimension)	B. COMPONENT	C. RELEVANT SDG GOALS
Collaboration (benefit sharing)	1.1 Citizen input on national level distribution of mining taxes and royalties	SDG 10 – Reduced inequalities within and among countries
	1.2 Promoting renewable and more efficient uses of energy through mining laws	SDG 13 – Take urgent action to combat climate change and its impacts

	1.3. National level education programs to promote raw material awareness	SDG 4 - Ensure inclusive and equitable quality education
<b>Support (engagement)</b>	2.1 Government/Industry raw material awareness campaign	SDG 12 – Ensure responsible consumption and production patterns
	2.2. Inclusive stakeholder input and adoption of voluntary mining standards	SDG 12 - Ensure responsible consumption and production patterns
<b>Acceptance (legal &amp; procedural fairness)</b>	3.1 Legitimacy of government	SDG 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
	3.2 Public trust in environmental/permitting/licensing process with adequate consultation opportunities	SDG 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
	3.3 Minimum level of economic compensation to the country	SDG 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work

#### 4.4.2 Survey Design and Measurement Protocol for Qualitative Indicators

Survey design for qualitative parameters in the community SLO measurement process has been discussed in Table 4.4.4 below and provides general guidance on how to measure various socioeconomic aspects of a mining project. The design is segregated into different survey themes including Social Infrastructure, Contact (connection between corporate and community), Procedural Fairness, Trust, and Acceptance. Scoring is done on a 5-point scale.

Table 4.4.4: Designing Survey for SLO Indicators

<b>SURVEY THEMES (No. of questions/items)</b>	<b>SCORING AREAS (Likert 5-point scale)</b>
Impact on Social Infrastructure (4 items)	Extent to which participants experienced impacts, relative to their expectations, over the past 12 months (1=much worse than expected, 5 =much better than expected)
Contact Quantity (3 items)	Level of contact with people from the mining company at community meetings or events/informally in their local area/overall social situations (1 = none at all, 5 = a great deal)
Contact Quality (2 items)	How pleasant/positive was the contact (1= very negative, 5 = very positive)
Procedural Fairness (3 items)	Rating the extent to which participants agree with whether people in their community have opportunities to participate in the decisions made (1=strongly disagree, 5=strongly agree)

Trust (4 items)	Rating the extent to which they have confidence/trust/goodwill toward the company and, in general, how much they trust the company to act responsibly (1= none at all, 5= a great deal)
Acceptance (2 items)	Rate level of acceptance/approval of the mining company operation in the region (1= not at all, 5 = very much).

### Identification of Stakeholder for Survey in Community SLO Measurement Process

- **Recruitment of participant for Stakeholder Survey**
  - Approaching local NGOs, Civil Society Organisations for an existing database of active community members
  - Creation of a new participant database (in absence of above) of community members based on the following criteria:
    - Members who have contacted the mining company for some reasons
    - Members having commercial relationship with the mining company (e.g. land-owner etc.)
    - Members who have attended any such community information session hosted by mining company and agreed to share contact details
    - Members who are any form of local group or regional representative
- **Invitation to Survey and meeting compliance requirement**
  - Participant invitation via email with a link to online survey
  - Ensuring responses are anonymous and confidential, only summary level data available as public information
  - Approval of survey from relevant Social Science/Human Research Ethics Committee and contact details of ethics officer included with the mail for participants having any concerns

#### 4.4.3 Interpreting SLO Scores from SLO Indicators

Once the SLO score is calculated for the mining project it provides an evaluator with the following information

1. Present SLO level of the project – Preliminary evaluation gives an idea about which level the mining project is in.
2. Performance of the project at the present level – The SLO score (1-5) gives an idea as to how the project is performing at present i.e for example, if the project is at the 'Acceptance' level and has a final SLO score of 4/5, it indicates that the project has a strong level of acceptance.
3. Possible future state of the project – A final SLO score also gives an idea of the project's future direction in terms of community relations. Suppose a project has a final SLO score of 4/5 at the 'Acceptance' level, there is a high probability the project would be elevated to the 'Support' level. Similarly if the score is 1/5, there is a higher chance of the project being demoted to the 'No Acceptance' level.