



Social licence to operate

Partnering beyond stakeholders

Local level agreement making

Partnering beyond stakeholders, from across the table to around the table

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Stable local level agreements with land-connected people throughout the life-of-mine are fundamental to successful resource development. How this process is facilitated and executed sets the tone of the relationship with stakeholders, host communities and regulators throughout the life of the project and beyond. In developing a Native Title Mining Agreement for the Carrapateena project, OZ Minerals and the Kokatha Aboriginal Corporation (KAC) sought to develop a mutual and participatory approach of working together to inform the agreement-making process. Both organisations voluntarily agreed that a partnering agreement would be developed to inform and underpin the relationship between KAC and OZ Minerals. The agreement determines the nature, parameters and values of the partnership over the life-of-mine and beyond.

This article discusses the rationale, process and objectives associated with creating and implementing a partnering agreement between the KAC and OZ Minerals for the Carrapateena project.

Stakeholders

Kokatha Aboriginal Corporation

The Kokatha people have a long, unbroken connection with the land on which the Carrapateena project is located. Our

Native Title was determined in September 2014. The Kokatha people are the Traditional Owners of a large section of the land in the north of South Australia. We have a long history of interactions with mining, exploration, pastoral and defence proponents. While many of our people live in the far north of South Australia, there are many Kokatha widely dispersed throughout Australia. Kokatha aims to protect its heritage and culture and develop processes to ensure places of social, cultural, historical and spiritual significance are preserved and protected.

OZ Minerals

OZ Minerals owns and operates the copper-gold-silver mine at Prominent Hill and is developing one of Australia's largest copper-gold resources at Carrapateena. We are focused on creating a pipeline of opportunities with a commitment to safety and capital discipline, which are underpinned by our strong values. We are a modern mining company that adapts to our ever-changing environment, harnessing the innovative ideas of our people and collaborating to leverage the experience of those around us.

Our commitment to creating and maintaining effective partnerships with all of our stakeholders is fundamental to OZ Minerals and the lands in which we

operate. It is our desire to create transparent and open communication where all parties find mutual benefit and support. We believe that these relationships are the foundation for successful resource development as we invest in and acknowledge the history that people have with the land and communities in which we operate.

Context and process

The Carrapateena copper-gold deposit acquired by OZ Minerals in 2011 is currently in feasibility stage and is located on land for which the KAC hold Native Title. The project is also in South Australia's Gawler Craton, a highly prospective copper province. The KAC and the Kokatha people have a long history of interacting with resource proponents – some positive and some not so.

While local level agreements with key stakeholders are a legislative requirement for resource projects, the process by which these agreements are developed is important.

It was recognised from the outset that the relationship between OZ Minerals and the KAC would be critical to the long-term success of the Carrapateena project and any future activity throughout South Australia's Gawler Craton. Respecting and protecting the rights of the Kokatha people and aligning with the

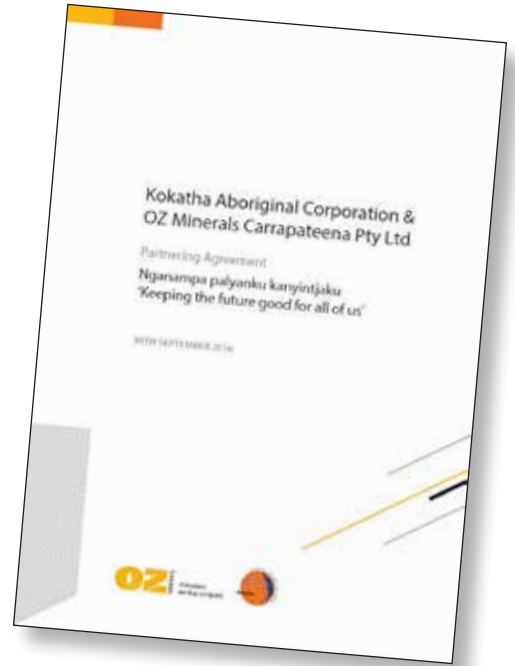


Figure 1. The IAP2 Public Participation Spectrum.

see www.iap2.org.au/





Andrew Cole and Chris Larkin after signing the partnering agreement on 3 November at Carrapateena.

values of 'free prior and informed consent' (United Nations, 2008) meant that a traditional western or commercial approach to agreement making would not provide the structure to explore all opportunities, but a partnering approach would.

While stakeholders are generally informed and consulted about decisions that are being made, it is rare that they are empowered to inform the design or decision-making process, where they can truly influence the outcome.

Exploring the partnering approach is innovative in the resources sector, and provides an opportunity for both companies to think and act differently. The term 'partnering' is based on an emergent model in which companies work with government and communities on initiatives that help strengthen the social, human, economic and cultural capital of the area (Department of Industry, Tourism and Resources, 2006).

The partnering approach and process was new to both organisations, and early discussions centred on developing trust, building common understanding and language, identifying issues, learning from each other, developing transparent and honest relationships and overcoming legacy issues. A key part of this discussion

It was important to create a space where both parties felt respected and were sitting at the same table as equals.

was the acknowledgment from the outset that the power relationship between parties is not always in balance. As such, it was important to create a space where both parties felt respected and were sitting at the same table as equals. This enabled both organisations to identify opportunities for maximising shared value, which was based on the respective organisations' strengths, needs and interests.

The discussion process was overseen by an independent and skilled facilitator, who led the two organisations through a process of reciprocal educational awareness, participatory knowledge and impact management processes. This delivered tangible outcomes for OZ Minerals and the KAC in the design and approvals process as it reinforced that land-connected people, along with other local stakeholders, have context-specific knowledge, experience and insight that are material to informing resource project

development. By adopting the mantra 'no surprises and no assumptions', risks and impacts were identified early. This transparency provided confidence and efficiency for both organisations.

What do we mean by partnering?

The partnering approach adopted by OZ Minerals and the KAC is an integrated cross-sectoral approach based on principles of equity, transparency and mutual benefit (The Partnering Initiative, 2016). It is more than the traditional transactional arrangements underpinned by a contract that are often seen between mining companies and Indigenous communities.

This approach enables partners to work together to co-design solutions. While the process is more challenging to undertake than transactional types of partnering, this offers far greater strategic value to all partners.

The movement towards an integrated, ▶

transformational approach is starting to be adopted globally as companies and communities seek more sustainable and value-generating partnerships. As a result, a new profession of internationally accredited partnership brokers has emerged. These brokers act as intermediaries while building partnering capability and are a critical part of the partnering process (The Partnership Brokers Association UK, 2016).

Key elements of the partnering process

The partnering process enables space for the expression of various viewpoints and welcomes diversity into the process, which is the key when forming collective-based decisions. This approach translated to the notion that slower is faster. Common knowledge and understanding provides the foundation on which collectively endorsed commercial agreements can be developed.

Some of the key elements that were critical to the success of this process were (in no particular order):

- strong representation at the first meeting, which was held ‘on country’ at

Partnering Agreement extract

Nganampa palyanku kanyintjaku
‘Keeping the future good for all of us’

This Partnering Agreement provides the foundation for the relationship between the Kokatha Aboriginal Corporation (KAC) and OZ Minerals Limited (OZ Minerals) in relation to, and throughout the life of, the Carrapateena Project and any other future OZ Minerals projects in Kokatha country, including project rehabilitation.

It seeks to outline the overarching purpose for the relationship and to set out how both partners will work together into the future.

Purpose of the Partnering Agreement
Kokatha Aboriginal Corporation and OZ Minerals will work together:

To create sustainable benefits by leveraging, developing and building on our shared values and aspirations, whilst protecting and respecting country and culture.



Partnering Workshop 1, June 2016. Kokatha Aboriginal Corporation Executive and OZ Minerals Executive ‘on country’ above the Carrapateena deposit.

the Carrapateena site and was attended by the full Kokatha Board and the OZ Minerals executive

- creating a safe space where both parties felt that they could share information openly and come to the table as equals
- engagement of an independent partnering specialist (and internationally accredited partnership broker) to design and manage the process and help both parties navigate their way through the critical early stages
- high-level commitment from each organisation to support the partnering process and be fully engaged
- early emphasis on building a foundation of trust and respect through sharing of information and stories
- providing opportunities for socialising and being ‘on country’ for key meetings and discussions
- focus on discussing ‘how’ the partners wanted to work together now and into the future
- designing both large and small group meetings that enabled sufficient time to build relationships and discuss and debate substantive issues.

The outcomes

In September 2016, four months after the commencement of the partnering process, the KAC and OZ Minerals settled on the partnering agreement. An extract of this agreement is presented in the breakout box at left.

What has this meant for us?

Kokatha Aboriginal Corporation

‘The process was developed together and not imposed. This has meant Kokatha and OZ established a trust which allowed us to put together an agreement in record time. The process has ensured a strong commitment to make it work and has left my Directors feeling valued and respected.

Our partnering agreement, “Nganampa palyanku kanyintjaku”, translated means “keeping the future good for all of us” in Kokatha; this encapsulates the outcome of the process and the feelings of my community.’

Chris Larkin, Chairman, Kokatha Aboriginal Corporation.

OZ Minerals

‘To my mind this will be one of the most important documents I’ve signed in my time as CEO of OZ Minerals. It’s an acknowledgement that today, tomorrow and in the years ahead this project will be a partnership with the Kokatha people.

Not only symbolically in that you will see our respective logos side by side, but also in developing economic opportunities, building cultural understanding and formally recognising the Kokatha’s connection with the land which stretches back thousands of years.

A core focus of OZ Minerals is to build strong and lasting partnerships. We



Partnering process. L-R, Geoff Deans (OZ Minerals), Glen Wingfield (Kokatha Aboriginal Corporation (KAC)), Michael Turner (KAC), Max Reid (KAC), Chris Larkin (KAC), Bob Fulker (OZ Minerals), Khatija Thomas (KAC), Brett Triffett (OZ Minerals), Mark Rankmore (OZ Minerals).

recognise that in the modern mining environment genuine, long-lasting partnerships are a must have.'

Andrew Cole, Managing Director and CEO, OZ Minerals.

The future

The journey of partnering has assisted the Kokatha and OZ Minerals in identifying and agreeing on what success will look like for both organisations in the short and long term. The challenge moving forward is to ensure that this adapts and grows throughout the operational life cycle and future developments so that benefits are realised for both the Kokatha community and OZ Minerals.

The partnering agreement developed collectively gives structure to the long-term relationship between the Kokatha and OZ Minerals. It provides a foundation that will underpin the commercial Native Title Mining Agreement. The process has identified mutual commitments to achieving long-term and intergenerational benefits and outcomes. Both parties' actions moving forward will now be the key to success.

There is recognition that change will be a constant to both organisations; as such, the approach to partnering and the agreement is a sustainable design. Those with leadership positions within their respective organisations have taken on


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personal and corporate responsibility to ensure that values in this agreement are fostered and embedded in the way that both organisations do business.

Conclusion

Beyond the journey of developing the partnering agreement, comprehensive information was shared by both organisations. The Kokatha shared their connection and knowledge of country, while OZ Minerals shared the proposed project profile, including potential opportunities and threats.

The partnering approach has been crucial to both organisations and their communities through the investment in understanding each other. Partnering allows both organisations to interact regularly and proactively, which sets the tone for the relationship. The process created space to raise issues, concerns and opportunities. This allowed problems to be prevented and opportunities to be identified early. This was pivotal to the

formal agreement-making process for the Carrapateena lease, creating mutual understanding, trust, respect and integrity. It will be on this basis that the relationship between the KAC and OZ Minerals will continue throughout the life of the project. 

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