

## **Management of the Faro Mine Report**

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**Gartner Lee Limited**

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## Gartner Lee Limited

August 1, 2003

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Dear Mssrs. Sherstone and Cuddy:

**Re: 23-138 – Management of the Faro Mine Report**

It is with pleasure we wish to provide you with two bound copies of the above-referenced report.

This has been a particularly interesting project that we have found quite rewarding. The question of designing a suitable and effective management structure is a challenge, especially when this is influenced highly by the provisions of the Devolution Transfer Agreement, and the priorities not only of the federal government, but of the Yukon Government and affected First Nations as well.

We believe the structure described herein provides government with a solid framework through which the Faro Mine Final Closure and Reclamation Plan (the "FCRP") can be developed. It emphasizes the role of First Nations in providing input to this planning as well as the challenges of community consultations. Perhaps of greatest importance is the pressing need to commence work on development of the plan as soon as possible given the time frame that government wishes to pursue here.





We look forward to discussing our work with you and offer our continued support in your efforts to achieve a workable and effective plan for the Faro Mine.

Sincerely,  
GARTNER LEE LIMITED

Kirk Cameron, B.A.  
Manager, Whitehorse Office  
& Market Manager, Northern Canada

KC:ld

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### A. Interviews

## 1. Introduction

The operation and maintenance and planning for future closure measures for the Faro mine complex (herein referring to the entire mine complex inclusive of both of the currently licensed areas: "Faro" and "Vangorda Plateau") represents a significant management challenge to all levels of government in the Yukon. Factors requiring attention in determining an appropriate model for management of the mine site include the following:

- the size, complexity and environmental issues at the site;
- the changing relationships between the Government of Canada and the Government of Yukon as a consequence of the devolution of land and resources to the Yukon;
- ensuring the continuation of effective and efficient environmental care and maintenance activities;
- the various stages of ongoing care and maintenance and reclamation; and,
- the question of involvement by affected aboriginal First Nations in reclamation.

The Government of Canada, Department of Indian Affairs and Northern Development (DIAND), commissioned Gartner Lee Limited ("Gartner Lee") to examine the range of issues affecting management of the Faro mine site, and provide an analysis to government regarding an appropriate model for that management challenge. Although it was recognized that there are other phases of mine site activity that present other challenges to government, the time frame in question for this study was defined as the current time period through to the formal approval of an as yet to be developed Faro mine site reclamation plan by government. This is seen as the critical period government now faces.

Gartner Lee was asked to concentrate specifically on the question of involvement of affected First Nations in the management process (see Section 2) and the relationship of that management structure to Other Government Departments ("OGDs") in the federal government (see Section 3). To a great extent these questions are affected by the *Yukon Northern Affairs Program Devolution Transfer Agreement* (the "DTA"), specifically Chapter 6 of that document. This relationship between the DTA and First Nations involvement in management of the Faro mine is found in Part 2 of this Report.

As part of this study, Gartner Lee interviewed a number of individuals in government who presently have involvement in the Faro mine site to gain their insights on how management could be best structured. In addition, a meeting took place March 11, 2003 with representatives of DIAND and the Yukon Government (YTG) where initial thoughts by Gartner Lee were presented and discussed. Through these discussions the nature of issues faced by government became clearer. Generally input received through these discussions is summarized in Appendix A. (Consultations with First Nations was not a component of the terms of reference for this study, however it is anticipated that the recommendations from this initial review will require significant discussions with affected First Nations as described in the DTA.)



In addition to requirements for consultation with First Nations and their citizens, communications with affected Yukon "communities of interest" presents significant management challenges. Section 4 of this report is devoted to the communications strategy, and specifically where accountability should rest for ongoing effective communications with these "communities of interest".

Following the analyses referred to above the report outlines, in Section 5, the management structure proposed for government consideration, and gives a sense of the advantages and challenges that this proposed structure presents. Chapter 6 provides suggested recommendations for next steps.

## **2. First Nations**

### **2.1 The Devolution Transfer Agreement (DTA)**

The DTA is the superior "intergovernmental agreement" between the Government of Canada and the Government of Yukon guiding the establishment of managing structures for mine sites in the Yukon, including the Faro mine site. Its provisions reflect a commitment to involvement by affected First Nations in aspects of mine reclamation planning.

Generally the DTA reflects an ongoing commitment by Canada and Yukon in co-operating over the management of Type II mine sites (as defined in that document). Where aboriginal involvement is concerned, the DTA defines First Nations' roles. For example, s. 6.48 states that Canada, YTG or any Affected First Nation is to designate an official to be the contact person for Type II sites. This is both a communications link to ensure an affected First Nation knows about events relating to a Type II site, and a "trigger" to establish who will represent the First Nation in discussions on "the manner of addressing the Type II site".

The matters noted in the DTA for affected First Nation involvement are: safety hazards for health and environment, [see s. 6.49.1 (a)]; interim actions for site mitigation prior to the site being formally designated as an "abandoned site", [see s. 6.49.1 (b)]; circumstances for agreement on declaring a site "abandoned" [see s. 6.49.1 (c), and ss. 6.68 and 6.69]; and hiring and terms of reference for an independent assessor to assess an abandoned site's condition and development of a remediation plan for the site [see s. 6.49.1 (d)]. Of specific relevance to the Faro mine site, these matters appear to include the planning and implementation of environmental care and maintenance activities, and preparation of a Final Closure and Reclamation Plan, including the selection of a third party to review the plan.

The DTA characterizes this level of engagement as "Consultation" (s. 6.58), which in the definitions of the DTA requires that information is provided in sufficient "form and detail" to allow for clear understanding by the First Nation, and an obligation for governments to give "full and fair consideration of any views presented by the party consulted" (see "Definitions").

The DTA is also clear regarding which First Nations are to be consulted regarding Type II activities. Where Faro is concerned, Appendix H, Section F identifies the affected First Nations as Ross River Dena Council, Liard First Nation, the Kaska Dena Council and the Selkirk First Nation. Although there are no modern day Treaties (land claims) with these four, the DTA respects their interests regarding Faro, and provides considerable clarity regarding their role (see above).

## 2.2 First Nations' Interests

The DTA focuses heavily on governments' obligations to "consult" with affected First Nations. This, however, is not the only area of First Nations interests. There are, generally, three levels of interest that need to be considered when determining an appropriate role for affected First Nations in managing the Faro mine site. These are:

- the government to government relationship at the political level;
- Faro project management, in both the "management planning" and the "on site management" levels; and,
- economic benefits realized by First Nations' citizens from activities relating to care and maintenance and reclamation activities.

### 2.2.1 Government to Government Relationship

In large part, this effort has already been initiated between the Yukon and federal governments, and affected First Nations. With a multi-year project of this magnitude with impacts throughout the region, it is recognized that the affected First Nations will want to continue a dialogue at the political level regarding their general goals and interests.

This level of engagement is advantageous to government as well as to the First Nations, as it ensures a continued reaffirmation that the project efforts are on course.

## 2.2.2 Project Management Planning

The DTA provides instruction in this level of engagement. Chapter 6 of the DTA identifies the level of substantive involvement in the planning and ongoing monitoring of the activities relating to the mine site.

A considerable challenge here will be finding the most effective way of involving the four affected First Nations. With four parties all with the "right to be Consulted" in the DTA, this could be very difficult to co-ordinate. It is suggested that "up front" dialogue with the four to determine their respective interests relating to on-site and planning management would be efficacious. Through discussion, a better approach acceptable to the First Nations may be found than to have each with its own representative engaged in all areas of planning and site management which is provided for in the DTA.

## 2.2.3 Economic Benefits

The magnitude of work relating to ongoing care and maintenance and the reclamation initiatives will be significant. The Interim Receiver has effectively pursued First Nations hire and contracting opportunities so that benefits remain at the local community level. The affected First Nations, particularly the Ross River Dena Council, have consistently expressed interest in taking opportunities relating to these activities.

Management of the Faro mine site will be either deciding or influencing decisions on First Nations' hire and contracting, and as a consequence, it will be important to engage with First Nations communities in a way that does not put them in conflict given their interest in both participating in the management effort and in economic and contracting opportunities.

The capacity of the affected First Nations to take advantage of economic opportunities is also an important consideration. The availability of training and training dollars may be required before such opportunities can be realized for the affected First Nations. Although the Interim Receiver has provided some job-specific and general industrial training to individuals employed at the mine site, it would be advantageous to engage a larger training structure that could involve Yukon College or other government initiatives.

### 3. Other Government Departments (federal)

Within the federal system, a project the size of the Faro mine site will continue to attract attention in a number of quarters.

Given the size (and cost) of the reclamation task, there will need to be an ongoing dialogue and approvals from the Treasury Board regarding the federal investment in the reclamation plan (as well as its implementation). There are no "hard dollar" figures established in the DTA, and as a consequence, funding levels for all stages of this project will be subject to considerable negotiations between governments. It is also anticipated that affected First Nations will have strong views on the level of commitment to be expended in reclaiming the site. In the final analysis the Treasury Board of Canada will be making decisions on funding made available, and therefore are a key part of the internal government consultations.

To some extent, though to a lesser degree than Treasury Board, the Privy Council Office (PCO) has an important role respecting Faro reclamation management planning. General policy direction has been received from Cabinet regarding Type II mine sites, but there remains the ongoing residual responsibility of the PCO to monitor progress on significant projects which Cabinet has approved. For this reason, timely briefings to PCO are advisable.

On the operational and technical levels, the Department of Fisheries and Oceans (DFO) and the Department of Environment (DOE) will be important parties in this planning exercise. They have jurisdiction or useful expertise relating to aspects of mine reclamation, and therefore it is appropriate to engage these departments throughout the planning process.

Devolution of land and resource administration and control to the Yukon Government has resulted in the need for DOE and DFO to redefine their relationship with the Yukon Government, in that this relationship is now with a different level of government, not another department of the same government.

In addition, within the life of the Faro reclamation planning project and its implementation, new environmental legislation, the Yukon Environmental and Socio-economic Assessment Act, will come in to force and effect (November 2004). All departments, including DOE and DFO, will have to work through the new challenges that this more expansive piece of legislation presents. In this period of change, keeping these departments involved in the planning and implementation of the reclamation effort is advisable.

## 4. Communications

Consultations with affected First Nations are an important part of the commitments in the DTA, and, as noted earlier, integrally involved in effective management of the project. With this focus of attention there is a risk of overlooking other "constituencies" that require a consistent level of communications relating to the project, and specifically the up front planning.

The ongoing care and maintenance of the site, and the development and implementation of the reclamation plan as well as all aspects of the licensing and regulation of the site and related activities (e.g. water licenses, environmental assessments) will be of direct interest to the communities of Faro, Ross River and Pelly Crossing. In addition, given the magnitude of expenditures associated with mine reclamation activities, the communications approach should also encompass Whitehorse where a significant percentage of expenditures will be made (everything from transportation to supplies, and in some cases labour). Faro has also been part of the "folk lore" of the territory since the 1960s when the mine site and town were first established. From a general interest point of view, therefore, the general public of the Yukon will be interested in the progress of mine reclamation, and, in the broader context, its impact on the surrounding communities and economies.

The intent here is not to define and/or develop a communications strategy to address the needs over the next number of years leading to the approval of the mine reclamation plan, but to identify the communities of interest and the need for a single office of accountability for the communications effort.

There are two options respecting that office of accountability. It could be given solely to the on-site management. This is, however, not the preferred option. The scope and responsibility of the Interim Receiver for Care and Maintenance do not allow for the development of a complete and long term communications strategy for the ultimate reclamation of the mine site. Nonetheless, the Interim Receiver has established effective communications links and networks that could be used as the basis for a broader "closure" communications framework that would be the responsibility of the Type II office working, initially, in concert with the Interim Receiver. To this end, the proposed management structure (Section 5) identifies where Gartner Lee recommends this accountability be housed, and this is specifically with the Faro Mine Remediation Plan Office.

## 5. Proposed Management Structure – Participants, Roles and Responsibilities

Figure 1 sets out the proposed management structure for Faro mine reclamation planning. Its main features are noted here, with particular emphasis on First Nations involvement, OGD interactions and communications with the public.

### 5.1 First Nations Involvement

There are three areas of interaction for the affected First Nations. Specifically, they are involved:

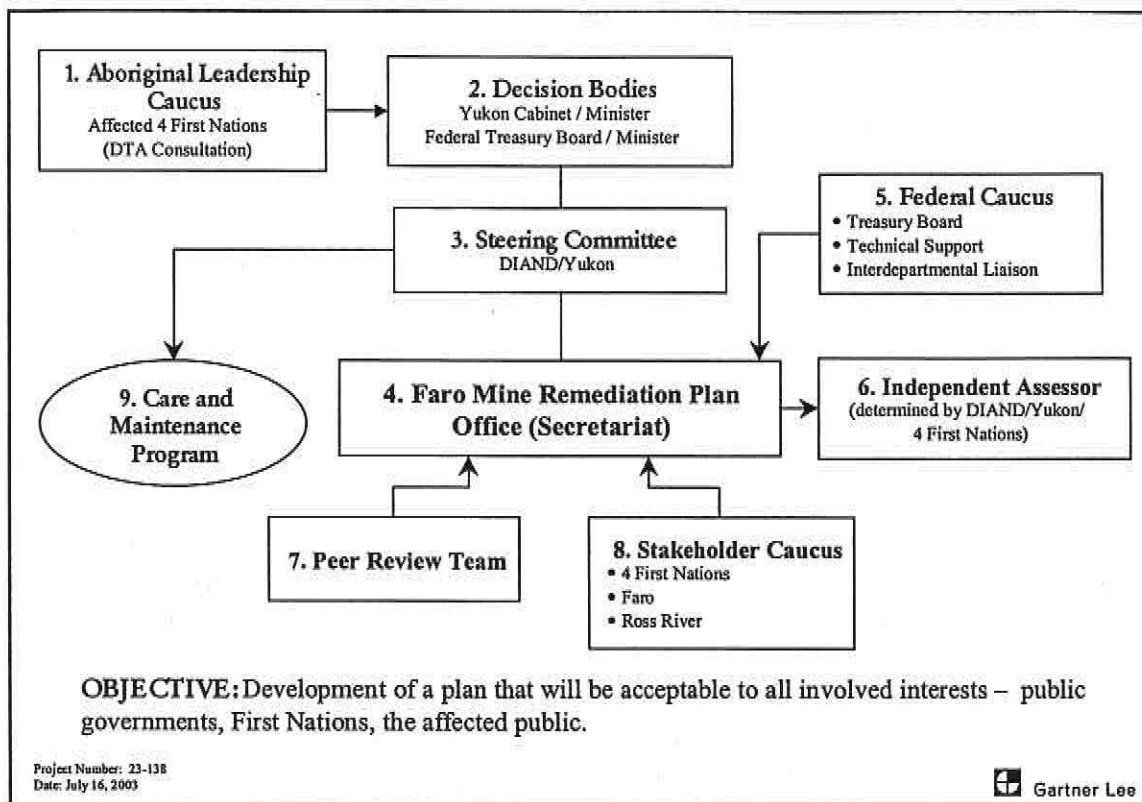
- at the senior strategic level through the Aboriginal Leadership Caucus (see box #1),
- in the DTA commitments for determining an Independent Assessor and providing input to that person's terms of reference (see box #6), and
- in the more expansive public consultations through the Stakeholder Caucus (see box #8).

Altogether this will provide the affected First Nations with significant input throughout the process of development of the reclamation plan. These forums can also be of use later when government moves from the reclamation planning stage to the implementation stage, although there may be the need to modify these to some extent.

There is a capacity challenge here. The First Nations can benefit from government support to ensure that their involvement is effective, and ensuring that the affected First Nations have resources to engage meaningfully will, in turn, be of benefit to the project and the intended environmental protection measures.



Figure 1. Faro Management Structure



## 5.2 Other Government Departments

This is a fundamentally important element of the proposed management structure. The role of the Faro Mine Remediation Plan Office to keep Treasury Board, PCO, Department of Environment and Department of Fisheries and Oceans among others including Government of Yukon departments engaged at the appropriate times with the development of the plan is crucial if a positive decision is to be obtained from the federal government.

As noted earlier, the general framework has been provided by the federal Cabinet, but this is not the end point for consultations with these key federal “stakeholders”. In addition, this interaction is useful to the Remediation Plan Office, as it is a forum through which the Office can acquire additional technical support necessary to develop the plan and a forum in which the Office can solicit and offer feedback on an ongoing basis with the intent of avoiding “last minute” surprises or “sticker shock” when a final plan is presented to federal agencies for their approvals. In short, it is a necessary and useful forum.

The proposed management structure identifies a Federal Caucus (see box #5) that can be called upon frequently throughout the period leading up to the approval of the reclamation plan.

### 5.3 Public Communications

A Stakeholder Caucus (see box #8) is proposed as the most useful vehicle to ensure good communications planning as well as a forum through which community input can be gained for consideration in this planning effort.

The Caucus itself could be used, where appropriate, to implement elements of a communications plan. For instance, the representative from the Town of Faro can be helpful in keeping the Town Council aware of planning activities, and can be helpful in bringing the Town's views to the planning process.

Government may wish to consider from time to time, asking the Caucus to provide updates to other interested groups in the broader Yukon community, for instance, the Yukon Chamber of Commerce and the Tourism Industry Association. These kinds of activities can be identified in the communications plan.

Of note is that the Faro Mine Remediation Plan Office is to be ultimately responsible for the communications effort, and specifically should have a dedicated communications officer to ensure that the communications effort is applied consistently throughout the process of reclamation planning. This communications activity in the Office can also be useful and is strongly recommended to continue during the implementation stage of reclamation.



## 5.4 Box References, Faro Management Structure

The following is an analysis of the proposed management structure outlined in Figure 1.

### Box 1 – Aboriginal Leadership Caucus (Affected First Nations)

#### *Participants*

- Kaska Dena Council
- Ross River Dena Council
- Liard First Nation
- Selkirk First Nation

#### *Roles/Responsibilities*

- Oversee First Nation input to the development of the FCRP (input to responsible Ministers and through direction to the participants on Stakeholder Caucus).
- Provide political perspective to responsible Ministers in YTG/Federal Government on: issues relating to First Nations' rights; ensuring sensitivities to traditional knowledge; maximizing First Nations capacity building, employment, and business development.
- Provide advice and sensitivities from a community perspective to responsible Ministers.
- Role of decision-makers on agreements that from time to time may be struck relating to opportunities for First Nations in the care and maintenance and/or the reclamation of the Faro mine site.
- Appointment of the First Nation "Designates" provided for in the DTA responsible for determination of the Independent Assessor and applicable terms of reference for that work.
- Appointment of First Nation representatives for the Stakeholder Caucus, and provide instructions on their role and responsibilities.

#### *Time Implications*

- Active throughout the period of development of the FCRP

### Box 2 – Decision Bodies

#### *Participants*

- Yukon Cabinet (Minister of Energy, Mines and Resources the responsible Minister)
- Federal Treasury Board (Minister of DIAND the responsible Minister)

***Roles/Responsibilities***

- Decisions on the Remediation Plan for Faro (activities, phasing and funding).
- Intergovernmental discussions (federal and territorial governments) on application of First Nation input.
- (Treasury Board) Decisions on annual funding for care and maintenance and remediation activities.

***Time Implications***

- Appropriate consultations between Ministers responsible during the period leading up to Yukon Cabinet and federal Treasury Board decision on the Plan.

**Box 3 – Steering Committee (DIAND/Yukon)**

***Participants***

- Yukon Government (DM and ADM Energy, Mines and Resources)
- DIAND (ADM Northern Program, DG Natural Resources and Environment Branch, RDG Yukon Region)

***Roles/Responsibilities***

- Senior level leadership and direction on:
  1. Care and maintenance program (working with the Interim Receiver or a subsequent site management framework)
  2. Faro mine remediation plan development
- Advisory role to responsible Ministers (and where appropriate Yukon Cabinet and Treasury Board)
- Accountability to Ministers for:
  1. Implementation of direction from decision bodies.
  2. Annual budget and work plan approvals.
  3. Interdepartmental consultations.
  4. Intergovernmental coordination.
  5. First Nations Relations.

***Time Implications***

- This role remains pivotal during all segments of the development of the Remediation Plan, becoming more involved as the Plan proceeds to Ministers and Decision Bodies in the respective governments.

## Box 4 – Faro Mine Remediation Plan Office (Secretariat)

### *Participants*

- Project Manager (jointly selected by DIAND and YTG, with input from affected First Nations – emphasis on mine closure expertise)
- Yukon Government (Director, Assessment and Abandoned Mines, Assessment and Technical Specialist, Project Manager, other support services as required such as communications/consultation officers)
- DIAND (Team Leader, Engineer, other support services as required)

### *Roles/Responsibilities*

- Project Manager
  1. Lead the development of the FCRP including authoring of report text, editing text contributions from specialist consultants and soliciting comments from the Office and other involved groups as appropriate.
  2. Directly author and manage requests for proposals and contracts with specialist consultants and contractors, in concert with other parties, as appropriate; for example, utilizing the Interim Receiver for assistance with on-site projects.
  3. Liaison with the Care and Maintenance Program to ensure compatibility of Plan development.
  4. Liaison with the Affected First Nations representatives and communities.
  5. Lead the implementation of the communications strategy and work with the designated Communications officer to ensure that the strategy achieves its goals.
- Yukon Government
  1. Collaborate in preparation of the FCRP – final abandonment options (activities, scheduling and budgeting).
  2. Liaison with the Care and Maintenance Program to ensure compatibility of Plan development with actions and work plans relating to on site management.
  3. Prepare and manage Faro site contracts for closure planning and implementation.
  4. Monitor financial planning and accountability.
  5. Develop joint work plans with DIAND.
  6. Ensure Environmental Assessments regarding the FCRP are conducted as required.
  7. Ensure regulatory permits regarding the FCRP are in place as required.
  8. Responsible for First Nations relations (including: consultations, negotiation of benefits agreements, communications with affected First Nations).
  9. Communications with other affected communities and interested parties and groups.
  10. Preparation of intergovernmental protocols.

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11. Ensure DTA requirements are fulfilled.
  12. Participate in Independent Assessor process.
  13. Prepare advice for Yukon's Steering Committee members, responsible Minister and Cabinet (Management Board).
  14. Assess remediations effectiveness.
- DIAND
    1. Collaborate in preparation of the FCRP – final abandonment options (activities, scheduling and budgeting).
    2. Develop financial submissions and ensure budget accountability including appropriate payment schedules.
    3. Develop joint work plans with Yukon Government.
    4. Shared responsibility for First Nations relations.
    5. Ensure fiduciary responsibilities with FN's are met through all phases.
    6. Shared responsibility for communications with other affected communities and interests.
    7. Preparation of intergovernmental protocols.
    8. Ensure EA work is conducted.
    9. Ensure DTA requirements are fulfilled.
    10. Liaise with the Interim Receiver.
    11. Participate in the Independent Assessor process.
    12. Prepare and manage Faro site contracts for closure planning and implementation.
    13. Ensure management planning takes account of broad Government of Canada objectives relating to reclamation of northern mines (consistent with Auditor General's Report).
    14. Assess remediation effectiveness.

### *Time Implications*

- This role remains pivotal during all segments of the development of the FCRP, with particular efforts required in the development of the Plan and engagement between the governments and with affected First Nations prior to recommendation of the Plan to senior levels of government and to the decision bodies.
- The first priority is to immediately acquire the jointly selected Project Manager to lead the remediation planning effort, the first step being the articulation and consensus building around a set of common remediation principles.
- Following approval of the FCRP, the role changes to one of managing the implementation of the Remediation Program.

## Box 5 – Federal Caucus

### *Participants*

- Lead roll for Caucus activities/review - Official in the office of the DG, Natural Resources and Environment Branch (in close communication with the Faro Mine Site Remediation Office)
- Responsible Treasury Board Analyst
- Representatives from OGDs affected by, or with responsibilities relating to, the Remediation Plan effort:
  - Privy Council Office (monitoring policy objectives)
  - Department of Finance (monitoring financial planning)
  - Department of Fisheries and Oceans (regulatory compliance)
  - Natural Resources Canada (regulatory compliance)
  - Canadian Environmental Assessment Agency (environmental compliance)
  - Environment Canada (environmental acceptability of Plan)

### *Roles/Responsibilities*

- Provide technical input to the Faro Mine Remediation Plan Office from policy, financial, regulatory and “best practices” perspectives.
- Assess acceptability of the Plan from a corporate Government of Canada perspective, and with regard to possible impacts on the various departments/agencies.
- Advise respective Ministers of the acceptability of the Plan prior to consideration by Treasury Board.
- Provide input on the terms of reference for the Independent Assessor.

### *Time Implications*

- This role will increase in importance as the Plan moves closer to Treasury Board. Following approval from the Board, the role will be diminished significantly.

## Box 6 – Independent Assessor

### *Participants*

- “Designates” (as identified in the DTA) from
  - DIAND
  - Yukon Government
  - Affected 4 First Nations
- Designates to determine acceptable Independent Assessor

***Roles/Responsibilities***

- Designates to:
  - prepare terms of reference for the Independent Assessor (the “IA”)
  - provide work plan to the IA
  - monitor progress of the IA
- Independent Assessor to:
  - assess the activities, work plan and budgets in draft to determine these accuracy for implementation of the Remediation Plan
  - engage with governments and affected First Nations as appropriate to clarify intent of the work plan and budgets.

***Time Implications***

- This effort will commence following the development of the draft Plan and associated budget and work plan materials. It should be a short term initiative (3-6 months in duration) and end once a report is provided to the Faro Mine Remediation Plan Office.

**Box 7 – Peer Review Team**

***Participants***

- Selected technical individuals with competency in the following areas plus other appropriate disciplines:
  - engineering design (mine closure)
  - environmental and risk assessment
  - financial assessment
  - waste specialists

***Roles/Responsibilities***

- Work with the Faro Mine Remediation Plan Office on development of the Remediation Plan.
- From time to time as requested, convene to discuss “closure” options, and the post-“closure” residual care and maintenance requirements.

***Time Implications***

- This role will be sporadic at the call of the Office and will cease once the Plan is approved by the Decision Bodies.

## **Box 8 – Stakeholder Caucus**

### ***Participants***

- Representatives as determined by the Aboriginal Leadership Caucus (likely 4 to represent each of the affected First Nations).
- Town of Faro representative (as recommended by the Town Council)
- Ross River community representative (as recommended by the Council)
- Representative of the Yukon Chamber of Commerce
- Representative of the Yukon Chamber of Mines
- Non-Government Organizations (NGO's), Yukon Conservation Society, Yukon Salmon Committee, CPAWS  
(Government linkage through officials from Yukon Energy, Mines and Resources and DIAND)

### ***Roles/Responsibilities***

- Advise on community and regional dynamics that should be taken into consideration in the development of the Plan (e.g. the Official Community Plan of the Town of Faro)
- Advise on employment, contract and capacity building/training options that can benefit the affected communities.
- Advise on the communications strategies of governments with respect to the communities affected.
- Provide technical input as appropriate for all aspects of the Faro site including care and maintenance and closure planning.

### ***Time Implications***

- This role will be employed heavily at the outset of development of the Plan, and consulted from time to time as the Plan moves to decision.

## **Box 9 – Care and Maintenance (C&M) Program**

### ***Participants***

- On site management capacity (contracted party)

### ***Roles/Responsibilities***

- Ensure all aspects of care and maintenance planning are fulfilled according to work plans and associated licenses granted
- Continued monitoring of effectiveness of the C&M activities in meeting the licensing and environmental requirements.

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- Input to the development of annual work plans and their relationship to the overall Remediation Plan as it is developed.
- Where appropriate undertake some elements of closure studies and the implementation of the Remediation Plan when requested by the Office.

### *Time Implications*

- This role will continue throughout the development of the Plan and its implementation.
- Following full implementation of all aspects of the Plan, there will be a residual care and maintenance monitoring and some activities required in perpetuity. (This will be dependent on the extent of remediation undertaken through the Plan.)



## 6. Recommendations

Gartner Lee recommends that government consider this proposed management structure and implement this structure as soon as possible to ensure timely and effective planning for Faro mine site reclamation. The Type II Mines Office has made a commitment to have an FCRP ready for implementation in 2008 and fulfilling this commitment will require prompt action.

The first priority should be the immediate recruitment (contracting) of the Project Manager for the Faro Mine Remediation Plan Office who will be expected to take a pivotal leadership role in all aspects of plan development.

Having recommended this recruitment action as a top priority, Gartner Lee is mindful of the pressing need for immediate commencement of planning; the time consuming efforts surrounding all aspects of planning which will require significant levels of communications and consultation within government and with a wide range of affected interests forms a compelling backdrop here. Therefore, in parallel with this recruitment effort, utilizing existing leadership resources or contracted short-term assistance, it is recommended that government commence immediately to develop the principles that will underlie the FCRP.

Involvement by the affected First Nations is critical if the design and implementation of the plan are to be successful and positively received. Furthermore, the efforts to engage with the more expansive communities directly affected by the mine reclamation plan, will have long term benefits to government as well as these communities. The communications strategies and networks that have been established by the Interim Receiver for the care and maintenance activities may provide a platform that can be used to initiate a larger communications strategy and we recommend that this be considered. Accountability for this communications and consultations effort should rest with the Project Manager and the Faro Mine Remediation Plan Office. Again, this reinforces the need to establish that office as soon as possible.

Finally, OGDs are an important factor in ensuring that the plan is well designed and acceptable to the federal decision-makers who have control over the implementation funding.



# **Appendix A**

## **Interviews**





# Appendix A

## Interviews

The GLL team interviewed a cross section of individuals in DIAND (both Region and Headquarters) as well as representatives of departments in the Government of Yukon. The discussions were wide ranging, providing insight with regard to numerous issues relating not only to the management structure but also to the mine site reclamation challenges.

The salient input relating specifically to the management challenge is “rolled up” here.

### *Timelines*

- The management challenge will be faced for a significant period of time, one respondent suggesting as long as 30 years.
- The management challenge will change as the process moves through a number of critical stages.
- The management structure will need to evolve to reflect appropriately the needs at the various stages.
- There are three general phases which could have different management structures:
  1. care and maintenance
  2. intensive activities around reclamation
  3. monitoring and some residual remediation post-reclamation phase.

### *Reclamation Planning*

- The design of the reclamation plan will have to be prepared as soon as possible by the right “mix” of experts familiar with the site and with reclamation options.
- The design of the reclamation plan must be competently prepared despite the time pressure.
- Ultimate decision-makers will be the federal Treasury Board and the Yukon Cabinet. The planning aspect of the management structure will have to reflect this ultimate hierarchical connection.

### *Government Structure*

- The option of an intergovernmental agreement should be considered to provide process clarity to all parties.
- The management structure should evolve as the project moves through its various phases (see above).
- Clarity of outcome (the vision) and accountability for “getting there” should be in place. This cannot continue as a project managed off the side of managers’ desks (current perception).
- The management structure needs to reflect a complex government role. Government will be acting as: proponent; regulator; fiduciary.
- To secure good technical/scientific thinking, an outside peer review structure like that for the Giant Mine (NWT) should be established.
- The DTA’s “independent assessor” model may not be the appropriate management structure here (however, given the nature of the DTA and the complex relationships with affected First Nations, it needs to be given serious attention).

### *Aboriginal Involvement*

- The DTA is a critical instrument in determining the affected First Nations' role respecting Faro Mine Site management (and related planning).
- As with government, the nature of the "aboriginal interest" relating to Faro is complex. Some aspects are not related to management (for instance the interest in gaining economic benefits), but can complicate the nature of First Nation involvement in "management" in all its forms.
- Similarly, among the affected First Nations there are differences in emphasis on how they would like involvement. It is likely that the Selkirk First Nation has downstream environmental issues as a top priority, whereas the Ross River Dena Council is focussed more on the jobs and economic benefits. Therefore, how each "engages" with the management structure may be quite different.
- The role in management and that of a proponent seeking economic benefits may present conflicts. This will need to be avoided in the management structuring.

### *On-Site Management*

- Complete "walk-away" though perhaps technically possible, is not financially feasible. Therefore there will always be an on-site management effort needed even in the post-reclamation period.
- One on-site manager with technical "know how" and experience with closure mines is needed.

### *Other Government Departments (OGDs)*

- Department of Fisheries and Oceans (DFO) and the Department of Environment (DOE) will want to be heavily involved in the reclamation planning.
- Treasury Board, from an accountability perspective, will want to see the right mix of expertise represented in the technical level of planning.
- The option of a separate "federal caucus" (bureaucratic) was suggested.

### *Communications*

- There should be one office responsible to ensure effective communications with Faro, Ross River, Pelly Crossing, and the Yukon public as and when appropriate.
- This responsibility appropriately rests with Government, not the on-site management.
- Public health and safety matters will likely always be the key ongoing communications issue of greatest interest to these various communities.