



The Copper Mark Transparency Working Group Terms of Reference

Revision Date:	Publication Date:	Organization:
06 th January 2021	N/A	The Copper Mark
Title:		Type:
The Copper Mark Transparency Working Group Terms of Reference		Internal

Objective

The Copper Mark Transparency Working Group (“Transparency WG”) is the main forum for the technical development of the Copper Mark’s program elements related to public disclosure and contributions to the United Nations Sustainable Development Goals (“UN SDGs”).

The Transparency WG’s main objectives are:

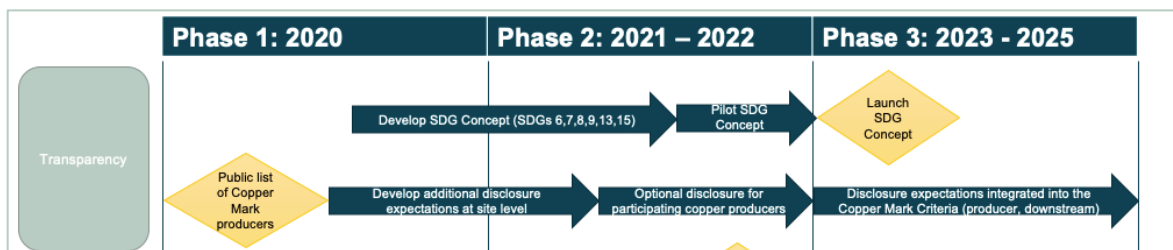
1. Enable the publication of measurable, validated, data on the contributions to the UN SDGs by participants in the Copper Mark Assurance Framework and by the Copper Mark.
2. Ensure the Copper Mark is recognized as a credible and transparent framework for companies to meet current and emerging expectation on public reporting of their customers, investors and civil society stakeholders.
3. Facilitate and encourage public reporting on key metrics for the responsible production of copper, in accordance with internationally recognized frameworks, by participants in the Copper Mark Assurance Framework.

Overview

The Copper Mark launched its assurance framework for copper producers (mining, smelting and refining) in 2020. In the Copper Mark concept adopted in April 2019 by the International Copper Association, the Copper Mark is envisaged to provide an *optional* program component to allow for the recognition of companies’ contributions to the UN SDGs, referred to as the “SDG Concept”. Please refer to the Appendix for further details on the original proposal.

In March 2020, the Copper Mark adopted its 5-year roadmap, including the commitment to operationalise the SDG Concept by 2023 as well as to develop additional disclosure expectations for participants in the Copper Mark Assurance Framework.

Figure 1: The Copper Mark Roadmap - Transparency



Roles and Responsibilities

The Transparency WG is responsible for the technical development of the elements related to public disclosure and contributions to the UN SDGs in the Copper Mark Assurance Framework. Its role is to ensure the public disclosure requirements as well as the measurement, validation and reporting on contributions to the UN SDGs are aligned with high quality and best practices in a way that is verifiable and promotes the Copper Mark's credibility and acceptance by its stakeholders.

Specifically, Transparency WG will support the Copper Mark staff in the development and implementation of the following three program components:

- **SDG Concept:**
 - Definition of scope of the SDG Concept, including the UN SDGs and the specific indicators included in the concept, based on the initial proposal of UN SDGs 6, 7, 8, 9, 13 and 15;
 - Definition of the eligibility criteria for projects managed by participants in the Copper Mark Assurance Process.
 - Integration of the SDG Concept in the Copper Mark Assurance Process, focusing in particular on the validation of contributions made to the UN SDG indicator(s) selected as well as the claims allowed to be made by participants.
- **Assurance Process:**
 - Overview of Risk Readiness Assessment (RRA) Criteria requiring public reporting, the frameworks to be used by participants for such disclosures and current practices by Copper Mark participants. These include, for example:
 - Criterion 15: disclosure of CO2 emissions in line with established international reporting protocols
 - Criterion 31: a Step 5 report on the participant's due diligence on mineral supply chains
 - Criterion 32: annual reports on environmental, social and governance performance in line with international recognized standards and public support of the implementation of EITI.
 - Definition of a comprehensive approach to public disclosure, covering:
 - Public reporting frameworks included in the RRA Criteria;
 - Public reporting by the Copper Mark organization;
 - Disclosure of performance metrics by Copper Mark participants on key metrics related to responsible production.
 - Integration of the public disclosure approach in the Copper Mark Assurance Process, the Copper Mark's annual report and monitoring and evaluation system.
- **Impact Measurement and Reporting:** Ensure a coherent approach to measuring, validating and communicating the contributions to UN SDGs of participants in the Copper Mark's Assurance Framework, the Copper Mark organization and the copper industry.

The Transparency WG liaises with other technical working groups of the Copper Mark as appropriate. In particular, the Transparency WG will closely liaise with the Technical Working Group regarding all aspects of the integration of its program elements into the Copper Mark Assurance Framework.

Transparency Working Group Participation

Composition

The Transparency WG will include representatives from the following organizations who are either Copper Producers, Copper Mark Partners, or Copper Mark Supporters.

- Copper Producers, including the International Copper Association (ICA)
- Fabricators and semi-fabricators
- Downstream companies
- NGO / CSO representatives
- Investors
- Academic institutions

Additional organizations and / or subject matter experts may be invited to the Transparency WG where these are considered to support the objectives of the working group. In particular, the Copper Mark will seek to identify subject matter experts for each UN SDG selected to be included in the SDG Concept.

Working Mode

Participants are expected to contribute to the Transparency WG by:

- Attending meetings via teleconference;
- Reviewing materials prepared by the Copper Mark in advance or in between meetings of Transparency WG;
- Providing technical input and feedback on the materials prepared by the Copper Mark and / or external contractors in writing and / or during the Transparency WG meetings;
- Prepare recommendations for the Copper Mark Advisory Council to review within the scope of these terms of reference.

The Transparency WG, at the recommendation of Copper Mark staff and with the agreement of participants, may temporarily establish sub-teams to focus on a specific issue and / or deliverable. Sub-teams report to the Transparency WG and sunset when the stated scope of work is completed.

Time Commitment

Participants are expected to join bi-weekly hourly calls in the first year and monthly hourly calls thereafter.

The meeting frequency may be adjusted based on the workplans established for each workstream.

Sub-teams will determine the frequency of meetings independently.

Activity Plan and Decision Making

The Transparency WG reports to the Copper Mark Advisory Council. The Advisory Council defines the activity plan for the Assurance Working Group, including the overall objectives and scope of each major workstream to ensure these are aligned with the mission and vision of the Copper Mark.

The Transparency WG seeks to develop deliverables that meet the expectations of its participants. Deliverables developed within the scope of the workstreams are adopted by the Transparency WG by consensus, where consensus refers to the absence of any formal objections by participants.

In the following cases, decisions will be escalated to the Advisory Council and / or the Board of Directors:

- Transparency WG participants are unable to reach a consensus.
- Deliverables impact the Copper Mark's strategy to achieve the organization's mission and vision.
- Deliverables results in financial, legal and / or reputational impacts on the organization (require escalation to the Board of Directors).

Once agreed by the Assurance Working Group, deliverables will be submitted to the Advisory Council, which will then make recommendations to the Board for approval, if required.

Administration

The working language of the Copper Mark Transparency WG is English.

The Transparency WG will be convened and chaired by staff of the Copper Mark.

All deliverables developed by the Transparency WG are owned by the Copper Mark.

Appendix: The Copper Mark SDG Concept Proposal – March 2019

14 Appendix C - SDG Recognition

The Copper Mark seeks to recognize companies' contributions to the UN SDGs, including but not limited to SDG 12: Responsible Consumption and Production. The UN SDG component is planned to be optional and will be phased in at a later date. Companies can opt-in to the UN SDG claim once the Responsible Production (RRA) requirement has been fulfilled.

Any participant of The Copper Mark can submit a 'UN SDG Project' for evaluation against a set of criteria – Eligibility Criteria, Project Implementation Criteria and Impact Indicator Criteria – with the intention of having the Project verified by the Copper Mark and being able to claim that it is implementing a UN SDG Project that has been approved and will be promoted by the Copper Mark.

The Mark will develop structured forms to facilitate the application process and also to record the verifiers' comments, recommendations and determination on the eligibility of the application. This system of evaluation and verification forms will enable a transparent and credible approach for including the UN SDG projects in The Mark. These forms will be accompanied by guidance and examples to help participants complete the application process efficiently.

Based on a review of relevance of issues for the sector and existing ICA member reporting on SDGs, ICA suggested the following six SDGs as material for the copper industry:

- SDG6: Clean Water and Sanitation
- SDG7: Affordable and Clean Energy
- SDG8: Decent Work and Economic Growth
- SDG9: Industry, Innovation and Infrastructure
- SDG13: Climate Action
- SDG15: Life on Land

STEP 1: Project Eligibility

The Participant submits an eligibility application for a site-level UN SDG project to the Copper Mark organization. The evaluation is completed by Mark-appointed verifiers using the appropriate form. It is possible that the form might include a 'scoring' to guide the evaluation and to ensure consistency and transparency.

The following criteria collectively determine whether a project is eligible to be approved by the Mark organization and eligible for a Copper Mark 'UN SDG' claim:

- **UN SDG Alignment:**
 - a. The project contributes to at least one of the 6 priority UN SDGs identified by the ICA.
- **Meaningful contribution:**
 - a. The project exceeds the performance expectations covered by the requisite Responsible Production element of the Copper Mark.
 - b. The project exceeds regulatory requirements in the country of operation.
- **Stakeholder Engagement:**

- a. The project proponent has incorporated into the design of the project the results of an analysis of the needs of affected stakeholders that includes environmental, economic and social aspects.
- b. The project proponent has consulted with affected individual and community representatives and stakeholders and can demonstrate broad support for the project.
- **Relevance:**
 - a. The project can be shown to be a relevant priority for affected communities, economy or ecological systems it is designed to benefit and does not undermine or divert attention from other priorities.
- **Durability**
 - a. The project can be shown to be designed to have a lasting positive impact with the potential to endure beyond the life of the copper producer's site activities.
- **Trade-off avoidance:**
 - a. The project can show that it has anticipated, where possible avoided, and has a system in place to manage the risk of unintended harmful consequences linked to the project's activities.

STEP 2: Project Implementation Criteria:

The Participant applies for a site-level UN SDG project on the implementation status of the project to the Copper Mark organization. The evaluation is completed by Mark-appointed verifiers using the appropriate form. It is possible that the form might include a 'scoring' to guide the evaluation and to ensure consistency and transparency.

The following criteria determine whether the project proponent has and what stage is a plan for the implementation of the project.

- **Baseline Assessment:**
 - a. The project proponent has completed a baseline assessment and feasibility study from which to measure progress of the project.
- **Action plan:**
 - a. The project proponent has mapped a long-term action plan for the project.
 - b. The project proponent has allocated adequate and appropriate human and financial resource for the successful implementation of the project.
- **Key Performance Indicators:**
 - a. The project proponent has set concrete, measurable, timebound goals and measures to monitor the success of the project.
 - b. The project proponent has a credible monitoring system in place.
- **Implementation:**
 - a. The project proponent has reached the goals stipulated in the project's action plan.

STEP 3: Project Impact Indicator Criteria:

The Participant submits an application for a site-level UN SDG project to Copper Mark on how the impact of the project will be measured and reported against the UN SDG framework. The evaluation of the proposed indicators is completed by Copper Mark-appointed verifiers using the appropriate form.

The following principled criteria help to determine whether the project proponent has a robust framework for measuring and reporting publicly on the impact and success of the UN SDG project.

- **Availability:** Source documents (data collection forms and databases) for the reported data and information will be readily available to prove that impacts are indeed achieved;
- **Accuracy:** Refers to closeness of measured values or observations to the true value without bias, manipulation/ or duplications/double counting. It is a measure of the extent to which data reflect reality. Accuracy will be determined by data collection process and competency of data collectors;
- **Completeness:** Refers to non-existence of errors of omission such as omitted records in a dataset or variables with no data in a form. It addresses the question of whether all eligible data are included in a data collection form;
- **Reliability/Consistence:** Describes the non-existence of data contradictions across all data sources which include data collection forms, electronic registers and the final reports. Consistency in turn determines the reliability of data; when data is inconsistent, it is regarded less reliable;
- **Timeliness:** Data is timely when it can be availed as per schedule or requirements;
- **Integrity:** Data has integrity when the system used to generate them is protected from deliberate bias and manipulation by individuals. It also means the data is appropriately secured in both hard copy and electronic files;
- **Precision:** Data has sufficient detail, such as sex and age disaggregation;

Another requirement will be the submission of an Impact Framework, a tool that provides a blueprint for the monitoring and evaluation of the UN SDG project that will be conducted over the course of the project. The impact framework will outline the indicators, baseline, data types and sources, reporting frequency, milestones, responsible party, and targets. The table below provides an example framework that could be used for assessing the outcome realization.

	INDICATOR	DEFINITION How is it calculated?	BASELINE What is the current value?	TARGET What is the target value?	DATA TYPES & SOURCE How will it be measured?	FREQUENCY How often will it be measured?	RESPONSIBLE Who will measure it?	REPORTING Where will it be reported?	FEASIBILITY How difficult is it to gather this data?
Goal									
Outcomes									
Outputs									
Inputs									

This concept will undergo additional stakeholder consultation and revisions in the coming year before being rolled out to Copper Mark participants.