

1. Corporate Governance

1.1 Institutional and Political Environment

Identification (assessment; due diligence)

As early as possible, companies should assess the institutions and politics of the jurisdictions where they operate or plan to operate. This will provide important information about the potential social, environmental and economic risks of current or prospective projects. Particular attention should be paid to: political-stability indicators, such as the involvement of the military in politics; previous transitions of government; degree of concentration of power; role of religion in government; and the rule of law. In addition, consider legal and regulatory indicators, such as the quality of the judicial, policy, and regulatory regimes.

At a minimum, companies must be familiar with domestic laws related to labour, the environment and other areas relevant to their operations.

Self-Assessment Questions

Has a documented process been completed to identify the unique characteristics of each operating jurisdiction and have the potential implications for a company, project, and its stakeholders been analyzed?

ADDITIONAL RESOURCES

PDAC e3Plus Toolkit - Excellence in Social Responsibility; Chapter 2.0 Due Diligence.

<http://www.pdac.ca/docs/default-source/e3-plus---toolkits---social-responsibility/due-diligence.pdf?sfvrsn=4>

ICMM Mining Partnerships for Development Toolkit. Available through the ICMM website library.

INTERNATIONAL STANDARDS

OECD Guidelines for Multinational Enterprises (MNEs)

[Pages 19-20 \(Chapter II. General Policies, Recommendations 5, 10, 11\)](#)

[Page 56 \(Chapter IX. Science and Technology, Commentary 94\)](#)

United Nations (UN) Guiding Principles on Business and Human Rights (GPs)

[Page 13 \(GP 11\)](#)