

Mine Audits and
Effectiveness Unit

**AUDIT PLAN
FOR 2019/20**



Mine Audits and
Effectiveness Unit



Introduction

The Mine Audits and Effectiveness Unit (the Audit Unit) is an independent body within the Ministry of Energy, Mines and Petroleum Resources (the Ministry). The Audit Unit assesses mining sector compliance, safety and environmental performance to determine the effectiveness of the regulatory framework for mining in British Columbia in mitigating risks to the public, workers and the environment.

The Audit Plan for 2019/20 sets out the audits we will begin in the current fiscal year, ending March 31, 2020. It also includes other work areas we intend to prioritize over the same period.

Strategic Context

Government announced the creation of the Audit Unit as part of Budget 2019 to ensure effective regulatory oversight and increase industry safety. The creation of the Audit Unit fulfills key mandate letter commitments and addresses recommendations from the Auditor General of British Columbia and the Mining Jobs Task Force. More information

about the Audit Unit's mission, scope of work, authorities and responsibilities can be found in our [Program Charter](#).

In the Audit Unit's first year, we intend to carry out two audits to pilot and support the refinement of our overall audit framework, while continuing to build our team and develop the policies and procedures that will guide our work.

Fully building the Audit Unit's team and audit framework will span the next three years. We are committed to ongoing review and improvement of our program as it is developed.

Audits

We intend to begin the following audits in 2019/20. These topics were identified and selected based on engagement with Ministry staff, a review of mining sector trends, potential impacts and value to interested parties, and our resources in the current fiscal year.

Audit Topic	Overview
The Ministry's regulatory framework for protecting persons working in mobile equipment operator cabs at mines	Since 2007, the mining industry in British Columbia has experienced four worker fatalities involving excavators. There have also been multiple dangerous occurrences where equipment operators have been trapped in operator stations after roll/tip-overs. This audit will be informed by these serious incidents, as well as other information sources (e.g. interviews with key stakeholders), to assess the effectiveness of regulatory oversight in this area.
Requirements for tailings storage facilities (TSFs) in the Health, Safety and Reclamation Code for Mines in British Columbia (the Code)	Based on the findings of the Mount Polley Independent Expert Engineering Panel, and unanimous recommendations from the Code Review Committee, government implemented new Code requirements for TSFs in 2016. This audit will assess whether the new requirements are achieving intended results and will include an examination of industry compliance and a review of current global best practice.

We are developing a comprehensive strategy that will guide the systematic identification, selection and prioritization of audit topics in future years. This strategy will support the development of the Audit Plan for 2020/21.

Our annual planning process will be informed by mining sector trends, stakeholders and Indigenous peoples. Audit topics will be assessed and prioritized based on several factors, including consistency with the Audit Unit’s mandate, risk, significance and our available resources and capacity. If you have an idea for a future audit, please email us at Mine.Audits@gov.bc.ca.

Audit Process

Each audit will begin with a planning phase. During planning, the assigned audit team will review relevant information and engage with interested parties to better understand the audit topic and the areas that warrant examination. By the end of the planning phase, the audit team will have determined the audit objectives, scope of work, criteria for assessing effectiveness, and the process steps that will be followed to obtain information and form reliable conclusions.

During the examination phase, the audit team will conduct the audit by following the process determined in the planning phase. Each audit will analyse multiple types of information, including (but not limited to): mining sector trends

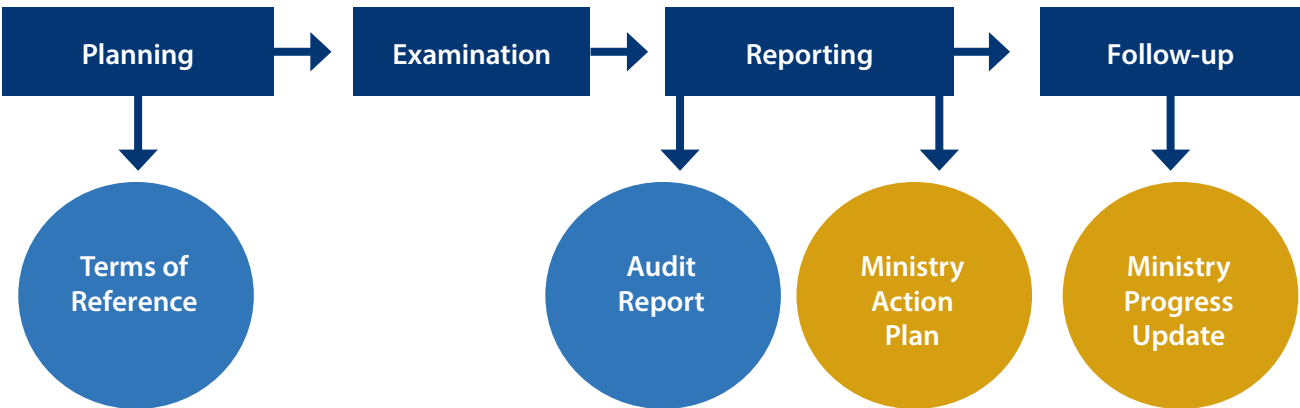
(e.g. compliance, safety statistics, monitoring data, dangerous occurrences); data gathered through mineral exploration and mine site visits; regulatory documents, systems and processes; interviews; and relevant best practices and standards. Each audit will generate a public report outlining audit conclusions and recommendations to improve regulatory oversight and increase industry safety. The Ministry will also provide the Audit Unit with an action plan and periodic progress updates indicating how they will address our recommendations.

Other Priority Work

In addition to the two priority audits identified above, we intend to prioritize the following work areas in 2019/20 as we continue to build our team and develop our audit framework:

- » Hiring and onboarding of new team members.
- » Developing a comprehensive audit reference manual outlining our policies and procedures.
- » Receiving necessary, foundational training and developing an ongoing training program (including minimum annual training requirements) for Audit Unit staff.
- » Conducting ongoing engagement with internal and external stakeholders and Indigenous peoples as we develop our program and during individual audits.

FIGURE 1: Audit Process Steps and Deliverables



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Ministry of Energy, Mines
and Petroleum Resources

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