Audit of Code Requirements for Tailings Storage Facilities
Terms of Reference
March 2020

Background Information

On July 20, 2016, the Ministry of Energy, Mines and Petroleum Resources (the Ministry) published and implemented revisions to Part 10 of the Health, Safety and Reclamation Code for Mines in British Columbia (the Code, or HSRC).

A Code Review Committee was struck by the Minister in 2015 to implement the recommendations of the Independent Expert Engineering Investigation and Review Panel and the Chief Inspector of Mines following their investigations into the Mount Polley tailings dam failure. The Code Review Committee recommended the introduction of new requirements for the design and management of tailings storage facilities (TSFs) and established some engineering best practices as legal requirements. The revision to Part 10 of the Code was accompanied by a guidance document (the HSRC Guidance Document).

The expanded requirements for TSFs have been in place for over three years. During this time, stakeholders and investors in the mining sector have continued to focus on TSF design, management and regulation as key issues in the mining sector. In the wake of additional TSF failures since Mount Polley, including the 2019 failure of the Córrego do Feijão TSF in Brazil, the regulation of TSFs has also garnered increased attention worldwide and compelled mining jurisdictions to continue evaluating how TSFs are regulated.

The Audit Unit is proceeding with an audit of the Ministry’s regulatory program for TSFs and the implementation thereof. Recognizing that the topic of TSF regulation is very broad, the Audit Unit has worked to carefully define a reasonable and appropriate scope for the audit. Areas of TSF regulation that are not captured by this audit may be considered by the Audit Unit at a later date.

The Audit Unit is aware that this audit has implications for TSF operators (i.e., the mining industry), engineering firms, the Ministry and Indigenous communities. The Audit Unit will make efforts to engage each of these parties throughout the examination and reporting phases of the audit.

Objective

To determine whether the 2016 Code revisions pertaining to TSFs were consistent with the direction given to the Code Review Committee, have provided the Ministry with clear and enforceable regulations that are consistent with engineering best practice and among the best in the world, are systematically verified and enforced by the Ministry, and are being complied with by industry.

Scope

The Audit Unit is proceeding with an audit of the Ministry’s regulatory program for TSFs and the implementation thereof. Recognizing that the topic of TSF regulation is very broad, the Audit Unit has
worked to carefully define a reasonable and appropriate scope for the audit. Areas of TSF regulation that are not captured by this audit may be considered by the Audit Unit at a later date.

This audit will include an examination of:

- The 2016 Code revisions, with a focus on clarity, enforceability, consistency with current engineering best practice, and consistency with the objectives of the 2015/2016 Code review;
- The state of industry compliance with Code requirements introduced in 2016;
- The Ministry’s compliance verification and enforcement activities related to Code requirements introduced in 2016; and
- The state of TSF regulatory requirements and best practices in major mining jurisdictions worldwide, compared to British Columbia’s TSF regulatory requirements post-2016.

**Timeframe & Reporting**

The audit examination is scheduled to commence in March 2020, during which time there will be ongoing communication with stakeholders and partners. The presentation of findings and conclusions, including the publication of a final public report, is expected to occur in summer 2020.

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Approved by:

March 3, 2020

Karina Sangha
Director, Mine Audits and Effectiveness

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**Update August 20, 2020**

Work on the audit is ongoing and the release of the final public report, including findings and recommendations, is expected to occur in spring 2021. Any questions can be directed to Mine.Audits@gov.bc.ca.