

Managing risks associated with the Gold Ridge Mine Tailings Storage Facility Project

Quarterly Report 2017

Country: SOLOMON ISLANDS

Period Covered: April – June 2017

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Approved by: _____ Date: _____

Section one: Summary of Project Achievements

Managing risks associated with the Gold Ridge Mine Tailings Storage Facility Project has finalised its annual work plan for 2017 after the project board meeting on the 16th of February. This report is intended to provide the update, the progress on the achievements and the tasks completed by the project office for this quarter. The implementation progress is faced mainly with the challenge of effective communications and feed backs on the implementation of plan activities for this quarter. The recruitment of an individual consultant to follow up and closely liaise with the key government divisions has helped to address this at some level.

In the signed project document, 'Managing risks associated with Gold Ridge Mine Tailings Storage Facility Project, the implementation of the project outputs should have the expected end results of achieving the two project outcomes and delivering the seven project deliverables.

Overall the implementation progress has been slow and most activities planned for this quarter are not implemented. One of the main challenge is that the project office and the respective government ministries do not have these different areas of expertise to provide quality technical inputs to terms of references that required the engagement of external consultants. This contribute to the delay in whole procurement process.

Outcome 1: Contingency plans developed and put in place in an inclusive and participatory manner

The project focuses on three areas of activities to achieve this outcome: the institutional contingency planning, the community contingency planning and the technical assessments of the TSF relation to its structures and its surrounding environments.

Institutional Contingency Planning

The institutional contingency planning has been completed and the Contingency Plan has identified followed up actions for the relevant government agencies to implement. The project office has been in regular communication with the relevant focal points on the follow up on the actions. The project office in collaboration with NDMO focal point conducted a familiarisation workshop for the Guadalcanal Provincial staff on 11 – 12 April. The Guadalcanal Provincial Government is identified as the custodian of this contingency plan and it is important for the head of divisions to know and to be aware about the contingency plan for Gold Ridge TSF. Although the focus of the workshop is on information sharing, some important issues in relation to the responsibilities and functions of the Guadalcanal Provincial Government were raised. Most participants acknowledged the existence of the plan and it is a positive way forward for the provincial disaster office in terms of disaster preparedness. The key issues raised in the discussion is the capacity of the provincial office in relation to manpower and finance to manage and to implement the plan. The Guadalcanal Provincial Government administration will require addition staff to implement this plan. It was raised that the HODs as chairs of the committees at the provincial level needs to be trained with the relevant knowledge and skills in relation to the implementation of the contingency plan.

Community Contingency Planning

The terms of reference to conduct the contingency planning process with the communities are drafted and in the process of finalisation. Preliminary information about the communities at risks are compiled as part of preparatory work for the community consultation. The project office and NDMO plan to conduct the community consultations and planning process in the month of August and September. The project office is in close discussion with the NDMO office to lead the community consultations and planning activities and also a part of the provincial roll out of the National Disaster Management Plan.

Technical Assessments of the Tailing Storage Facility

Most of the project deliverables are based on the technical assessments of the TSF that are expected to be conducted. The terms of reference to engage expertise to conduct these assessments have been formulated and shared. Tender notices to engage a hydrologist and a dam structural engineer had been advertised and were expected to be on board in July but there were some unexpected delays in relation to the procurement process. The engagement of these two experts will achieve four of the seven expected deliverables of the project.

The seven project deliverables identified in the project document are the followings;

1. Assessment of the hydrology of the TSF catchment under high seasonal rainfall sequences and under extreme rainfall events
2. Assessment of the surface profile and the contamination profile of the sediments in the tailings lake with specific focus on its stability. This would lead to developing a mechanism for maintaining the sediment contamination at a safe level.
3. Assessment of the TSF and the return water dam structures and the spillway mechanisms (In parallel to the above) to support the arrangement and management system of the TSF.
4. Assessing the tailings lake spillway overflow and flow path down the Kwara river under extreme rainfall event. The flow conditions should be checked both for Return Water runoff feeding into the tailings dam and for it to be diverted.
5. Conducting hazard assessment and risks assessment through the use of appropriate modelling technique(s) to determine the most probable scenario of TSF overflow and failure of dam retention wall and to design contingency planning response in the event of dam collapse
6. Strengthening the existing capacity of MECDM, MMERE, MHMS and other key stakeholders (RSIPF & GCIL) to effectively monitor dam water level and quality at the TSF and the surrounding communities on a frequent basis
7. Conducting an environmental and socio-economic assessment of potential areas which will be affected should the dam collapse.

Outcome 2: The capacity of SIG on early warning and detection enhanced to effectively monitor the situation for early warning and response

The project focuses on three main aspects to support and to enhance the capacity of the relevant government ministries to conduct regular monitoring of the TSF. The areas are capacity and need analysis for the NPH Lab (MHMS) and the Geochemistry Lab (MMERE), the procurement of equipment and identified areas of technical training that are relevant to the project outputs and deliverables. training.

The Geology Division of the Ministry of Mines Energy and Rural Electrification conducted initial assessment for its Geochemistry Laboratory equipment need. This is done as part of their annual work plan for this year and a list of the equipment needed has been shared with the project office. For the NPHL, the scoping mission in relation to the capacity and needs analysis of the NPHL planned for April did not happen. The project office will follow up with the WHO office on what are the next steps on this activity.

Although there is continuous monitoring and collection of relevant data on site by the three government ministries, apparently, there is no proper coordination in place to see that data collected are analysed and shared with the interested stakeholders. One of the achieved of the project in this quarter the successful completion of half day consultation with on the key government ministries on the coordination mechanism concept. The technical staff representing the three ministries and representative of the mining company attended the half day workshop that was conducted on the 1st of June. The coordination mechanism was discussed and a proposed joint monitoring team is identified. The workshop report is attached to provide more details on the coordination mechanism discussion.

Project Management

Recruitment

An individual consultant was contracted as of 24th April, to support the project office to implement some of the project activities. Due to the delay in the engagement of the technical experts to conduct the technical assessment for the hydrologist and the dam structure engineering expert, the timeframe for the individual consultant has been extended to August.

The engagement of an external technical Institution to provide external technical advisory support to the project management is one of the priority activity under the project management. Some of the delays in the implementation of the project outputs and activities because of the lack of specific technical knowledge and skills to provide the quality technical inputs to the project outputs and deliverables. The Norwegian Geotechnical Institute PTY Ltd has been identified to provide the technical advisory support and the procurement process is still pending for approval.

Project Board

No project board meeting is conducted for this quarter as per annual work plan that a project board should be organised in May/June and the second project board meeting is now planned for August 17th 2017.

Multi- Year Annual Work Plan

The multi-year budget has been discussed as part of the annual work plan during the project board meeting on the 17th of February 2017 but there are two new activities that are not part of the original work plan. The procurement of drones as requested by the NDMO was discussed and agreed on in the project board meeting in February 2017. The engagement of an institution to provide technical advisory support to the project management office was made in consultation with the project board chairman. It has been a challenge for the project office to get the technical assessments TORs developed and finalized due to lack of technical support and inputs and the project management sees the importance of getting the technical advisory support on board. The lack of technical knowledge and skill is a great risk to the project of not getting the technical assessments properly conducted and achieving the key project deliverables delivered. The engagement of an institution to provide the technical support will help address this gap and minimize the risk that the project now faced. The project office is now in the process of revising project budget to include the new changes.

Procurement

The procurement plan for 2017 is to be revised to capture the new changes and new dates for the technical assessments.

Section two: Project progress tracking sheet

The project document provides the overall guidance to monitor the project progress through the project log frame and the monitoring and evaluation plan. The project activities implementation schedule and the procurement plan are management tools to keep track of the project progress. The project activities implementation schedule and the procurement plan will be revised as part of the budget revision to cater for the delay in getting some of the technical assessments done and the inclusion of new activities.

Section 3: Project Risks and Issues

3.1 Project Risks

The project risks are identified as part of the project design in the risks analysis and the log frame as management tools to guide and support the effective implementation and monitoring of the project activities. There are three risks identified in the project document that will affect the implementation of the activities but currently two of the following risks pose some level of threats to the project implementation.

1. The support and corporation within the key government ministries and its responsible technical divisions to work together is not happening. This is in relation to the implementation of the project activities.
2. The target communities are not well informed about the project and may not cooperate and support to the implementation of the project activities. The community consultations which is planned to be led by the NDMO office will address this risk.

3.2 Project Issues

The main issue for the project management unit in quarter 2, is the slow progress to get some of the key planned activities implemented as approved in the project work plan. One observation and seen as a contributing factor to the slow progress is the lack of technical knowledge and expertise at the national level to provide the technical inputs into the project activities. With the engagement of the technical advisory support, the implementation process is expected to increase in this next quarter.

Section 4: Lessons Learnt

Most of the lessons learnt in this reporting period is dealing with the internal procurement processes

- The steps in finalizing the various TORs and close consultations with the procurement unit to ensure that correct format is used
- The need to identify evaluation panel members at the early stage and this is the responsibility of the project office.
- The project office needs to request information relevant to the procurement process to ensure that the correct procedures are followed.

Section 5: Additional Information

1. Workshop report as separate attachment.