

**2017 Memorandum of Understanding**  
**Between**  
**The Ministry of Energy and Mines**  
**And**  
**The Ministry of Forests, Lands and Natural Resource Operations**

**Preamble:**

This Memorandum of Understanding (MOU) clarifies the roles and responsibilities of the Ministry of Energy and Mines (MEM) and the Ministry of Forests, Lands and Natural Resource Operations (FLNRO) to regulate and support the exploration and mining sectors of BC. This MOU reflects the Province's commitment to continuously improve authorizations and related regulatory processes, reduce approval timeframes, and adopt a coordinated and integrated approach related to mining authorizations.

**Purpose:**

The purpose of this MOU is to:

- a) Reflect the formal business delivery relationship between MEM and FLNRO to support the mining sector in BC;
- b) Clarify the roles and responsibilities of MEM and FLNRO in the business delivery relationship, with a focus on First Nations consultation, administration, review, and the regulation of mining activities; and
- c) Ensure efficiencies are gained through the collaborative efforts of both ministries in the delivery of timely authorizations.

**Operating Principles:**

Foster a culture of seamless service delivery on behalf of the Province by collaboratively:

- 1. Promoting a cooperative relationship and integrated culture of support between MEM and FLNRO staff in developing and delivering strong, integrated services;
- 2. Providing a consistent approach to First Nation consultation to facilitate well-informed decisions and ensure the Province fulfills its legal obligations to First Nations;
- 3. Participating in continuous improvement initiatives, leading to greater effectiveness and efficiency in business delivery; and
- 4. Assessing business processes on a regular basis to foster client-focused service delivery.

## **Definitions:**

<b>Chief Inspector's Office (CIO)</b>	<p>The Chief Inspector's Office (CIO) refers to the Office of the Chief Inspector of Mines and the associated Health, Safety and Permitting Branch of which the Chief Inspector is the Executive Director. The Health, Safety and Permitting Branch reviews technical applications, issues permits, and performs inspections and audits to ensure compliance with the <i>Mines Act</i>, the <i>Health, Safety and Reclamation Code for Mines in British Columbia</i> (the Code), and permit conditions.</p> <p>Health, Safety and Permitting Branch staff are located in Victoria and in regional offices in Cranbrook, Kamloops, Prince George, and Smithers. For the purposes of this MOU, the CIO is intended to refer to staff based in Victoria to distinguish from Regional Mines Inspectors.</p>
<b>Consultation Plan</b>	<p>A Consultation Plan is a strategic document that outlines the procedural aspects of consultation for the duration of a given consultation process, ensuring the Crown meets its Duty to Consult. Consultation Plans are developed upon agreement by FLNRO and MEM and are generally used to guide engagement in especially complex circumstances.</p>
<b>Consultation Summary</b>	<p>A summary of the First Nations consultation process, including consultation activities, issues raised, and accommodation measures discussed during the review of a mine-related application. The purpose of a consultation summary is to provide the statutory decision maker(s) (SDM) with the information they require to determine whether the Crown has adequately discharged its legal obligations to First Nations and to review and draft conditions, where applicable. The FLNRO Consultation Report and Tracking System (CRTS) will be the primary tool used for the generation of a consultation summary until such a time that CRTS is replaced by an updated system.</p>
<b>Consultation Side Tables</b>	<p>Working groups outside of Mine Review Committees or Mine Development Review Committees consisting of Provincial agencies and one First Nation to discuss possible impacts to asserted rights and title and ways to avoid, mitigate, and accommodate, as deemed appropriate.</p>
<b>Exploration</b>	<p>Mineral and coal exploration activities: drilling, bulk sampling, trenching, excavating, blasting, induced polarization surveys, and/or site reclamation.</p>
<b>Intake</b>	<p>The process for accepting and reviewing application submissions for specific activities that require authorizations. This includes liaising with</p>

the applicant as necessary and conducting an administrative review of the application. **For major mines**, this process is the responsibility of the CIO in Victoria. **For other mines requiring this process**, FrontCounter BC and MEM Operations Coordinators are responsible.

**Major Mine**

For the purposes of permitting, a Major Mine is a mine as defined in Section 10.1.2 of the Code or any mine designated a Major Mine by the Chief Inspector, and typically includes all new and existing coal and mineral mines, for which only the Chief Inspector of Mines or delegate is the SDM. A Major Mine application may be coordinated by the Major Mine Permitting Office (typically through a Mine Review Committee), a Regional Mine Development Review Committee process, or the CIO.

**Major Mine Permitting  
ADM Project Board  
(MMPB)**

The Major Mine Permitting ADM Project Board (MMPB) is a cross-ministry board that provides guidance and oversight to the full scope of permitting processes required to open or expand a Major Mine in B.C. (including, but not limited to, permitting under the *Mines Act*, *Environmental Management Act*, and *Environmental Assessment Act*). The MMPB is chaired by the ADM of MEM.

**Major Mine Permitting  
Office (MMPO)**

The office in the Mining and Mineral Resources Division (MMRD) of MEM responsible for the coordination and project management of all necessary permits to build and operate a Major Mine. The MMPO reports to the MMPB. The purpose of the MMPO is to coordinate various agencies involved in Major Mine permits and amendments to ensure a high quality and timely approach to authorizations.

**Mine-Related Application**

All *Mines Act*, *Mineral Tenures Act*, and *Coal Act* permit applications, permit amendments, or tenure applications. This includes: Notice of Work applications, mining and placer leases, lease-term extensions, coal licenses and leases, and mining and coal production permit applications and amendments.

**Mine Review Committee  
(MRC):**

An interagency committee that includes federal, provincial, First Nations, and local government representatives, convened by the MMPO to coordinate the review of proposed Major Mines or large expansions of Major Mines. Upon conclusion of the review, MRCs provide recommendations to the Chief Inspector of Mines on applications for *Mines Act* permits pursuant to parts 10.3.1 and 10.3.2 of the Code, and to other applicable SDMs.

**Notice of Work (NOW)**

Applications related to exploration, sand and gravel, quarry, and placer, coordinated and reviewed by Regional Inspectors.

<b>Placer mine</b>	A mine at which mining activities in relation to placer minerals occur.
<b>Processing</b>	Defined as the steps required and actions to be taken to move an application through the authorization process in preparation for decision.
<b>Regional Mine Development Review Committee (MDRC):</b>	A standing inter-agency committee, chaired by the Chief Inspector or a delegated MEM Regional Director or Senior Inspector, that provides advice and service to the mining industry from exploration to closure, except when an MRC has been established to review a proposed new Major Mine or large expansion of a Major Mine. The MDRC also recommends when a mine project has advanced to a stage that an MRC is required to lead coordinated permitting. Roles, responsibilities, and the relationship between the MDRC and the MRC are subject to ongoing clarification and refinement.
<b>Regional Mining Activities:</b>	Exploration activities as defined in Sections 9 of the Code and placer mines, gravel pits, rock quarries, and industrial mineral quarries as outlined in Section 10.1.1 of the Code, for which a Mines Inspector, appointed by the Chief Inspector of Mines, is the delegated SDM under the <i>Mines Act</i> . Regional Mines also include some bulk samples as outlined in Section 10.1.2 (2) of the Code and any other mining activities that are delegated to Mines Inspectors by the Chief Inspector of Mines.
<b>Statusing</b>	Identifying all pre-existing rights and encumbrances associated with a parcel or area of Crown land.
<b>Tenure Application:</b>	A “lease” as defined under the <i>Mineral Tenure Act</i> , and a “lease” and a “licence” as defined under the <i>Coal Act</i> ; this also includes all other relevant applications under the <i>Mineral Tenure Act</i> and <i>Coal Act</i> .
<b>Virtual FrontCounter BC:</b>	Virtual FrontCounter BC is the system provided and supported by FLNRO (the FrontCounter BC Provincial Team) to enable electronic filing, intake, statusing, and acceptance of applications for NoWs. FLNRO (the FrontCounter BC Provincial Team) is responsible for the maintenance of this product.

## Agency Responsibilities

MEM and FLNRO agree to the following agency responsibilities for the purposes of this MOU:

### General Responsibilities

#### 1. MEM

- MEM is responsible for the regulation of mine health and safety for the protection of employees and the public, protection of cultural heritage resources, and environmental protection (land, watercourses) throughout mine life and post-closure.
- MEM is responsible for the issuance of mineral and coal tenures and reviewing and approving all applications for mines and mining activities for Regional Mines and Major Mines.
- MEM is responsible for compliance and enforcement of all conditions of permits granted under the *Mines Act*, including applicable Act and Code requirements. Operationally, FLNRO may undertake compliance and enforcement activities, but this is carried out under the direction and responsibility of MEM.
- MEM is responsible for compliance and enforcement of all conditions of tenure granted under the *Mineral Tenure Act* and the *Coal Act* and associated regulation.
- MEM is the statutory decision maker under the *Mines Act*. Where deputized, MEM is also the statutory decision maker under the *Forest Act* for Free Use Permits in support of mineral and coal activities, including reclamation activities, authorized under the *Mines Act*.
- MEM is responsible for the coordinated authorization process for Major Mines through the MMPO.
- MEM staff provides technical expertise during consultation.

#### 2. FLNRO

- FLNRO delivers First Nations consultation for mine-related applications under the following five business lines:
  - i. Mining, Placer, and Coal licences and leases, and lease term extensions (Mineral Titles Branch);
  - ii. Regional Mining Activities/Notices of Work; and
  - iii. Major Mines:
    - MRC-coordinated projects (MMPO);
    - MDRC-coordinated projects; and
    - Projects coordinated by the CIO.
- FLNRO provides client service delivery functions through FrontCounter BC in alignment with the FrontCounter BC/Mines and Mineral Resources Division Service Agreement.
- FLNRO has statutory decision maker duties and is responsible for providing advice regarding forests, land, water, fish and wildlife, as well as potential impacts and possible mitigation measures for applications or projects under the *Water Sustainability Act*, *Land Act*, and *Forest Act*.
- FLNRO conducts statusing to support mine permitting and land use activities.

Appendix II contains diagrams that provide an overview of the respective responsibilities of MEM and FLNRO with regards to processing applications in the five business lines enumerated above.

### **Regional Mining Activities**

- FrontCounter BC is the initial point of contact for Regional Mine permit applications through virtual FrontCounter BC and is responsible for reviewing applications for completeness, entering applications into the Application Tracking System, and collecting application fees.
- FrontCounter BC conducts the first phase of the joint review of applications with MEM. This review includes ensuring application information is complete, statusing the application area, drafting e-referrals to applicable parties, and informing FLNRO First Nations Relations advisors of the application.
- MEM Operations Coordinators conduct the second phase of the joint review of applications, which includes a pre-technical review of the application, liaising with clients on application details, researching historical mine information, and entering the application into the Mines Management System (MMS).
- MEM Operations Coordinators or Mines Inspectors are responsible for accepting or rejecting applications.
- The target processing time for intake, statusing, and the decision to accept/reject an application is currently 10 days (see FrontCounter BC/Mines and Mineral Resources Division Service Agreement).
- MEM Mines Inspectors review draft e-referrals, finalize, and send.
- FLNRO First Nations Relations advisors are responsible for conducting First Nations consultation on the application (see below for greater detail).
- MEM is responsible for the technical review of the application and the decision.
- MEM Operations Coordinators inform FLNRO when decisions on applications are finalized and closed in MMS.
- In the case of conflict between this MOU and the FrontCounter BC/Mines and Mineral Resources Division Service Agreement, the latter takes precedence.

### **Major Mine Activities**

- The Chief Inspector will be the primary contact for Major Mine permit applications and will be the initial point of intake for all Major Mine permit and amendment applications.
- Once a mine project advances to a stage that requires the coordination of multiple authorizations, the Chief Inspector may establish an MRC, an MDRC, or require the process to be coordinated by the CIO.
- The MMPO coordinates all required agency authorizations for Major Mine permits and amendments to these permits.
- MDRCs provide a forum for early conversations/pre-application work on Major Mine projects for proponents to discuss regulatory requirements with all relevant agencies. An MDRC can also coordinate follow-up and monitoring of Major and Regional Mine projects, post-authorization, as required.

- MRCs will be chaired by a Project Director of the MMPO. Once an MRC is established, the Project Director (a Project Lead or the Executive Director of the MMPO, depending on scale and complexity of project) will be the key contact for the mine project and will work to ensure a coordinated approach for the mine review. The Project Director will establish a project team in consultation with the Chief Inspector.
- The MMPB is responsible for priority setting for project timelines that meet the needs of proponents and government, while ensuring that delegated authorities of individual ministries are respected.
- First Nation Consultation for Major Mine authorization processes coordinated by the MMPO will be undertaken as described by Appendix 1: First Nation Consultation for Major Mines.

### **Digital Geomatics**

MEM and FLNRO require geospatial data enhancements to allow standardized geo-referenced file data, such as shapefile, KML, or Geomark, to be utilized as part of mines applications. These files can then be made available to other related processes, such as statusing and mapping tools.

- MEM will work towards establishing the provision of geo-referenced files as a standard application requirement for Major Mines and Regional Mines.
- MEM and FLNRO will establish a geo-referenced file data standard for mine applications that meets an agreed upon quality standard to support the statusing and consultation processes.
- MEM and the provincial data warehouse architects will develop and maintain a mining data layer in the BC Geographic Warehouse (BCGW) and will develop a process by which geo-referenced files associated with NoWs and Major Mines permits are catalogued.
- MEM will identify a data custodian responsible for the mining layer in the BCGW in partnership with a data steward from FLNRO; both agencies will have responsibility for ongoing quality assurance of the information.

### **First Nations Consultation**

*Note: the following applies to each of the business lines, save for MMPO-Coordinated Projects, which are covered in detail in Appendix I.*

- The success of First Nations consultation is dependent on the following:
  - i. The expert provision of consultation services found in FLNRO's First Nations Relations (FNR) programs;
  - ii. FLNRO FNR's relationship with First Nations communities and knowledge of relevant First Nations interests and objectives;
  - iii. FLNRO's coordination of First Nations consultation services across regions to ensure best results, minimize duplication, and make efficient decisions; and
  - iv. Flexibility to incorporate FLNRO FNR regional specific processes to determine assignment of tasks associated with the provision of consultation services.

- For each consultation, the FLNRO FNR advisor and MEM SDM will work together to effectively use resources, confirm the information that needs to be included in the consultation record, and facilitate the achievement of the following target timeline:
  - i. It is anticipated that First Nations consultation will require an average of 45 days;
  - ii. This timeline will be extended if agreements with potentially impacted First Nations stipulate a longer timeframe for consultation (typically 60 to 90 days); and
  - iii. MEM will make timely decisions upon receipt of an acceptable First Nations consultation record from FLNRO.
- Where appropriate, FLNRO will review existing mechanisms and regulatory approval processes (e.g. MRCs, MDRCs) to determine if First Nations consultation can be integrated into those mechanisms or processes.
- In the case of mineral, coal, and placer lease applications, the Mineral Titles Branch will receive, check, and carry out initial statusing of applications and provide this information to FrontCounter BC as a consultation package. FrontCounter BC will then provide an Overlap Report and prepare and send all initial referrals to agencies using the e-referral system, including to the applicable FLNRO FNR advisor
- MEM is responsible for ensuring complete and accurate information is sent to FLNRO to enable the effective initiation of consultation services.
- MEM will relay all relevant information for each application, maintaining ongoing and timely communication regarding ongoing consultations, to the FLNRO consultation advisor.
- MEM staff will continue to provide technical expertise during consultation.
- Where agreed by FLNRO and MEM, the parties will work collaboratively to prepare a Consultation Plan, which will act as an overarching framework under which consultation will occur.
- In the case of a non-MMPO major project that has been reviewed under the *Environmental Assessment Act*, FLNRO will consider the Environmental Assessment (EA)'s consultation record as appropriate.
- FLNRO will prepare, send, and track all relevant consultation correspondence in CRTS. FLNRO and MEM will engage to ensure that correspondence accurately reflects the nature of the *Mines Act* application(s) and potential impacts.
- In some cases, the Province may delegate certain procedural aspects of consultation to proponents (e.g. holding information sessions with First Nations, developing mitigation measures and other forms of accommodation, etc.). FLNRO and MEM are responsible for keeping each other informed about proponent and First Nations engagements. FLNRO is responsible for managing the information collected and, where known, for tracking mitigation and/or accommodation commitments made during these engagements by proponents.
- In the case of MDRC Coordinated Projects and Non-MMPO Major Projects:
  - i. Consultation side tables, if deemed appropriate by both MEM and FLNRO, will be coordinated by MEM, and FLNRO FNR staff will participate. MEM Regional Directors and/or CIO may participate, as appropriate;
  - ii. The CIO will coordinate with relevant subject expert MEM technical staff for consultation side tables;

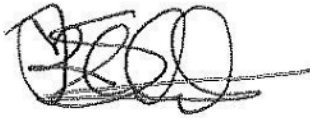


- iii. Technical working groups/tables will be coordinated by MEM Regional Directors and/or CIO. FLNRO FNR staff will not attend technical tables unless deemed necessary by the FLNRO consultation lead, in consultation with MEM Regional Directors and/or CIO; and
  - iv. FLNRO FNR Managers, in consultation with MEM Regional Directors and/or CIO staff, will seek strategic support and direction from Ministry of Aboriginal Relations and Reconciliation staff on complex issues that arise during transactional consultation.
- MEM and FLNRO will work to develop accommodation, mitigation, or avoidance measures to address First Nation concerns raised during consultation.
  - FLNRO will prepare a consultation summary report for the SDM (the Chief Inspector of Mines or a selected delegate for Major and Regional Mine permit applications, or the Chief Gold Commissioner for Mineral, Placer, and Coal Lease applications).
  - The consultation summary will clearly outline the issues raised by First Nations, potential impacts to asserted rights and title, accommodations discussed, and any other information the SDM may need to determine that consultation has been carried out in good faith and that the Crown's process of seeking to understand potentially outstanding issues and impacts was reasonable; CRTS will be the tool used to compile the consultation summary until this system is replaced with a new tool.
  - Where appropriate, FLNRO will prepare consultation/engagement summaries as per strategic agreements made with First Nations (e.g. shared engagement records, collaborative record of engagement).
  - MEM and FLNRO will share information related to initiatives and agreements underway in a region that may address concerns and issues raised by First Nations in a consultation process.
  - The SDM is responsible for determining that the potential for adverse effects on Aboriginal interests of Aboriginal groups has been avoided, minimized, or otherwise accommodated to an appropriate level.
  - Upon determination of the appropriateness of the consultation process by the SDM, FLNRO consultation services will be considered complete and the SDM will ensure the project schedule is updated to reflect this accordingly.
  - The SDM will advise the FLNRO FNR advisor of their decision, including any First Nations accommodations. The FLNRO FNR advisor will record this information in CRTS and complete the consultation, as required.
  - MEM is responsible for ensuring decision makers are competent in the application of existing First Nations consultation guidance (Updated Procedures for Meeting Legal Obligations when Consulting First Nations and supplemental guides) and are current on applicable First Nations consultation case law.
  - MEM is responsible for working in cooperation with Provincial agencies to ensure the implementation and monitoring of accommodations provided for mines decisions.

## Review

The parties agree that the Assistant Deputy Ministers of FLNRO and MEM will be responsible for providing direction to staff to implement this MOU. The parties also agree to review this MOU on an annual basis to ensure it continues to meet its stated purpose and amend the MOU, where necessary.

In addition, the parties agree that in the event of competing strategic priorities and limited staff resources, or of unforeseen situations, the issue will be discussed collaboratively between MEM and FLNRO at the appropriate management levels with a view to resolving the matter. If subsequently deemed necessary, the Natural Resource Sector Assistant Deputy Ministers Committee may be consulted to discuss and render a decision.



**Tim Sheldan**

Deputy Minister, Ministry of Forests, Lands and  
Natural Resource Operations



**Elaine McKnight**

Deputy Minister, Ministry of Energy and Mines

**Date**

**Date**

**Attachments:**

Appendix I: First Nation Consultation for Major Mines  
Appendix II: Process Flow Charts

## Appendix I: First Nation Consultation for Major Mines

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### Purpose

To describe the general approach for FLNRO delivery of consultation services to the MMPO\* of the Ministry of Energy and Mines.

*\* For the purposes of this appendix MMPO refers to the Project director and project lead.*

### Principles

This approach seeks to rely on:

- FLNRO First Nations Relations consultation services and specialized skill set;
- FLNRO First Nations Relations staff relationship with First Nation communities and knowledge of the local cultures in their regions and aims to maintain them;
- FLNRO will coordinate First Nations consultations across the Region to ensure best results;
- Flexibility to incorporate FLNRO First Nations Relations regional specific processes to determine assignment of tasks associated with consultation;
- MMPO's expertise and support for strategic and complex issues; and
- The FLNRO Consultation Report and Tracking System (CRTS) will be the tool used, until such a time that CRTS is replaced by an updated system.

### Scope of Consultation Services

The aim is to ensure all current FLNRO regional processes of service delivery are retained without experiencing the delays associated with imposing new models.

The general scope of consultation services offered through FLNRO fall within the four phases of the consultation process described in the *Updated Procedures for Meeting Legal Obligations When Consulting First Nations (May 2010)*, as updated or replaced. FLNRO will continue to provide advice and work with the MMPO team throughout these four phases.

FLNRO will deliver the following services for major mines:

- prepare a Consultation Plan which will be incorporated into the project specific Project Charter and associated Permitting Schedule for approval by the MMPO Board;
- undertake a preliminary assessment;
- In the case of reviewable project under the *Environmental Assessment Act*, consider the environmental assessment (EA)'s consultation record (including strength of claim assessment, preliminary assessments provided to First Nations by the EA, and mitigation/accommodation measures being contemplated or established as part of certificate conditions);
- determine a consultation level;

- determine the steps and timelines required under any agreements (e.g. Strategic Engagements, Reconciliation Agreements, etc.) and maintain a consultation record;
- set up and manage direct meetings with First Nations as required as per the Project Charter and/or service agreement between MMPO and FLNRO;
- prepare a summary of consultation for the SDM in which the SDM can clearly understand issues raised by First Nations, impacts to rights, title and interests, accommodations discussed, and any other requirement the SDM may need to determine the adequacy of consultation;
- prepare consultation/engagement reports as per strategic agreements made with First Nations (e.g. shared engagement records, collaborative record of engagement); and
- MEM and FLNRO will work together to inform one another of known initiatives and agreements (e.g. ESI, stewardship initiatives, soft agreements, reclamation work, etc.) underway in a region which may address concerns and issues raised by First Nations.

The following activities are out of scope for consultation services provided by FLNRO\*:

- Consultation advisors responding to technical questions;
- Coordination of FLNRO programs and/or that of other agencies;
- First Nations Relations (FNR) manager and/or advisor acting as a single point of contact between FLNRO and MMPO; and
- Project follow-up to ensure the integrity of the Province and Proponent is retained for all accommodations and mitigations that the SDM agreed to are implemented.

*\*may be discussed for possible inclusion between the MMPO and FLNRO during the project schedule development.*

## **Roles and Responsibilities**

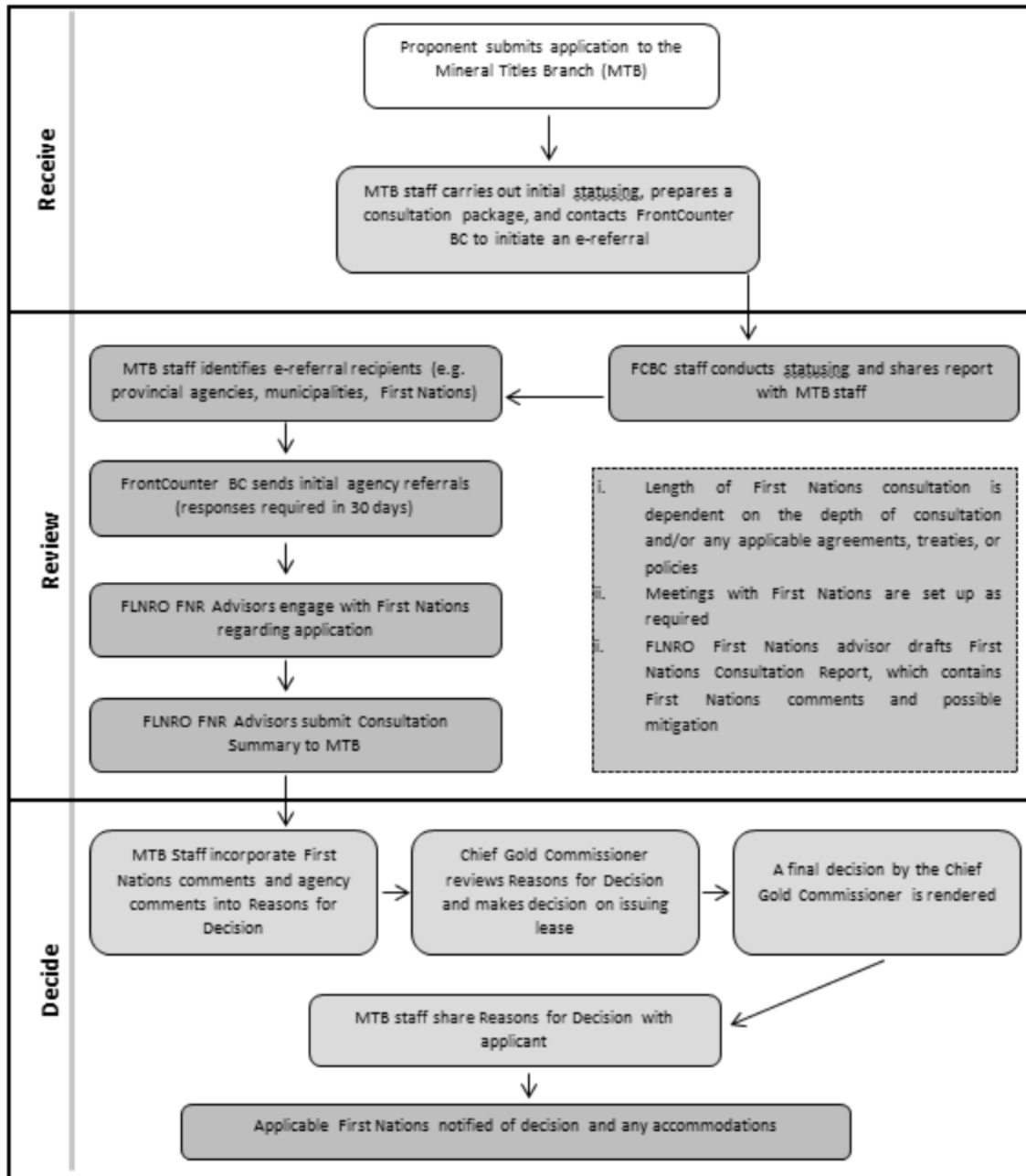
- FLNRO FNR Managers and MMPO Project Directors will determine how to best use staff resources in undertaking consultation activities (i.e. who is best suited to attend meetings that are primarily technical in nature). The following principles will apply to Technical Meetings:
  1. They are topic-specific meetings that report back to the main table with recommendations for discussions including any First Nation consultation issues;
  2. The Technical Meetings are “designated” by the primary MRC to consider a specific topic or issue(s); and
  3. The MRC then discusses the finding or recommendation with everyone at committee level.
- The MMPO and regional FNR managers will work to determine the timing of consultation services and the standard of the consultation record.
- When determining roles and responsibilities and consultation tasks, the MMPO and FNR managers may use FLNRO region-specific processes depending on the complexity of the project and the project schedule (e.g. Skeena First Nation Consultation Service Determination Agreement).

- Consultation tasks will be outlined in a Project Charter (and associated Permitting Schedule) and service agreement between MMPO and FLNRO and will be undertaken under the direction of the MMPO.
- If changes to FLNRO consultation services are required, FLNRO and MMPO will collaborate to determine if changes to the Project Charter (and associated Permitting Schedule) and service agreement are required and if MMPO Board Approval is also required.
- MMPO project staff will remain engaged with First Nations throughout the project and further develop their First Nations consultation skill set and undertake tasks accordingly.
- Consultation side tables will be coordinated by FLNRO FNR staff (unless otherwise assigned) with participation from the MMPO.
- MMPO will coordinate with relevant subject expert Ministry technical staff for consultation side tables.
- Technical working groups/tables will be coordinated by MMPO. FLNRO FNR staff will not attend technical tables unless deemed necessary by the FLNRO consultation lead and the MMPO.
- Senior MMPO staff will work with FLNRO to ensure any strategic initiatives or accommodations outside of those in the regulatory process (e.g. ECDA, other negotiated agreements) are considered and captured in the consultation summary.
- The MMPO will work with Environmental Assessment Office (EAO) and FLNRO FNR staff to consider existing consultation information in a permitting decision (i.e. project-related consultation at exploration, EA process, and permitting phases).
- Upon the determination of adequacy by the SDM of the consultation process FLNRO consultation services will be considered complete and the project schedule will be updated to reflect accordingly.

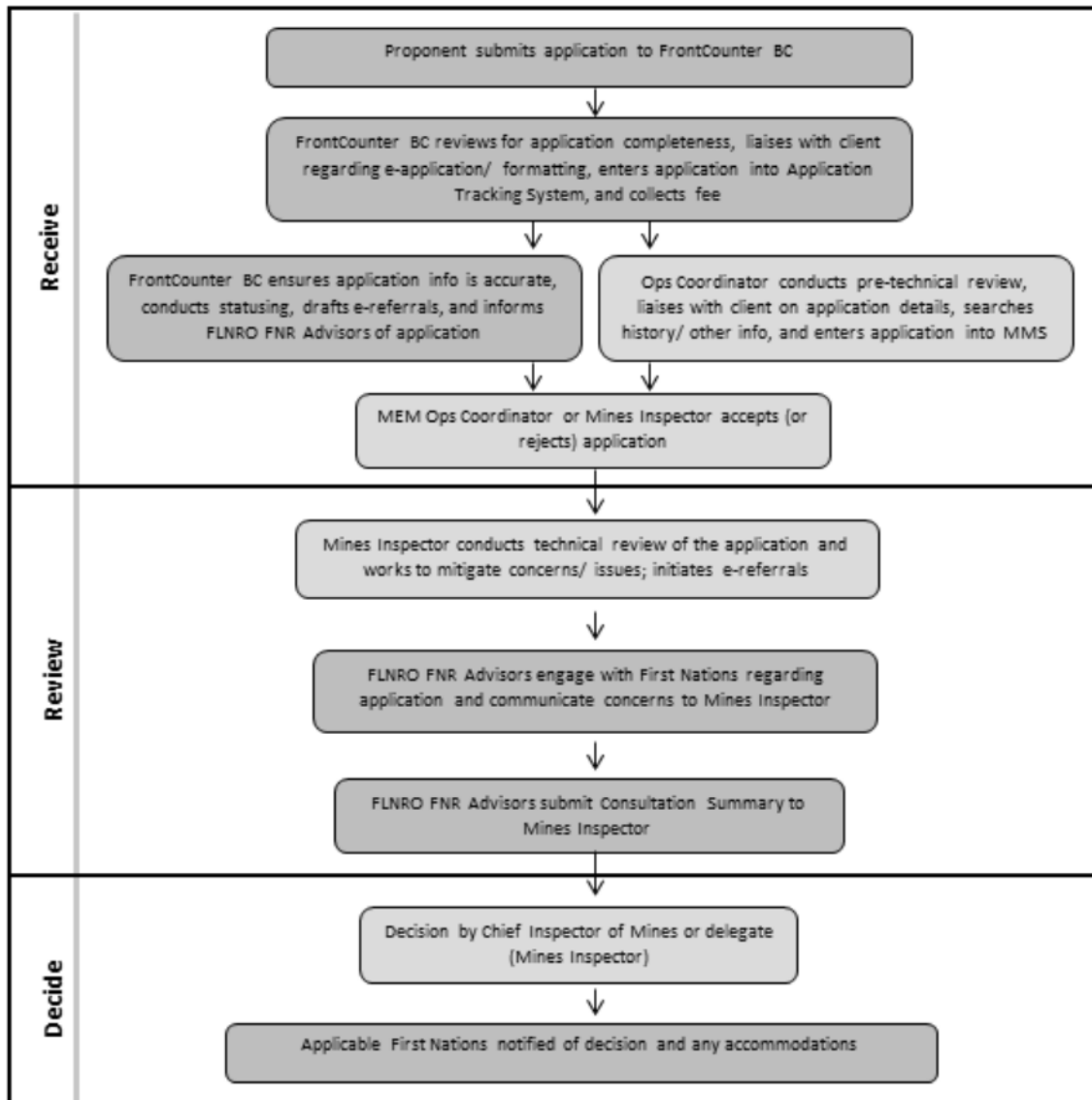
## Appendix II: Process Flow Charts

*The following charts are intended to serve as a general schematic for the respective responsibilities of MEM and FLNRO when processing applications in the business lines covered in this MOU. Processes and procedures may vary on a case-by-case basis and are subject to change.*

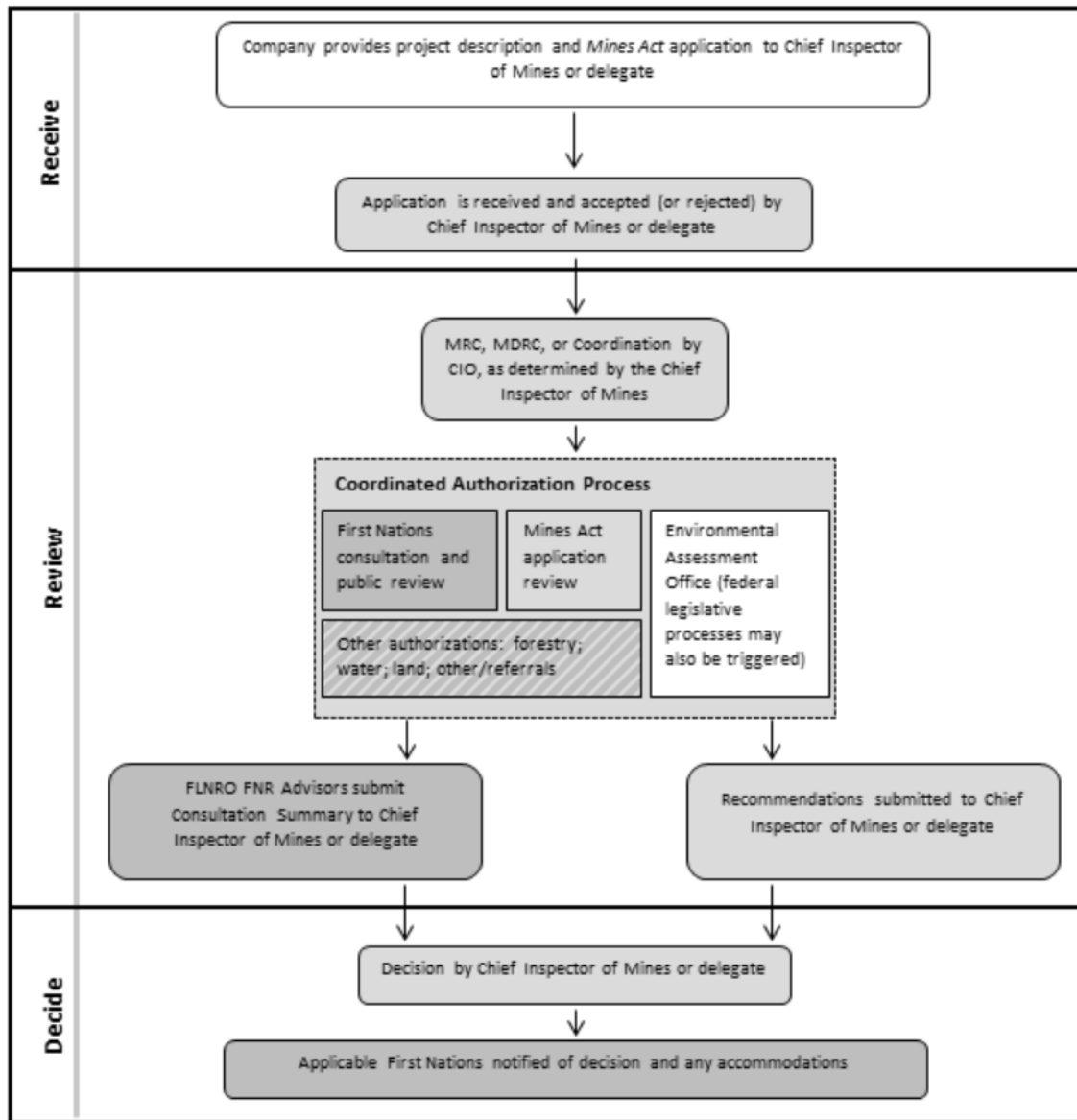
### Mining, Placer, and Coal Lease Applications



## Regional Mines Applications



## Major Mines Applications





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s.14 ; s.15



**Memorandum of Understanding**

**Between**

**The Ministry of Energy and Mines,**

**And**

**The Ministry of Forests, Lands and Natural Resource Operations**

**Preamble:**

Mine development and mineral exploration has been a cornerstone of our economy for generations. It takes place in every region of the province and ranges from small, one-person operations, to multi-million dollar investment projects. The Province is ready to capitalize on high commodity prices and global demand for minerals and coal.

Unnecessary red tape hinders development and can tie up industry and government resources. As committed to in *the BC Jobs Plan*, the Province is working to make regulatory processes smarter and more efficient while maintaining high safety and environmental standards. This includes developing a coordinated, transparent permitting and approval process with clear timelines for all industrial projects, including mineral exploration and mine developments. The Province reaffirmed its commitment to reducing red tape in 2012.

The creation of this Memorandum of Understanding between the Regulatory Authority (Ministry of Energy and Mines' hereinafter "MEM") and the Province's natural resources operational co-ordinating agency (Ministry of Forests, Lands and Natural Resource Operations hereinafter "FLNRO") is a reflection of the Province's commitment to reduce the regulatory burden and duplication through the co-ordinated and integrated approach to natural resource management.

**Purpose:**

The purpose of this agreement is:

- A. To reflect Government's mandate for a co-ordinated and integrated approach to natural resource management in the mining and minerals sector between the Ministry of Energy and Mines, Mines and Mineral Resources Division hereinafter "MEM" and the Ministry of Forests, Lands and Natural Resource Operations hereinafter "FLNRO"
- B. To define the respective roles and responsibilities of MEM and FLNRO in the administration, review, consultation and regulation of mining activities;
- C. To establish an agreement between MEM and FLNRO regarding the review and permitting of proposed major mines requiring multiple authorizations;
- D. To establish an agreement between MEM and FLNRO regarding permitting and inspection of regional mine properties;
- E. To establish an agreement between MEM and FLNRO regarding First Nations consultation and processes.

- F. To ensure that efficiencies are gained through the use of a coordinated and timely authorizations process for mine projects by all participants.

**Operating Principles:**

Foster a culture of seamless service delivery on behalf of government by:

1. Actively implementing the coordinated authorizations process for mines applications;
2. Participating in continuous improvement initiatives leading to greater effectiveness and efficiency in the delivery of mining activities;
3. Collaborate in the co-ordinated review of mine projects referred to the Mine Development Review Committee when appropriate; and,
4. Make best efforts to develop an integrated culture of support between NRS agencies.

**Definitions:**

<b>Coordinated Authorizations Process:</b>	Is a process initiated through the Mine Development Review Committee aimed at harmonizing First Nations consultation and the coordination of the multiple authorizations that may be required from the various natural resource agencies for new major mines; The Coordinated Authorization process is meant to improve consistency, eliminate overlap and duplication in process and information requirements by the various Natural Resource agencies.
<b>Major Mine:</b>	Is an operating mine as defined in Section 10.1.2 of the <i>Mines Act and Health, Safety, and Reclamation Code for Mines in British Columbia</i> (Code), and refers to all new and existing coal and metal mines, for which only the Chief Inspector of Mines, or delegated Chief Inspector, is the statutory decision maker; except for section 10.1.2 (2) bulk samples which remains a regional delegation by the Chief Inspector of Mines.
<b>Mine Development Review Committee:</b>	means an interagency committee including First Nations representation, convened to co-ordinate the review of Major Mine projects requiring multiple authorizations. The Mine Development Review Committee (MDRC) may also include Federal agencies and local government in project reviews. The MDRC also satisfies the 'regional advisory committee' requirement of Section 9 of the Mines Act and will provide recommendations on applications for Mines Act permits pursuant to parts 10.3.1 and 10.3.2 of the Code to the Chief Inspector of Mines and to other statutory decision-makers to which applications for approval are made to enable a mine project to proceed with site preparation, construction and development.

- Mine:** Is the same definition as in the *Mines Act*.
- Mining Activity:** Is the same definition as in the *Mines Act*.
- Regional Mine:** means exploration activities as defined in Sections 9.2.1 of the Code and placer mines, gravel pits and quarries as defined in Section 10.1.1 of the Code, for which an inspector of mines, appointed by the Chief Inspector of Mines, is the delegated statutory decision maker under the *Mines Act*. Also included in regional mines are bulk samples as defined in Section 10.1.2.2 of the Code and delegated by the Chief Inspector of Mines.
- Tenure:** with respect to mineral exploration and development, means mining and placer claims and leases under the *Mineral Tenure Act* and coal licenses and leases under the *Coal Act*.

## 1. Legal Authorities

- 1.1. MEM is responsible for the regulation of mines and mining activity in BC, including mine health and safety to protect employees and to safeguard the public from undue risks in connection with mine activities as well as protect and reclaim the land and watercourses affected by the mine by the issuance of mine permits and ongoing inspections under the *Mines Act* and Code.
- 1.2. FLNRO is responsible for delivering co-ordinated authorizations for economic development and environmental sustainability consistent with maintaining resilient communities across a wide spectrum of natural resource sectors. FLNRO is responsible for leading implementation of Government's "one land manager" approach to natural resource management. FLNRO also has statutory authority for the *Water Act*, *Land Act*, *Forest Act*, and other authorizations that may be required to develop a mine.
- 1.3. The Chief Inspector of Mines is the senior statutory decision maker for all mines in the province and may appoint persons as inspectors pursuant to Section 5 of the *Mines Act* and may delegate in writing to an inspector, any of the powers of the chief inspector pursuant to Section 6 of the *Mines Act*.
- 1.4. The Chief Gold Commissioner is the senior statutory decision maker for all mineral and coal tenures in the province. Pursuant to Section 4 of the *Mineral Titles Act*, the Chief Gold Commissioner may appoint one or more gold commissioners to be a deputy chief gold commissioner, and may delegate to any person employed in the Ministry of Energy and Mines some or all of the functions of the chief gold commissioner other than the powers to make regulations.

## 2. Agency Responsibilities

### 2.1 General Responsibilities

- 2.1.1 MEM is responsible for issuing mineral and coal tenures, leading the review of major mine permits and for reviewing and approving all regional mine permit applications.
- 2.1.2 MEM is responsible for compliance and enforcement of applicable Code requirements on mine sites.
- 2.1.3 In collaboration with MEM, FLNRO is responsible for leading the coordinated authorization process through the MDRC, by working with all ministries, agencies, First Nations, the public and other advisors with an interest in the proposed mine projects and aligning recommendations with resource management objectives and strategies.
- 2.1.4 FLNRO will work collaboratively with MEM for the delivery of a coordinated authorization process for regional mine permit applications as outlined in Section 2.3.
- 2.1.5 FLNRO will be responsible for First Nations consultation on mine applications.

### 2.2 Major Mine Permits

- 2.2.1 The Chief Inspector of Mines will be the key contact for major mine permits and will be the initial point of intake for all major mine permits and amendments.
- 2.2.2 The Chief Inspector of Mines will inform FLNRO of all potential major mine projects as early as possible in project planning so that FLNRO can assign a Project Manager.
- 2.2.3 Once a mine project advances to a stage that requires the co-ordination of multiple authorizations, the Chief Inspector of Mines, in collaboration with FLNRO, may establish a Mine Development Review Committee and may request FLNRO to chair the committee and/or a lead First Nations consultation on behalf of MEM for other mine permit amendments as required.
- 2.2.4 Once a MDRC is triggered, FLNRO Project Manager will be the key contact for the mine project going forward and will work to ensure a coordinated approach for the mine review. The Project Manager will establish a project team in consultation with the Chief Inspector of Mines.
- 2.2.5 Mine Development Review Committee projects will be managed according to the *Guide to Coordinated Authorizations for Major Mines* that describes the processes, tools and the roles and authorities of MEM, FLNRO, other government agencies, First Nations and the public for coordination of major mine authorizations.
- 2.2.6 MEM and FLNRO will collaborate to provide training and mentoring for Project Managers and other FLNRO staff who participate in the coordinated authorizations process for major mines.

- 2.2.7 In collaboration with MEM, FLNRO will lead First Nations consultation for major mine permits and permit amendments and will provide a consultation summary to the Chief Inspector of Mines. In addition to identifying First Nations interests and suggested mitigations, the report must provide details of the consultation efforts and an assessment of meeting legal obligations. For turnaround time tracking purposes, First Nations consultation will be considered "complete" once the Chief Inspector of Mines has accepted the recommendations contained in the consultation summary.

## 2.3 Regional Mine Permits

- 2.3.1 Regional FLNRO offices (FrontCounter BC) will be the initial point of contact and intake point for regional mine permit applications. FrontCounter BC will immediately involve the regional MEM Inspector in the review of an application to ensure a corporate initial response to the applicant. FLNRO and MEM will work collaboratively towards an average 15 day time for regional mine permit intake, statusing, and the decision to accept or reject the application. The decision to accept or reject an application is the responsibility of a MEM Inspector.
- 2.3.2 The statutory decision maker for all regional *Mines Act* permits will be a person appointed as an inspector of mines pursuant to Section 5 of the *Mines Act*. All approvals shall be consistent with the level of delegation as established by the Chief Inspector of Mines.
- 2.3.3 FLNRO will lead the intake, statusing, and with appropriate delegations, processing of aggregate applications where proposed production is less than 250,000 tonnes/year, and provide a review package to the statutory decision maker (Regional Mines Inspector) for approval. For applications where proposed production is greater than 250,000 tonnes/year the processing will be led by a Regional Mines Inspector.
- 2.3.4 FLNRO will lead the intake and statusing of applications for Industrial Mineral & Construction stone quarries that involve benching and blasting operations. Processing and approval of applications for Industrial Mineral & Construction stone quarries will be led by Regional Mines Inspectors.
- 2.3.5 FLNRO will lead the intake and statusing of mineral and coal exploration programs. Processing and approval of applications for mineral and coal exploration programs will be led by Regional Mines Inspectors.
- 2.3.6 In collaboration with MEM, FLNRO will lead First Nations consultation, project management, provincial authorizations, and resource management objectives that may affect regional mine permits. MEM will provide technical advice on the mining aspects of the proposal.
- 2.3.7 FLNRO and MEM will work collaboratively towards an average 60 day turnaround time for regional mine permits for exploration. This includes an average 40 day turnaround time for First Nations consultation.



- 2.3.8 FLNRO will provide a consultation summary to an MEM Inspector at the conclusion of the consultation process. In addition to identifying First Nations interests and suggested mitigations, the report will provide an assessment of meeting legal obligations. For turnaround time tracking purposes, First Nations consultation will be considered "complete" once the Regional Inspector has accepted the recommendations contained in the consultation summary.
- 2.3.9 MEM will make timely decisions on Notice of Work permit applications upon receipt of First Nations consultation summaries and supporting information from FLNRO (target timeline is 5 days).

#### **2.4 Mineral Placer, and Coal Tenure (Mineral Title Branch)**

- 2.4.1 MEM will send out the initial referral letter for First Nations consultation unless the mineral, placer, or coal tenure application is under consideration in conjunction with a mineral, placer, or coal mines act permit application.
- 2.4.2 FLNRO will identify a regional FLNRO contact for First Nations consultation for tenure applications for each region of the Province. That contact will be copied on the initial referral letter to the relevant First Nations in that region, and will conduct consultation in collaboration with MEM as needed for the decision process.

### **3. Roles and Responsibilities**

#### **3.1. Chief Inspector of Mines (MEM)**

- 3.1.1. Senior statutory decision maker for mines in the province.
- 3.1.2. Provides delegation of statutory authority for mine inspectors.
- 3.1.3. Responsible for the recruitment of mines inspector positions.
- 3.1.4. Will coordinate responses to Freedom of Information requests regarding mining projects.

#### **3.2. Chief Gold Commissioner (MEM)**

- 3.2.1. Statutory decision maker for mineral and coal tenures in the province.
- 3.2.2. Provides delegation of statutory authority for mineral title inspectors.

#### **3.3. Regional Directors (MEM)**

- 3.3.1. Provides issue management oversight including mining and minerals issues in their region.
- 3.3.2. Ensure ongoing, timely communications regarding strategic priority projects and work plans with FLNRO and other agencies.
- 3.3.3. Co-ordinates drafting, editing and review of briefing notes and correspondence as necessary.

- 3.3.4. Sets annual regional staff priorities through performance plans.
- 3.3.5. Controls regional MEM budget.
- 3.3.6. Will participate in regional planning and priority setting exercises with FLNRO.
- 3.3.7. Will notify FLNRO Regional Executive Directors of new major mine projects entering the development stage.

**3.4. Regional Executive Director (FLNRO)**

- 3.4.1. Designates regional FLNRO staff as project managers as and when requested by the Chief Inspector of Mines to ensure co-ordinated government review on mine projects.
- 3.4.2. Supports MEM regional hiring processes as requested by MEM including but not limited to participating on hiring panels.
- 3.4.3. Prioritizes regional resources across program areas and communicates impacts to mine projects and programs to MEM Regional Directors and Chief Inspector of Mines.

**3.5. FLNRO Business Centres**

- 3.5.1. Provide client application intake services for regional mine permits in a consistent manner in all regions through FrontCounterBC according to the MEM/FrontCounter BC Service Level Agreement.
- 3.5.2. In collaboration with partner agencies, lead the development of corporate approaches and business processes for implementation of a streamlined and consistent approach to natural resource authorizations.
- 3.5.3. Provide administrative and technical support including but not limited to file management, GIS services, and document processing to an agreeable standard.
- 3.5.4. FLNRO will provide logistical resources, equipment, safety procedures, and reception services to support regional MEM staff.
- 3.5.5. FLNRO will coordinate with MEM to deliver staff training opportunities for operational purposes.

**3.6. Project Managers (FLNRO)**

- 3.6.1. Coordinated Authorization Process team leadership and management.
- 3.6.2. Develop and implement appropriate project management tools to plan, track and produce reports for major mine project reviews.
- 3.6.3. Chair Mine Development Review Committees as requested by the Chief Inspector of Mines (in consultation with Regional Executive Directors).

- 3.6.4. Work closely with the Chief Inspector of Mines or delegate(s) to ensure issues in the mines and mineral industry are understood and interpreted correctly throughout the review process.
- 3.6.5. Issue management for assigned projects.
- 3.6.6. Liaise with other agencies and project participants as required.
- 3.6.7. Prepare decision packages, including the First Nations consultation summary, for consideration by the statutory decision makers for assigned projects.

**3.7. Delegated Regional Mines Inspector (MEM)**

- 3.7.1. Provide technical review and leadership for regional and major mine projects including making decisions regarding mines permit applications and support the review of major mine project applications in the Mine Development Review Committee.
- 3.7.2. Conduct health and safety, geotechnical, reclamation, permitting, and any other compliance inspections on all mine projects.
- 3.7.3. Support FLNRO project managers in understanding issues in the mines and minerals industry in order to better co-ordinate mine project reviews.

**3.8. Corporate Services Division (Regional NRS pod)**

- 3.8.1. Provide a point of contact for MEM and FLNRO for corporate administrative services in the region.
- 3.8.2. Provide corporate administrative services for MEM and FLNRO including facilities management, supplies and equipment, and telecommunications.
- 3.8.3. Provide strategic HR support functions for MEM and FLNRO including co-ordinating regional training initiatives, providing organizational chart information as needed.
- 3.8.4. Provide purchasing support including approved supplies and equipment.
- 3.8.5. Ensure purchases, charges and facilities support are coded appropriately to MEM or FLNRO for budget control purposes.
- 3.8.6. Legal fees pertaining to *Mines Act* requirements will be the responsibility of MEM.
- 3.8.7. Legal fees pertaining to other authorizations related to mine projects will be the responsibility of FLNRO.

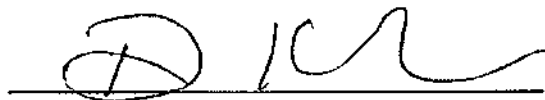
#### **4. Continuous Improvement Initiatives to Resolve in 2012/2013**

In the 2012/2013 fiscal year, FLNRO and MEM agree to work collaboratively to:

1. Develop and implement a plan for increased cooperation and integration for the delivery of compliance and enforcement for regional permits. This includes the development of training and mentoring of appropriate FLNRO staff (does not include major mine permitting compliance).
2. Look for opportunities to create efficiencies in the First Nations consultation process for regional mine permits and tenures.
3. Develop and implement a new aggregate management strategy that clearly defines roles and responsibilities for policy, permitting, and inspections for aggregate activities in B.C.
4. Develop submission standards for Notices of Work applications.

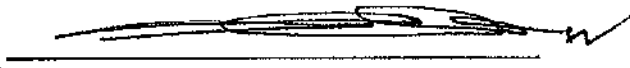
#### **5. Review**

The parties agree to review this MOU annually and amend it as required.



**Doug Konkin**

Deputy Minister, Ministry of Forests, Lands  
and Natural Resource Operations



**Steve Carr**

Deputy Minister, Ministry of Energy and Mines

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s.14 ; s.16