Safety on the global stage

Carly Leonida examines the safety issues that small companies face when following clients into potentially hostile markets

If there is one thing that unites nearly everyone involved with the mining industry, it is travel. Whether you work for a mining company, METS provider, research/consultancy-based organisation or even a magazine, a certain number of trips abroad are inevitable. The global nature of the industry and diverse settings in which mines are located dictate it.

But what if the travel is to a potentially hostile location, an emerging market perhaps, one with a history of gang violence or a hotspot for terrorists or kidnappers?

How can you secure business and serve customers well while safeguarding employees?

It’s a tricky subject and an issue for large and small companies alike.

“You might recall the news on August 13; there was that terror attack in Ouagadougou in Burkina Faso, and I had a board meeting on the 16, where I was going to request permission to place team members at a mine site in Northern Burkina Faso,” Dan Allan, senior vice president of Kal Tire’s Mining Tire Group, told me when we caught up recently after the AIMEX mining show in Sydney, Australia.

“We did what we would normally do; we listened to our team members in the country, but that approach does carry potential issues because sometimes people on the ground who have been there for a long period of time become comfortable with relative risks. So we rely on some third-party sources as well.

“We often use [risk management firm] Maplecroft, and on this occasion we used a security firm based in Accra (Ghana) which covers West Africa, and we did a collective risk assessment.

“It’s a strange world we live in. You rely on customers to show you the way in terms of their path to security for people, and hopefully you can take part in evacuation plans or risk mitigation activities should they become necessary.

“But at the end of the day, we thought it over – we always have the safety and well-being of our team members in mind, we wouldn’t put them in places that we wouldn’t go to ourselves – and we decided to continue to ask for approval. And we have now secured a new contract.

“It was a good outcome, but it really did [highlight] to me very clearly the stewardship and sense of responsibility we have. On deciding where we will do business, and what conditions are satisfactory to keep team members safe.”

And what if the risks are considered too great?

“There have been cases where we have decided not to go,” Allan was clear. “There are places in Northern Mexico, for example, where we just didn’t feel that we could ensure the security of our team members traveling back and forth. There were multiple vehicle thefts and kidnappings in the region, which are some of the worst possible outcomes.

“Or occasionally, there are customers who don’t take the risk seriously, in which case we can’t rely on them in terms of their infrastructure or supporting capabilities. For a small company like ours, we rely on larger organisations like our customers to provide the depth of view or

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mitigation measures that perhaps we don’t have. In those cases where we feel uncomfortable or inadequate in providing that level of risk mitigation, then we decline to participate.”

There are various angles to consider, including the safety and security of assets, and also personal security and safety.

Allan explained: “Where there’s corruption, for example, we would take steps to make sure we are not courting any government agencies. If the security issues focus on personnel, then we may elect for armed escorts to and from major centres to the customer site. We may declare the site only accessible by customer provided aircraft with perhaps a chartered aircraft, or we may decide that no team members are allowed to drive after a certain hour of the day.

“In Ouagadougou, we have declared the expat hangouts and tourist spots off limits, at least until the situation stabilises. In other cases, we have decided to pull team members out completely.

“There was an incident in Cote d’Ivoire for example, there was some militant militia movement, and we elected to pull team members out until that situation dissipated. Risk mitigation takes many different forms and we always have to keep our eye on situation, so that if things change, we are comfortable that we have taken into account that change and acted appropriately.”

SMALL EQUALS FLEXIBLE

Depending on the size of the firm in question, some companies may have a specific person or team dedicated to risk assessment and management with final decisions made by the board or executive team. But what about small-medium sized companies? Where does the buck stop when it comes to team safety?

“Frankly I look at it as my responsibility to make sure that team members are safe, and, of course, we have a regional structure which varies depending on the country and number of individual sites, so that chain of command has really got to communicate, especially when things change quickly,” explained Allan.

“But make no mistake, if you talked to my other partners or our board, they will probably say that they feel accountable as well.”

Kal Tire is headquartered in Canada and has a presence on five continents. The company has a risk management function inside the group, but Allan relies on a combination of professional risk advice, feedback from the ground and instinct to inform safety-based decisions.

That said, he acknowledges that we live in the days of fake news, and it is important to take media reports with a pinch of salt.

“It is so easy for us to believe the last news report we read, and whatever context that’s been written in,” said Allan. “Every story is tainted with a bias, whether intentional or not, and it’s incumbent on us as stewards of the company, we are accountable for people’s well-being, to use our intuition as well as the facts we are presented with when making decisions.”

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The benefit of being a smaller organisation with a shorter chain of command is flexibility. Allan explained that, with the appropriate mitigation measures, Kal Tire is able to serve customers in markets that are off bounds to the largest tyre providers and their service teams. At the largest corporations, final calls on safety might be made by executives far removed from the situation and the people on the ground, and this could occasionally mean missing out on a contract due to following a set, company-wide protocol.

“In a former role, I was part of a much larger organisation, and we had a risk-mitigation group, or a personnel-security group, and they would issue edicts that no member of the company could travel to the following five countries or 10 countries for example,” said Allan.

“We (Kal Tire) look at this from a customer’s perspective, how they do business is in these countries, and it’s a weighty issue because you don’t want to be irresponsible with team members’ security, but at the same time, you don’t want to let customers down when you have committed to help them. The big guys, they let themselves off the hook by saying, ‘oh corporate won’t let me travel there.’”

So in that case, the flexibility works in your favour? “It does, provided that we are properly assessed and mitigated,” Allan says.

And what about client expectations when it comes to support in hostile areas, is this largely dependent on the size of the client?

Allan believes flexibility has a role to play here too. “Customers who are in difficult areas know they’re in difficult areas,” he said. “It’s not a surprise when you come to them and say ‘we would like to help you, but safety is an issue’. They tend to understand that and, if they’re true partners, they are going to help you to be informed and mitigate some of those issues that you bring forward.

“I actually find larger mining companies are less sensitive to the issue. And they can be very prescriptive on what they want their safety systems to look like onsite too. So regardless of the safety systems that we have in place, many times we have to rewrite or reformat them so that the customer is comfortable with what our teams are doing on their property.”

He continued: “Coming off the back of AIMEX where there are lots of small- and medium-sized enterprises, or even small entrepreneurship with 10 or 15 people who are installing products or trying their best to serve customers in far reaching locations, I wonder how well considered they are when taking these sorts of risks?”

SHARED EXPERIENCE

I asked Allan if this is an issue that service and equipment providers are happy to talk about among themselves. Is it common to share resources or information relating to personnel safety in new markets?

“I have never seen a forum where we talk about it,” he said. “I have never seen an article where it’s discussed. I have seen many safety ses-
sessions, but these are always focused on the job at hand; they don’t get any broader than that.

“We are fortunate enough to be a member of the Mine Safety Roundtable, it’s got several global mining company members. We look to them for guidance and they do a lot of work on safety and security risks, but I really don’t know what some of the providers that are not as fortunate as we are do for this.”

There’s a niche in the market it seems, particularly given that this is an issue that is only going to escalate as new mines come online in even more far-flung locations. And unfortunately, as we are all too aware, you don’t need to be in a hostile market or developing region for your people or business to be affected by extremist activity.

Allan agreed: “I am finding that there are more and more things to keep a manager awake at night. In the past, if you sent a team member to Eastern Europe, for example, and they had to transfer through Paris, then you were comfortable until they got to the property. Now, you worry for that team member’s safety all the way through. I don’t think there’s any place any more that you consider to be risk free.

“Mining companies are going to continue to explore and develop properties or reserves in more remote places. So I think the challenge is getting more difficult rather than easier.”

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