

Mr. David Post
Director of Research
Sustainability Accounting Standards Board
1045 Sansome Street, Suite 450
San Francisco, CA 94111

Re: Crosscutting Recommendations for Community Relations and Indigenous Rights

Dear Mr. Post:

The Sierra Club is pleased to submit comments on the issue of community relations and indigenous rights, a topic that applies to the proposed standards in a number of high-risk sectors. As some of the proposed SASB standards recognize, issues of indigenous rights and community engagement are plainly material. The World Resources Institute has [shown](#) how the risks of not obtaining community consent on high impact projects are significant and quantifiable, as are the benefits to be realized through meaningful consultation.

Nevertheless, these issues are treated unevenly in the proposed SASB standards. Some standards, such as *Oil Exploration and Production* and *Mining* address these issues in a fairly comprehensive manner. Others, such as *Coal Operations* and *Forestry Management*, are weaker. Still others, such as *Oil and Gas Midstream*, do not address these issues at all.

SASB should aim to treat these issues comprehensively and consistently across its sectoral guidelines. Rather than develop standards sector by sector, SASB should apply a common set of best practices to all sectors that pose significant environmental and social risks to their host communities, and which in turn bear substantial risks of local opposition. This should include high-risk sectors such as extractives, forestry, large-scale agriculture and infrastructure. To develop these standards, it should consider all of the comments on indigenous rights and community engagement it receives as a package. Once SASB has developed a common set of best practices, it can tailor it to the specific issues that may be unique to each sector, as needed.

We note that even the more comprehensive approach to reporting on these issues in the *Oil Exploration and Production* and *Mining* standards falls short of critical international standards in an important way. While these standards instruct registrants to disclose how they engage with indigenous communities to ensure that these communities have given their “free, prior, and informed consent (or consultation),” best practice at institutions like the [International Finance Corporation](#) is to require “free, prior and informed consent,” not consultation. This should be the SASB standard.

The Sierra Club appreciates the opportunity to provide comment on the SASB’s Sustainability Accounting Standards. Please feel free to contact Mr. Steven Herz at steve.herz@sierraclub.org if you have any questions or wish to discuss any of the matters we recommend.

Sincerely,

Steven Herz