



# Welcome

IAIA Conference 2015

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## **MANAGING YOUR SOCIAL LICENSE TO OPERATE, THE USE OF COMMUNITY DEVELOPMENT AND NEW SOCIAL MEDIA**

Session Wil Rifkin

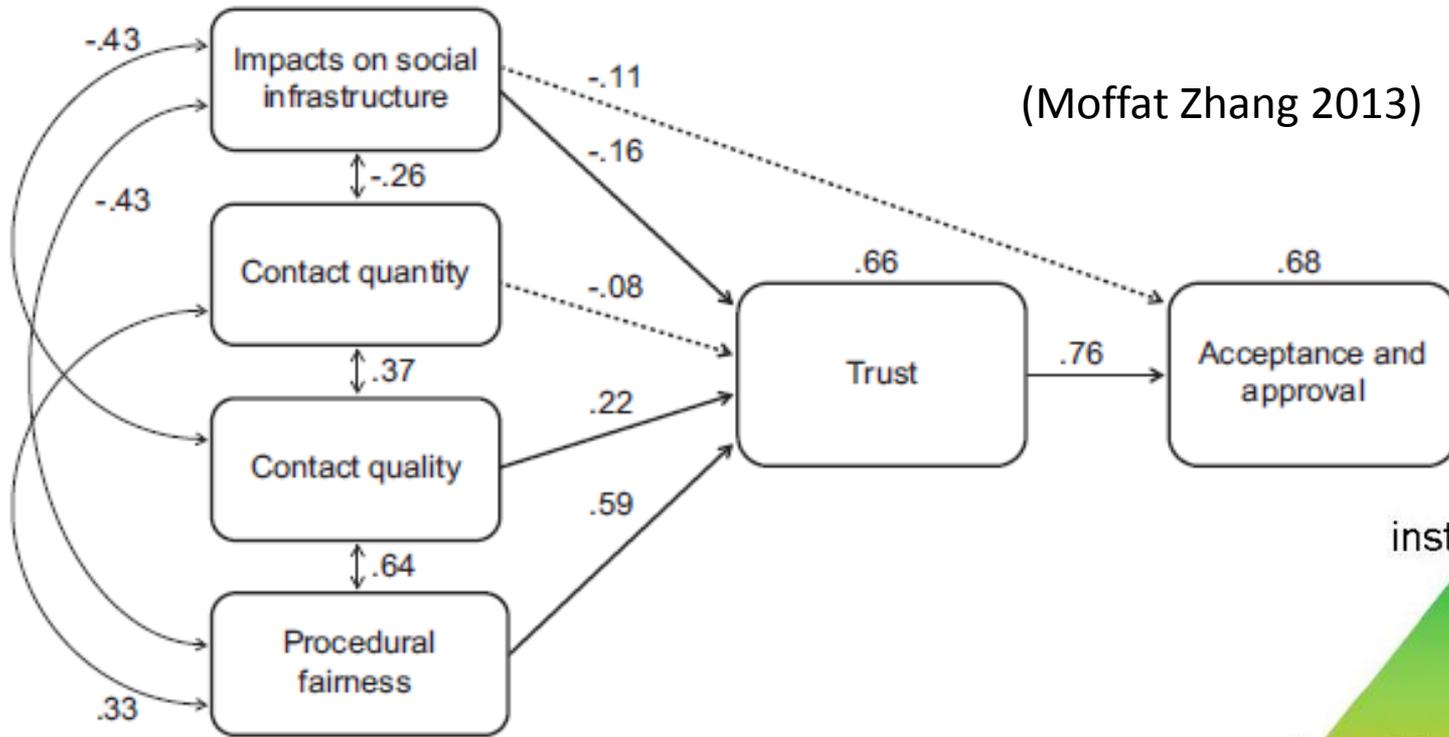
Social Media, Impact Assessment and Community  
Voices

20 April 14:30 – 16:00 Villa 104

# Abstract

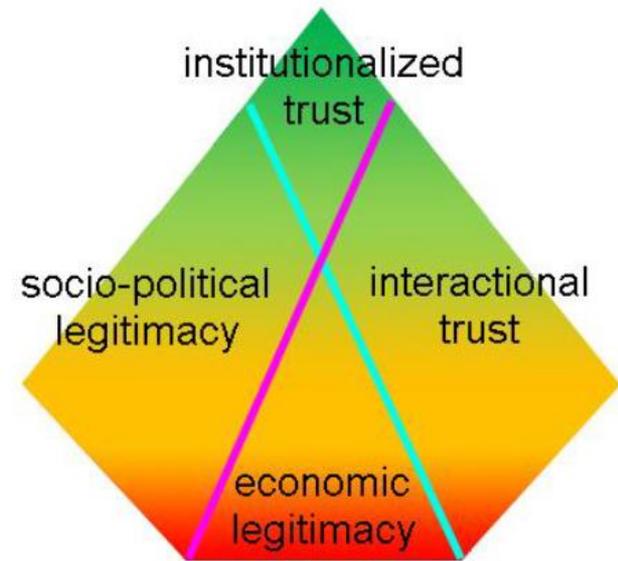
The Social License to Operate (SLTO) is by many accounts the greatest risk the extractive sector faces. Due to both increased expectations at the community level and the rocketing power of IT and social media, a changing role of the corporation is expected in fostering equitable and transparent agreements at local and regional levels.

# The SLTO concept around TRUST



**Risk = Hazard + Outrage**

(Sandman 1993)



Boutilier & Thomson : (2011)

# Paradigm change 1 : Affected communities demand participation in decision making processes and impact mitigations



# Paradigm change 2 : IT and social media connect local, national and global



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**Fact on Governance : Communities demand greater share of benefits, participation in decision making processes and a sustainable future beyond the life cycle of the project**



# Facts on Governance : Quality of relationships are essential



**Facts on Governance : Formal agreements are increasingly used**



**CBA**  
**ALL THE WAY**

**MOU**  
**WILL NOT DO**



**Facts on governance : hybrid governance (= State governance + market governance + civil society governance) works best for complex projects with SLTO component**

**Technology facts : increasing access to information,  
critical stakeholders and pressing groups**





**Technology facts : affected mining community  
in the DRC is on facebook**

# Controlling Risks : towards professional and inclusive (tri-partite) agreements and hybrid governance bodies



# Controlling risks : reputation



Investors have started a law suits against Barrick Gold

# Controlling Risks : SLTO has a 'beyond compliance' nature



**Future : trust will remain central element**





Future : Local agreements on risk mitigation, local content and community development will increase



# Future trends in SLTO : domains, agreements and hybrid governance bodies

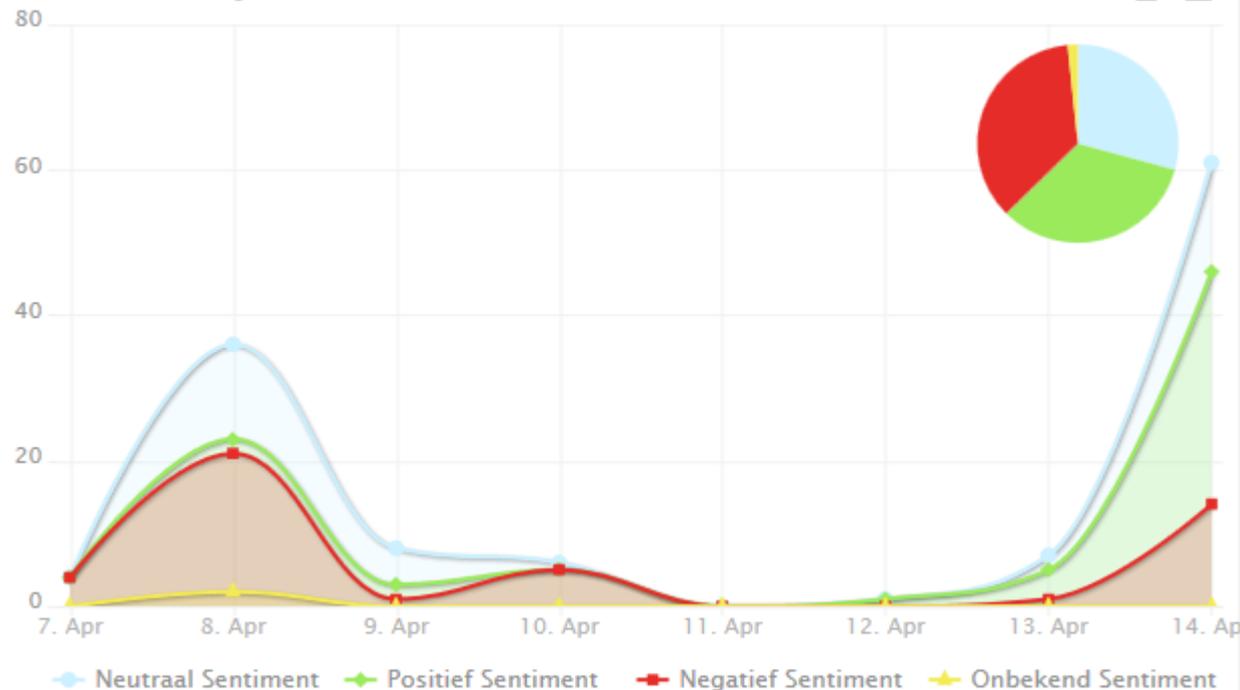


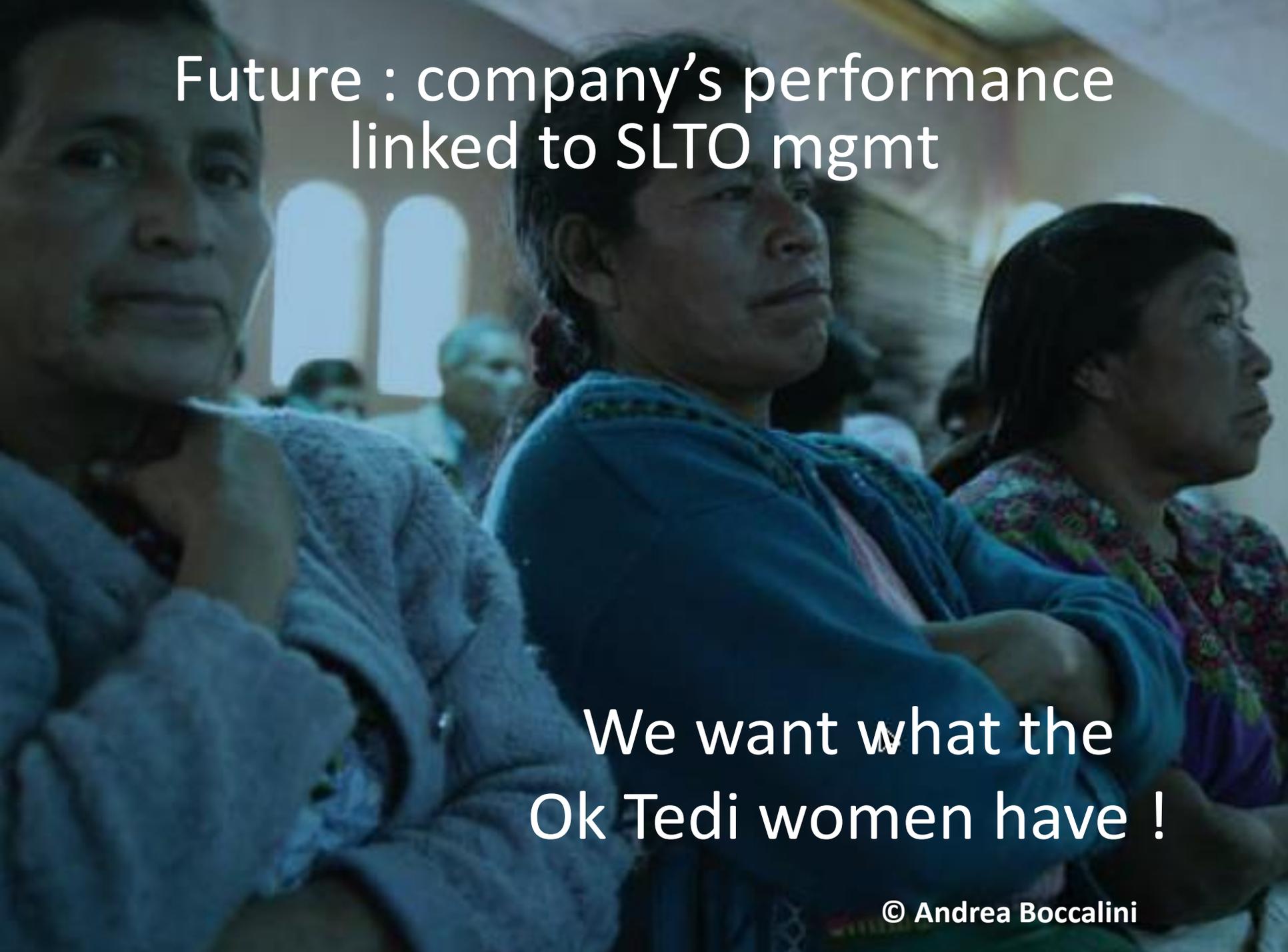
	Non-Engagement	Good neighbour	Negotiated agreements	Community control	Community development
<b>Land rights</b>	No acknowledgement of indigenous rights	Community as neighbours and compensated for acknowledged land rights	Community as landlord and project as tenant		
<b>Negotiating power</b>	Companies exploit community lack of ability to negotiate	Communities have less negotiating power and involved on extractive company's terms	Community and company have equal negotiating power	Companies negotiating on community's terms	
<b>Purpose or project</b>	Project driven by meeting business goals	Project driven by meeting mix of business and community development goals			Project driven by supporting community development goals
<b>Level of participation</b>	Informed of project activities	Consulted on project activities	Partnership between company & communities	Delegated power by company to communities	Self-mobilisation of communities
<b>Relationship between company (C) &amp; Community (I)</b>	 No relationship	 Consultation	 Partnership in some areas	 Indigenous role in core business	 Company part of indigenous group

# Future : reputational risks and social media use increase



Volume over tijd





Future : company's performance  
linked to SLTO mgmt

We want what the  
Ok Tedi women have !

# Discussion

