

Key Findings of the

International Survey on the Concept and Practice of Meaningful Stakeholder Engagement

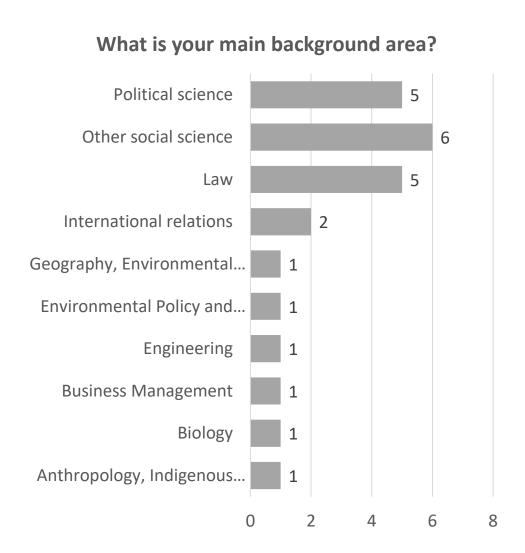
WHAT WOULD BE chatGPT'S ANSWERS TO THOSE QUESTIONS?





HOW ABOUT OUR ANSWERS?

DEMOGRAPHICS

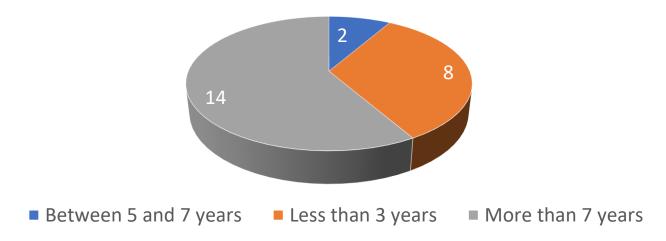


What is your current job tile?

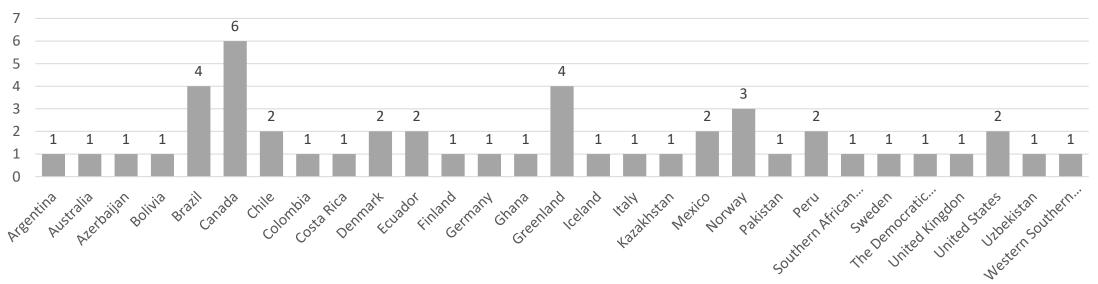


DEMOGRAPHICS

For how long have you been researching or working with meaningful stakeholder engagement?



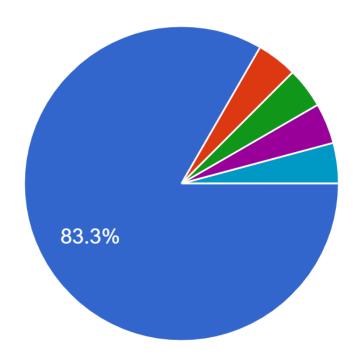
In which countries have you been researching or working with meaningful stakeholder engagment?



THE CONCEPT

ACRONYM

What is your preferred acronym for Meaningful Stakeholder Engagement? 24 responses



- MSE
- MSHE
- MuSE
- No Preference
- In my field in Canada, there is significant pushback against the term "stakeholder". More often, the literatur...
- I prefer not to use an acronym because the concept is flexible and different terms are regularly used. I prefer MSE...

MEANINGFUL

- understandable for the stakeholders
- replies to the submissions from the stakeholders demonstrate that the content of the submissions is understood
- engagement wherein the proponent will adapt, modify or discontinue their project in light of the matters raised during the engagement
- understanding of the community as a **shared partner** and a shared leader in this work
- Respectful, acceptable
- ...I think of meaningful as relating to the UNDRIP concept of FPIC Free, Prior, and Informed Consent
- ...corporate responsibilities to respect human rights and responsible business conduct in a wider sense, not limited to human rights impacts.
- should be defined by the stakeholders
- it is something that serves the needs of the stakeholders or is useful for them...
- when people can understand what's going on and the impact
- can be thought of, as **relationship building** between active stakeholders
- Binding, codified, and enforceable in the event of breach of contract
- engagements that contribute to people's wellbeing and environmental protection ...
- ... the following five layers of engagement, inform, consult, involve, collaborate, and empower stakeholders can be considered to be meaningful.

MEANINGFUL

- ...it must give meaning for the stakeholders to participate in the engagement process
- ...engaging party must be authentic (honest and transparent) and respectful of stakeholders' views, issues, and concerns
- ...stakeholders must have a real opportunity to influence the decision-making, the process, and outcome
- ... a continuum of not meaningful (or less meaningful) at one end of the spectrum, and very meaningful (or more meaningful) at the other end
- ...affected people are given the opportunity to define what meaningful means to them

MEANINGFUL

Synthesis:

- An 'umbrella' adjective for various other adjectives: authentic, genuine, honest, transparent, respectful, adaptive, understandable, binding, influential, useful, enforceable, accountable, responsive, deep, substantive, sustained, effective, symmetrical, clear, timely, plural, etc.
- Different levels of meaningfulness
- Often seen as a linear spectrum
- Context-dependent
- Stakeholder-based
- Bottom-up
- Avoid bad practices: tick-boxing, reputation building, obscurity, tokenism, etc.

STAKEHOLDER



STAKEHOLDER

Synthesis:

- Compatible with Freeman's definition:
- Rights-holders require special treatment
- A 'loaded' term with corporate bias?
- In the context of MSE, there seems to exist a stronger emphasis on **locals directly affected**

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customers, we will be in a better position to answer the important policy questions which the stakeholder notion raises.²²

In line with Thompson's (1967) claim, "stakeholder" should denote "those groups which make a difference," or more formally:

A stakeholder in an organization is (by definition) any group or individual who can affect or is affected by the achievement of the organization's objectives.

It is obvious from my argument in chapter one why those groups who can affect the corporation should be "stakeholders." The point of strategic management is in some sense to chart a direction for the firm. Groups

 May have different meanings across countries (e.g. UK consultants differentiating stakeholders from 'community')

ENGAGEMENT

- every type of two ways communication...
- 'engagement' will lead to an outcome...
- **space** for participation...
- negotiations between key players...
- manner is which relevant parties to a grievance are consulted and involved...
- participating in a process in a committed and binding way...
- strategies that develop inclusive and collaborative research practices ...
- clearly defined processes of what is allowed and what isn't by industry...
- negotiations to responsibly engage without power asymmetry...
- mutually beneficial interaction with two-way communication...
- process of building relationships and developing trust...
- where stakeholders participate of the business with "voice and vote"
- goes beyond formal consultation, involving dialogue not just in formality but also a sincere effort
- refers to three aspects: participation, access to information, and attention to vulnerable groups or situations

ENGAGEMENT

Synthesis:

- A process
- Two-way
- Beyond consultation
- Interactive
- Always binding?
- Answers signal an overlap with the definition of 'meaningful'. Are engagements inherently meaningful?

MEANINGFUL STAKEHOLDER ENGAGEMENT

- The precise meaning of what is "meaningful" is highly subjective
- A deep and long stakeholder engagement
- Having a purpose or impact
- Deep, substantive, and sustained consultation, rather than symbolic interactions
- ...has the virtue of effectively influencing decision-making processes



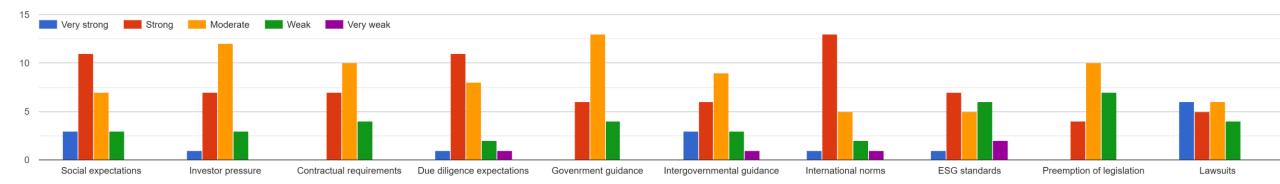
Introductory Chapter: "Meaningful stakeholder engagement (MSE) is a **normative concept that describes ideal engagement practices** with stakeholders, in particular those that are a risk of or actually affected by adverse impacts related to projects undertaken by companies or governments."

THE PRACTICE

DRIVERS

Generic ones...

In general, how strong have been the following drivers on the practice of meaningful stakeholder engagement?



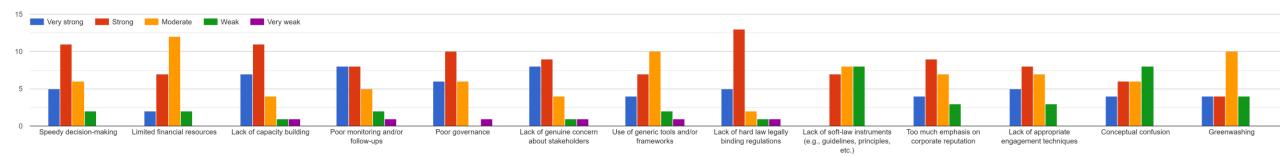
DRIVERS

- respect for binding human rights instruments
- Public opinion
- Different forms of risks
- Bottom-up pressure
- Activism
- Court cases
- Conflicts with Indigenous people
- Governance shifts,
- Greater public awareness of env/social issues
- Desire to 'do good'
- Societal expectations
- Risk management
- Dependence of consent or approval of specific stakeholders
- Curiosity
- Increased knowledge
- International lawsuits
- Normative frameworks, e.g. OECD Guidelines, UNGPs
- Pressure for accountability and transparency
- Companie's bottom lines
- Global warming
- Inequality
- Increased attention to risk-based due diligence

BARRIERS

Generic ones...

In general, how strong have been the following barriers to the (good) practice of meaningful stakeholder engagement?



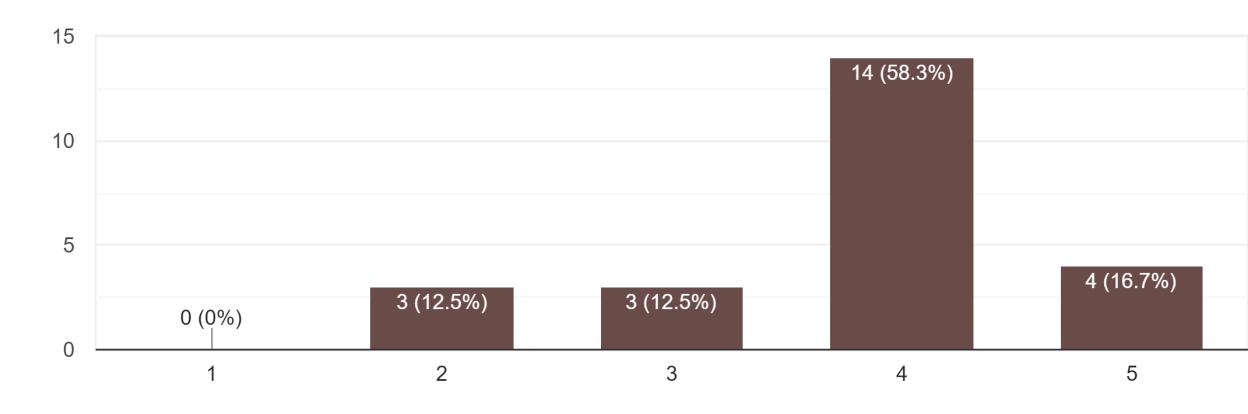
BARRIERS

- Lack of appropriate sanction
- lack of surveillance and security of the involved communities in any form of dialogue
- Poor awareness by local stakeholders without appreciable education on the subject
- Capitalism
- Lack of understanding of what it is and the commitments involved
- financial and temporal limitations
- lack of proper incentives (including regulation) to do it properly
- Lack of capacity and time
- superficial relationships
- different worldviews
- national governments unaligned with local will
- Lack of binding laws
- communities unwilling to dialogue with companies
- centralized governments, unwilling to participate in participatory processes
- Business awareness
- tool kit with criteria and tutorial about how to implement MSE
- opportunity and transaction cost
- Lack of competence
- Indifferent governments
- lack of hard MSE laws
- alienated local actors
- great asymmetry/economic dependence between companies and the impacted population
- slow access to justice

CAPACITY-BUILDING

How high or low is the world demand for CAPACITY-BUILDING on meaningful stakeholder engagement?

24 responses

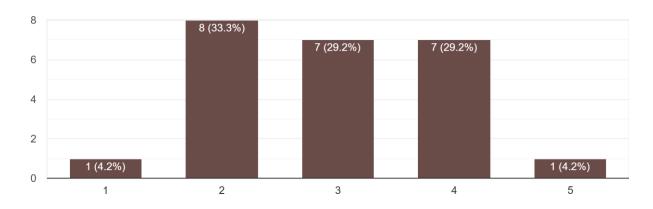


1 (Very low) -> 5 (Very high)

HARD-LAW REGULATION VS SOFT LAW INSTRUMENTS

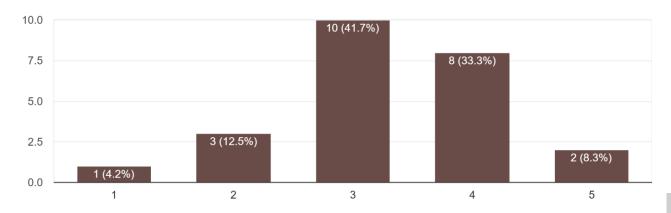
How high or low is the world demand for HARD-LAW REGULATION on meaningful stakeholder enagement?

24 responses



How high or low is the world demand for <u>SOFT-LAW</u> INSTRUMENTS for meaningful stakeholder engagement?

24 responses



SOFT LAW INSTRUMENTS

- **AMVI** Arctic Council's 2019 Good Practices for Environmental Impact Assessment and Meaningful Engagement in the Arctic ASI Bonsucro Carbon Disclosure Project Clean Clothes Campaign EITI European Investment Bank Environmental and Social Standards 2018 Fair Labor Association FSC GRI **ICMM** IFC's Environmental and Social Performance Standards ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy International Coral Reef Initiative **Kimberley Process NRGI** signatories OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractives Sector OECD Due Diligence Guidance for Responsible Business Conduct OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas **OECD Guidelines for Multinational Enterprises** Rugmark Sustainable Development Goals Framework The Equator Principles UNDRIP Union for Ethical Biotrade **United Nations Global Compact**
- 29 Voluntary Principles on Human Security

United Nations Guiding Principles on Business and Human Rights

HARD LAW REGULATIONS

1	Aboriginal Land Rights Act (Northern Territory) 1976 (Cth.)
2	Antarctic treaty System (and drill bans)
3	Canada - Duty to Consult
4	Congo Mining Code governed by Law n° 007/2002
5	Due Dilligence on Business and Human Rights, Enforcement of ILO and UN Conventions.
6	EU Impact Assessments law
7	European Parliament resolution of 10 March 2021
8	Ghana forest law on Social Responsibility Agreement
9	ILO 169
10	ILO 172
11	Indigenous and Tribal Peoples Convention, 1989 (No. 169)
12	Indigenous Land Use Agreement provisions of the Native Title Act 1993 (Cth.) in certain contexts
13	Norwegian administrative law
14	Norwegian planning law
15	Norwegian Sami rights law
16	Permits Conditioning
17	Several Supreme Court of Canada cases (ie. Delgamuukw, etc.) plus DRIPA in BC
18	Swedish law on Consultation with the Sami (2022)
19	The Norwegian Transparency Act of 2021
20	The ongoing process around the EU Corporate Sustainability Due Diligence Directive (CSDDD)
21	UN law of the Sea
22	LINSP treaty

Examples of NON-MEANINGFUL ENGAGEMENTS

Generic examples:

- 1. Engagements in EIAs
- 2. Most part of the soft law instruments are non-meaningful engagements
- 3. Permitting consultation
- 4. Most "consultation and accommodation" practices up until the present in Canada
- 5. Collaboration for the purpose of profits
- 6. ESG processes inside firms

Specific cases:

- 1. Energisa Mato Grosso (Brazil)
- 2. OK Tedi, PNG
- 3. Tambogrande, Peru
- 4. Copper Mesa's failure to consult/engage with affected communities in Ecuador
- 5. The PISUNA project
- 6. The engagement carried out by BC Hydro and the BC Province for the Site C Dam.
- 7. Rio Tinto and the Juukan Gorge.
- 8. Jijnjevaerie Sami Reindeer collective in Sweden
- 9. Rock salt extraction in Maceió/ Alagoas
- 10. Terra Indígena (TI) Urubu Branco, do povo Tapirapé

Examples of BEST PRACTICE

Generic examples:

- Collective bargaining
- Profit-sharing
- Non-state traditional governance authority engagements (Northern Chile and BHP is one example)

Specific cases:

- IRMA Standards
- Cases in the cosmetic industry (Weleda, Native, Natura)
- Cases in the mining industry (Alcoa, Raglan Agreement in Canada 1995)
- The construction of a participatory monitoring tool (SAGUI, which is an acronym in Portuguese for Georeferenced Information Monitoring System) in the Belo Monte Hydroelectric Plant in the Brazilian Amazon region
- Sustainable Juruti Model
- Teck/Red Dog, Alaska
- Sabina Gold & Silver Corp.
- Back River, Nunavut
- The Standing Rock Sioux Tribe in North Dakota in rerouting the Access Pipeline
- The PISUNA project
- Lotta ludwigson
- Moxie Scrubs

IMPLICATIONS

