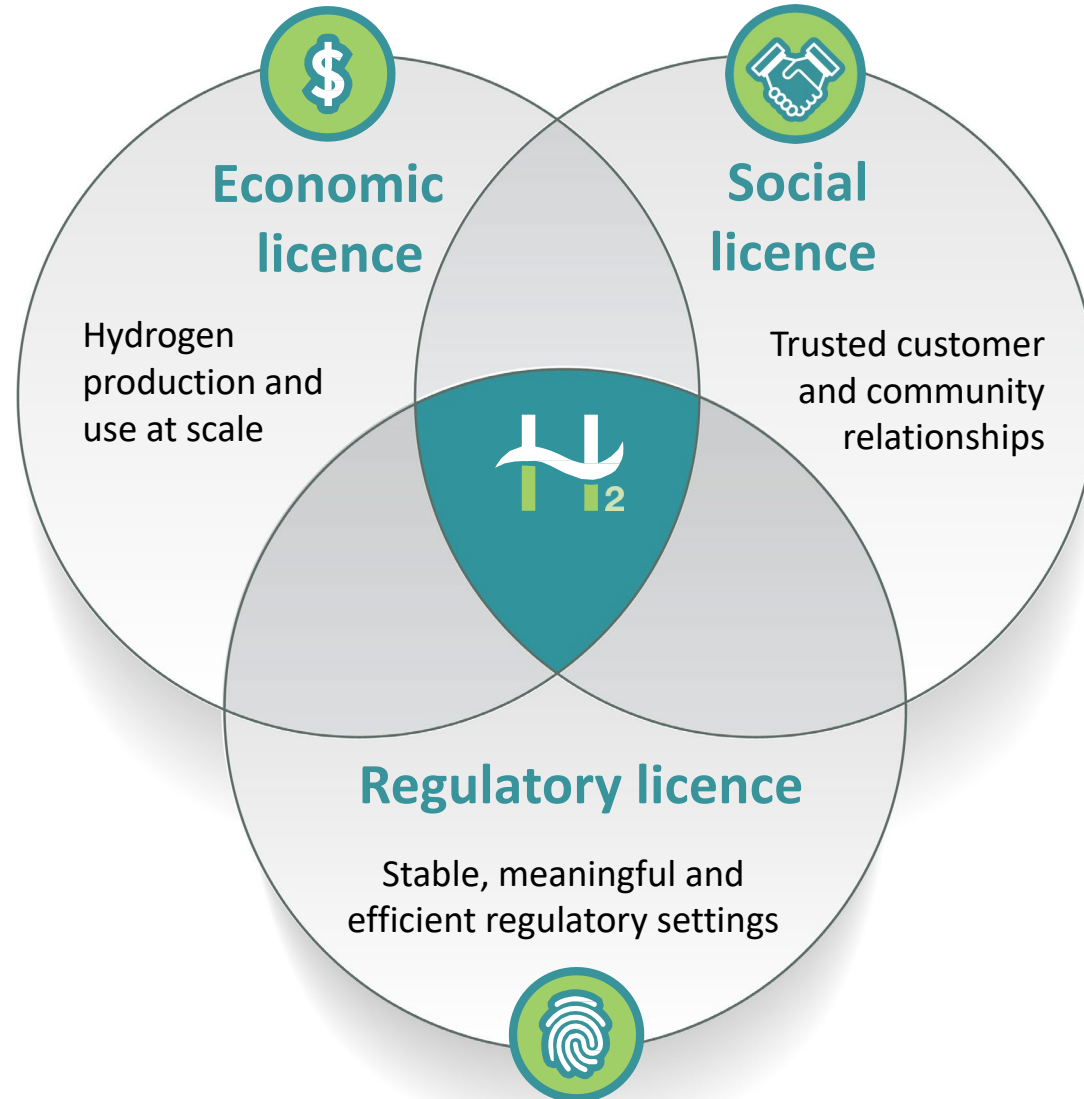


# Undertaking: process and next steps

Fiona Simon, AHC  
Carol Bond, RMIT

15 NOVEMBER 2022

# The three licences to operate



# The process to date

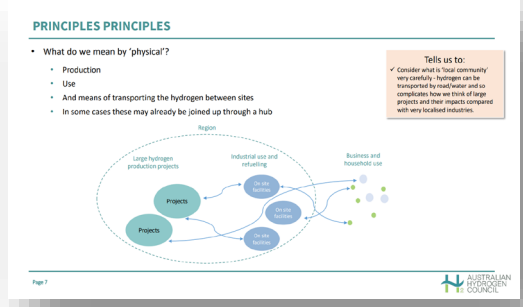
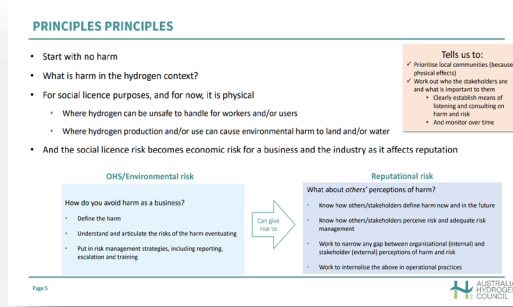
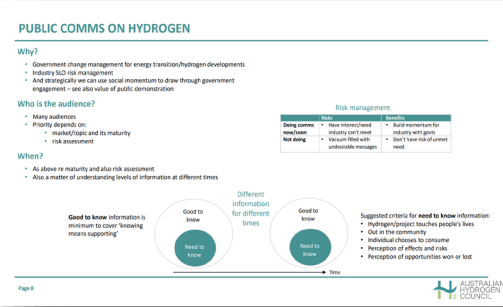
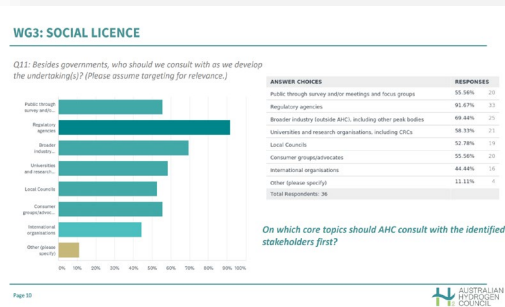
- AHC tasked with an undertaking in the NHS
- Social licence working group commenced in March 2020
- Through to end 2021, developed:
  - a consensus on an overall approach
  - principles for an industry undertaking and a draft guidance note

## National Hydrogen Strategy, Nov 2019

5.1 Agree to develop a community education program to provide clear and accessible information about risks, benefits and safe use. The program will communicate the particular benefits hydrogen development can bring to regions as well as more general benefits such as economic growth, lower carbon emissions and reduced air pollution.

5.2 Support best practice for community engagement and its use to build community awareness and ensure community engagement for large or significant projects.

5.3 Support the development and implementation of a set of industry undertakings to guide the development of Australia's hydrogen industry. This work will be led and designed by the Australian Hydrogen Council in collaboration with governments. It will specify appropriate principles to safeguard the community, communicate issues and engage with regulators.



# Looked at local and international principles

AHC Principles Workbook											
	Engaging with all	Timely and responsive	[Risk management]	Biodiversity	Minimise negative land impact	Local consultation on impact	Local employment	Sharing in benefits	Education and tourism possibilities	Long term land stewardship	
<b>AHC</b>	<p>Undertaking Part 1 - responding had better <i>de novo</i> farm</p> <p>Undertaking Part 2 - positive, accountable framework to contribute to the social, economic and institutional development of host countries and communities</p>	<p>We will engage respectfully with affected communities including Traditional Owners of the land, to seek their views and input before submitting development applications.</p> <p>We will consult the community on the potential visual, noise, traffic and other impacts of the development, and on the mitigation options where relevant.</p> <p>We will provide clear project directions and respond to community issues in a timely way.</p> <p>We will implement effective risk management strategies and systems based on sound science, and which account for stakeholder perceptions of risk.</p>	<p>We will be sensitive to areas of high biodiversity and to landscape values in the design and operation of projects.</p> <p>We will minimise the impacts on highly productive agricultural land where feasible.</p>	[Embed]	<p>Opportunities to integrate and enhance agricultural production on the project.</p>	<p>We will support the local economy by providing local employment and procurement opportunities wherever possible.</p> <p>We will offer the opportunity to share in the benefits of the development, and to consult them on the options available, including the relevant</p>	<p>We will provide commensurate and workers with the opportunity to share in the benefits.</p> <p>We commit to using the development to support educational and tourism opportunities where appropriate.</p>	<p>Opportunities to enhance the ecological and cultural value of the land.</p> <p>[More on how we use the 'something else']</p>	<p>At the end of the project's design or operation, we will engage with the community on plans for the responsible decommissioning, or rehabilitation/repurposing of the site.</p>		
<b>CEC</b>	<p>Charts:</p> <p>We will engage respectfully with the local community, including Traditional Owners of the land, to seek their views and input before finalising the design of the project and</p>	<p>CEC.1</p> <p>We will provide timely information, and be accessible and responsive in addressing the local community's feedback and concerns throughout the lifetime of the</p>	<p>CEC.2</p> <p>We will be sensitive to areas of high biodiversity, cultural and landscape value in the design and operation of projects.</p>	<p>CEC.3</p> <p>We will minimise the impacts on highly productive agricultural land where feasible, and explore opportunities to integrate and enhance agricultural production into the project.</p>	<p>CEC.4</p> <p>We will support the local economy by providing local employment and procurement opportunities wherever possible.</p>	<p>CEC.5</p> <p>We will offer the opportunity to share in the benefits of the development, and to consult them on the options available, including the relevant</p>	<p>CEC.6</p> <p>We will provide commensurate and workers with the opportunity to share in the benefits.</p>	<p>CEC.7</p> <p>We will support the local economy by providing local employment and procurement opportunities wherever possible.</p>	<p>CEC.8</p> <p>We will be sensitive to areas of high biodiversity, cultural and landscape value in the design and operation of projects.</p>	<p>CEC.9</p> <p>Opportunities to enhance the ecological and cultural value of the land.</p>	<p>CEC.10</p> <p>At the end of the project's design or operation, we will engage with the community on plans for the responsible decommissioning, or rehabilitation/repurposing of the site.</p>
<b>ICMM</b>	<p>Principles</p> <p>Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities.</p>	<p>ICMM.3</p> <p>Proactively engage local stakeholders on sustainable development challenges and opportunities in an open and transparent manner, effectively report and independently verify progress and</p>	<p>ICMM.10</p> <p>Contribute to the conservation of biodiversity and integrated approaches to land-use planning</p>	<p>ICMM.7</p> <p>Pursue continual improvement in environmental performance, such as water stewardship, energy use and climate change.</p>	<p>ICMM.6</p> <p>Implement effective risk management strategies and systems based on sound science, and which account for stakeholder perceptions of risk.</p>	<p>ICMM.9</p> <p>Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities.</p>	<p>ICMM.8</p> <p>Facilitate and support local knowledge base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals.</p>	<p>ICMM.5</p> <p>Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development</p>	<p>ICMM.2</p> <p>Integrate sustainable development in corporate strategy and decision-making processes.</p>	<p>ICMM.4</p> <p>Pursue continual improvement in the health and safety performance with the ultimate goal of zero harm.</p>	
<b>EC</b>	<p>Performance Standards</p> <p>PS2 means to ensure that business activities minimise negative impacts (to respect for human rights, dignity and culture of indigenous peoples, and promote development benefits in culturally appropriate ways). Informal consultation and participation with affected communities is a core requirement and may include Free, Prior and Informed Consent under certain circumstances.</p>	<p>PS1</p> <p>Business activities and infrastructure projects may expose local communities to increased risks and adverse impacts related to wildlife accidents, hazardous materials, spread of disease, or interactions with private security services. PS1 helps companies adopt responsible practices to reduce such risks including: (a) emergency preparedness and response, security force management, and design safety measures.</p>	<p>PS4</p> <p>Book-herbicide use can result in critical reductions in the resources provided by the soil's ecosystem, which contribute to economic prosperity and human development. This is especially relevant in developing countries where natural livelihoods are often resource-based. PS4 encourages the use of herbicide-free practices, and promoting ecosystem services, and managing living natural resources. PS4 is fundamental to sustainable development.</p>	<p>PS3</p> <p>Environmental and social responsibility is critically important in today's global economy. Environmental and social management systems (ESMS) help companies integrate these and standards into their core operations—so they can anticipate environmental and social risks posed by their business activities and compensate for such impacts as necessary.</p>	<p>PS5</p> <p>PS2 also that companies treat their workers fairly, provide safe and healthy working conditions, and avoid the use of child or forced labor, and identify human rights risks in their primary supply chains.</p>	<p>PS6</p> <p>Industrial activity and urbanization can increase levels of pollution that may threaten people's health and the environment. PS3 guides companies to integrate practices and technologies that promote energy efficiency, use resources—including water—sustainably, and reduce greenhouse gas emissions.</p>	<p>PS7</p> <p>PS3 guides companies to integrate practices and technologies that promote energy efficiency, use resources—including water—sustainably, and reduce greenhouse gas emissions.</p>	<p>PS8</p> <p>Cultural heritage encompasses properties and sites of archaeological, historical, cultural, artistic, and religious significance. It also refers to unique environmental features and cultural knowledge, as well as intangible forms of culture. PS8 aims to guide companies in protecting cultural heritage from adverse impacts of project activities and preservation. It also promotes the equitable distribution of benefits from</p>			
<b>SDG</b>	<p>Goal 16: Peace, Justice, Strong Institutions</p> <p>SDG 2030 Agenda</p> <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p>	<p>Goal 15: Life on Land</p> <p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</p>	<p>Goal 9: Industry, Innovation, Infrastructure</p> <p>Build resilient infrastructure, promote sustainable and inclusive economic growth, full and productive employment and decent work for all.</p>	<p>Goal 8: Decent work and Economic Growth</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	<p>Goal 17: Partnerships</p> <p>Strengthen the means of implementation and revitalize the global partnership for sustainable development.</p>	<p>Goal 6: Quality Education</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>	<p>Goal 13: Climate Action</p> <p>Take urgent action to combat climate change and its impacts.</p>	<p>Goal 12: Responsible Consumption and Production</p> <p>Ensure sustainable consumption and production patterns.</p>	<p>Goal 7: Affordable and Clean Energy</p> <p>Ensure access to affordable, reliable, sustainable and modern energy for all.</p>		

## BEST PRACTICE CHARTER FOR RENEWABLE ENERGY PROJECTS

We commit to honouring the Clean Energy Council's Best Practice Charter in our renewable energy projects and associated transmission infrastructure:

- 1 We will engage respectfully with the local community, including Traditional Owners of the land, to seek their views and input before submitting a development application and finalising the design of the project.
- 2 We will provide timely information and be accessible and responsive in addressing the local community's feedback and concerns throughout the life of the project.
- 3 We will be sensitive to areas of high biodiversity, cultural and landscape value in the development and operation of projects.
- 4 We will minimise the impacts on highly productive agricultural land and explore opportunities to integrate agricultural production.
- 5 We will consult the community on the potential visual, noise, traffic and other impacts of the project, and on the mitigation options.
- 6 We will support the local economy by providing local employment and procurement opportunities.
- 7 We will offer communities the opportunity to share in the benefits of the project, and consult them on the options available, including relevant governance arrangements.
- 8 We commit to using the project to support educational and tourism opportunities where appropriate.
- 9 We will demonstrate responsible land stewardship over the life of the project and welcome opportunities to enhance the ecological, cultural and/or agricultural value of the land.
- 10 During the life of the project, we will recycle waste materials where feasible and commit to responsible decommissioning or rehabilitation/repurposing of the site at the end of the project's life.



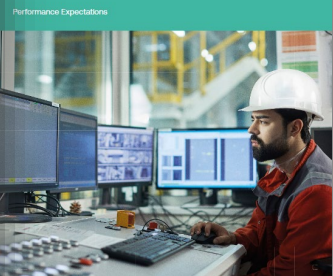
## Stakeholder Engagement:

A Good Practice Handbook for Companies Doing Business in Emerging Markets



## ICMM Mining with Principles

### Mining Principles



# Principles and draft guidance note – 2020

## 1. Working with communities

- a) We will listen, share information, and engage fairly and respectfully with project host communities, including Traditional Owners of the land.
- b) We will proactively seek input on project impacts, benefits, and outcomes for host communities, and will prioritise addressing any negative impacts identified.
- c) We will provide transparent, timely, and responsive community access to relevant project decision-makers throughout a project's lifecycle.

## 2. Supporting and developing people

- a) We will support local economies by providing training, employment, and manufacturing/procurement opportunities where possible.
- b) We will design and manage projects using best practice in safety standards as a commitment to our employees and host communities.

## 3. Managing natural resources responsibly

- a) We will demonstrate responsible resource management and seek to maintain and enhance the ecological and cultural value of land and water within host communities.
- b) We will work with communities to determine and maximise local benefits resulting from the responsible decommissioning or refurbishment/repowering of sites.
- c) We will work proactively and transparently with regulators.

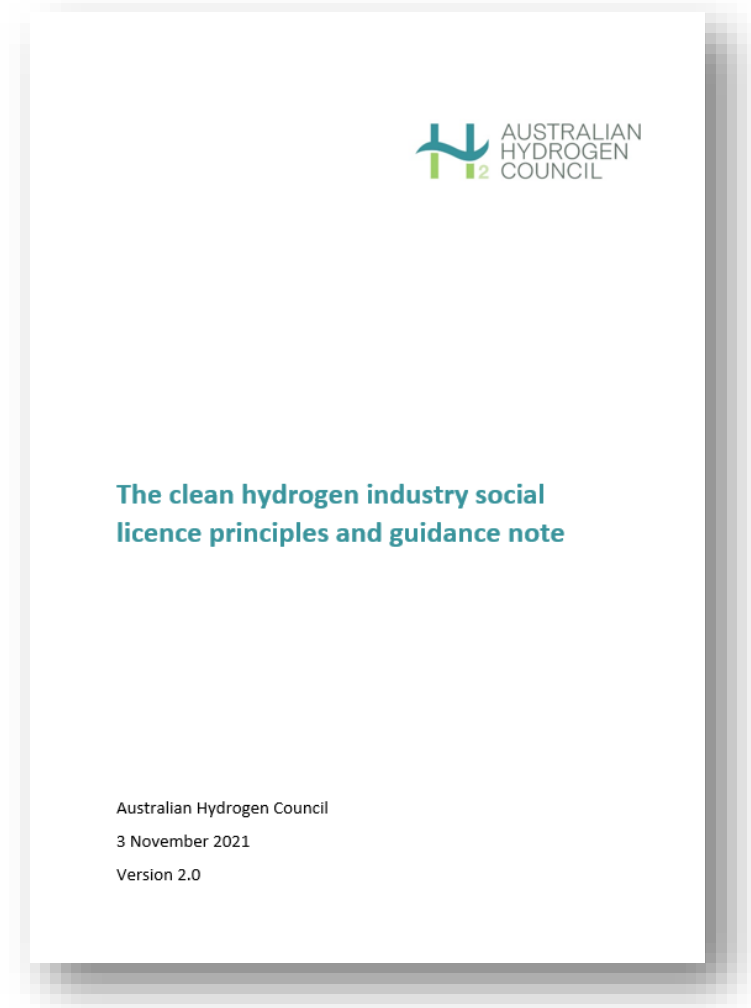
### Enacting AHC social licence principles Draft guidance note

Australian Hydrogen Council  
24 October 2020  
Consultation document

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# Revised and expanded SL guidance note – 2021

- Deeper dive into the AHC social licence principles
- Explanation of how the AHC uses particular SL terms within the Secretariat
- Indicative case studies of how the principles might be enacted for hydrogen projects
- Case studies reflect leading practice of SL work within the mining, renewable wind, LNG, and pipeline sectors
- AHC emphasises genuine, 2-way communication for community consultation throughout a project lifecycle
- For now, this document is not public facing



# Australian developments since 2021

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- **Clean Energy Council (2022)**

- Social acceptance is crucial to the successful development and operation of energy projects
- Community engagement & Benefit-sharing must be tailored to a community's unique needs and expectations
- Face to Face engagement by suitably experienced and/or qualified practitioners is the best way to build strong relationships with local communities

- **CSIRO (2022)**

- Energy consumers surveyed appear to be motivated more by financial rewards & economic incentives rather than social or normative factors.
- Community members who are engaged in an educative fashion are more comfortable with the energy transition and more likely to support and use developments associated with decarbonised energy

- **Victoria's Community Engagement & Benefit Sharing Guide (2021)**
  - Communities are more informed than they used to be about energy choices, how it is made, how it is stored, and value both safety & reliability of supply.
  - Benefit sharing includes: direct financial incentives on bills, co-investment in projects, co-ownership of projects, energy contracts, and local supply initiatives.
  - Community engagement is critical for project success.
    - Have clear goals reflecting honesty and transparent information
    - Be aware of community's relevant issues
    - Communicate well, often, and across multiple channels
    - Engage early in order to tailor project to community needs
    - Be fair and reasonable with landholders regarding commercial agreements
    - Be sensitive & respectful when engaging with Traditional Owners and Aboriginal Australians



# Matters to note

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- New prioritisation of **shared benefits**
  - Communities need to see how (and how much) projects will benefit them
- Focus on opportunities for **jobs and training**
  - Likely to be a skills shortage
- Genuine, 2-way **stakeholder consultation** is being more strongly emphasised
- Post-pandemic sensitivities have led to a greater understanding of the **importance of face-to-face contact**
- For hydrogen so far there is nothing to touch, see, feel, or hear
  - However it's also key to address perceptions now

# What next for the undertaking?

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