

Stakeholder Consultation

What's in this section?

- 34 Five steps for iterative consultation
- 44 Informed participation
- 47 Consultation with indigenous peoples
- 56 Gender considerations in consultation



Stakeholder consultation is really about initiating and sustaining constructive external relationships over time.



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Stakeholder Consultation

As discussed in the previous section, the disclosure of information should support consultation. Consultation is a two-way process of dialogue between the project company and its stakeholders. Stakeholder consultation is really about initiating and sustaining constructive external relationships over time. Companies that start the process early and take a long-term, strategic view are, in essence, developing their local “social license to operate.”

For projects that have environmental and social impacts, consultation will not be a single conversation but a series of opportunities to create understanding about the project among those it will likely affect or interest, and to learn how these external parties view the project and its attendant risks, impacts, opportunities, and mitigation measures. Listening to stakeholder concerns and feedback can be a valuable source of information that can improve project design and outcomes and help a company to identify and control external risks. It can also form the basis for future collaboration and partnerships. For stakeholders, a company's consultation process is an opportunity to get information, as well as to educate company staff about the local context in which a project will take place, to raise issues and concerns, ask questions, and potentially help shape the project by making suggestions for the company to consider and respond to.

FIVE STEPS FOR ITERATIVE CONSULTATION

The *iterative* nature of the consultation process is essential. Regardless of what stage of the project consultation is taking place, the basic steps in the process will essentially remain the same and can be repeated as needed over the life of the project.

1. Plan ahead

Before beginning a stakeholder consultation process, it is useful to think about who needs to be consulted, over what topics, and for what purpose? Getting clear answers for these questions up front can save you time, reduce costs, and help keep expectations in check. For projects with multiple stakeholder groups and issues, preparing a more formal **Stakeholder Engagement Plan** in advance is advisable. (See Appendix 3 for sample contents of such a plan).

BOX 2: CORE VALUES FOR THE PRACTICE OF PUBLIC PARTICIPATION

Different organizations sometimes use different terminology – be it “consultation,” “public consultation,” or “public participation” – to express similar concepts and principles. The core values of the International Association for Public Participation are as follows:

1. The public should have a say in decisions about actions that could affect their lives.
2. Public participation includes the promise that the public’s contribution will influence the decision. Public participation promotes sustainable decisions by recognizing and communicating the needs and interests of all participants, including decision-makers.
3. Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
4. Public participation seeks input from participants in designing how they participate.
5. Public participation provides participants with the information they need to participate in a meaningful way.
6. Public participation communicates to participants how their input affected the decision.


Source: International Association for Public Participation, www.iap2.org

For simpler projects and project expansions, it may be sufficient to verify that certain key questions have been considered. These may include the following:

- **Purpose** – What are the strategic reasons for consulting with stakeholders at this particular phase of the project? These may span a wide range of objectives, from meeting regulatory requirements and negotiating compensation, to obtaining

access to community land for survey work, building trust relationships, or managing expectations in general.

- **Requirements** – Are there requirements for consultation that need to be met at this stage of the process? These may be legal or regulatory requirements, internal corporate policy requirements or conditions of the lenders or shareholders.
- **Stakeholders** – Who are the key stakeholder groups that need to be consulted during this phase of the project? What are the likely issues that they will wish to discuss? What are their interests and why?
- **Scoping of priority issues** – Are there any high risk groups or issues requiring special attention at this stage? Are there vulnerable groups in the project area or topics that are particularly sensitive or controversial? Advance planning may be required to tailor the consultation specifically to these needs.
- **Techniques** – Which techniques and methods will be most effective in communicating with the different stakeholder groups? Traditional or customary means of consultation and decision-making may be relevant here. Consider using participatory methodologies where appropriate and engaging skilled practitioners to facilitate the process.
- **Responsibilities** – Who within the company (or externally) is responsible for what activities? Are timetables, responsibilities and lines of reporting for consultation activities clear?
- **Documentation** – How will the results of the process be captured, recorded, tracked, and disseminated?



ADASTRA MINERALS: ADAPTING DISCLOSURE AND CONSULTATION TO THE LOCAL CONTEXT

When consultants working for **Adastra Minerals** in **DRC** (Congo) initiated public engagement relating to the proposed **Kolwezi Tailings Project** in Katanga Province, they faced a number of challenges. Aside from local officials, few of the potentially affected community members spoke the national language (French) and literacy rates were very low. Communication had reverted to the oral tradition in many areas, because paper had become expensive and difficult to obtain. There was no newspaper published in the town of Kolwezi, no billboards, no functioning telephone system, and no postal system.

In order to overcome some of these obstacles, the community engagement process made extensive use of the six local radio stations in the area, which use both French and Swahili. Oral communications proved very effective once a network of key informants had been established. Special posters depicting likely impacts were developed to overcome the lack of literacy at EIA meetings and local community presentations were delivered in both Swahili and French to overcome language barriers. Mobile phones were also widely used as a means of contacting key people and mobilizing others, both by means of direct calls and text messages. Considerable time was spent holding a series of village level meetings, to overcome the logistical challenge associated with bringing many people to a single site where no public transport existed and where communications were limited.

2. Consult using basic principles of good practice

There is no one right way of undertaking consultation. Given its nature, the process will always be context-specific. This means that techniques, methods, approaches and timetables will need to be tailored for the local situation and the various types of stakeholders being consulted. Ideally, a good consultation process will be

- **targeted** at those most likely to be affected by the project
- **early** enough to scope key issues and have an effect on the project decisions to which they relate
- **informed** as a result of relevant information being disseminated in advance
- **meaningful** to those consulted because the content is presented in a readily understandable format and the techniques used are culturally appropriate
- **two-way** so that both sides have the opportunity to exchange views and information, to listen, and to have their issues addressed
- **gender-inclusive** through awareness that men and women often have differing views and needs
- **localized** to reflect appropriate timeframes, context, and local languages
- **free** from manipulation or coercion
- **documented** to keep track of who has been consulted and the key issues raised
- **reported back** in a timely way to those consulted, with clarification of next steps
- **ongoing** as required during the life of the project

There is no one right way of undertaking consultation. Given its nature, the process will always be context-specific.

BOX 3: WHAT MAKES COMMUNITIES “TRUST” A COMPANY?

Trust becomes a more tangible and less abstract notion when it is seen in its cultural context and when it is associated with **predictability**. When trust is defined as, “knowing when your expectations are met” it demystifies the notion of trust and produces a more objective definition with which to work.

Over and over, communities have shared examples of some of the non-financial and concrete aspects of relationships with companies that matter to them and that would make them “trust” a company:

- The company acknowledges or publicly states that it needs the community’s trust to gain a social license to operate.
- Communities are consulted and have a say in issues that concern them.
- There is a mechanism or procedure for holding the company accountable for their activities.
- Communities are kept informed about companies’ future prospects or plans.
- Meetings with company staff on an informal and personal basis.
- The company is known to be reliable and predictable, and it is known that the company will follow through on what it promises.
- Company staff walk through town and socialize rather than using a car.
- Company staff socialize informally with local people.
- The company makes an effort to solve little problems for people.
- The company uses language that people understand.

Source: “Stakeholder Consultation Issue Paper,” Corporate Engagement Project (November 2004). For more information go to: www.cdainc.com

□ □ **Documenting consultation activities and their outcomes is critical to effectively managing the stakeholder engagement process.**

3. Incorporate feedback

Consulting people entails an implicit “promise” that, at a minimum, their views will be considered during the decision-making process. This does not mean that every issue or request must be acted upon, but it does mean being clear with people about which aspects of the project are still open to modification based on their input, and which are not. It also means taking feedback received during the consultation process seriously and making best efforts to address issues raised through changes to project design, proposed mitigation measures, or development benefits and opportunities. Inevitably there will be limitations, both commercial and practical, in the degree to which stakeholder demands can be met. At other times, making modifications as a result of stakeholder feedback will make good business sense and contribute to local development, or can be done as a gesture of good faith and relationship-building.

4. Document the process and results of consultation

Documenting consultation activities and their outcomes is critical to effectively managing the stakeholder engagement process. When and where did such meetings take place? With whom? Around what topics and themes? And with what results? If commitments to stakeholders have been made during or as a result of these consultations, these too need to be documented. The benefits of keeping such a record or “log” of stakeholder consultations are many. It may be part of ESIA regulatory requirements or valuable later on in satisfying the due diligence inquiries of potential financial institutions and other equity partners,

especially those who might come into a project at a late stage. It can be a useful tool in demonstrating that the views of affected people and influential stakeholders have been incorporated into the project's environmental and social mitigation strategies. Such documentation also provides the basis for reporting back to stakeholders on how their views have been addressed.

5. Report back

Communities sometimes express frustration that companies show up on their doorstep to consult on an issue and then are not heard from again – or at least not until the next time they come, and that too about a totally different matter. It is both good practice and common courtesy to follow up with stakeholders whom you consulted, to let them know what has happened and what the next steps in the process will be. Apart from this, there are also practical benefits of follow-up, such as double checking information, and testing or refining proposed approaches and mitigation measures before implementing them. In addition, the process of reporting back to stakeholders on which of their concerns will be addressed and how, as well as explaining what suggestions were not taken on board and the reasons why, can help establish credibility, manage expectations, and reduce consultation fatigue or cynicism. All of these are important when taking a long-term view of stakeholder engagement.

- It is both good practice and common courtesy to follow up with stakeholders whom you consulted, to let them know what has happened and what the next steps in the process will be.**

BOX 4: TIPS FOR ENGAGING WHEN AUTHORITIES DO NOT ALLOW COMMUNITIES TO ORGANIZE THEMSELVES

In such cases, companies have found ways to engage through:

- Negotiating with the government for the establishment of an elected **“village communication committee.”** The sole purpose of this elected committee is to discuss company-community related affairs such as social programs. The condition is that the committee is not involved in politics in any way.
- **Suggestion boxes** work in some contexts, not in others. The company needs to make sure that villagers know who is emptying the boxes and reading the messages.
- Hiring (preferably female) staff that conduct **regular home visits** to collect statistics or disseminate public health information. Such people are well-positioned to get a good sense of the social and political issues in the community.
- Independent **NGOs or foundations** usually have more space to engage with stakeholders on an informal basis, even in areas where group gatherings are more difficult.

Source: “Stakeholder Consultation Issue Paper,” Corporate Engagement Project (November 2004). For more information go to: www.cdainc.com

SIBERIAN-URALS ALUMINUM COMPANY: CAPACITY-BUILDING TO ENABLE STAKEHOLDER PARTICIPATION

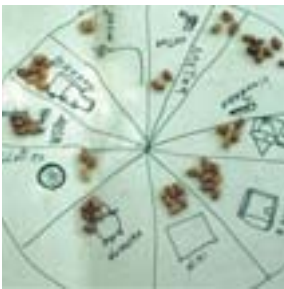
Public consultation and disclosure can be challenging in countries where local communities lack the capacity to engage with the private sector and where local governments are the most influential stakeholder. The environmental and social impact assessment (ESIA) process for the **Siberian-Urals Aluminum Company's (SUAL)** new aluminum complex in a remote region of **Russia** (Komi Republic) revealed the lack of experience of the local communities with large industrial developments and the related public consultation and disclosure activities. Often, during the process, their voices were not heard and frequently overpowered by local government or NGOs that did not necessarily represent their interests. The ESIA process made it clear that capacity building was necessary to empower *all* the project stakeholders to participate equitably and effectively in the public consultation and disclosure process. By sponsoring such a program, SUAL gained an opportunity to proactively manage the risks posed by negative local perceptions about its own transparency and credibility.

SUAL organized three stakeholder capacity-building events, including visits to the project sites, which succeeded in reaching a much broader constituency of stakeholders and improving the relationship between the communities, local government and the company. Feedback from participants conveyed that the program was useful in improving their understanding of the proposed project, while also tempering expectations about the possible development impacts and direct benefits of the project. The company's managers received first-hand experience of the concerns of the communities, a clear picture of the potential risks to the company, and a sense of the mitigation measures they would need to consider in further implementation of the project. The discussions and inputs from participating stakeholders allowed the company to better understand expectations regarding the content of and methods for presenting the assessment findings during the public consultation and disclosure hearings.

The company's commitment to good stakeholder engagement practices and an inclusive consultation process have been recognized by the Corporate Social Responsibility community in Russia and demonstrate that there are also wider benefits related to enhanced image and reputation to be gained from such efforts.

INFORMED PARTICIPATION

Informed participation is a more intensive and active form of consultation. Typically, participation involves a more **in-depth exchange of views and information**, leading to **joint analysis and decision-making**. This increased level of involvement tends to generate a shared sense of ownership in a process and its outcomes. The more a particular stakeholder group is materially affected by a component of the project, the more important it is for them to be properly informed and encouraged to participate in matters that have direct bearing on them, including proposed mitigation measures, the sharing of development benefits and opportunities, and implementation or monitoring issues. Resettlement planning, designing and implementing community development programs, and engagement with indigenous peoples' groups are good examples of where informed participation by affected stakeholders can lead to better outcomes on the ground. In certain situations, capacity-building programs may be needed to enable affected stakeholders (particularly local communities and organizations) to be able to participate fully and effectively in the process.



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important it is for them to be properly informed and encouraged to participate in matters that have direct bearing on them.

✓ A word about participatory tools, techniques and methodologies

There is a vast amount of reference literature and tool kits detailing the variety of participatory techniques and methodologies that can be employed as part of the stakeholder engagement process. However, as is the case with most aspects of the process, the choice of methods will depend on the context and the type of stakeholders being engaged. What works well in one cultural context or with one particular set of stakeholders may be less-effective elsewhere. For this reason, we have chosen not to go into detail on any specific tools or techniques, but rather to point out that participatory methodologies are meant to increase the level of involvement of stakeholders in the process and elicit responses that you may not get, for example, through large public meetings. Participatory methods can be particularly useful when trying to build integrated solutions to complex project issues or for engaging specific sub-groups within a community (e.g. women, youth, vulnerable groups, minorities or the elderly). Participatory techniques can be effective in situations where literacy and education levels are low, but also with educated and well-informed groups where there is controversy or complexity, and a need to build consensus around possible solutions.

In situations where the engagement process is complicated or special attention to cultural appropriateness is needed to ensure informed and meaningful participation, it is best to seek out experienced specialists to assist you in designing and facilitating the process. Some examples of participatory tools, techniques and methods include:

- participatory workshops
- focus groups
- role play
- historic timelines and trends
- participatory rural appraisal (PRA) techniques

- seasonal calendar
- daily schedules
- semi-structured interviews
- Venn diagrams
- local institutional analysis
- resource mapping and village maps
- poverty and vulnerability mapping
- wealth ranking and other forms of ranking for decision-making
- joint identification of issues and possible solutions

BOX 5: USEFUL REFERENCES ON PARTICIPATORY METHODS AND TECHNIQUES

GTZ Mapping Dialogue

<http://www.nonformality.org/blog/wp-content/uploads/2006/12/mappingdialogue.pdf>

Participation works! 21 Techniques of Community Participation for the 21st century, New Economics Foundation

www.neweconomics.org/gen/z_sys_publications.aspx

Participatory Learning and Action series, International Institute for Environment and Development (IIED), London

http://www.iied.org/NR/agbioliv/pla_notes/index.html.

Participatory methods toolkit: A practitioner's manual

http://www.viwta.be/files/30890_ToolkitENGdef.pdf

World Bank on Participation and Civic Engagement

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTPCENG/0menuPK:410312~pagePK:149018~piPK:149093~theSitePK:410306,00.html>

CONSULTATION WITH INDIGENOUS PEOPLES

Indigenous peoples, as social groups with identities that are distinct from dominant groups in national societies, are often among the most **marginalized** and **vulnerable** segments of a population. They can be subject to different types of risks and severity of impacts including loss of identity, culture, traditional lands, and natural resource-based livelihoods. If a project will directly affect indigenous groups and their traditional or customary lands under use, early engagement is an essential first step in building longer-term processes of consultation, informed participation, and good faith negotiation. In many countries there are special legal, statutory, and/or regulatory obligations for consulting indigenous peoples if they are to be impacted by a project. Similar requirements are also often a condition of lender financing or part of a company's own policies. In addition, the obligations of *government* to consult with indigenous communities under law or international conventions (see Box 6), and the manner in which they carry out this engagement, may have implications for private sector companies



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When consulting with indigenous peoples, try to involve the representative bodies in the prior design of materials for disclosure, and in deciding how people and groups wish to be accessed, where the consultations will take place, the chronology of consultation (there may be expectations of who will be consulted in what particular order) and the language and format to be used during the consultations. Also, allow sufficient time for collective decision-making processes, and review the grievance mechanism established for this phase of the project to make sure it is appropriate and accessible.

✓ “Pre-consult” where possible

To the extent possible, “pre-consult” with indigenous communities through their representative institutions to determine the issues for consultation in advance of the consultation process itself. This is not to say that the agenda and content of the process should be restricted and unable to change during the course of the process, but rather that the key parties (government, representatives of the indigenous communities, and the project company) have a clear picture of the key issues from the outset. There are a number of questions worth considering in advance of the consultation process. These include:

- Who are the **affected** indigenous communities?
- Who are the **appropriate representatives** for consultation?
- Do the representatives require any **support** from experts or others in order to ensure that consultation is carried out on equal terms?
- What are the **key issues** for consultation?
- What **means and formats** for consultation will be most effective?
- What is the likely **timeframe** for consultation and discussion?
- Does the **government** have any **obligation** to consult under law and/or international conventions and has engagement occurred?
- What should be the **role of the government** during future consultation processes?
- What steps need to be taken to ensure the process is **free, prior, and informed**?

“Pre-consult” with indigenous communities through their representative institutions to determine the issues for consultation in advance.

BOX 6: CONSULTATION REQUIREMENTS UNDER ILO CONVENTION 169 ON INDIGENOUS & TRIBAL PEOPLES

ILO Convention 169 on Indigenous and Tribal Peoples, adopted in 1989, is directed at governments and is binding on the 17 countries that have ratified it (13 of which are in Latin America).

Article 6

1. In applying the provisions of this Convention, Governments shall:
 - (a) Consult the peoples concerned, through appropriate procedures and in particular through their representative institutions, whenever consideration is being given to legislative or administrative measures which may affect them directly;
 - (b) Establish means by which these peoples can freely participate, to at least the same extent as other sectors of the population, at all levels of decision-making in elective institutions and administrative and other bodies responsible for policies and programs which concern them;
 - (c) Establish means for the full development of these peoples' own institutions and initiatives, and in appropriate cases provide the resources necessary for this purpose.
2. The consultations carried out in application of this Convention shall be undertaken, in good faith and in a form appropriate to the circumstances, with the objective of achieving agreement or consent to the proposed measures.

Article 15

1. The rights of the peoples concerned to the natural resources pertaining to their lands shall be specially safeguarded. These rights include the right of these peoples to participate in the use, management and conservation of these resources.
2. In cases in which the State retains the ownership of mineral or sub-surface resources or rights to other resources pertaining to lands, governments shall establish or maintain procedures through which they shall consult these peoples, with a view to ascertaining whether and to what degree their interests would be prejudiced, before undertaking or permitting any programs for the exploration or exploitation of such resources pertaining to their lands. The peoples concerned shall wherever possible participate in the benefits of such activities, and shall receive fair compensation for any damages which they may sustain as a result of such activities.

Source: www.ilo.org

See also: "ILO Convention 169 and the Private Sector: Questions and Answers for IFC Clients" at www.ifc.org/enviro

✓ Identify appropriate representatives

Careful identification of indigenous peoples' representatives is an essential part of preparation for the consultation process. It may be that no one simple form of engagement can take place, as there may be more than one community, or different ethnic or other groups within a community, making it more appropriate to invite a range of representative individuals and groups to the consultation activities. When selecting representatives, it may be useful to consider the following:

- Who are the **elected officials** of the territorial jurisdictions impacted by the project or measure? To what extent do these authorities **adequately represent** indigenous peoples?
- Who are the **traditional leaders** of the indigenous peoples?
- Given that indigenous communities are not necessarily homogeneous, are there groups, such as **women, youth**, and the **elderly**, who are not represented by either of the above? Are parallel communications needed for these groups?

Careful identification of indigenous peoples' representatives is an essential part of preparation for the consultation process.

✓ Identify priority issues for consultation

Pre-consulting with indigenous peoples' representatives and other institutions or organizations that work with them can provide insights as to the subjects that tend to be particularly important for indigenous peoples during the consultation process. These may include:

- **timetable** for the consultation process and its relation to the characteristics of decision-making processes in indigenous communities

- **nature** of the project, footprint area, and potential **adverse impacts** on indigenous peoples, lands, and resources
- methods and criteria to be used to **identify** indigenous peoples impacted by the project
- measures proposed to **address adverse impacts** of the project and **participation** of indigenous peoples in the design and implementation of such measures
- access to **indigenous lands** when carrying out environmental and social assessments
- acquisition of land and **compensation** procedures
- identification and protection of **culturally sensitive sites**
- control of effects of **influx of outside workers**
- **benefits** of the project from the perspective of the indigenous community
- **capacity-building** and/or access to legal advice to enable informed participation

✓ Give special care to cultural appropriateness

To help promote the informed participation of indigenous communities, special care should be given to the form and manner in which information is communicated. The aim is to ensure cultural appropriateness, and to help affected communities gain a genuine understanding of the impacts of the project and the proposed mitigation measures and benefits. Ways to do this include translating project information into the appropriate indigenous languages, taking oral traditions into account, and developing audio-visual materials where appropriate. It may also be necessary to adopt non-document based means of communication, such as community briefings and radio programs. A key question to pose is whether all members of the community understand how the project may affect them and are able to communicate their concerns, leading to their potentially benefiting from the project.

✓ Share responsibilities with government for disclosure and consultation

In some sectors, such as natural resource extraction for example, government may be required to engage with indigenous communities prior to the involvement of a private company in the project. The manner in which such consultation takes place and the level of stakeholder satisfaction following such engagement can have direct implications for the project company that is subsequently granted an exploration license in an area impacting indigenous communities. For this reason, it is advisable to conduct due diligence on prior consultations with indigenous peoples to determine at what stages such engagement took place and what commitments were made or what unresolved issues still exist. Depending on the stage of the process, some consultation must be carried out by the government or under government supervision, while the consultation around the actual exploration or production can be carried out in a more autonomous manner by the private sector company. In the case of a natural resources project, for example, there may be the following stages at which consultation with potentially affected indigenous communities can be particularly important. This is not an exhaustive list and indicates that consultation is best viewed as an integrated and ongoing process:

- original development plan for the area where the possibility of exploration is considered
- the granting of an exploration license to a private company
- the beginning of the exploration phase of the project
- the conclusion of the exploration phase
- the granting of a production, exploitation, extraction, or mining license to a private company
- the commencement of production or extraction
- changes in a project (production processes, construction of new facilities, etc.)

SAKHALIN ENERGY INVESTMENT COMPANY: A PARTICIPATORY PROCESS FOR THE SAKHALIN INDIGENOUS MINORITIES DEVELOPMENT PLAN

Sakhalin II is an integrated oil and gas offshore and onshore development project for the recovery, processing, and export of oil and gas from offshore oil fields on and around Sakhalin Island, in the Far East of the Russian Federation. There are approximately 3,500 indigenous people on the island, in four groups; the Nivkhi, Uilta, Evenki, and Nanai. Some are directly affected, some indirectly affected, and others not affected at all by the project. The company, Sakhalin Energy Investment Company – SEIC, undertook the development of a Sustainable Indigenous Minorities Development Plan (SMDP), in order to comply with policy requirements of potential lenders, and to improve relationships with indigenous people on the island following protests against all of the oil and gas operators on Sakhalin. The SIMDP had two broad objectives: to mitigate the impacts of the project on indigenous peoples and to provide a framework for the delivery of socio-economic benefits to the indigenous communities.

The Consultation Process

As relations between the indigenous peoples and all oil and gas companies on Sakhalin Island had not been optimal, it was decided to be as participatory as possible in developing the plan, so as to allow communities a greater degree of ownership. This entailed ensuring that the process not only involved Sakhalin minority community leaders, but also ordinary community members who would not otherwise have had an opportunity to interact with the company and/or authorities.

The first round of consultations focused on ascertaining priorities for benefits-sharing components, and were also used to gather input for mitigation planning. The process, which engaged community leaders and members of the indigenous communities who were directly affected by the project, involved nearly 200 people, or more than 5 percent of the entire indigenous population of the island. Information about the process was disseminated through formal channels, such as the company's community liaison officers, as well as informally through the network of clans. The indigenous

SAKHALIN ENERGY INVESTMENT COMPANY

continued

communities on the island were not homogenous. Different clans had differing views and interests due to their differences in locations, occupations, and family ties. Consultations were also held with indigenous peoples and other stakeholders, including Oblast officials, other oil company operators, non-governmental organizations, and social development and indigenous experts.

A **Working Group** of company staff and consultants, Oblast representatives, and Sakhalin Indigenous Minorities Peoples Council members was formed to provide guidance and feedback to the company team preparing this plan. **Working Group Committees** composed of Oblast, indigenous, and civil society representatives as well as company staff/consultants were also set up to advise on appropriate mitigation measures, indigenous peoples' development projects, and other forms of benefits sharing.

A **second round of consultations** was held in the early autumn of 2005 to report back to stakeholders with a tentative outline of the project components selected. This was followed up by a **third round of consultations** which lasted three months and had the objective of assessing the proposed mitigation measures and social program benefits that had been developed based on previous rounds of consultations. The process was then expanded to include areas not directly affected by the project but included in the benefits-sharing as part of a strategy of inclusion of all Sakhalin indigenous peoples.

Making Consultation Accessible

As the majority of the consultations took place in the winter months, special attention needed to be made to ensure that more vulnerable community members, such as the "babushkas" (grandmothers) could attend. Special transportation was arranged when necessary, or younger members of the community accompanied the more elderly. As central a location as possible was chosen and the meetings were timed to coincide with the end of the fishing day. Food and beverages were served as they comprise an essen-

SAKHALIN ENERGY INVESTMENT COMPANY

continued

tial part of any social gathering. As is the custom, everyone was given an opportunity to voice his or her views, even if the subject matter did not seem directly related to the plan. Time was given to attendees to express their general frustrations and problems. Attention was paid to giving all attendees respect and to seeking consensus, which meant that the meetings could be very long, but that people felt that they had a role.

Participation Fosters Ownership

Through the process of wide consultations and involvement of all sectors of the indigenous community on Sakhalin island, by the time the plan was agreed and launched it was widely felt to be the plan of the indigenous peoples of Sakhalin and one which they had developed themselves. As their representatives to the Working Group put it in print, "Sakhalin Energy's SIMDP is an unprecedented positive approach. It involves genuine collaboration... Decisions have been made collectively and Indigenous Peoples have been treated as equal partners. We have been able to establish a dialogue with Sakhalin Energy, which has helped us to build mutual trust and understanding."

Other Benefits of a Participatory Process

Apart from the obvious benefit of the development of a plan that accurately reflects the priorities and concerns of indigenous peoples, there have been other benefits. The process itself has led to an improvement in relations between not only the Sakhalin minorities and the company, but also between the government authorities and the indigenous peoples. Although differences of opinions inevitably still occur, the process has established a channel of communication in which issues can be resolved. Furthermore, the Sakhalin minority community leaders have grown in confidence, increased their capacity, and feel more empowered to lead their communities as well as represent the interests of indigenous peoples in the Russian Federation vis-à-vis the government and any company investing on the island.

Source: Courtesy of European Bank for Reconstruction and Development (EBRD) Staff

GENDER CONSIDERATIONS IN CONSULTATION



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Depending on the nature and scale of a project, your company's arrival into a community has the potential to affect many different aspects of people's lives. It is important to keep in mind that it is likely to **affect men and women differently**. In most societies, men and women play different roles within the private and public spheres. With these different and complex roles come differential access to resources and finances, to contacts and relationships, to personal skills development, and to opportunity and power. Consulting primarily with men provides only half of the story. Partial information can lead to both risks and missed opportunities. For most companies, failing to consult adequately with women is not deliberate, rather it happens because engaging women in the consultation process usually requires awareness and concerted effort.

The following tips may be helpful when thinking about how to more fully integrate women's perspectives into your consultation process.

✓ Get the full picture

Experience shows that men and women often have different priorities, different perspectives on key issues, and may be differentially impacted by a project or program – with women bearing disproportionate negative impacts. Good practice encourages seeking out the views of women, because they provide companies with a more complete picture of potential risks, impacts, and opportunities relating to their project. For example, a company's programs or policies may have unintended effects on gender dynamics in a

□ □ □ □ □ Consulting primarily with men provides only half of the story.

community through indirect impacts such as increased alcohol consumption, domestic violence, and prostitution, or they can exacerbate existing inequalities between men and women.

Men and women may also view the same resource differently. For example, men may use a forest for hunting and wood, whereas women rely on it for foraging and medicinal plants. Taking women's views into consideration can help a company to better understand, predict, and mitigate impacts and, in doing so, enhance a project's social performance. Women's views should also be sought out when designing employment, compensation, and benefits programs, as these may require special targeting in order to facilitate more equitable distribution.

✓ Disaggregate your data

During the course of the environmental and social assessment process, companies collect a good deal of information from affected communities and other stakeholders. To allow this data to better serve you in terms of understanding gender differences related to your project, it should be disaggregated by gender. The more likely it is that your company is going to use the data for decision-making purposes, the greater the need for disaggregated data. For example, if a company wants to support a community program in education or micro-credit, it will gain from the added insights disaggregated data provides in understanding how this program may benefit men and women differently. Or, knowing that men in the project-affected communities are more likely to prioritize employment and infrastructure while women rank health and

education higher might have implications for how a company chooses to allocate its resources for social investment.

A related point is making sure you have a representative sample by gender when undertaking surveys and interviews. Given that most interviews are done with the “head of household” – which usually means men – this requires finding other ways to get an equivalent female sample. Female-headed households are also an important group to target, since single mothers and widows are likely to represent some of the most vulnerable households in the community.

Often, the key to getting more women in the room is to make meetings more accessible and convenient.

✓ Pay attention to team composition and emphasis

“Culturally appropriate” consultation can sometimes mean that women are more comfortable talking to other women. Survey teams and community liaison staff should have female members who can conduct discussions and interviews or receive grievances from women where needed. Having female staff of the company present during consultations targeted at women can also be helpful and create a channel for communication and relationship-building between local women and the company. However, it is not just about women or hiring women, but about having a **team that is gender-aware** and can facilitate situations in a way that allows both men and women to express their views. Consultants typically take their lead from the company that hires them, so communicating the importance of gender to your teams is essential.

✓ Get more women in the room

Often, the key to getting more women in the room is to make meetings more accessible and convenient. For example, consider providing child care near the meeting space; choose a time of day, date, and location convenient for women; ask networks with predominantly female membership to encourage their members to participate; and consider providing transportation to and from the meeting venue.

✓ Use active facilitation

Women's participation can be facilitated in public meetings or workshops through a number of different techniques, such as increasing the amount of time spent in smaller groups; having some group-work that is single sex; asking specifically "*What do the women in the room think about this issue?*"; and/or using games, drama, or drawing to increase women's level of comfort and contribution. An alternative could be to have the first part of a workshop or meeting in plenary to explore community-wide issues, and then to divide into smaller working groups (e.g. women, men, youth, elderly) so that issues of concern or priority to those specific groups can be explored in greater detail.

✓ Hold separate meetings

Since in many cultures women's voices are often not effectively present or heard in traditional meetings or workshops, it may be necessary to take special steps to create a venue in which women's own issues and concerns can be raised. Common practices include having focus group meetings with women, or calling separate women's meetings specifically for your purposes, or as an additional item at an existing meeting where women have gathered. It is advisable to reach out to women through as many different networks as possible, including parents' school meetings,

mothers' or women's clubs and associations, artisan groups, women's cooperatives, health promoters, and church or other religious groups.

✓ **Raise priority issues for women**

It is not uncommon for discussions to become dominated by men and the issues that matter most to them. But what do the women want to talk about? Active intervention may be required to identify issues that are important to women and to make sure they are given equal weight. This includes getting such issues onto the meeting agenda, raising them in group discussions, and including them in survey questionnaires.

✓ **Remember that “women” are not a homogenous group**

It is helpful to keep in mind when trying to engage women that they are not a homogenous group. All women will not necessarily have the same interests or priorities. Therefore, when involving women in consultations, attention is needed to ensure representation of different perspectives across socioeconomic, caste, ethnic, and religious lines. Marital status and age can also be important factors. It may also be useful to identify and consult with NGOs or community-based organizations that represent women from minority groups.

Active intervention may be required to identify issues that are important to women and to make sure they are given equal weight.

INDO EGYPTIAN FERTILIZER COMPANY: GENDER-SENSITIVE COMMUNITY ENGAGEMENT

The consultation and community engagement process for an **Indo Egyptian Fertilizer Company (IEFC)** fertilizer plant and crushing facility project was particularly sensitive to gender issues, considering the location of the project in lower **Egypt**, half way between Edfu and Luxor, a very traditional area of the country. In order to enable women community members to have a voice in decision-making and the Environmental and Social Impact Assessment process, the consultants, Cairo University's Center for Advancement of Post-Graduate Studies and Research in Engineering Studies (CAPSCU) and the Center for Environmental Research and Studies (CERS), took a number of deliberate steps. They ensured that the consultant teams included a number of women professors; they included women-only focus groups and interviews as part of the survey and consultation process in the three villages closest to the proposed project location; and the data results fed back to the company were disaggregated by sex as well as other variables.

One of the outcomes of this process was that issues specifically raised by women were brought to the fore. While the main areas of discussion for the communities as a whole were around the potential economic opportunities for local people, especially young people, and the installation of the best available pollution technologies to mitigate air emission and dust particulates, women had different concerns. Unlike the men, women worried about impacts relating to the increased number of outsiders coming into the area (the predominantly male workforce at the new plant and facility), as well as the increased pressure this influx might have on basic infrastructure such as health and education facilities.

BOX 7: USEFUL REFERENCES ON GENDER AND ENGAGEMENT

CIDA policy and resource materials on Gender Equality

<http://www.acdi-cida.gc.ca/CIDAWEB/acdicida.nsf/En/EMA-218123616-NN9>

Gender Checklist, Asian Development Bank

http://www.adb.org/Documents/Manuals/Gender_Checklists/Resettlement/resettlement0300.asp?p=gencheck

Gender Manual, A Practical Guide for Development Policy Makers and Practitioners, Department for International Development

<http://www.dfid.gov.uk/pubs/files/gendermanual.pdf#search=%22gender%20assessment%20guide%20DFID%22>

Gender and Participation, Bridge – Institute of Development Studies (IDS) UK

http://www.bridge.ids.ac.uk/reports_gend_CEP.html#Participation

Gender Training Manual, Oxfam

http://publications.oxfam.org.uk/oxfam/results.asp?sf_01=CTITLE&TAG=&CID=&st_01=gender+training+manual&SORT=SORT_DATE%2FD

OECD Gender Tipsheets

http://www.oecd.org/document/34/0,2340,en_2649_34541_18962_90_1_1_1_1,00.html