



Community-smart consultation & consent

A new five-year project is set to strengthen community-smart¹ consultation and consent practices to close the implementation gap and improve the governance of natural resources.

A vast implementation gap

The natural resource demands of an increasing global population are intensifying demand for access to land in many regions. This trend is increasing regulator and investor requirements and societal expectations for inclusive consultation and consent processes to achieve responsible and sustainable development. While some industry leaders have adopted voluntary commitments, and a few nations have initiated regulatory reforms, there is a significant, global 'implementation gap' between agreed natural resource governance frameworks and performance.

Addressing the implementation gap will require:

- collaboration across communities, governments, industries and civil society
- strengthened market and policy incentives to drive demand for community-smart natural resource planning across stakeholders
- a mechanism for sustaining and scaling impact.

Building coalitions & collaborating with communities

The Community-Smart Consultation & Consent Project seeks to address this implementation gap.

Over five years, the Project will strengthen and scale inclusive and effective natural resource governance by improving community consultation and consent practices of all stakeholders. Working with communities, civil society, governments, companies, and funders, the Project will:

- build coalitions and communities of practice to drive demand for community-smart natural resource planning
- test and demonstrate successful consultation and consent processes and learnings through pilots in a range of geographies and industries
- establish enduring access to knowledge, tools, and resources for community-smart consultation and consent.



¹'Community-smart' refers to an approach that puts communities first by engaging in consultation and consent practices that are well-informed by the communities themselves and achieve meaningful community consultation and consent to projects.

Everyone loses when governance is weak

When natural resource governance is weak, nearly everyone loses. Companies lose their reputations, investors lose their money, governments lose the confidence of their citizens and, most importantly, Indigenous Peoples and local communities lose the foundation of their survival and identities. Yet stakeholders have been working within a fragmented natural resource governance framework with no common understanding of obligations to communities, civil society, government, investors and other stakeholders, and a lack of harmonized and tested models, tools and guidance to inform and enable effective practice.

In response to this situation, many bodies have crafted standards and best practices which require stakeholders to engage in community consultation and consent when developing a project. However, as these standards proliferate, many stakeholders have struggled with implementation and different understandings of how to comply with these obligations.

Community-smart consultation

There is a serious and urgent need to engage Indigenous Peoples and local communities in natural resource planning at the earliest possible stage of the development cycle, and to drastically scale stakeholder access to the tools, resources and guidance needed to navigate the process. The Project meets these needs through a self-sustaining platform that offers information and services and is driven and sustained by increased demand from all stakeholders. This pairs global economic development of climate-smart minerals, infrastructure and agriculture with social and environmental safeguards, and ensures community voices are heard and elevated before development planning has finished.

Improving lives through effective engagement

The Project has four major objectives:

- strengthen market and policy incentives to cultivate a community of practice across major stakeholder groups
- demonstrate and test tools and disseminate knowledge to create real, measurable improvements in natural resource governance
- document new and novel solutions
- sustain and scale impact from the Project by providing access to knowledge, tools, and resources for community-smart consultation and consent.

The Project aims to improve the lives of Indigenous Peoples and local communities by enhancing their ability to influence the governance of resources upon which their livelihoods may depend. Improvements will be achieved by increasing the capacity and opportunities of different groups to effectively engage in natural resource planning.

There are stark power, information and resource imbalances among key stakeholders, and a need to align understanding of obligations and the tools available to meet those obligations. There is also a need to provide stakeholders with the information, resources and skills to negotiate with and engage each other clearly and effectively. Many tools exist; however, use at scale requires additional alignment, prioritization, incentives for use, and broader demonstration and dissemination.

It is also critical to provide clear market incentives to engage Indigenous Peoples and local communities in natural resource planning early so the process and outcome of sustainable natural resource management is predictable, inclusive, resilient and accountable.



Improving how natural resources are governed

BHP Foundation works with global partners to harness the transformative power of natural resource wealth for sustainable and inclusive human development.

This Project strongly aligns with the Foundation's Natural Resource Governance Global Signature Program's objective of harnessing the power of natural resource wealth for sustainable and inclusive human development by:

- making it easier for citizens and other stakeholders to access and interpret public data on natural resources
- building governance capacity and increase the effectiveness and accountability of civic and public institutions.

For more information on the BHP Foundation visit bhp.com/foundation.