MIREU
MINING AND METALLURGY REGIONS OF EU

SOCIAL LICENCE TO OPERATE (SLO) GUIDELINES FOR EUROPE

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ABOUT THE SOCIAL LICENCE TO OPERATE IN MIREU

The Horizon 2020 project MIREU (Mining and Metallurgy Regions EU) aims to establish a network of mining and metallurgy regions across Europe that exchanges good practices and ensures a consistent domestic supply of mineral raw materials. One of the work packages in MIREU, the Social Licence to Operate (SLO), focuses on the social dynamics around mining in Europe. The starting point does not assume exploration and/or mining can happen at any cost, but rather acknowledges that mines can have both positive and negative impacts and there must be a fair trade-off between benefits received and impacts experienced particularly by those who are most affected. Since MIREU as a whole is about networking regional administrations, the two main outcomes, the SLO Guidelines and accompanying Toolbox, were initially thought to be most useful for regional administrators.

As the work continued, it became clearer that the SLO conversation across Europe is only now emerging and the Guidelines and Toolbox would be more beneficial if designed for all stakeholders rather than solely for regional administrations.

PARTNERS

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EXECUTIVE SUMMARY

Europe is an advanced economy reliant on raw material imports. Citizens generally have high confidence in government and have traditionally perceived legislation as best practice. In this context, the Social Licence to Operate (SLO) concept, which is broadly understood to describe the challenges that mining companies face in building relationships with local communities to achieve social acceptance for their projects, only played a minor role due to strong institutions and governance mechanisms that were conditioning: (i) the mining sector itself and (ii) environmental and social aspects of mining.

Approximately 15 years ago with higher global demand and rising raw materials prices, the number of new mining projects throughout Europe increased. In parallel, other factors such as environmental accidents, a decline in trust of governmental institutions, the growing awareness of communities elsewhere both suffering and benefiting from mining projects, foreign companies importing new practices derived from international standards, in addition to the requisite European Union (EU) and Member State (MS) standards, all of these in combination changed expectations and the view of communities. The 'mining sy-stem', by which is meant not only the legal and regulatory framework but involved actors and the intersection of their interests, has evolved and it is increasingly difficult to build a new or expand an existing mine without some form of opposition and societal discontent. The resulting effects of opposition are well-known and include everything from significant delays and cost overruns to the potential cancellation of activities or halting of operations, all of which can ultimately endanger the reputation of both a company and the mining industry as a whole.

These SLO Guidelines are intended to **support all stakeholders in building relationships based on trust with one another.** In tangible terms this means that companies and governments should be open and straightforward about potential risks, listen to stakeholder input and design the project or activity accordingly. Companies should be responsive and adaptive, respect customs and political and authority structures, and, where appropriate, gain FPIC (free, prior and informed consent). While these are now widely considered to be global good practices, the Guidelines approach SLO from the European perspective. Section 2 includes a **description of SLO** in the European context and **SLO principles.** As SLO can often be used for addressing everything from environmental concerns, to worries about jobs and the economy, to community identity and human rights issues, a **model of SLO** tailored to Europe is presented in order to organise, and therefore be able to discuss, the key components of SLO. The model consists of both the local perspective of community acceptance of a mining project and adds a dimension emphasising the role of broader society. It also describes the different levels of SLO as well as the loss of SLO. The higher the level of SLO, the lower the risk that a project will have significant opposition. Overall, **risk is reduced by aiming for higher levels of SLO.**

The core of the Guidelines is Section 3: Impact Management and Stakeholder Expectations and the emphasis is on understanding and engaging stakeholders. The accompanying SLO Toolbox is oriented toward operationalising Section 3, as its purpose is to support all stages of relationship-building; Presented in this section are newly developed **stakeholder frames** intended to complement existing stakeholder mapping techniques by highlighting peoples' attitudes toward mining and what they believe is important to achieve and maintain SLO. The frames help to understand the priorities of a community and how those priorities should be addressed. The section also includes guidance on how to avoid conflict and reach resolution as well as highlights significant points during the mine lifecycle where SLO may be difficult to achieve.

Section 4 of the SLO Guidelines lists a number of international standards and SLO tools that should be useful for a project to achieve and maintain SLO while Section 5 wraps up the Guidelines with the key ta-ke-away lessons, **also listed in the box below:**

1. SLO in Europe consists of two dimensions - community and societal:

Shared values and a common worldview underlie both dimensions while policy and legislation at mul-tiple levels of governance set the legal framework. Community and Societal SLO are not necessary always aligned, in which case challenges will likely arise and the project as a whole is considered to have the lower level of SLO.

2. Good governance can play a strong role in SLO:

For the mining 'system' to function well, permitting and regulatory authorities should not be passive in the process, but rather be a consistent and active participant in their traditional permitting and licensing roles, as well as in the relationship building process. This includes relationships and partnerships with communities, civil society, companies and other governmental authorities at the local, regional, natio-nal and EU levels. But there is also support in Europe for authorities to assume a fair, impartial mediation role if there are intractable disputes between community and company.

3. Achieving and maintaining SLO is a two-way street:

While European society needs to understand and consider the importance of raw materials for both short- and long-term goals, the mining industry also needs to acknowledge that societal expectations are continuously evolving and that raw materials and their production are not accepted at any cost.

4. SLO is a process and an outcome:

It is a dynamic and continuous process because it is based on perceptions which change over time, but it is also an outcome, as it is synonymous with community and societal acceptance.

5. Long-term engagement with stakeholders is the way to build trust:

Meaningful and timely avenues for two-way dialogue are essential. Companies and governments should be open and straightforward about potential risks, listen to stakeholder input and design the project or activity accordingly. Companies should be responsive and adaptive, respect customs, political and au-thority structures, and where appropriate, gain FPIC (adopted from (Franks, 2011)).

6. Risk is reduced by aiming for higher levels of SLO:

As shown in the model (*link*), the levels of SLO begin at Acceptance then move up to Support and the highest level of SLO is Collaboration. If a company wants to reduce its risk, it will aim for the higher le-vels of SLO. It should be noted that to reach the Support or Collaboration levels means that companies will have to go beyond legal compliance.

7. Implementation of applicable international guidelines and MIREU tools:

These SLO Guidelines list a number of international standards that could also be considered for projects in Europe. As mentioned previously, the MIREU project developed SLO tools that should be useful for a project to achieve and maintain SLO.

1. INTRODUCTION AND PURPOSE

Europe is dependent on raw materials. Ensuring their stable and sustainable supply is crucial for the functioning and future of Europe, given they are essential not only for everyday living, but also for society to realise the energy transition. The European Commission (EC) has recognised this in their Raw Materials Strategy (European Commission, 2008) and very recently in their Action Plan on Critical Raw Materials (European Commission, 2020).

With the EC's interest and support in increasing mining activities domestically, companies have taken a keener interest in mining in Europe, and exploration as well as exploitation activities are rising. The problem is that a gap exists between government and companies acknowledging mining is important and the greater public also acknowledging this. Overall, mining is no longer a major part of the European identity and is often perceived as a 'dinosaur' industry made redundant by concepts such as the circular economy. Hence, the increase in mining activities is met with a number of different responses ranging from welcoming companies with open arms to municipal referendums held to stop mining.

Although Europe is not a 'mining region', it does have a long history of mining in particular areas and currently there are about 80 metal mines, and many more for industrial minerals and construction materials, successfully operating within the EU. Most of these have been operating for years and reflect the fact that the existing legislative and regulatory framework, coupled with existing well-established company protocols, were enough to garner SLO. Today it is easier to continue a project/operation than start a new one.

Society is continuously evolving and now expects to have more of a say over an activity that affects large swaths of land over long timeframes with significant effects – beneficial and adverse. Newly proposed exploration and exploitation activities can be the source of optimism but also of controversy. Delaying or even stopping projects is a growing concern to industry, but also to government, attesting to the fact that concerns are not consistently addressed in a satisfactory way for potentially affected communities or for society at large.

Mining has always been a 'system' of complimentary and competing interests. It is the intersection of these interests, the area where aligning interests is possible, where attention needs to be paid most - and this is the realm of SLO. What those interests are and how consensus is reached so they are aligned will differ according to the local context, but what is equally clear is that the 'mechanism' of SLO is the same everywhere in the world. SLO is fundamentally about building relationships based on trust and achieving trust requires time and the belief that another has your best interests at heart. But there is utility is understanding the European nuances of SLO as these can help advance responsible mining in Europe, lead to more supportive permitting processes, contribute to societal concerns such as sustainability, and provide value and benefits to communities.

The term SLO itself might be misleading, since no actual licence is granted by anyone. Terms such as 'social acceptance' or 'social performance' might in fact better describe the underlying concept. The same is true with the term 'stakeholder', where the terms 'concerned public', 'interested public, 'host communities' or 'affected communities' (at the local level) might be better suited. However, the European Commission currently uses the terms 'SLO' and 'stakeholder' and therefore they are also used in the Horizon 2020 project MIREU with respect to what the concept of SLO should mean in Europe, how it functions and how it can be improved. The SLO Guidelines and the related tools are at the core of this work.

The SLO Guidelines are intended for new exploration and exploitation projects, however, they should also be useful for existing mines, in particular when major operational changes are planned such as expansions, closure or post-closure activities, or for metallurgical projects.

They consist of five sections:

- Section 1 provides the introduction to and purpose of the SLO Guidelines.

- Section 2 shifts the focus of SLO to the European context. It includes a model showing different levels of SLO, including levels of the loss of SLO, and also integrates the community and societal dimensions.

- Section 3 addresses impact management and stakeholder expectations. It concentrates on stakeholders: understanding, engaging and building relationships with them and also suggests a new way of thinking about stakeholder concerns and what is important to achieve and maintain SLO. The section ends with a discussion on dispute management and resolution.

- Section 4 provides a summary of international guidelines and performance standards deemed useful for European mining projects as well as SLO tools developed during the MIREU project that are meant to encourage meaningful engagement and foster collaboration.

- Section 5 summarises the key take-aways from the Guidelines.

The SLO Guidelines are for all stakeholders including exploration and mining companies, communities, governments (in particular permitting authorities and regulators) and civil society.

For communities, they are useful for the following reasons:

1. The SLO Guidelines provide insight as to what communities might expect from a mining project in Europe

2. They help people, but most importantly affected communities, understand what SLO means and what level of SLO "their" project has at a given moment.

3. This understanding could form the basis of future engagement by defining a target level of SLO.

4. Summaries of international performance and management standards and guidelines appli-

cable to Europe are presented. These are good practices that should help manage expectations communities have from a mining project.

5. The Guidelines are integrated with the SLO tools that support stakeholders in their efforts.

For companies, they are useful for the following reasons:

1. Ideally the Guidelines are to be used to avoid problems before they begin. Understanding what SLO is in the European context, how stakeholders should be understood and engaged with, and the importance of complying with regulations and openly demonstrating that is crucial to starting out on the right foot.

2. By having a common accepted approach toward SLO, companies will know what is expected of them and can employ similar approaches across Europe.

3. The model (Section 2.4) shows what companies need to address to achieve different levels of SLO and what could lead to the loss of SLO. Depending on the level of SLO, projects are also subject to more or less risk. The model therefore helps guide companies to develop strategies to move to a higher level of SLO and decrease their risk.

4. Stakeholder engagement requirements are provided and stakeholder frames suggested (Sections 3.1-3.4), which incorporate values into the stakeholder mapping process. Four essential questions to ask under each frame aim to bolster the understanding of 'traditional' stakeholder groups. The SLO Toolbox provides made-up situations and sample dialogues between a community and company to demonstrate how the frames can practically be used.

5. The Guidelines and Toolbox have been developed together with the idea that relationship-building is at the center of both. All of the tools (Section 4.2) are for relationship-building and implement mainly Section 3 of the Guidelines.

6. International performance and management standards, as well as guidelines considered to be the most relevant for Europe, are included.

For governments, they are useful for the following reasons:

1. The SLO Guidelines include a description and model of SLO in Europe, which should help develop new – and more responsible – mines in Europe.

2. Potential new roles and responsibilities for government in the context of SLO are suggested, such as that of mediator between companies and communities.

3. Summaries of international performance and management standards and guidelines applicable to Europe are presented as examples of good practices. These can help support European governmental strategies for SLO.

For civil society, whether external NGOs or local citizen platforms, they are useful for the following reasons:

1. It describes the current SLO debates (Section 2.2) across Europe giving a quick overview of the different issues not only in one country but in all of Europe.

2. The SLO model (Section 2.4) shows both how to gain and lose SLO and the reasons for why either would happen. Knowledge of how SLO functions in the European context is valuable in and of itself.

3. The model also includes a community dimension and a societal dimension. As NGOs often engage in both dimensions, i.e. at the local, because better salaries are wanted at the mine, or the societal, because renewables are preferred over uranium, they can see what it would take to move up or down the pyramid whatever the issue is.

4. The Guidelines are the first foray into defining the rights, roles and responsibilities of all stakeholders. Although these will forever be in flux, this document provides a starting point for dialogue.

5. The SLO Toolbox is also introduced in the Guidelines and several of the tools are specifically designed for local communities (e.g. Community Agreements).

Readers interested in further information regarding the process of developing the SLO guidelines, stakeholders involved, etc. are encouraged to read the MIREU report D4.3 SLO Guidelines for Europe (*Deliverable 4.3 | MIREU*).

2.
SLO IN EUROPE

Although Member States are responsible for mining legislation, companies operating within Europe will have to interact at the EU, national, regional and local levels. For example, environmental legislation is housed at the EU level while issues such as regulation, sales and transport involve multiple EU nations. Having to cope with multiple layers of government simultaneously with numerous countries and their cultures makes understanding pan-European values essential to navigate the mining sector.

Given Europe's diversity and the task of developing European Union SLO Guidelines, the key question has always been - can SLO be standardized? To an extent it can be, since there is broad-based consensus (Thomson and Boutilier model) on what is termed here the 'SLO mechanism': legitimacy, credibility and trust are the core components of SLO everywhere in the world. The Guidelines use the EU as the starting point for asserting member countries have enough institutional and cultural commonalities to create a pan-European framework for SLO. The framework is then derived by combining the SLO mechanism with the work on European attitudes towards mining and the preferred approaches to SLO. This said, Europe is not homogeneous (i.e. language, culture, worldview etc.) and the different SLO debates that are currently taking place across the continent must be understood as a manifestation of their specific local contexts.

2.1 Institutional and cultural commonalities

Membership in the European Union requires adherence to many policy requirements all intended to enhance harmonisation and coordination. The EU and Member States share different responsibilities for legislation and regulations that affect mining and metallurgy; although, EU regulations are always the minimum requirements. EU Directives frame environmental legislation and regulatory processes related to mining and metallurgy, although the permitting

of mining itself is not an EU competence. EU Directives are used to streamline and harmonize national legislation on certain topics, but the Member States (MS) are deciding on the specific implementation and transposition. All EU Member States have mining and environmental legislation, including the requirement for Environmental Impact Assessments (EIA) for projects and Strategic Environmental Assessments (SEA) for plans and programs. Although these are only two instruments among many, they are important because there is some debate across Europe as to whether the public participation requirements in each are enough to gain SLO. Both Directives include minimum levels of public participation and public involvement, focusing on the two main groups: (i) the general public, and (ii) the public concerned (based on the Aarhus Convention). However, it is crucial to note, that EIA and SEA are not considered SLO tools in these Guidelines; these are tools for environmental policy integration and implementation.

As for the cultural commonalities, in Europe, traditional values such as the fulfillment of duties, family security, a feeling of togetherness, preserving the environment and preventing pollution are of utmost importance and widely shared. Values around self-enhancement, such as authority, wealth, ambition and influence are consistently viewed as contrary to core values (*Perceptions of Mining in Europe Summary Report, 2020*). Even with the growing desire to consume more 'stuff' in Europe in the second half of the 20th century, the broader discourse has remained surprisingly similar across the EU as one of universal values, human rights and civic solidarity (European Union, 2012). From the beginning of the 'European' project post-World War II to the present day, there have always been shared values and a shared identity, differences not-withstanding.

2.2 SLO debates across Europe

It is not surprising there are different SLO debates across Europe, including around the concept of SLO itself. For example:

• the Nordic countries are the only region in Europe where SLO as a term and concept are familiar. Here the debate revolves around 1) post-materialism, which questions whether we should be consuming so much as a society and 2) how to value the protection of nature and indigenous rights.

• In Eastern Europe, at least in part a result of the Soviet legacy, the SLO debate revolves around jobs and employment, regional development and distrust in government and institutions.

• In Central Europe there is little new mining but a desire on the part of government to potentially restart mining to produce materials for the energy transition, hence the debate largely centers on legislation, the environment and land use planning.

• On the Iberian Peninsula there are more anti-mining demonstrations than generally seen in other parts of Europe. In this region, the debate is around corporate power over self-determination, preservation of the environment and the involvement of NGOs as the peoples' voice.

2.3 Commonalities emerging from MIREU

A consensus was developed on how to describe SLO and what its principles should be in Europe:

Description of European SLO

• SLO is both a process and an outcome. It is a dynamic and continuous process in that it is based on perceptions which change over time, but it is also an outcome, as it is synonymous with community and societal acceptance.

• SLO is context specific, hence process and outcome will vary, but it is based on common attitudes and values shared across Europe.

• SLO is a description of present-day practices and future ideals that are embedded within the broader concept of sustainability.

• SLO operates simultaneously within the community and societal dimensions as European values on good governance, fairness of process, perceived benefits and burdens, representation, and distribution of power affect local behaviours, attitudes and perceptions.

• At the minimum, affected stakeholders must believe that a mining or metallurgy project confers an actual benefit for them, whether that benefit is cultural (i.e. a company adopting ILO-convention 169 principles), physical (i.e. land placed in a trust to be preserved in perpetuity) or economic (i.e. a job).

European Principles of SLO

• In the community dimension, those who are most interested in and affected by a project should be able to effectively influence the project throughout the entire lifecycle, from pre-exploration to closure, rehabilitation and beyond.

• In the societal dimension, the public, government and industry should work together to make certain, through regulation and good practices, that the mining industry operates sustainably, responsibly and is accountable to society.

• Within both the community and societal dimensions, processes aimed at establishing SLO should focus on building long-term relationships between the public, government and industry based on trust and acceptance, throughout all phases of mining and metallurgy projects.

• Trust that government institutions will actively and responsibly regulate Europe's mining and metallurgy industry is the bridge between SLO in the community dimension and SLO in the societal dimension. How this trust manifests across Europe will vary, but at its centre are values synonymous with the European identity – an informed citizenry, fairness, cultural respect, good governance and accountability.

2.4 The SLO model

The values described above helped adapt the conceptual model of SLO from the classic pyramid developed by Thomson & Boutilier (2011). The SLO model developed in MIREU includes both the community and societal dimensions and asserts that the drivers of gaining SLO and losing SLO are the same. In the simpler version immediately below (Figure 1), the three yellow layers show what it takes to achieve and maintain SLO. The higher up the pyramid one goes, the higher the level of SLO. The amount of SLO a project has is shown on the side as either Acceptance, Support or Collaboration. The purple layers show how SLO is lost. The lower down one goes, the more opposition a project will encounter. The amount of opposition is shown on the side beginning with No acceptance, Resistance and Protests. The model in Figure 2 overlays the SLO model with examples of what each level looks like in practice across Europe.

There are two things to note in the model: 1) the levels build on one another and 2) at any given time, the levels of SLO may or may not be the same in the Community and Societal dimensions. For example, in the case of lignite mines, there can be support from the community because of the need for jobs but not across the country because lignite is associated with increased global warming. While the community dimension is the most important determinate of whether a company has SLO or not, in the long term, the societal dimension will be useful to understand because it could be a bell-weather of future policy directions and the broader public opinion around mining and metallurgy.
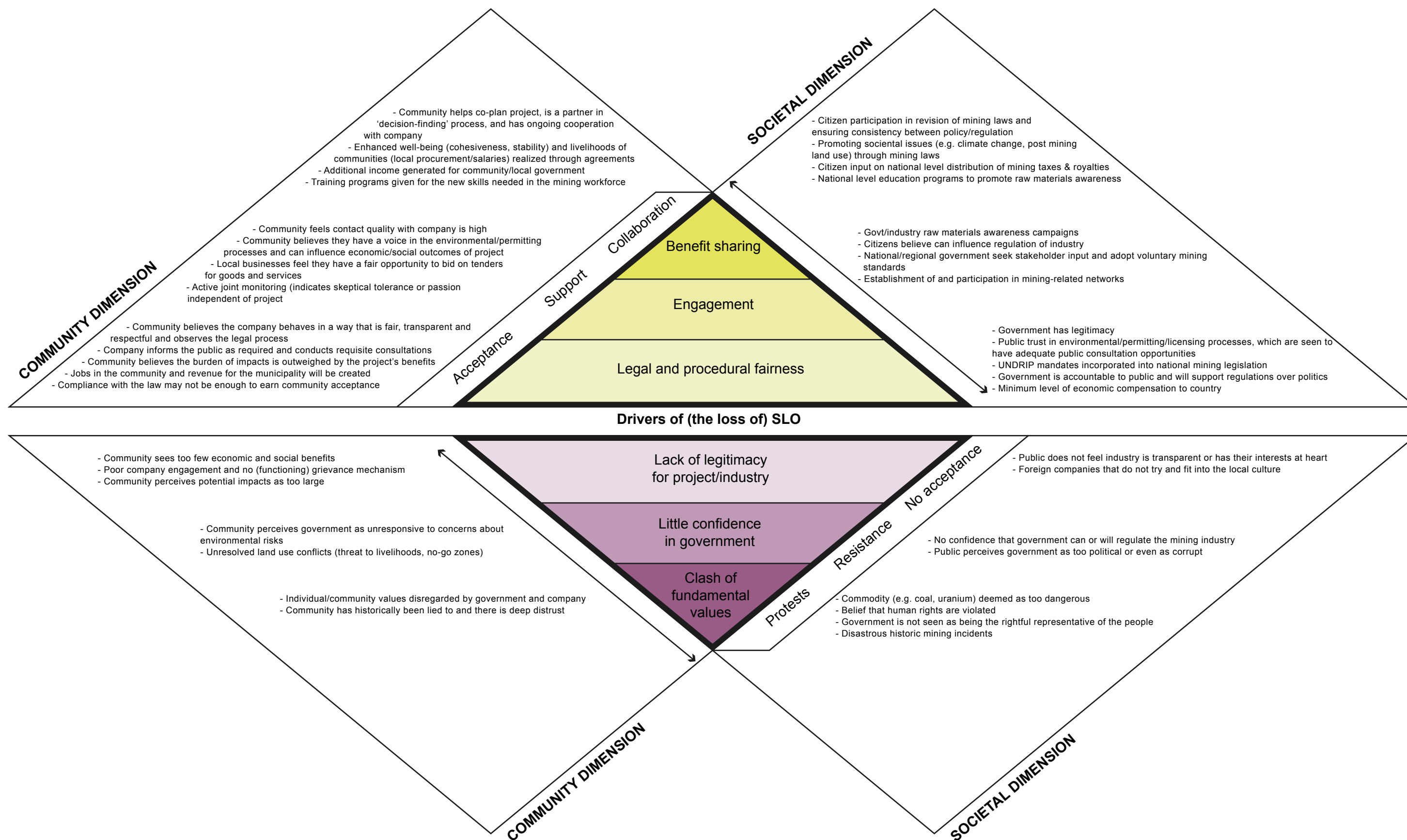
COMMUNITY DIMENSION

SOCIETAL DIMENSION

- Community helps co-plan project, is a partner in 'decision-finding' process, and has ongoing cooperation with company
- Enhanced well-being (cohesiveness, stability) and livelihoods of communities (local procurement/salaries) realized through agreements
- Additional income generated for community/local government
- Training programs given for the new skills needed in the mining workforce

- Citizen participation in revision of mining laws and ensuring consistency between policy/regulation
- Promoting societal issues (e.g. climate change, post mining land use) through mining laws
- Citizen input on national level distribution of mining taxes & royalties
- National level education programs to promote raw materials awareness

- Community feels contact quality with company is high
- Community believes they have a voice in the environmental/permitting processes and can influence economic/social outcomes of project
- Local businesses feel they have a fair opportunity to bid on tenders for goods and services
- Active joint monitoring (indicates skeptical tolerance or passion independent of project

- Govt/industry raw materials awareness campaigns
- Citizens believe can influence regulation of industry
- National/regional government seek stakeholder input and adopt voluntary mining standards
- Establishment of and participation in mining-related networks

- Community believes the company behaves in a way that is fair, transparent and respectful and observes the legal process
- Company informs the public as required and conducts requisite consultations
- Community believes the burden of impacts is outweighed by the project's benefits
- Jobs in the community and revenue for the municipality will be created
- Compliance with the law may not be enough to earn community acceptance

- Government has legitimacy
- Public trust in environmental/permitting/licensing processes, which are seen to have adequate public consultation opportunities
- UNDRIP mandates incorporated into national mining legislation
- Government is accountable to public and will support regulations over politics
- Minimum level of economic compensation to country

Collaboration

Support

Acceptance

Benefit sharing

Engagement

Legal and procedural fairness

Drivers of (the loss of) SLO

- Community sees too few economic and social benefits
- Poor company engagement and no (functioning) grievance mechanism
- Community perceives potential impacts as too large

- Public does not feel industry is transparent or has their interests at heart
- Foreign companies that do not try and fit into the local culture

- Community perceives government as unresponsive to concerns about environmental risks
- Unresolved land use conflicts (threat to livelihoods, no-go zones)

- No confidence that government can or will regulate the mining industry
- Public perceives government as too political or even as corrupt

Lack of legitimacy for project/industry

Little confidence in government

Clash of fundamental values

No acceptance

Resistance

Protests

- Individual/community values disregarded by government and company
- Community has historically been lied to and there is deep distrust

- Commodity (e.g. coal, uranium) deemed as too dangerous
- Belief that human rights are violated
- Government is not seen as being the rightful representative of the people
- Disastrous historic mining incidents

COMMUNITY DIMENSION

SOCIETAL DIMENSION

Figure 1: Model of SLO (Lesser, Gugerell, Poelzer, Hitch, & Tost, 2020)

3.
IMPACT MANAGEMENT AND STAKEHOLDER EXPECTATIONS

For an exploration or mining project to achieve and maintain SLO, the actual need for it must first be demonstrated by the company. For communities, the reasons for acceptance will differ although the main ones in Europe tend to be economic, especially the desire for jobs and local financial benefits. In places where mining historically has played a strong, positive role in a community, another reason for acceptance could be the strengthening of an existing mining identity. For society, the basis of acceptance is less tangible and has longer time horizons. It may include ethical reasons, such as responsible sourcing and sustainable development, as well as geopolitical ones such as security of supply. There may also be clashing community and societal values centered on a commodity, as in the example above regarding coal, or centered on location, such as a deposit situated within a Natura 2000 area where locals are in favor but environmental NGOs may be opposed. These are just a few concrete examples of differing expectations, but they show how difficult yet important it is to acknowledge and address concerns about social and environmental impacts, along with ethics and belief systems, not just at one point in the project but along the full life cycle of an exploration or mining project given expectations change with time and the progression of a project. This should be done through stakeholder engagement processes that build trust and relationships because impact management and stakeholder expectations are "two sides of the same coin" and both central to SLO.

The SLO model presented in Section 2 is one way to help both identify and take into account expectations within the community and societal dimensions. But it also shows where there is opposition centered on peoples' values, SLO may not be possible and there may be little chance of obtaining it. At present, 'no-go areas for mining' do exist in Europe and they are typically pristine places where new mines are proposed or in places where communities do not want a specific commodity, such as coal or uranium. The cost and risk may make these types of projects financially infeasible and pursuing them would be futile. The model is useful because it can help identify a situation early before significant amounts of time and money are committed therefore avoiding grievances and difficulties in the long run. When exploration and mining companies look to establish new operations, the effort put into complying with regulatory requirements should at least run in parallel, or even after, the effort dedicated toward building strong relationships in the community. Early participation should be foundational to corporate engagement protocol and practices. In many cases, this requires some initial work by the companies involved in exploration to establish these lines of communication and relationships before any work is conducted in the field. And, once these relationships are developed, methods are needed to ensure they are maintained as transitions occur between personnel and companies as well as throughout the different stages of the project. When these early engagement practices fulfil their purpose, they can prove instrumental in building the trust in the community necessary to handle potential disputes.

Internationally, a number of standards, guidelines and tools for assessing and managing social and environmental impacts, some specific to certain stages of the exploration or mining life cycle, have been developed and the ones considered most relevant for Europe are referenced in Section 5 below. The MIREU project developed additional SLO tools specifically to aid in relationship-building between all stakeholders, including tools to ensure that commitments are kept and carried out, rather than tools for assessing and managing impacts.

When has broad-based consensus been achieved?
Knowing when SLO has been achieved will rarely be crystal clear, and the level of SLO will forever be in flux as issues, people, expectations and concerns constantly change. In addition, interpreting what SLO even is comprises an ethical component that will vary with the perspective of the individual stakeholder. Even if the level of SLO achieved could somehow be measured, the question remains if everyone has to accept a project for it to have SLO or whether it is enough to have the majority of people agree.

In MIREU, the view is that having broad-based consensus is enough to have at least the minimum level of SLO. There are many points during an exploration or mining project when it will be needed, ranging from the permitting, to the building of infrastructure, developing environmental management plans and possible benefit sharing agreements.

So how to know when broad-based consensus has been achieved?

While the details of each will differ, broad-based consensus will always be the interplay between process and outcome. When the outcomes are not contested, it can also be assumed the process in place is deemed fair and reaching consensus is straight-forward. But when the outcomes are contested, it indicates a problem some people or groups may have with the process itself. In these cases, broad-based consensus will only be achieved if there is a critical mass of people who believe the process is fair and can live with the outcome - whatever it is.

The process in the European context includes both the governmental regulatory authority and company behaviour, and the utility of SLO is in helping to make the process as a whole more fair, transparent and collaborative. Broad-based consensus is not about everyone agreeing with a decision; rather, it is about a critical mass of people agreeing that the process has been fair and are therefore able to live with the decision.

3.1 Understanding and engaging stakeholders

The first step in understanding who the stakeholders of a given project are is to directly engage with them so that connections are made early. Eventually, individual stakeholders and their relationships with one another will become clearer as will the broader social and political dynamics in a community. (Please see Tool 1.1, PEST analysis template, in the SLO Toolbox for a step-by-step guide on how to conduct this broader type of mapping.) Understanding stakeholders is widely acknowledged as being an essential early step for a company to take in order to begin building relationships with communities. Stakeholder mapping practices have existed for a long time, including for example the OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector (OECD , 2017), the ICMM Stakeholder Research Toolkit (ICMM, 2015) and the IFC's A Strategic Approach to Early Stakeholder Engagement: Good Practice Handbook for Junior Companies in the Extractive Industries (IFC, 2014).

3.2 Stakeholder relationships

When an exploration or mining company engages with stakeholders, the objective should be to achieve and maintain SLO. Collaborative relationships produce the strongest likelihood of doing so as they allow problems that arise to be worked out immediately and informally.

In order to achieve this objective, stakeholders need to be consulted and engaged in a meaningful way and beyond what might be legally required as part of permitting or EIA processes. There need to be processes for ongoing public participation (e.g. community groups, environmental monitoring, economic development programmes), information sharing (e.g. regular meetings with stakeholders, annual sustainability reports, comprehensive and updated websites in understandable national language(s) directed towards stakeholders and not only towards international investors) and mechanisms for handling grievances and feedback. Such processes must be transparent, inclusive and culturally appropriate.

While the SLO Guidelines are intended to be applicable to all of Europe, the Sami of northern Finland and Sweden deserve special mention as they are Europe's only recognised indigenous peoples. As such they are legally and culturally entitled to special rights that must be respected. The international guidelines and standards listed below should be used in conjunction with national legislation (i.e. reindeer herding and land use rights) and guidance. Most importantly, local factors, such as history, cultural identity and the need for self-determination should be considered in relation to indigenous rights and SLO. The motto of the European Union, 'United in diversity', which signifies how Europeans have come together to work for peace and prosperity while at the same time being enriched by its many different cultu-

res, traditions and languages, exemplifies what these SLO Guidelines are aiming to achieve – a foundation of common understanding complemented by the diversity of local contexts.

3.3 Should we think about stakeholders in a different way?

The ability of companies and governments to understand their stakeholders is crucial if the goal is real dialogue and not just consultation. Beyond knowing whether someone is a local resident, member of industry, a government official, an NGO, or a student, it is also important to think about what they value in terms of historical identity, cultural integrity, trust toward both the mining industry and government, financial security, protection of the environment and the role of mining in the future of a community and society as a whole. Given the increasing contention across Europe over new and even existing mines proposed for expansion, this type of understanding is still sporadic varying widely from project to project and region to region. While mapping itself is only the first step toward achieving SLO, it is an important one that subsequently has to be followed up with specific measures ensuring that stakeholders' particular concerns are understood by 1) reacting to the concerns by speaking with those individuals and 2) taking action to address them.

The early work in MIREU showed the difficulties inherent in traditional stakeholder mapping categories. For example, in many smaller villages, the same person may be a government authority, a home-owner and enjoy fishing in the nearby river. Which role is dominant when it comes to attitudes toward mining? How do you reconcile one role with the others? In addition, Europe is far from being a homogeneous entity. How do we account for factors that affect an individual's perception of a specific situation and context?

The need to rethink traditional stakeholder categories in a world beset by globalization, constantly changing technology, and a greater number of voices in the mix is crucial if we are to understand people's perspectives on the mining industry and their evaluation of a potential mining project that could affect them personally. In MIREU, we have developed 'stakeholder frames' based on survey answers to questions looking at values and preferred approaches to SLO. There are solid data that validate SLO is based on perceptions and values, so understanding what people believe ensures responsible mining is key to addressing their expectations and building better relationships based on trust.

3.4 Stakeholder SLO Frames

What are Stakeholder SLO Frames and why are they important?

Engagement with stakeholders is the main way to build trust - meaningful and timely avenues for two-way dialogue are essential. Stakeholder histories must be understood, relationships and networks, as well as the values that shape attitudes and behaviours. A useful way to do this are the stakeholder frames described in this guideline.

The Stakeholder SLO Frames are a new way of appreciating what SLO means to a given stakeholder and the reason behind developing them is to supplement more traditional stakeholder mapping techniques, centred on what someone does, by contributing knowledge about what someone values. While the word 'frames' implies that people will be slotted into certain categories, this is not the intent; rather, it is to suggest that attitudes are complex and people likely do not fit neatly into a single frame but are situated within several frames simultaneously and can change frame priority throughout the life of a project. The negotiation between company and community will vary between individuals and groups, so having these frames identified is a method to

prepare the company for the range of potential issues it will need to face and the tasks they will need to focus on. The utility is that by addressing all of these frames, a company or authority can cross-cut traditional stakeholder categories and be assured they are speaking to all SLO-related concerns. It is unlikely an individual's expectations will be confined to a single frame. But what is likely is that every person will match with one or more of these frames as the frames encompass the broad swath of expectations about what it takes to give acceptance.

The Frames were developed from several questions in the *Perceptions of Mining in Europe* (21 September 2020) survey, which tested the drivers of SLO in the model (Figures 1 and 2 above). There is no emphasis on one frame being more prominent than another. In part this is due to the limited sample size used to create the Frames and also because prioritizing undermines the idea that for an individual or group, whatever it takes to bestow SLO, though it may be different should be all equally valid. Communities and societies need to prioritize these themselves and context will have a significant effect on which will be the most important for SLO. The company also needs to assess which frames to prioritize as they work with the community. Again, the Frames are not a replacement for current stakeholder mapping approaches but rather a supplement to existing approaches. Traditional mapping is still important to understand the legal rights, roles and responsibilities of stakeholders. For example, landowners possess different rights than members of a nature conservation organization in the mine permitting process.

Several issues should be noted up front:

1. The Frames should be used as starting points for discussion since they each contain one or more of the SLO drivers in the model.

2. They should be viewed as the way to both understand the priorities of a community and the means to address those priorities. This work goes hand-in-hand with traditional stakeholder identification, regulatory compliance, consultation and collaboration.

3. The Frames do not reflect ways in which communities group themselves.

4. The Frames have been developed based on the assumption that exploration and/or mining conceptually is accepted.

5. They only identify attitudes and beliefs around SLO based on the Perceptions survey. There are many different frames related to mining activities in general, but the ones here only focus on SLO.

6. The Frames reflect existing beliefs, the here and now, and not what should be. The intent therefore is not to use them for policy-making but simply to better understand the present situation and attitudes toward SLO.

7. The Frames should be used in conjunction with other methods of stakeholder mapping. They are one piece of a company's outreach strategy.

Table 1 below shows the Frames and the suite of issues attached to each one. For example, if someone is interested in Stakeholder Frame 4: Local Self-determination and Partnerships as a driver of SLO, then 'A process that gives equal voice to all interested actors', Those most affected by a mining project should have the most power to affect the outcome', and 'Action in response to community concerns' will likely need to be addressed. The frames act as a prompt for a company that if self-determination, or any one of those four issues come up during community engagement, they should start thinking about all the associated issues.

Table 1: Suite of issues that comprise a frame

Stakeholder Frame 1: The Company Works with the Local Community	Stakeholder Frame 2: Mining is Accepted and Contributes to Society	Stakeholder Frame 3: SLO Grounded in Effective Legislation and Regulation	Stakeholder Frame 4: Local Self-Determination and Partnerships	Stakeholder Frame 5: Self-Governing Industry
Ensuring part of the profits are reinvested in society	Mining companies have social acceptance for their operations.	Legal and procedural fairness (society believes government and regulations are trustworthy and industry observes the laws)	A process that gives equal voice to all interested actors	Keeping things as they are
Sharing the revenue from resources development with the local community	Acceptance for mining exists at the national, regional and local levels	Perceived procedural fairness (the community believes the company follows the laws and treats them respectful)	Those most affected by a mining project should have the most power to affect the outcome.	Trust in the mining industry to regulate themselves
Distributional fairness (benefits from mining are distributed fairly to society)	Mining companies are accountable to both government and the public.	Pre-established, unbiased dispute resolution processes	Action in response to community concerns	Ensure responsible mining.
Contact quality between company and community	Companies follow the existing legislation	Confidence in governance (people trust the government will not politicize projects and regulate the mining industry according to law)		Economic growth
Companies develop and use voluntary Corporate Social Responsibility standards/sustainability protocols in addition to legal tools.	Companies voluntarily go beyond what is required by legislation	Government capacity to regulate the mining industry		
Social benefits (more than money, the community believes the company will help realise their future vision)	Companies develop an on-going relationship with the general public and government			
Open communication between companies and affected actors				

How should they be used?

It is useful for everyone to understand the frames, but in terms of concretely doing something, the frames are most important for the company. For companies, the benefit is more localised, in that by understanding what drives the beliefs and actions of affected actors, the company can more precisely target areas of real concern or those issues which are most widely held. They are not meant to be policy measures for government, although they can be turned into such. Policies that include all of these different vantage points will therefore be more successful as they address the breadth of concerns at the community and societal levels.

How do you determine who is a project affected person?

Although the frames do not identify actors, knowing who your stakeholders are is central to stakeholder mapping, however, there is a difference between developing stakeholder lists and conducting an actual stakeholder analysis. Stakeholder lists are exactly as described, lists of different groups that are geographically proximate to the project or may have an interest in it. Below are some examples of stakeholder groups found across Europe (Table 2) but this is by no means an exhaustive list. These have been derived from the 47 illustrative examples prepared for the SLO Toolbox.

Table 2: Examples of stakeholder groups across Europe

Local Stakeholders	Regional/National Stakeholders	International Stakeholders
Local communities	National level politicians	Large environmental or social NGOs
Land owners	Parliamentary members	Investors
Interest groups	National authorities	Religious organisations
Local politicians	Ministries	Media
Nearby industries such as tourism, agriculture, and downstream manufacturing	Regional environmental authorities	
Second home-owners	Political parties	
Reindeer herders	Unions	
Local sports clubs	Professional associations	
Religious organisations	Other social/political movements	
Nature special interest groups	National Parks	
Parish councils	Environmental Trusts	
Media	National Heritage	
	Media	

The 4 questions that should always be asked

For an exploration or mining company, time horizons are usually vastly different than those of the host communities. So how to build trust in two years when the benefits or detriments will not be visible for 20 years? An initial step should be to ensure **each and every one** of these frames is considered during the exploration or exploitation phase. The intangibility of SLO makes it challenging, but one way to concretise it is by asking the 4 questions below which neither takes a lot of time nor consumes a lot of resources.

Stakeholder Frame 1: The Company Works with the Local Community

This frame exemplifies the 'traditional' perspective of SLO where the company holds the responsibility to become partners with the local community aligning interests around economic, environmental, and social outcomes in order to together define the future of the community. People that share this frame believe companies should share revenue and social benefits at the local level. As part of this, good communication between communities and companies to negotiate this distribution is essential.

Question 1:
How should profits be shared with the local community?*

Question 2:
How do we ensure the benefits and burdens from mining are distributed fairly?

Question 3:
Beyond revenue distribution, what types of social benefits (i.e. job training, building community facilities) will help realise the community(ies) future vision?

Question 4:
What ways of communicating appear to be beneficial?

*Although Q1 brings up the issue of what the law requires versus what a community might want, this tension exists in many areas. If the goal is to achieve and maintain SLO, both need to be paid attention to.

Stakeholder Frame 2: Mining is Accepted and Contributes to Society

The second frame broadens the focus of SLO to the acceptability of the mining industry beyond the local level. Mining companies must adhere to the legislative framework in place and should also go beyond it. Government has a role in this frame to both produce legislation viewed as legitimate and hold companies accountable that deviate from the law. People in this frame believe that legislation and accountability are the foundations of societal SLO but that companies should also be more communicative with the public at large.

Question 1:
How is mining perceived outside the local community?

Question 2:
What should a mining company do to be responsible and accountable?

Question 3:
How can we, as a company, build a relationship with the public?

Question 4:
Is there support for the project by people who do not have an immediate interest in it?

Stakeholder Frame 3: SLO Grounded in Effective Legislation and Regulation

The third frame shifts part of the responsibility for SLO to government. In order for mining operations to achieve acceptance, the processes that govern the development, operation, and closure of the mine must be carried out fairly. This specifically focuses on /requires government to employ and train the proper administrative personnel and consistently apply the available instruments even though it applies to all frames. In short, this group values capable public officials and processes. People also want to have assurances that companies will do what they are supposed to and be held accountable for following the regulations. Although this frame emphasizes the role of government, it is also about the importance of governance, because strong governance allows stakeholders to engage with the company on issues beyond basic compliance, which means richer and potentially more value-adding engagement.

Question 1:
How would you characterise a fair and consistent permitting process?

Question 2:
What is your opinion regarding how well companies follow the laws and are held accountable if a problem occurs?

Question 3:
What are the basic elements of a pre-established, unbiased dispute resolution process?

Question 4:
What does real accountability look like?

Stakeholder Frame 4: Local Self-Determination and Partnerships

The fourth frame emphasizes local empowerment and the desire for communities to have more influence. Greater weight should be given to those most affected, including requiring action from the responsible party. Companies and governments should be open, transparent and straightforward about potential risk, listen to stakeholder input and design the project or activity accordingly. Where appropriate, companies should gain free, prior and informed consent (FPIC).

Question 1:
How do you view your influence over the permitting process for a mine? Is it greater/the same as/equal to those of other stakeholders?

Question 2:
As local community members who are physically closest to a proposed project, do you feel you are able to influence the outcome?

Question 3:
In addition to putting a grievance mechanism in place, how can we as a company be more responsive? (See Tool 4.3: Grievance Mechanism)

Question 4:
As a member of an affected community, what is your future vision for the community and how can we best help to realise it? (See Tool 3.1: Community-Company Vision Statement)

Stakeholder Frame 5: Self-Governing Industry

This Stakeholder frame values the status-quo and believes that mining results in regional development and economic growth and therefore is beneficial for all. Persons within this frame consider existing legislation and regulatory oversight to be sufficient and that industry should be given latitude to govern itself should they decide to exceed what is legally required.
In so doing, companies should anticipate problems and fix them without needing government to step in. They also should not make the community responsible for flagging problems; rather, companies must be vigilant and proactive.

Question 1:
How could the current mining system, meaning how the legal framework and company voluntary practices work together, be improved? Or should it remain as is?

Question 2:
Are there instances outside of the existing regulatory framework when it is alright for government to intervene? If so, can you provide an example?

Question 3:
How does industry behaviour currently ensure responsible mining?

Question 4:
In what ways is mining important for economic growth?

3.5 Conflict avoidance and resolution

While existing legislation in the EU is robust and includes multiple opportunities for public consultation during the various permitting processes, there are still disputes which arise when it comes to exploration and exploitation activities and these also appear to be on the rise. Whether it is via permitting processes or voluntary measures by companies, there is space for improvement. This section does not tackle the existing legal framework but rather provides suggestions for companies as to how they can ideally avoid, or if not then figure out how to resolve, disputes using voluntary approaches.

To prevent the development of a new project (or existing operations) from turning into a conflict, communication between the company and stakeholders is a prerequisite. In order to facilitate discussions around difficult issues, the relationships between a company and affected stakeholders must benefit from some degree of confidence to navigate problems as they arise. Dispute management requires that functional stakeholder engagement processes and a level of mutual trust are in place.

Disputes in the mining sector take many forms including those between a company and community, communities and the state, and also within communities. In each of these cases, the company interested in extracting mineral resources looks for methods to resolve disputes to minimize potential delays in development and operations, but the path to solving problems is complex. That said, the core of solving problems is the ability of the company to understand the importance of company-community relations, and this leaves both the type of engagement and the willingness to live up to the promises, commitments and obligations agreed upon in the hands of companies. However, these corporate practices are outside the bounds of regulation, and unless there is some type of signed agreement between a company and community, these voluntary measures are not enforceable. While existing legislation may not designate a specific role for government in this grey area of SLO, that does not prohibit governments from playing an active role.

As evidenced in the SLO workshops and the *Perceptions survey*, there are certain groups of stakeholders who would advocate an involvement of government institutions in the informal process leading to SLO or even that such processes are made formal with enforceable conclusions. Governments could also play a more significant role in providing support to prospective and ongoing mining projects in several ways:

- ensuring that considerations outside of mining legislation, such as land use or development plans, support mining-related activity;

- facilitating discussions between the company and community (providing the necessary resources, such as meeting space and compensation for time);

- carrying out regulatory activities in a responsive and transparent manner; and

- acting as a mediator in dispute when necessary.

The final piece to managing disputes is the ability to reach resolution, and aside from seeking judicial remedies, resolution rests on the ability of companies and communities to negotiate compromises. This entails arranging regular meetings and establishing an on-going series of negotiations with different community groups to solve both current and potential future problems.

In terms of local communities securing benefits, one proven method is through negotiated agreements directly with mining companies (see Tool 5.2 Community Agreement in the SLO Toolbox). These types of agreements include:

- commitments regarding preferential employment opportunities for local communities;

- procurement from local companies;

- support to education and training schemes;

- provisions regarding monitoring and protection of the environment;

- direct financial support; and

- the establishment of funds for long-term investments and economic diversification.

Dispute management requires a comprehensive stakeholder engagement strategy including an unbiased, robust mechanism for raising concerns and allowing the company to respond quickly and effectively. A combination of strong engagement and communication, the active presence of regulatory authorities and the capacity to find solutions are needed to effectively manage disputes and reach resolution.

3.6 Considering the mining life cycle

The requirements for assessing and managing the social and environmental impacts (for further reading see e.g. Franks, 2011; IAIA, 2015; NSW DPE, 2017; Anglo American, 2020) and related stakeholder engagement vary across the life cycle of a mine. The assessment and stakeholder engagement should begin as early as possible in the exploration phase and continue into post-closure. While there are large variations by stage and it is very important to understand these, the SLO Guidelines focus on the continuous relationship-building throughout the entire lifecycle and do not explicitly address each individual stage. Nevertheless, there are several stages and activities which deserve special mention.

Certain stages of the mining life cycle, as well as certain activities, stand out as they could have significant social and environmental impacts – they either carry higher risks or they offer greater opportunities than others and thus require special attention. The stages are exploration because it may or may not lead to mine development (including a potential discontinuity between these stages, e.g. when project ownership changes) and designing for (post-) closure, and the activities are local procurement and waste/tailings management. Specific guidelines are available for these stages; e.g. (SveMin, 2019), (ICMM, 2019), (PDAC, 2009), (Engineers Without Borders Canada, 2017).

Companies also should have a special focus on managing the impacts of technological innovation (Anglo American, 2020), as technologies such as driverless trucks or continuous mining systems can have a significant impact on community level SLO (e.g. local communities do not understand the technology, reduction in local jobs or procurement vs. safer workplaces with higher education requirements). The perception of technology can also affect societal SLO, as the Edelman Trust Barometer 2020 (Edelman, 2020) showed a significant loss of trust in technology by the public. It should be clarified that technology in the Edelman Trust Barometer refers to technology in the general sense and is not specifically mining-related.

Peoples' perceptions of the mining lifecycle also are important, and while the work in MIREU shows there is little differentiation when it comes to people's beliefs in the importance of different phases of the mining lifecycle in Europe, the following points should be noted:

1. People assume exploration automatically leads to exploitation and this could raise undue expectations – both positive ('we will all be millionaires') and negative ('doom to people and the environment'). Both have to be managed, as overly optimistic expectations can later become the basis for disillusionment and anger, while overly negative expectations of impending harm lead to a polarized conflict from the outset. Even if people do not assume exploration automatically leads to exploitation, the potential raises expectations. As these timescales are so long, it can be a lingering unease which can affect a person's wellbeing.

2. The necessity for early and ongoing communication between communities, companies and government.

3. Regarding current operations, the emphasis should be engaging on current topics and collaboratively as well as proactively working on closure/post-closure plans.

Addressing the current concerns in Europe regarding exploration, mining development, closure and post-closure is crucial both for engaging people now and also for achieving and maintaining SLO for new mining projects.

4. ADDITIONAL RESOURCES FOR STAKEHOLDER RELATIONSHIP AND IMPACT MANAGEMENT

This section includes additional resources that could prove useful for European mining and metallurgical projects. Included are international guidelines and performance standards and tools developed as part of the MIREU project.

4.1 International guidelines and standards

Beyond compliance with applicable European legislation, a number of international guidelines and performance standards should be considered relevant for gaining SLO for extractive projects in Europe. They should be considered individually and as relevant for the given circumstances of a project (e.g. a small quarry vs. a large metal mine; expansion vs. new project; type of commodity).

- **Sustainable Development Goals (SDGs):** To gain SLO a project should make a positive contribution to local communities and to society above and beyond any taxes and royalties they might be required to pay. Whilst this contribution will vary with the particular context of application, identifying these should be a participatory process led by the community. The United Nations SDGs are worthwhile goals to consider in this process. (United Nations, 2020) *https://www.undp.org/content/undp/en/home/sustainable-development-goals.html*

- **Free, prior and informed consent (FPIC):** FPIC is premised on the principles that Indigenous People have the right to self-determination and, central to that, the right to be consulted and have influence over future resource development. The concept began to gain traction with its inclusion in the International Labour Organization (ILO) Convention 169 on Indigenous and Tribal Peoples (ILO, 1989) and, later, the United Nations Declaration on the Rights of Indigenous Peoples (United Nations, 2007). In the minerals sector, the 2013 ICMM position statement (ICMM, 2013) recognized FPIC as a fundamental piece of Indigenous engagement. *https://www.un.org/development/desa/indigenouspeoples/publications/2016/10/free-prior-and-informed-consent-an-indigenous-peoples-right-and-a-good-practice-for-local-communities-fao/*

- **Human rights:** The 'Guiding Principles on Business and Human Rights' (UN, 2011), the 'Voluntary Principles on Security and Human Rights' (Voluntary Principles Initiative, 2000) and the revised IFC Performance Standards (IFC, 2012) address the responsibility of the private sector to respect human rights. The IFC has sponsored an online guide for human rights impact assessments (IBLF and IFC, 2010). *https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf*

- **OECD Guidelines on Multinational Enterprises** (OECD, 2011) **including the OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector** (OECD , 2017) the latter document implementing the Guidelines on Multinational Enterprises and providing practical guidance to mining, oil and gas enterprises specifically on engagement with local communities. *https://www.oecd.org/publications/oecd-due-diligence-guidance-for-meaningful-stakeholder-engagement-in-the-extractive-sector-9789264252462-en.htm*

- **Equator Principles (EP):** The EP are a corporate social responsibility and sustainability framework for the global finance industry (Equator Principles Association, 2020). For operational guidelines, the EP requires compliance with the IFC Environmental and Social Performance Standards. *https://equator-principles.com/*

- **European Bank for Reconstruction and Development (EBRD) Performance Requirements:** EBRD-financed projects are expected to be designed and operated in compliance with good international practices relating to sustainable development. They have defined ten performance requirements covering key areas of environmental and social issues and impacts (EBRD, 2019). *https://www.ebrd.com/who-we-are/our-values/environmental-and-social-policy/performance-requirements.html*

- **ISO 26000 Guidance on Social Responsibility** (ISO, 2010) and other multi-stakeholder initiative standards, mostly developed by civil society and business actors. *https://www.iso.org/iso- 26000-social-responsibility.html*

- **Industry codes:** These can be generic, such as the Initiative for Responsible Mining Assurance (IRMA) (IRMA, 2020) or the Mining Association of Canada's (MAC) 'Towards sustainable mining' guidelines' (MAC, 2004), which have been adopted in Finland and Spain, or dealing with specific issues or specific stages of the mining life cycle (see next section). *https://responsiblemining.net/* and *https://mining.ca/towards-sustainable-mining/*

4.2 SLO tools and synergies with Guidelines

In addition to the standards and guidelines mentioned, the MIREU project developed additional SLO tools that focus on how to build relationships primarily between communities and companies but also between communities and government. Together the tools comprise the SLO Toolbox and are housed in the SLO Toolbox. As the tools target the crux of SLO – developing relationships based on trust – they primarily correspond to Section 3 in the Guidelines. Table 3 below presents the tool and corresponding Guideline section.

Table 3. Tools and corresponding Guideline section

	Guidelines sections	Section 2 SLO in Europe		Section 3 Impact management and stakeholder expectations				
	Sub-section	Section 2.2	Section 2.3	Section 3.1	Section 3.2	Section 3.3	Section 3.5	Section 3.6
SLO Toolbox		SLO debates across Europe	Commonalities emerging from MIREU	Understanding & engaging stakeholders	Stakeholders relationship	Should we think about stakeholders in a different way?	Conflict avoidance & resolution	Considering the mining life-cycle
Activity 1 Familiarise	**Tool 1.1:** PEST analysis template			Tool 1.1				
	Tool 1.2: Regionally appropriate approaches	Tool 1.2		Tool 1.2				
	Tool 1.3: Stakeholder frames			Tool 1.3		Tool 1.3		
Activity 2 Introduce	**Tool 2.1:** Connecting Checklist for first meetings between community-company			Tool 2.1	Tool 2.1			
	Tool 2.2: Connecting Checklist for first meetings between community-government			Tool 2.2	Tool 2.2			
	Tool 2.3: SLO Video		Tool 2.3					
Activity 3 Reach out	**Tool 3.1:** Community-Company Vision Statement			Tool 3.1	Tool 3.1	Tool 3.1		
	Tool 3.2: SLO Card Game			Tool 3.2		Tool 3.2		
	Tool 3.3: Financial Incentives			Tool 3.3	Tool 3.3		Tool 3.3	
Activity 4 Establish	**Tool 4.1:** Community Engagement Plan			Tool 4.1	Tool 4.1		Tool 4.1	
	Tool 4.2: SWOT analyses - template and examples	Tool 4.2	Tool 4.2		Tool 4.2			
	Tool 4.3: Grievance Mechanism			Tool 4.3	Tool 4.3		Tool 4.3	
	Tool 4.4: SLO Indicators				Tool 4.4		Tool 4.4	Tool 4.4
Activity 5 Strengthen	**Tool 5.1:** Community Environmental Monitoring Plan				Tool 5.1		Tool 5.1	Tool 5.1
	Tool 5.2: Community Agreement				Tool 5.2		Tool 5.2	Tool 5.2

The SLO Toolbox consists of five relationship building activities organised as follows:

- **Familiarise**

- **Introduce**

- **Reach out**

- **Establish**

- **Strengthen**

The choice of tool depends on your relationship with a particular individual or group. There is no chronology and they apply across every stage of mining. Most of the tools were developed as part of the MIREU project, but there are several tools adapted from Canada and International good practices - Tool 3.3: Financial Incentives, Tool 4.1: Community Engagement Plan, Tool 4.4: Grievance Mechanism, Tool 5.1: Community Environmental Monitoring plan and Tool 5.2: Community Agreement.

LINK to all tools

5.
SUMMARY OF KEY POINTS

1. SLO in Europe consists of two dimensions - community and societal:

Shared values and a common worldview underlie both dimensions while policy and legislation at multiple levels of governance set the legal framework. Community and Societal SLO are not necessary always aligned, in which case challenges will likely arise and the project as a whole is considered to have the lower level of SLO.

2. Good governance can play a strong role in SLO:

For the mining 'system' to function well, permitting and regulatory authorities should not be passive in the process, but rather be a consistent and active participant in their traditional permitting and licensing roles, as well as in the relationship building process. This includes relationships and partnerships with communities, civil society, companies and other governmental authorities at the local, regional, national and EU levels. But there is also support in Europe for authorities to assume a fair, impartial mediation role if there are intractable disputes between community and company.

3. Achieving and maintaining SLO is a two-way street:

While European society needs to understand and consider the importance of raw materials for both short- and long-term goals, the mining industry also needs to acknowledge that societal expectations are continuously evolving and that raw materials and their production are not accepted at any cost.

4. SLO is a process and an outcome:

It is a dynamic and continuous process because it is based on perceptions which change over time, but it is also an outcome, as it is synonymous with community and societal acceptance.

5. Long-term engagement with stakeholders is the way to build trust:

Meaningful and timely avenues for two-way dialogue are essential. Stakeholder histories must be understood, as should relationships, networks, and the values that shape attitudes and behaviours. Companies and governments should be open and straightforward about potential risks, listen to stakeholder input and design the project or activity accordingly. Companies should be responsive and adaptive, respect customs, political and authority structures, and where appropriate, gain FPIC (adopted from (Franks, 2011)).

6. Risk is reduced by aiming for higher levels of SLO:

As shown in the model, the levels of SLO begin at Acceptance then move up to Support and the highest level of SLO is Collaboration. If a company wants to reduce its risk, it will aim for the higher levels of SLO. It should be noted that to reach the Support or Collaboration levels means that companies will have to go beyond legal compliance.

7. Implementation of applicable international guidelines and MIREU tools:

These SLO Guidelines list a number of international standards that could also be considered for projects in Europe. In addition, the MIREU project developed SLO tools that should be useful for a project to achieve and maintain SLO.

LIST OF ABBREVIATIONS

EBRD	European Bank for Reconstruction and Development
EC	European Commission
EIA	Environmental Impact Assessment
EP	Equator Principles
EU	European Union
FPIC	Free, Prior and Informed Consent
ICMM	International Council on Mining & Metals
IFC	International Finance Corporation
ILO	International Labour Organisation
IRMA	Initiative for Responsible Mining Assurance
MAC	Mining Association of Canada
MS	Member States (of the European Union)
NGO	Non-governmental Organisation
OECD	Organisation for Economic Cooperation and Development
SDGs	Sustainable Development Goals
SEA	Strategic Environmental Assessment
SIA	Social Impact Assessment
SLO	Social Licence to Operate
UN	United Nations

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