29 September 2023

Mr Andrew Dyer
Australian Energy Infrastructure Commissioner
Department of Climate Change, Energy, the Environment and Water
GPO Box 3090
Canberra, ACT 2601

SUBMITTED VIA PORTAL: Community Engagement Review - DCCEEW

Dear Commissioner

Submission: Community Engagement Review

IAP2 Australasia welcomes the opportunity to provide a submission to the Community Engagement Review and commend you on leading this important initiative.

As the peak body for the community and stakeholder engagement sector, with over 14,000 members, IAP2 Australasia believes that engagement, when done well, improves environmental, social and governance outcomes and increases trust in the democratic process.

The importance of effective and authentic engagement is well recognised in the 'Community Engagement Review – Discussion Paper' stating "*Lengthy delays, less efficient outcomes and failure to complete projects are all possible outcomes associated with poor community consultation and engagement.*"

The evidence for engagement is compelling. Community opposition has contributed to the delay, cancellation or mothballing of more than $30B+ of infrastructure projects in the last decade (source: State of Infrastructure and Engagement: Highlights Report 2020-2021, ANU I2S). The 2019 Australian Infrastructure Audit found that better functioning cities and towns could deliver a $29B increase in GDP in the long term and further the license the operate has been consistently highly rated as a key risk for business.

IAP2 Australasia advocates for **engagement to be embedded into policy and regulatory frameworks** and is pleased to provide an additional six recommendations.

1.   Be clear what engagement is and see engagement as an opportunity

There is the opportunity and need for a clear definition of what engagement is. IAP2 defines engagement as *"an intentional process with a specific purpose of working across organisations, stakeholders and communities to shape the decisions or actions of members of the community, stakeholders or organisation in relation to a problem, opportunity or outcome".*

There is a lack of understanding, among both decision-makers and the broader community, on what engagement is. Engagement is broad spectrum and ranges from informing through to empowering the community. All engagement methods are valid, and the appropriateness will depend on the nature, scale and complexity of the project.

Considering engagement as a project risk can sometimes create the risk. Engaging earlier in a project stage will mitigate risks and allow earlier identification of likely issues (including broader project risks), providing valuable time for better informed strategic decision making.

2. Set and maintain standards for engagement

IAP2 advocates for community and stakeholder engagement to be undertaken in alignment with the IAP2 Quality Assurance Standard for Community and Stakeholder Engagement (**attached**).

Involving engagement professionals at the strategic level, including embedding them as technical experts on advisory groups, will ensure that engagement standards are maintained (and strengthened) as Australia progresses toward achieving the emissions reduction target and the renewable energy targets by 2030.

Enhancing the status of the engagement profession, including at the project level, will build trust in the process and ensure that the community does not view engagement as something that is an afterthought or delegated away from other key decision makers.

3. Link the requirement for engagement to funding

In order to ensure that community engagement on renewable energy infrastructure projects occurs, the Commonwealth could attach a requirement to undertake community engagement as a condition of the funding. This could be done through a range of mechanisms.

The Commonwealth already includes similar such requirements for other types of infrastructure projects, such as the legislative provisions regarding the Australian Government Work Health and Safety Accreditation Scheme administered by the Federal Safety Commissioner.

The IAP2 Quality Assurance Standard for Community and Stakeholder Engagement sets an independent benchmark against which project proponents can report their community engagement, and IAP2 recommends that the requirement to publicly report an engagement plan (and its outcomes) be a critical component of this overall engagement requirement.

4. Develop a Community Engagement Atlas

There is the opportunity for government to develop a Community Engagement Atlas. This online tool could provide key information and statistics including educational information, what is happening (and where), and what is important. It would provide transparency for community and stakeholders, the proponent(s) and government, reduce community engagement fatigue, identify, mitigate and reduce risks and increase trust in projects.

5. Include community engagement as a key strategic consideration in projects

As identified by the very need for this Review, community engagement can be a significant project risk for renewable energy projects, but there are also substantial opportunities in engagement that may go unrealised. Managing community opposition and making substantial changes to renewable energy projects, particularly at late stages of project planning, can add costs and delay projects. The cumulative effect of this can jeopardise the Australian Government reaching its renewable energy target of 82% by 2030.

Engagement expertise is critical to the strategic considerations for project planning. Strategic engagement expertise will identify appropriate opportunities within a broader project plan to enable engagement to enhance a project, not simply pose a risk to be managed. For example, local knowledge can assist project planners to better understand local context that can feed into project design.

6. Further recommendations and calls to action

IAP2 Australasia advocates for all communities to be authentically engaged in decisions that affect them, in alignment with the IAP2 Quality Assurance Standard for Community and Stakeholder Engagement. We have three calls to action, with nine supporting recommendations (also see **attached**), being:

Call 1: Ensure authentic engagement

1. Earlier and ongoing engagement

2. Integrate stakeholder values

3. Adopt a user-centred approach

Call 2: Demonstrate a commitment to social accountability
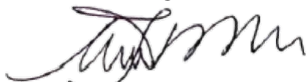
4. Build and maintain social license

5. Strengthen collaboration

6. Improve transparency

Call 3: Improve environmental, social and governance outcomes

7. Strengthen governance and accountability

8. Improve contracting

9. Define authentic engagement in policy and/or legislation

We would welcome the opportunity to meet with you and/or relevant officials to discuss IAP2 Australasia's submission. We would also welcome the opportunity to facilitate a broader discussion with our membership, noting that our members have considerable expertise and can share lessons learned from their previous engagements. To organise a meeting, please contact me at marion@iap2.org.au.

Kind regards

Marion Short
Chief Executive Officer | IAP2 Australasia
0420 427 497

About IAP2 Australasia

The International Association for Public Participation (IAP2) is the leading public participation organisation globally which seeks to promote and improve the practice of community and stakeholder engagement.

As an international leader in public participation, IAP2 has developed tools that are widely used and acknowledged. These include:

- **IAP2 Core Values for Public Participation** - for use in the development and implementation of public participation processes.

- **IAP2 Spectrum** - which assists with the selection of the level of participation that defines the public's role in any community engagement program. The Spectrum is widely used and is quoted in most community engagement manuals.

- **Quality Assurance Standard for Community and Stakeholder Engagement -** which is recognised as the international standard for public participation practice.

IAP2 Australasia has over 14,000 members throughout Australia and New Zealand – and is committed to championing engagement that improves environmental, social and governance outcomes. Our vision is for "Authentic engagement, everyday".

Policy Position:

As the peak body for the community and stakeholder engagement sector, IAP2 Australasia believes that engagement, when done well, improves social, environmental, and economic outcomes and increases trust in the democratic process.

We advocate for all communities to be authentically engaged in decisions that affect them, in alignment with the IAP2 Quality Assurance Standard for Community and Stakeholder Engagement.

The Evidence for Authentic Engagement

There is significant evidence to support the need for increased authentic engagement to reduce risk and speed up the delivery of projects to support Australia's economic recovery. These include:

- Community opposition has contributed to the delay, cancellation or mothballing of more than $20B of infrastructure projects in the last decade.
  Source: The Australian Infrastructure Audit 2019

- Better functioning cities and towns could deliver a $29B increase in GDP in the long term.
  Source: The Australian Infrastructure Audit 2019

- 80% of Australians indicate it is important that government considers the views of the community when planning or investing in major infrastructure.
  Source: The Australian Infrastructure Audit 2019

- 82% of businesses said, "communicating and engaging with stakeholders openly was seen as the most critical factor for building trust".
  Source: Creating value and balancing stakeholder needs (KPMG and AICD survey – 2019)

- Securing a social license to operate reduces the No. 1 ranked stakeholder risk.
  Source: Top 10 Business Risks and Opportunities – 2020 (EY)