GREEN HYDROGEN
COMMUNITY
DEVELOPMENT
TOOLKIT

GREEN HYDROGEN
SOUTH AFRICA

REPUBLIC OF SOUTH AFRICA

iNFRASTRUCTURE
South Africa

german cooperation
DEUTSCHE ZUSAMMENARBEIT

Implemented by:
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Green Hydrogen
Community
Development Toolkit

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Acknowledgements

Contents

List of tables

List of Figures

Introduction

This toolkit is about community development for project developers in the green hydrogen sector. Its focus is to provide practical step-by-step advice for community development personnel or managers responsible for community development work in green hydrogen companies. Through fifteen tools, the toolkit provides detailed guidance on the various aspects and phases of community development work – all adapted for the specific situations the green hydrogen sector is likely to face in South Africa and beyond.

Why this toolkit is needed at this moment

The green hydrogen sector is in its beginning stages both globally and in South Africa, but there are reasonable prospects for its growth and development. The South African government and certain key businesses have, through many public pronouncements and policy documents, made it clear that the development of a green hydrogen sector is a priority. [1] The government's 'Hydrogen Society Roadmap for South Africa 2021' lists several targets, including building an export market for green hydrogen and ammonia, developing domestic green hydrogen supply chains, producing 500 kilotons per year of green hydrogen by 2030, and producing 15 GW of power based on hydrogen by 2040.[2] Crucially, the 'Hydrogen Valley Feasibility Study Report October 2021' estimates a contribution of between 3.9 and 8.8 billion US dollars to gross domestic product by 2050, while creating 14 000 to 30 000+ jobs per year. [3] In December 2022, the 'Green hydrogen commercialisation strategy for South Africa' was released for public comment. [4]

The prospect of sizable growth in both the export and domestic markets for green hydrogen, and of a supportive regulatory and policy environment created by the government, has attracted a significant number of companies and entrepreneurs to the green hydrogen sector. At the same time, widespread publicity has created expectations that the sector will contribute to jobs, local procurement, and local science education and other developmental objectives, over and above the decarbonisation and climate benefits green hydrogen offers. Most projects are currently at the pre-feasibility, feasibility or proof of concept phase. Project developers are finding that there is an expectation to include community development in their plans right from the start.

The social and business case for doing so is strong. South Africa needs jobs and development and everyone will benefit from the contributions the green hydrogen sector can make. To make this happen, green hydrogen projects need to establish and maintain a 'social licence to operate'. The Green Hydrogen Organisation has prepared guidance for good contracting in which they emphasise that:

"There are numerous examples of community opposition to projects that failed to adequately and meaningfully engage with the community on key project development issues that impacted the community. In other sectors, conflict with local communities has led to significant financial and operational risks for projects, including but not limited to community roadblocks, litigation, delays and cancellation. Engaging meaningfully with communities early and often has, on the other hand, tended to result in communities that are more supportive of projects, which further mitigates financial and operational risk. A social licence to operate is a necessary condition to successfully operate any green hydrogen production plant" (2023: 5-6). [5]

This toolkit is published now so that green hydrogen project developers have access to a specifically adapted guide to community development as early as possible in the life of the emerging sector, and can meet the expectations around community development in a manner beneficial to both communities and the sector's growth.

The aims of this toolkit

The toolkit aims to serve the following purposes:

- Provide accessible, inclusive and practicable guides to green hydrogen project developers on what to do, why, when and how to work on community development

- Draw on best practices in community development by various business sectors but especially mining and energy

- Adapt these best practices to the needs of the green hydrogen sector

- Guide community development workers in the green hydrogen sector in South Africa, but also be of use in other places

How this toolkit was made

'Promoting the development of a green hydrogen economy in South Africa (H2.SA)'

H2.SA is a project of the German Development Cooperation with South Africa. It is commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ) and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH in close cooperation with The Presidency of South Africa. H2.SA's main objective is to promote a South African green and sustainable hydrogen economy. Working closely with its partners from Government, private sector, and civil society, H2.SA provides expertise, resources, and builds capacity for a secure and sustainable energy future that holds opportunities for all South Africans.

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is a German development agency which provides services in the field of international development cooperation and international education. Its work in South Africa is carried out primarily on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). Some of the core areas of cooperation are Climate, Energy and Just Transition. GIZ supports South Africa in developing an environmentally sustainable and secure energy infrastructure and enhancing energy efficiency.

Green hydrogen companies typically have expertise in renewable energy, hydrogen and infrastructure projects. Some project developers are less well-versed in including affected communities in the project planning and in setting up a robust community development system from the start. GIZ commissioned this toolkit to help fill this gap with a practical, user-friendly and customisable green hydrogen community development toolkit (CDTK).

Beneficial Technologies (Bentec)

In September 2022, Beneficial Technologies (Bentec) was appointed as the service provider to develop the toolkit. Bentec is a Johannesburg based knowledge company specialising in producing customised research, training and educational material.

The ICMM Community Development Toolkit

Although green hydrogen is a relatively new sector, community development is a well-established practice. The work of developing this toolkit could therefore draw on years of practice recorded and analysed in many different sources. In this regard, the International Council on Mining and Metals (ICMM) Community Development Toolkit came to occupy a central place. [4]

With permission from the ICMM, this toolkit is an update, development and adaptation of the ICMM Community Development toolkit. [6] Some of the changes made include adapting the tools for the specific needs of the green hydrogen tools, streamlining the toolkit by including fewer tools through combining some tools, and adding some tools deemed to be relevant to the purposes of this toolkit. Research played a key role in making these changes possible.

The research process

Bentec conducted primary and secondary research between November 2022 and March 2023. The primary research consisted of semi-structured interviews with 12 practitioners in the renewable energy, mining and green hydrogen sectors. All but one interview were conducted online and lasted between 45 minutes and 1 hour. Saldanha Bay Freeport was visited in February 2023 and provided an opportunity to observe and get a feel for a potential green hydrogen site and its wider geographical and socio-economic landscape. The visit to Saldanha Bay and interviews with practitioners generated valuable insights into a newly emerging sector.

The secondary research consisted of a desktop review of government reports, research studies, policy briefs, and other documentation available about green hydrogen projects and (best practices in) community development or a combination of the two. In addition to this, Several Green Hydrogen Legislation and Contracting

Webinars hosted by the Green Hydrogen Organisation were attended and provided relevant information and references for the research.

This version of the community development toolkit will be piloted with several green hydrogen projects in South Africa. The lessons learnt will be used to revise and republish the toolkit. Companies who use the toolkit on their own are encouraged to reach out and share their experiences with the H2.SA office.

Content and structure of the toolkit

The lifecycle of an effective community development project generally goes through five phases: (1) preparation, (2) assessment and planning, (3) relationship building, (4) programme implementation, and (5) monitoring, evaluation and learning.

Table 1: The structure of this toolkit

Chapter	Purpose / Content
Introduction	• The rationale for the toolkit • How the toolkit was made • Toolkit structure • How to use the toolkit • Acknowledgement of contributors and sources
Preparation / Getting companies ready	• What companies need to consider and get in place when embarking on community development interventions
Relationships	• The likely stakeholders in green hydrogen related community development • How to develop effective relationships with a variety of stakeholders
Planning	• The different aspects and types of planning that need to be considered • How to develop effective community development plans based on comprehensive assessments and analysis
Programme implementation	• Moving from assessment and planning to implementation • How to manage conflict resolution and optimise local economic development
Monitoring, evaluation and learning	• The importance of monitoring, evaluation and learning • How to develop indicators and logical frameworks fit for purpose

These five phases do not run strictly consecutively but are often intertwined or run alongside each other. They nevertheless provide a useful way for understanding how projects tend to develop over time and what the different tasks are that they raise for community development practitioners at different times.

The fifteen tools in the toolkit are organised in a way that corresponds to these five phases. The tools for each phase are clustered in a chapter that has its own icon and colour code in the toolkit. Table 1 gives an overview of the phases, their icons and explains what each phase entails.

For each phase there are several tools designed to address the tasks raised by that particular phase. Table 2 indicates the list of the tools that will make up the toolkit and shows where each tool fits into the toolkit's structure.

Table 2: List of tools for each phase

Chapter	Name of community development tool
Preparation / Getting companies ready	**1.** Competencies Assessment **2.** Management Systems
Relationships	**3.** Stakeholder Identification **4.** Stakeholder Analysis **5.** Consultation Matrix **6.** Partnership Assessment
Planning	**7.** Community Mapping **8.** Institutional Analysis **9.** Development Opportunity Ranking **10.** Social Impact and Opportunity Assessment
Programme implementation	**11.** Community Action Plan **12.** Conflict Resolution and Grievance Mechanism **13.** Local Economic Investment
Monitoring, evaluation and learning	**14.** Indicator Development **15.** Logframe

When choosing which tool to use it is important to look at what phase of the project a company is addressing and what its specific goals are. Here it may be important to consider where the green hydrogen project is in its development phase. Figure 1 presents the phases of the development of a green-hydrogen project.

Figure 1: Green hydrogen project phases

PHASE	Concept		FEED - Front End Engineering Design	Detailed Engineering	Operations	
TIME	**3 – 5 YEARS**				**5 – 20/40 YEARS**	
SUB-PHASE	Pre-feasibility	Feasibility	Financing Licencing	Procurement Construction Commissioning	Permanent Employment	Maintenance
ACTIVITIES	Study all options	Study one option Concept development Preliminary engineering	Environmental Impact Assessment	After investment decision: 1 year training opportunity	Green hydrogen plant	

Users will choose the tool or tools that most closely address the phase and goals they are pursuing. It may be necessary to adapt and combine tools and even use tools from different phases at the same time. More about this later under the section on 'how to use this toolkit'. Here the important point is that when making the decisions on which tools to use and how to use them, it will be useful to have an understanding of how the structure of the toolkit works.

How to use this toolkit

Begin at the beginning, as the saying goes. Reading this introduction will give you useful insights in how the authors understand the toolkit's background, purpose, creation, content, structure and use. Then move on to the preparation phase. This is obvious in cases of new companies, projects or community development interventions, but it may also be relevant for established community development programmes. You can review how the issues raised in the 'Preparation/Getting companies ready' chapter have been addressed and fill gaps or fix problems.

Your next step would be some initial consultations that would take you into the relationship chapter. It might be tempting to skip this and go to assessment and planning, but this would jeopardise the participation that effective community development work requires. Two points came out of the research for this toolkit that may be important to consider here.

The first is the importance of South Africa's municipal ward system to community engagement and community development work in general. All the active community development practitioners that were interviewed were emphatic that municipalities and specifically ward councillors were key to community engagement and development. Mayors and ward councillors were the points of first contact who provided links and introductions to the key community leaders and local stakeholders. Municipal wards also formed the commonly accepted basic unit for

the planning and coordination of development work. In other countries this may not apply, but there is also likely to be an institution that plays a similar role and offers a similar entry point for community engagement and development.

The second point to consider is that your projects will most likely arrive in a context where there are already community development programmes and engagement processes in place. Your role might be to contribute and collaborate instead of initiating projects. There are few if any places where there are no community development processes happening.

The toolkit is not meant to be used from tool 1 to tool 15, one after the other. This is likely to over-tax communities and will also feel repetitive as there are some overlaps between tools. Picking the right tool depends on your objectives at a specific time. Remember the tools do not necessarily follow consecutively. You may be using a tool from the 'Monitoring, evaluation and learning' chapter quite early in the life of your project, before you have used all the tools from preceding chapters.

One good way to pick the right tool is to sit with your community development team and write down your immediate activities and objectives at that time. Look closely at what you have written down. Certain keywords, especially verbs, may tell you in which chapter you will find the appropriate tool. If your activities and objectives include words such as 'prepare', internal' or 'integrate management', you should look in the 'Preparation' chapter. Words such as 'reach out', 'meet', 'inform' and 'engage', typically bring you to the 'Relationships' chapter. Words such as 'investigate', 'research', 'find out', 'ascertain' and 'compare' mean you should look at the assessment tools in the 'Planning chapter. Words such as 'decide', 'assign', 'prioritise' and 'plan' means you should look in the 'Planning' chapter. The words that point to the 'Implementation' chapter include 'carry out', 'ensure', 'enable', 'do' and 'implement'. Words that point to the 'Monitoring, evaluation and learning' chapter include 'keep track', 'review', 'evaluate,' 'reflect' and 'redesign'. Table 3 below shows an overview of the verbs that are typically associated with a certain chapter in the toolkit.

Table 3: How to pick a tool

Preparation	'prepare', 'internal', 'identify company...', 'get ready', 'integrate management'
Relationships	'reach out', 'meet', 'inform', 'engage'
Planning	'investigate', 'research', 'find out', 'ascertain', 'compare' 'decide', 'assign', 'prioritise', 'plan'
Programme implementation	'carry out', 'ensure', 'enable', 'do', 'implement'
Monitoring, evaluation and learning	'keep track', 'review', 'evaluate,' 'reflect', 'redesign'

Now look at the tools in the chapter or chapters where you decided you will likely find the appropriate tool. Each tool is divided into sections, under the subheadings in table 4 on the next page.

Table 4: Structure per tool

Subheading	Content
Description	A brief summary of the tool.
Why this tool/Purpose	The purpose and goals of the tool.
When to use this tool	The appropriate time in your work to use the tool.
Background information	Any information that you may need or find useful.
How to use this tool	Step by step instructions on the use of the tool.
Key references	Important sources of information used to construct the tool.

Look closely at the sections entitled 'Description', 'Why this tool/Purpose' and 'When to use this tool'. Compare it to the objectives that you had written down. The bigger the similarity the more appropriate the tool is for your current purpose. There might not be a complete overlap between the purpose of the tool and the objectives that you wrote down, but a substantial overlap is likely enough. Chances are that no single tool will fit your objectives perfectly. You will have to adapt, combine and supplement tools. But using the most appropriate tool for the moment will maintain the momentum of the continuous process that community development is, and give it the best chance to succeed.

Key references

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Chapter 1

Preparation / Getting Companies ready

Tool 1:
Competencies Assessment

Description

This tool helps to prepare your project, company or organisation and its partners for community development work. It provides practical guidelines and methods for identifying necessary competencies, and for assessing their availability to and within the organisation. This puts you in a position to identify gaps that need to be filled through appointments, training and partnerships. The tool can be used throughout the lifespan of the community development work of your company to ensure the right people with the right competencies are available and involved when needed.

Why this tool/Purpose

To identify additional resources, either permanent or temporary, that you may need over time. This tool can be used for selecting consultants for short-term or intermittent inputs to your programs as well as for choosing permanent staff. This tool helps you to identify and develop knowledge, skills and attitudes you need to ensure you have the right team and resources to achieve your community development goals, whatever the size of your organisation. It can also help you assess the skills available in an existing team or that the local community possesses, so that you can recognise training and development needs for staff and community members as well as gaps to be filled by additional personnel.

The competencies needed to support community development should be communicated beyond the executives and members of your company. Community development is by nature a collaborative process and at any time could involve community groups, NGOs, labour unions and government institutions. Each of these groups will have their own ideas of what competencies are needed and will also have the capacity to contribute to the competencies pool.

When to use this tool

Competencies assessment is needed when you form your community development team as part of your green hydrogen project. If a team is already in place when a new community development project starts, then the assessment should be done at the start of the project.

Green H2 projects are potentially sustainable in the long term, unlike mines whose lifespans are generally between 5 and 70 years. This means that community development projects connected to the green H2 sector are likely to run over longer periods and new ones will likely be initiated at different points in the existence of the green H2 project. Competency assessments are therefore needed at regular intervals for long running projects and at the beginning of new projects, even if implemented by an existing team.

The green H2 sector is currently in the incipient phase. There is an expectation that the sector will grow rapidly in the next few decades. This implies that green H2 related community development initiatives will likely be smaller or start off small in the current phase, and then grow relatively quickly as the sector grows. Community development teams and the competencies they need will mirror this dynamic. Any significant change in the scope or direction of community development initiatives will require new rounds of competencies assessments.

In summary, use this tool as early as possible in your project and use it to re-assess the competencies needed as the project and the team evolve.

Background information: Three types of competencies – knowledge, skills and attitudes

Competencies for community development can be divided into knowledge, skills and attitudes. Each of these are important to a community development practitioner or team, although we should keep in mind that attitude is the foundation on which the required knowledge and skills can be built.

Table 5 below gives a brief description of each of these types of competencies with brief elaborations of key points added.

Table 5: Knowledge, skills and attitudes for community development needed in your team

	Knowledge	Skills	Attitudes
Description	Community development demands a broad base of knowledge in many areas. These include local social conditions, dynamics of change, institutional development, relevant legal and policy frameworks, economic development, programme design and management. Specific knowledge of the green hydrogen sector and its relation to community development is also needed. The knowledge required includes the basic information, as well as how to acquire it and ways in which it can be applied.	Skills help you move from knowledge to action. A skill can be seen as a knowledge informed action. They are learned, practical and repeatable activities through which you achieve positive outcomes. Skills are developed over time and it is expected that not all the needed skills will be fully developed at the beginning of the community development process. This could be seen as an opportunity as developing skills together is a proven way of team building.	Attitude shapes your decisions and actions and how they are received. It can be seen as the spirit or perspective from which you approach community development. It is critical in building trust and empowering local communities. Attitudes are carried by individuals, groups and organisations and in some cases the attitudes of individuals are taken for that of groups or organisations. It is therefore important that your company and the individuals perceived to represent it are consistent in their attitudes.

	Knowledge	Skills	Attitudes
Key points	Understanding of: – Community needs, priorities and values – Social and economic development – Natural resource management – Partnership brokering and maintenance – Group processes and dynamics – Project management – Financial management – Team building and team management – Problem-solving and decision-making – Training and skills development – Organisational management and design – The green hydrogen sector – Benefit sharing schemes[1]	Demonstrated capacity in: – Planning and programme design – Research, assessment, analysis and evaluation – Team building and staff management – Financial management – Communications, consultation and facilitation – Problem solving and conflict resolution – Organisational design and development – Communication of basic information about the green hydrogen sector	Respect for: – Local people and communities – Development as a social process, not simply dependent on technical skills and expertise – The value of process and sustainability – not just quick results – Local empowerment and development – Local knowledge and perspectives – Facilitation – not leadership – New ideas, opportunities and approaches – Patience, perseverance, flexibility and resilience – Constructive criticism and self-evaluation – The green H2 company you work for and the sector as a whole

How to use this tool

Step 1

The tool can be used by an individual or team. Start by listing the community development activities you are involved in or are likely to become involved in. Examples are research, analysis, community engagement, business development and technical training. You can make two (or more) lists. List 1: the activities we will be involved in over the lifetime of community development work in this project. List 2: the activities we will be involved in for a specific period such as 6 months. (You can make more lists for different time periods.) This will help you see the different needs to be addressed in the long-term and the short-term.

Step 2

Consider the role your team should play in the activities listed in step 1. For example, should your team do research and run technical training? Or should you work with research consultants and technical trainers to access and customise their services? List the full range of competencies your team will need. Here it is important to keep the timeframe in mind (long- and short-term) and the breakdown of competencies as explained in the background information section above.

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1 Benefit sharing schemes will be more fully addressed in a forthcoming GIZ publication.

Step 3

Write the list of required competencies in the second column of the competencies assessment worksheet (table 6). Note whether they are knowledge [k], skills [s] or attitudes [a], while also noting that one competency area can have all three dimensions. Note the timeframe when each competency is needed in the third column. You may have already decided to focus on a six month timeframe, but it is still useful to note the timeframe for each competency identified.

Step 4

Estimate the level of expertise desired in those required competencies and record it in the left-hand column. Keep in mind that the desired level may depend on where you are in your community development project. Sometimes it is acceptable to start off with lower levels of competencies and build up over time. Avoid the temptation to overestimate the levels required.

Step 5

Assess the levels of competencies possessed by you and/or your colleagues in the right-hand existing-competency level column.

Step 6

Compare the results of the left- and right-hand columns and make notes of discrepancies.

Step 7

Collate the gaps identified in the audit and make an assessment of the actions you need to take to fill those gaps. Do you need to appoint an additional team member? Hire a consultant? Arrange training? Make a partnership with a group or individual who can fill the gap? Or can you live with the gap and fill it at a later time?

Step 8

Prepare a list for the relevant bodies and people in your organisation that identifies:

- Any new team members that need to be recruited

- The range of consultants you need to hire for temporary inputs

- Training that needs to be arranged for your team and partners

- Organisations and individuals you need to form partnerships with.

The list should include timeframes and could include cost estimates as well.

Table 6: Competencies assessment worksheet

The table below is a completed competencies assessment worksheet. If uncompleted, the table will only have the cells highlighted in **this colour**. For more information on the example used to complete the worksheet, read the text below the table.

Required competency level				Competencies (knowledge [k], skills [s], attitudes [a])	Timeframe (When is this competency needed)	Existing competency level			
No expertise ➜ High expertise				Competency area	1. Presently limited duration 2. Presently permanently 3. Short term (3-6 months) 4. In future (more than 6 months)	No expertise ➜ High expertise			
0	1	2	3			0	1	2	3
		✓		Understanding of group processes and dynamics [k]	1		✓		
			✓	Demonstrated capacity in communications, consultation and facilitation [s]	2				✓
			✓	Respect for development as a social process, not simply dependent on technical skills and expertise [a]	2				✓
		✓		Project management [k] [s]	1			✓	
		✓		Financial management [k] [s]	1			✓	
	✓			Problem solving and conflict resolution [s]	1		✓		
			✓	Research, assessment, analysis and evaluation [s]	1				✓
		✓		Organisational design and development [k] [s]	2			✓	
			✓	Communication of basic information about the green hydrogen sector [s]	2			✓	
			✓	Understanding of company objectives and parameters relating to community development [k]	2		✓		
			✓	Small business development [k]	2		✓		
			✓	Training and skills transfer [s]	2		✓		

The example used in this table is a start-up green H2 plant at the beginning of the feasibility study and the community development work. There is therefore a focus on the competencies needed at the start of community development work. The results indicate the following:

- The needed competencies are already within the team except for two cases – understanding of group processes and dynamics and understanding of company objectives and parameters relating to community development

- The community development team actually has high expertise in the general understanding of group processes and dynamics, but was rated 1 because they did not have a high understanding of the specific group dynamics related to this project. This is expected at the beginning and will be remedied as they work with partners. No appointments or training is necessary at this point.

- Likewise, the team scored a 1 on understanding company objectives and parameters because they did not yet have the time to familiarise themselves with these. Again, this is expected at this point and will be remedied through planful engagement with the company. No appointments or training is needed at this point.

- In the case of small business development expertise and training and skills transfer competencies, the worksheet indicates a gap between the team's existing (score 1) and required (score 3) competency levels. These gaps need to be filled by a new team member, long-term consultancy or partnership.

Key references

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Zandvliet, L. and Anderson, M. B., Getting it Right: Making Corporate – Community Relations Work, Greenleaf Publishing, Sheffield, 2009, Chapter 13.

Tool 2: Management Systems

Description

This is one of the tools that helps to get your project, company or organisation and its partners ready for community development work. It provides guidelines and methods for developing, implementing and evaluating management systems suited to your company and its community development work. The purpose of these systems is to ensure that control over community development activities is exercised by the appropriate bodies in the appropriate manner. An integrated management system normally consists of policies and procedures; a stakeholders database; registers of activities, complaints and commitments; and reporting frameworks. These can be in hard copy or electronic formats, and will have to combine the two formats in many community contexts. It supports the integration of managing the community development work of the company with the overall management of the company and facilitates communication with external stakeholders. This tool should be used at the beginning of the green H2 project and its community development work, and evaluated and updated at regular intervals.

Why this tool/Purpose

The purpose of this tool is to guide the setting up and use of a management system for your company's community development work. Such a system needs to meet the requirements of effective community development work and must be integrated in the general management system of the company. This is to ensure that community development work takes place in a manner that balances the needs and interests of various stakeholders while company executives maintain appropriate levels of oversight and control.

When to use this tool

An integrated management system should always be used. It should be established as early as possible in the life of your green hydrogen project. Sometimes community development work starts at the operational phase of the project. This means the project has gone through the pre-feasibility and feasibility studies as well as the front-end engineering design, and a general management system will already be in place. In such cases, we recommend that project developers include community development in the initial design of the management system. Where this has not happened, the task is to develop and integrate a management system for community development as early as possible. The system should be used daily, maintained continuously, monitored regularly and revised and improved as needed. Quarterly reviewing and annual updating or upgrading of the system should be sufficient.

Background information: The definition and components of management systems

Definition

According to the International Organisation for Standardisation (ISO), a management system 'is the way in which an organisation manages the interrelated parts of its business in order to achieve its objectives. These objectives can relate to a number of different topics, including product or service quality, operational efficiency, environmental performance, health and safety in the workplace and many more.'[1]

Components

Management systems consist of sets of policies, procedures and processes that support the planning, implementation, monitoring, recording, appraisal and review of activities.[2] At any point in your company's community development work, the management system will help you provide a clear answer to the following question: who is doing what, when, how and why? The answer will include who is making what decisions, who reports to whom, and when reviews will be conducted by whom.

The ISO provides a useful overview of management systems with detailed information about different types of systems.

How to use this tool

The explanation below details the fundamental aspects of an integrated community development management system.

Step 1

This is the first step towards deciding or designing the management system you will be using. A system might already be in place in your company, in which case your task is to decide and design the specific policies relating to community development. The starting point is the community development vision of your department and company. This may already be in place, or it needs to be developed in close consultation with executive management. Care must be taken to align the community development vision with existing board declarations, decisions and policies. The vision will spell out how your company defines community development and its underlying principles as well as the company's role and contribution. This vision may be revised and updated as more stakeholders become involved and your team gains more understanding through stakeholder analysis, community mapping and monitoring, evaluation and learning.

Step 2

Develop policies that support your team's community development vision. Policies can be understood as 'decisions a governing body adopts in the organisation. [It is] a formal statement of a principle that should be followed by its intended audience.'[3] Visions will not become real without policies that support them. If your vision states that community development work should support the commercial viability of the company, what policies would underpin this? Should a specific percentage of company revenue be made available to fund community development work, for example? If your vision states that community participation and consultation are important principles of community development work, what policies would give effect to this? Typically, 'a policy is an internal organisational decision that aids how it functions.'[3] For example, should your company have it as a policy that decisions regarding community development should only be taken **after** proper consultation with affected communities? Or is it enough to have it a common practice that do not have the status of a policy?

Policies should be developed continuously and reviewed regularly.

Step 3

Develop procedures to implement the policies. A procedure 'details the steps you need to take to comply with ...policy.'[3] Procedures include detailed step by step instructions of where something needs to go or in what sequence things need to be done. If the policy states that community stakeholders need to be consulted before company decisions about community development are taken, then a procedure for consultation will answer the following questions:

- Who leads the implementation of community consultations?

- Must permission be obtained from executive management before consultations, or must they simply be informed?

- What information must be shared with executive management prior to the consultation and how must this information be shared?

- How are decisions taken about which groups are consulted?

- How are consultations to be initiated and conducted?

- How are records of consultations to be kept?

- How are reports and recommendations to be shared after the consultation and with whom?

- How are decisions regarding outcomes and follow up to be taken?

Procedures must be updated more regularly than policies. It is important to engage stakeholders about procedures that affect them and ensure they are aware of the procedures and know how to use them. Adequate budgets must be available for the implementation of procedures and for training staff and community members in their use.

Step 4

Choose and/or design tools for planning, implementation, record keeping and data gathering. These tools can be seen as specialised procedures to ensure unity of purpose and effective communication and management within the company and with stakeholders. It is important that these tools are in place and, especially in the beginning, they can be very simple, for example:

- *Planning* - an agreement to have regular meetings to make and review plans.

- *Implementation* - checklists drawn up from the agreed plans. It includes what needs to be done, who will do it and when. Tasks can be checked off as they are, meaning the list acts as an implementation guide and a monitoring tool.

- *Record keeping* - minutes of meetings, records of key decisions and reports of activities. Templates can be made to indicate the main topics that must be captured and reported on.

- *Data gathering* - use the indicators developed for monitoring, evaluation and learning as a guide as to what data should be captured. Templates can be developed.

These tools can be chosen, developed or adapted when needed. A wide range is available as part of project development packages. The key, especially in the beginning, is to keep it as simple as possible and comprehensive as necessary.

Step 5

Choose and/or develop tools for monitoring, evaluation and learning. These tools will enable your team to develop indicators of desired outcomes. This will assist with reporting to your company's executive management and to broader groups of stakeholders. Having them in place as part of your management system will ensure there is agreement on the following questions:

- What inputs, outputs, outcomes and impacts must be monitored and evaluated?

- How will it be measured?

- When monitoring and evaluation will take place?

- How monitoring and evaluation will take place, including how information will be collected and stored?

- How will lessons learnt be used?

Monitoring should be done continuously and evaluations at agreed intervals. Although learning takes place continuously, periodic evaluations provide opportunities for lessons to be analysed, systemised and incorporated into planning for the future. Lessons learnt will guide the revision and improvement of all aspects of community development work, including management systems.

Figure 2: Flowchart management systems

COMMUNITY DEVELOPMENT
VISION

POLICIES

PROCEDURES

PLANNING
IMPLEMENTATION
RECORD KEEPING
DATA GATHERING

MONITORING
EVALUATION
LEARNING
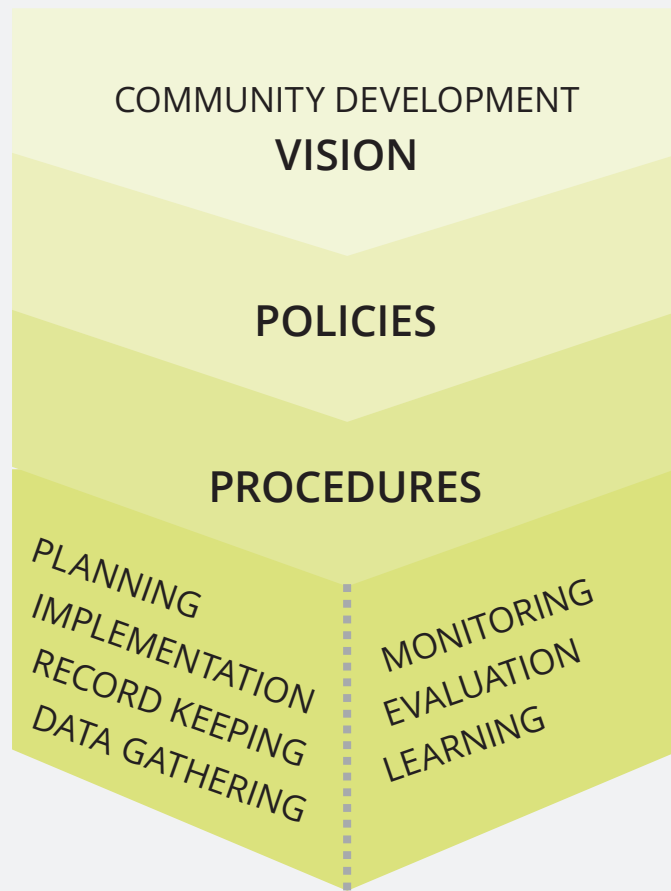
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Chapter 2

Relationships

Tool 3:
Stakeholder Identification

Description

Stakeholder identification is the process used to identify and define your project's stakeholders. Stakeholders are persons or groups who are interested in, affected by or can affect the outcome of your project. Identifying and defining stakeholders contributes to an understanding of the goals and roles of different stakeholders and enables you to develop appropriate forms of engagement. Stakeholder identification is a relationship tool that can be used by the green-hydrogen project staff as well as government, NGOs and community groups.

Stakeholders may be individuals, interest groups, government agencies, or companies. They may include politicians, commercial and industrial enterprises, trade unions, academics, religious groups, community-based organisations, environmental organisations, public sector agencies and the media. Stakeholders as well as their interests can change over time and they might not be unified. Therefore, it is important to always listen carefully and understand different views between and within various stakeholders.

Effective stakeholder engagement for community development requires an understanding of the wider context and concerns in the place where your project is implemented. Some stakeholders are better represented than others and it is important to make sure your project is not only listening to dominant voices in a community. People in leadership positions such as customary leaders, chiefs or ward councillors usually represent specific sections of a community. Assertions of representativeness should not be taken at face value. Sometimes, you might find that your project does not have the support of the full community. To learn about community concerns, it is essential to identify and consult with vulnerable and/or marginal groups such as women, youth, and migrants. In understanding current community dynamics, competing priorities and how they interact amongst each other should be taken into consideration.

The outcome of identifying stakeholders is an accurate understanding of who is who in a community. Basing community development on the wrong assumptions about leadership and community concerns can cause problems throughout your project.

After your stakeholders have been identified, tool 4 (Stakeholder Analysis) and tool 5 (Consultation Matrix) can be used to understand different stakeholder interests and to develop appropriate forms of consultation with each stakeholder.

Why this tool/Purpose

Relationships and trust are the key elements of a successful community development programme. If there is no trust between stakeholders, your project might not get community support and well-designed plans might fail. Trust is built on accountability and honouring commitments made in the process of engaging stakeholders and communities.[1] It is therefore essential to devote time, attention and resources to building relations of trust across different stakeholder groups. In order to do this, you need to identify all relevant stakeholders with an interest in your project and decide how to engage them most effectively.

If you find that some stakeholders seek to exclude others from the engagement process, then an extra effort should be made to ensure your company remains fair, open and transparent in your consultations.

When to use this tool

From the earliest exploration stages you should start your stakeholder identification process. Build your stakeholder list and revise whenever there are changes in the project design, scope, social environment or activity. Revise the list every time such changes are observed.

Stakeholder identification is a dynamic process. Stakeholders can disengage or join at different stages of the project. Your stakeholder list will not be static and always changing. A community development process benefits from good stakeholder relations throughout the project.

The stakeholder identification and analysis tools can be applied at the green hydrogen project level or the community-development project level. These relationship tools represent an excellent and necessary place to start informing stakeholders of your community development projects.

Background information

The stakeholder identification tool promotes practising inclusivity and making an effort to ensure vulnerable and/or marginal groups are not overlooked in the process. What does this mean? Engagements experts stress that the language of inclusivity and diversity sometimes masks systemic inequities that underlie patterns of underrepresentation in society. Stakeholder and community engagement processes should provide mutually beneficial opportunities for people to participate and contribute. To do this, it is necessary to acknowledge power and privilege in engagement processes, institutions and wider society. [1]

What are marginalised groups?

Marginalised is a term used to describe groups of people who face historic and/or ongoing barriers to participating in the civic sphere due to socioeconomic inequities, lack of political rights or recognition, or other forms of oppression, discrimination or persecution. Some marginalised groups that have historically been under-

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1 Interview with Danielle Manuel. Executive Stakeholder Management Freeport Saldanha. 1 February 2023

represented in democratic processes and leadership include Indigenous Peoples, people of colour, women, gender non-binary individuals, LGBTQ2S+ individuals, people with disabilities, youth, seniors, immigrants and refugees, people with drug or alcohol dependencies and people from lower socioeconomic backgrounds and levels of education. Other common terms to describe marginalised groups include priority, vulnerable, targeted, hard to reach, disadvantaged, under-served, disenfranchised, disempowered, underprivileged, at-risk or high-risk. Different groups or individuals may have varying associations and preferences between these terms. [1]

How to use this tool

Your initial objective is to identify everyone and every group that might have an interest in the project in order to be inclusive. You learn as much as possible about the context and concerns in the community you want to engage in. In later stages, you might target more specific stakeholders, but at the start you should make an effort to include everyone. Ensure that vulnerable / marginal groups are not overlooked during this process.

Step 1

Brainstorm existing stakeholders. This is best done with a team of people who interact with parties outside the organisation. List the project's existing relationships to begin with. Using the checklist, name the stakeholders for the project you are working on.

Some stakeholders are easy to identify like local government people or interest groups in the country or region where the project is located. Remember to list internal stakeholders like the project's or company's employees as well. Other stakeholders might be more difficult to identify meaning you should make an extra effort to think about ways to know and engage them. These may be remote stakeholders like NGOs or academics with an interest in the project, or marginalised and excluded community groups whose interests are not well represented. These could be for example women's (saving) groups or unemployed youth.

Step 2

Talk to people and stakeholders already in your network to expand the list. Ask them to suggest other people with an interest in the project. Be inclusive and do not worry about numbers, they will even out in the end. Worry more about leaving people out.

You might want to use the following questions to ensure the widest possible stakeholders are included:

* Who might be affected negatively by the project? This could be due to contestations about the use of land and natural resources for example.
* Who will benefit from the project?
* Who are the most vulnerable and least visible stakeholders for whom special engagement efforts may have to be made?

- Who is knowledgeable about the community context and various development concerns?
- Whose cooperation, expertise or influence would be helpful to the success of the project?
- Whose opposition would be detrimental to the project?
- Who might have resources to contribute?
- Who will make decisions that affect the project?

Step 3

Check that you have included all possible stakeholders and made an effort to identify vulnerable and marginalised groups and not just the influential members of society. To check again, ask yourself: "Who will the project impact (positively or negatively) and whose support or lack of it might significantly influence the success of the project?"

Figure 3 is a checklist with possible stakeholders that can help you. A case study of Saldanha Freeport in the Western Cape South Africa shows all the relevant stakeholders listed and grouped by the stakeholder management team.

Figure 3: Checklist of possible stakeholders:

Communities:

– Local community near your site
– Local community near your head office
– Communities you pass through on a regular basis
– Regional centres for your local communities
– Community groups, (for example women's groups)
– SMMEs (Small, Medium and Micro Enterprises)
– Ward committees

Potentially vulnerable people/groups:

– Women
– Children/youth
– Elderly/ill/incarcerated/disabled
– Historically disadvantaged groups
– Landless
– Unemployed
– Precarious workers
– Informal settlement residents
– Child-headed and women-headed households
– Black working class / Indigenous peoples

Government:

– Local officials (elected or appointed)

– Regional, state and national officials

– Administrative representatives from ministeries in your local area or region

Other civic organisations:

– Religious organisations and places of worship

– Trade unions

– Community-based organisations (CBOs)

– Environmental, cultural groups

– Non-governmental organisations (NGOs)

– International groups with an interest in your project

– Educational organisations

– Fraternal organisations

– Charities

– Local business associations

– Recreational and sports groups

Internal:

– Board of Directors

– Advisory boards

– Senior management

– Employees

– Families of employees

– Trade unions

– Shareholders

– Legal Team

– Health, safety and environment team

– Human resources

– Logistics team

– Medical services

– Procurement and contracts team

– Others

Industry:

– Individual companies

– Competitors

– Suppliers

– Customers

– Industry associations

– Business associations

Regulators:

– Local, regional and national agencies

– International organisations

Advocacy groups:

– Activists

– Health and safety groups

– Human rights groups

– Social justice groups

– Political groups

Specially concerned people/groups:

– With interest in your site

– With interest in your company (existing partners for example)

– With interest in your industry

– Those who are or want to be involved

– Media

Case Study 1:
Freeport Saldanha Integrated Stakeholder Management approach

Freeport Saldanha Industrial Development Zone is a state-owned special economic development zone in the Western Cape Province of South Africa. Their mandate is to promote the maritime and energy sector and since 2021 there has been a focus on the potential development of green hydrogen projects in the zone.

The stakeholder management unit uses an integrated stakeholder management approach to hold strategic relationships, manage perceptions and develop partnerships based on trust, accountability and a shared vision. In order to do this they mapped their stakeholders into different stakeholder groups shown in the table on the next page:

Integrated SBIDZ Stakeholder Management Approach[2]			
Programme Partners	**Western Cape Government**	**National Government**	**Institutional Investors**
Saldanha Bay Municipality	**Economic and Infrastructure cluster**	SARS	IDC
WGC: DEDAT	Provincial Treasury	NT	DBSA
TNPA	DotP	DHA	World Bank
DTIC	DEA&DP	DoL	New Development Bank
West Coast District Municipality	DTPW	DoT	USTDA
Community	**Social cluster**	DPE	Banks
Local Businesses	DoH	DHET (SETA's)	SFF
Industry Associations & Agencies	WCED	DPWI	SEDA
SADGA	DSD	DFFE	SEFA
Wesgro	DCAS	DPME	NYDA
SAMSA	DOCS	DIRCO	NEF
OPASA	DoA	ISA	Export Credit
ONPASA		**Tenants and Operators**	Private Equity
SAIMI		Local & International Companies	Donor Funding
MIASA			Public Funding
PASA			**Formal Labour**
			COSATU
			NUMSA
			NUM
			FEDUSA

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2 This table was shared as part of an online presentation by Danielle Manuel of Freeport Saldanha, Executive Stakeholder Management. Bentec took a screenshot of the table and recreated it from that.

Many of these stakeholder relationships are formalised through secretariats, memorandums and agreements. However, the unit also acknowledges the importance of informal relationships and meetings.

Freeport Saldanha provides an interface for the private sector and together with the development programmes unit prepared a soft landing for businesses coming to the zone. An investor-community interface has been developed that includes protocols on how to engage communities. Companies and project developers that are starting projects here will collaborate with Freeport Saldanha to ensure community support and development in the area.

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D   Adinda Preller, Executive: Transaction and Investor Support, Freeport Saldanha.
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Tool 4: Stakeholder Analysis

Description

Once you have identified stakeholders using tool 3 (Stakeholder Identification), it is necessary to consider what stakeholders' interests are in the project and how much and in what ways they might like to be involved. With this tool you clearly identify and work to understand the perspectives of various stakeholders in the green hydrogen project and its potential impacts. This analysis informs the design of inclusive engagement and consultation processes. Knowing stakeholders' position towards your project helps to tailor engagements with each group accordingly.

The Stakeholder Analysis tool enables you to assess how important the project might be to each stakeholder and understand how much each stakeholder might want to participate in community development programs. It will also help in understanding the relationships between stakeholders in the project.

In order to be able to engage fully with many stakeholders, it helps to understand their motivations for wanting to be involved. Are their interests or concerns primarily economic or environmental or political? What is their history in the area and how 'rooted' are they in the community? The questions that could guide your analysis depend on the context and are different for each stakeholder. Getting to know your stakeholders and understanding their priorities is key to building strong relationships.

Tool 5 (Consultation Matrix) helps to decide what levels of consultation are appropriate for each stakeholder, based on an analysis of their interests in your green hydrogen project.

Why this tool/Purpose

To refine your understanding of identified stakeholders in the green hydrogen project, and how to engage them, by:

- Defining the characteristics of stakeholders in order to understand their level of interest, connection and capacity to impact the project.
- Identifying conflicts of interests between stakeholders, to help manage such relationships during the course of the project.
- Prioritising the engagement with different stakeholders based on their influence and impact on the project.

To develop your community development programme you will refine your stakeholder analysis by:

- Drawing out interests of stakeholders in relation to key development issues
- Identifying relations between stakeholders that may facilitate development partnerships
- Assessing appropriate levels of engagement with different stakeholders at different stages of the project cycle

- Ensuring that the interests of women, youth and vulnerable and/or marginalised people in the community are not overlooked in the development programs.

The identified level of interest of each stakeholder helps you to design your consultation matrix (tool 5), and to decide how much time to devote to engaging with each stakeholder. Engagement levels range from consultation, partnership, involvement in community development plans, community monitoring or a wide range of activities. It is important to always ask stakeholders how much involvement they desire in community development projects and accommodate their desired level of involvement as far as possible. Throughout your project, it is worth making an effort to build strong relationships.

When to use this tool

Generally, the Stakeholder Analysis tool is used in combination with the Stakeholder Identification (tool 3) and Consultation Matrix (tool 5) tools and whenever the list of stakeholders is revised. For green hydrogen projects, an analysis of local stakeholders should be done at least by the early feasibility period, depending on the impact of the project on economic opportunities, access to natural resources and employment.

Background information: Mendelow's Power/Interest matrix

The stakeholder analysis and consultation tools are based on Mendelow's power/interest matrix. This is a widely used tool to plan stakeholder engagement. Mendelow (1991) suggested stakeholder groups should be analysed based on their power and interest. Power is understood here as the ability to influence organisation strategy or project resources; and interest refers to the level of interest stakeholders have in the organisation or project succeeding (or failing). [1]

How to use this tool

This tool requires you to categorise the stakeholders identified in tool 3 according to three criteria: 1) how they view the project, 2) their influence, and 3) the extent to which they will be impacted (positively or negatively) by the project. Additions have been made to the original ICMM steps with the IIED power analysis tool PDF: [2]

Step 1

Obtain the list of stakeholders from using tool 1.

Step 2

Either individually or in a team, evaluate each stakeholder's view of the project and determine whether it is positive, neutral or negative. Beware that sometimes stakeholder interests and views are more obvious than other times. Interests are often difficult to define – they may be hidden, multiple, or in contradiction with the stated aims or objectives of the organisations to which stakeholders belong.

Step 3

Evaluate how influential a stakeholder is. A way to determine the level of influence each stakeholder has is to use the following questions:

- What are the stakeholder's experiences or expectations of the green hydrogen project?
- What benefits and costs have there been, or are there likely to be, for the stakeholder?
- What stakeholder interests are in conflict with the goals of the project?
- What resources has the stakeholder mobilised, or is willing to mobilise?

Different methodologies can be used to get answers to these questions about stakeholders' levels of influence namely: brainstorming with stakeholders, conducting semi-structured interviews with stakeholder groups, and finding existing data in reports or other recorded information.

When analysing influence you may want to include of the following types of influence:

- *Institutional or organisational influence:* mandates, rules, norms, functions, strengths and weaknesses; dynamics, interactions, and institutional culture.
- *Individual influence*: ideological predispositions, pursuit of political objectives; position and control of resources; professional expertise and experience; promoting own careers; institutional loyalties, enhancing the standing of own agencies; and personal attributes and goals, such as rent seeking.

Determine if a stakeholder's influence is high, medium or low.

Step 4

Evaluate how greatly stakeholders will be impacted by the project. This might have become clear already during the previous steps. Determine per stakeholder (category) if the impact of your project will be high, medium or low.

Step 5

Arrange the list of stakeholders into the analysis matrix shown in table 7 below. This table will assist with assigning priorities to stakeholder activities when you use the consultation matrix explained in the next tool (tool 5).

Stakeholder X is classified as a supporter of the project and likely to be impacted by it. This could be an unemployed youth in the community who has little influence but could benefit from training and job opportunities generated through the project.

Stakeholder Y is neutral about the project, has a certain amount of influence and is not strongly impacted (yet). This could be a local municipal official working on economic development that is aware of the expectations generated through the attention in government and global and national media for the green hydrogen economy. However, as long as plans have not materialised this officer is not particularly motivated to be involved.

Stakeholder Z is influential and against the project as they will be negatively impacted. This could be a powerful local landowner who does not want the project to access local land and resources like water.

Table 7: Stakeholder analysis matrix

Name/group of stakeholders	View of project			Influence			Impact		
	Pos	Neutral	Neg	H	M	L	H	M	L
X	X					X	X		
Y		X			X				X
Z			X	X			X		

Step 6

Each stakeholder's position in relation to the project is illustrated in a stakeholder map as shown in figure 4 below. To do this, plot the stakeholders according to their ability to influence the company's activities (vertical axis) and the degree to which they are affected by the project (horizontal axis).

Colour-code the stakeholders according to their level of support for the project. Then set the stakeholder engagement priorities for your green hydrogen project. These priorities will be informed by your project's or company's policies and values. Consider the following strategic questions when you develop your stakeholder engagement priorities:

- How urgent is the engagement with influential stakeholders who oppose the project?
- How important do you find engagement with stakeholders who oppose the project, but who don't have a lot of influence?
- How will you engage stakeholders who will be impacted by the project, but have little influence?

Figure 4: Prioritising stakeholder engagement activities [3]

Adapted from page 55, ICMM toolkit

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Tool 5: Consultation Matrix

Description

There are different engagement levels that are appropriate and effective for the range of stakeholder relations in your project. Some stakeholders have to be consulted and others might be more passive recipients of engagements. You need to understand these distinctions in order to build strong stakeholder relations.

Stakeholder relations involve both formal and informal engagements and may include a number of the activities listed below:

* Information disclosure
* Public meetings
* Interviews with specific stakeholders
* Newsletters, open houses
* Community liaison team members appointed
* Grievance mechanism
* Regular (annual, monthly) consultations
* Participatory monitoring.

The consultation matrix is the basis for developing a comprehensive consultation plan. It is a helpful tool for ensuring that information gets to the people who need it at the right times; that feedback from stakeholders reaches the right people in the company and government; and that stakeholders are informed about the results of their input.

Deciding on levels of engagement requires that you know who all your stakeholders are (tool 3 – Stakeholder Identification) and what their interests are (tool 4 – Stakeholder Analysis) in your green hydrogen project.

Stakeholders should be asked what level of participation they desire – information provision, involvement in meetings, active contribution to planning, participation in monitoring activities for the project or partnership on community development programmes. Matching the levels of interaction with stakeholders' needs and expectations will help you deliver a targeted, time-effective consultation programme. Ideally, consultations between all stakeholders should be frequent, open and mutual. Consultation is not a one-way street.

Key principles for achieving comprehensive consultation are:

* Consult regularly and not just when you need something
* Consult everyone who wants to be consulted
* Often, the important thing is not the number of consultations, but to let people know how and when they are consulted
* Listen as much as you talk
* Record your interactions in a database, including comments and responses from stakeholders and your responses to them

- Be responsive to issues raised and actions arising from consultations and commit to providing feedback to your stakeholders about their concerns
- Keep a register of any commitments you or your colleagues have made with stakeholders and review it regularly.

Why this tool/Purpose

The consultation matrix enables you to establish a comprehensive plan for project consultations and communications. It ensures that your consultation activities are appropriate to the specific needs of different stakeholder groups. You might discover during early consultations that potential conflict might arise between or with stakeholders. You should make an immediate effort to constructively engage these potential conflicts.

A systematic and strategic stakeholder engagement plan enables you to keep track of stakeholder relations. Often, information from talks and engagements with stakeholders are in the heads of colleagues or a field officer who at some point might move on to other projects. Keeping records allows you to store and use information to enable continuity in relationships with stakeholders. Maintaining a stakeholder database typically assists with this (see tool 2 Management Systems).

When to use this tool

Stakeholder engagement activities and consultations take place at every stage of a green hydrogen project.

- During the concept development phase this involves stakeholders that are part of exploration activities. Think of local municipalities where the project will be based.
- Indirectly impacted stakeholders should be included during the advanced concept development/pre-feasibility stage based on their level of interest and level of impact of the project. These could be financiers, government agencies, or NGOs.
- Employees and/or contractors are an important group to consult from the beginning of green hydrogen project activities.

Background information: consultation

Definition: Stakeholder consultation is a two-way process of dialogue between the project company and its stakeholders. Stakeholder consultation is really about initiating and sustaining constructive external relationships over time. Companies that start the process early and take a long-term, strategic view are, in essence, developing their local "social licence to operate." [1]

How to use this tool

Using the insights from your stakeholder analysis, you can plan the nature of communications with each stakeholder and ensure that the level of engagement correlates with the level of interest, influence and impact assessed.

Committing to consultation activities means you have to:

- Draw schedules for the frequency of each type of consultation, for example press releases quarterly and monthly community committee meetings.
- Keep records of which stakeholders were engaged by which method, and how often. Also keep records of responses made to stakeholders, especially if project or programme modifications are made as a result of stakeholder input.
- Maintain a commitment register of all formal and informal commitments made to stakeholders across the life of the project.

Step 1

Make sure all key stakeholders are included from the list from tool 3. Update your stakeholder analysis whenever changes in the project or community occur.

Step 2

Use the consultation matrix (in figure 5 below) as a guide to identify appropriate consultation methods for each stakeholder or group based on their level of interest and impact on the project. While highly influential stakeholders who oppose the project will require detailed engagement, it is also important to consider appropriate methods for those who are highly impacted, but are not influential. They will require equally important but different engagement and/or support.

The consultation matrix is based on the power/interest matrix introduced in the previous tool (4, stakeholder analysis). Generally, the following actions suit the different positions you allocate to your stakeholder in the matrix. From: [2]

High power, highly interested people (Manage Closely): aim to fully engage this group, making the greatest efforts to satisfy them.

High power, less interested people (Keep Satisfied): put enough work in with this group to keep them satisfied, but not so much that they become bored with your message.

Low power, highly interested people (Keep Informed): adequately inform them and talk to them to ensure that no major issues are arising. These audiences can also help point out any areas that could be improved or have been overlooked.

Low power, less interested people (Monitor): don't bore these stakeholder groups with excessive communication, keep an eye to check if their levels of interest or power change.

The actions and consultation methods you apply are likely to fall within a broad continuum – from simply informing stakeholders of your activities, to partnering with them in programme design or integrating them onto the project's decision-making process for actions that affect communities. The forms of consultation listed in the matrix are not exhaustive and must be informed by your operational context.

Different considerations come into play when you operate in a conflict-sensitive area where you have to know how your consultation will affect existing tension. Or when you need to accommodate people who are not highly literate and who speak different languages you might want to consider using interpreters and audiovisual materials to engage. The circumstances of the stakeholders and communities you want to engage will determine what type of engagements are appropriate and meaningful.

TIP: Online stakeholder engagement.

We have increasingly become familiar with and aware of digital and online engagement forms. These experiences can be useful when planning stakeholder consultations with stakeholders too. It is important to carefully consider if and when online engagement is appropriate and effective. These are some of the issues you might want to consider when thinking about online consultations, especially in relation to your community and/or local stakeholders:

- How familiar and experienced are the stakeholders in your community development programme with online engagement and communication?
- What would be the benefits of online engagement for you and for the community members/groups?
- Who would possibly be excluded from engagement by using an online platform?
- What support would community groups/members need to engage effectively? Keep in mind that adequate online infrastructure and resources are required. Especially in remote areas and when working with vulnerable and/or marginal communities you cannot assume there is access to a network, devices, data and internet.

Step 3

Once you have defined the appropriate engagement approach for each group of stakeholders, create a table summarising the approaches you have selected. Keep in mind that different engagement approaches require different levels of time and resources and this is the moment to think about this.

TIP: Plan for the long-term and take into account that stakeholders' needs and interests are likely to change.

Step 4

Monitor and evaluate the effectiveness of your consultation activities. Always ask for feedback, for example through anonymous feedback forms or feedback surveys for online engagements. Revise your approach to reflect changing needs or circumstances and experience. Learn from both messages that are coming in from stakeholders as well as messages you have sent out.

Step 5

Keep record of consultation activities to keep track of who you have consulted and how often, in order to neither neglect nor fatigue stakeholders. It is useful to generate a signed record, with consent from participants, of formal agreements and meeting minutes. All parties should receive copies of such records and you will add this to your stakeholder database. Privacy legislation must be adhered to, ensuring that stakeholder data are not passed on or used for any other reason than keeping track of interactions. Mark personal and confidential information and treat it with care.

Figure 5: Consultation matrix

(Adapted from page 60 ICMM toolkit)

INFLUENCE ↑	**Medium (Keep satisfied)** Regular consultation Public meetings Perception surveys Grievance mechanism	**High (manage closely)** Regular targeted consultation Informed participation in planning Partnership opportunities Open houses/information shops Workshops Effective grievance mechanism
	Low (Monitor) Interview key stakeholders Public meetings as needed Periodic engagement	**Medium / high (Keep informed)** Consultations through CRO Effective grievance mechanism Partnership opportunities in development programmes Focus working groups on specific topics
	IMPACT →	

Case Study 2: Stakeholder Engagement Mainstream Renewable Power, South Africa[3]

Mainstream Renewable Power operates wind farms and constructed two solar plants under South Africa's Renewable Energy Independent Power Producer Procurement Programme (REIPPPP). The company is also involved in the development of green hydrogen projects.

The table below shows the outcome of Mainstream Renewable Power's stakeholder identification, analysis and consultation planning process. The information focuses on different stakeholder groups and issues that are most important for them. Understanding the key issues for stakeholders informed the engagement channels selected for each group.

Stakeholder group	Issues most important	Channels of engagement
Employees and contractors	Health & Safety Diversity & Inclusion Career Development Work Culture Trust in leadership	Face to face meetings Opinion surveys Internal communications Employee engagement survey Reputation audit
Customers	Ethics and integrity Energy transition Innovative solutions Climate change Environmental action	Regular dialogue Reputation audit
Business partners and suppliers	Business model Purposeful company Responsible supply chain Human rights Collaborative approach Knowledge and professionalism	On-going dialogue Reputation audit Supplier evaluation questionnaires
Investors	Economic and financial performance Business model Corporate governance Long-term business plan Talent planning Industry leadership	Investor relations presentations Reputation audit
Governments	Energy transition Climate change Human rights Corporate governance Anti-corruption Industry leadership	Global event participation Participation in consultations Dialogue through direct and industry coalition engagement Reputation audit

3 Interview with Jo-Anne Brown and Avra Moodley. Mainstream Renewable Power. Country Economic Development Manager South Africa and Head of Corporate Affairs, Africa. *16 March 2023*.

Stakeholder group	Issues most important	Channels of engagement
Communities in project areas	Positive social impact Job creation Longer-term community development Environmental action	Community consent consultations Regular ongoing information meetings Community plan workshops Community development projects Social media engagement
Wider society & environment	Biodiversity Climate change Environmental action Transparency	Global event participation Media review

Source: Mainstream Renewable Power Sustainability report 2021, page 21.

For their community development programmes, Mainstream Renewable Power engages, and collaborates with, a wide range of local stakeholders. In the REIPPPP projects, the first stakeholder engaged when engaging communities is the district or local municipality. They identify beneficiary communities in the event of larger towns. Senior management, the mayor and local councillors are engaged during pre-construction to discuss the intention of the project company and ED obligations.

Once the project reaches financial closure, *a community forum* is established that consists of the municipal manager, the Local Economic Development (LED) manager from that municipality, the mayor, the councillors of the different wards in the beneficiary community. Usually the forum also has representation from the police, Department of Health, the Department of Social Development and the Department of Education as they are all potential partners in community development plans. If available, there will be representatives from local business forums as well. Mainstream Renewable Power is represented by the Economic Development (ED) manager, the project manager for the construction period, and they also bring in project contractors. Contractors are asked to appoint a Community Liaison Officer (CLO) and from the construction phase, there is a project officer and office in the community.

The community forum meets once a month where Mainstream Renewable Power reports in progress regarding project development as well as community development aspects, including job and business opportunities. This is also a platform to discuss grievances received through the grievance procedures or talk about potential risks like bad roads in the project areas. For the direct engagements with community members, there are two community meetings per year and school road shows to talk about renewable energy and opportunities for the youth.

Mainstream Renewable Power has learned that it is important to establish and *maintain good relationships with all stakeholders* throughout the project to collaborate, partner and deliver effective and meaningful community development in project areas.

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Tool 6:
Partnership Assessment

Description

The sustainability of community development activities demands effective partnerships between government, business and civil society. None of these groups has all the resources required to promote community development at the local level. Each has distinctive roles, responsibilities, skills and capacities within the community development process. Working together can make a difference when the partnership is built on a shared commitment to address development needs.

The partnership assessment tool is based on the World Bank's Business Partners for Development (BPD) initiative that brought government, industry and civil society representatives together to explore opportunities for partnership around resource development projects, and to produce practical guidance on how those partnerships could generate sustainable benefit in local communities. [1]

Partnerships offer a model of participatory development. This tool focuses on partnerships between three sectors as they can bring together unique resources and qualities (see table 8 below). Collaboration between government, business and community organisations/NGOs brings together the different development capacities and resources available in the region where your green hydrogen project operates. An opportunity for community development is created when you can align your programmes with those already decided upon by local/regional governments. This ensures better coordination of development activities, more efficient use of development resources, and the active support and participation of key stakeholder groups.

Table 8: Partnership benefits

Government can contribute credibility, strategic coordination through local development plans and public investment, and can act as catalyst, broker and mediator.	Business can contribute employment and infrastructure opportunities, financial resources, and capital equipment.	Community organisations and NGOs can contribute local knowledge, capacity to mobilise community participation, tools and methods to ensure relevance to local conditions and a long-term presence.
Partnership benefits for government	Partnership benefits for business	Partnership benefits for community organisations/NGOs
– Alignment of private sector infrastructure with government development plans – Greater visibility of government discharging its civic duties – Coordination between government departments – Cost sharing – Risk sharing – Improved capability, resources to deliver development plans	– Greater efficiency of production, reduced delays – Greater return on investment – More robust social licence to operate – Better management of community expectations – Meeting compliance requirements for social management – Direct cost savings in managing social issues – Enhanced local reputation and competitiveness – Shareholder and investor confidence – Improved recruitment, retention and employee engagement	– More participatory design of community projects – Transparency and accessibility of company and government – Relevance of interventions closer to livelihood needs – Greater sustainability of community projects

Why this tool/Purpose

To enable you to assess the development capacities and resources available within the region, anticipate future capacity needs and identify any critical gaps. Not all organisations will be able to enter into partnerships with all others, so it is important to undertake this assessment before entering into any arrangements.

The framework can help you to assess the need for – or success of – capacity-building initiatives to improve regional development performance and partners to work in achieving those goals. It is used to assess:

- Existing and future partnership capacity needs
- Anticipated benefits of the partnership to your organisation
- Appropriate programmes or projects for partnership
- The sustainability of potential partner organisations.

When to use this tool

Partnerships are relevant when your project on its own does not have the resources to implement community development programmes directly. You may need to draw on the skill set of partners already operating in the region. This tool is useful in assessing potential partnerships at an early stage.

Partnerships should be in place by the time community development plans are made. This avoids duplication of efforts and prevents potentially ineffective community engagements.

Partnerships are sometimes required for licensing and royalty conditions.

How to use this tool

Use the partnership assessment worksheet in the table below to analyse potential partners for suitability and capacity in community development.

Step 1

Review the potential for partnerships for different development projects using the partnership assessment worksheet in table 9. The analysis is conducted per development theme, not by potential partners. A description of the criteria to consider is provided here:

- Financial contribution – will partnering with a group on this theme support financial contributions that the company was already intending to make? Or would this be a new investment?

- Mandate – is the theme an area where the company could be/would be expected to engage?

- Baseline needs – has this theme been identified by communities as an area of concern or need?

- Operational effectiveness – will a partnership around this theme increase the operational effectiveness of the community investment

- Outreach – who will benefit from a partnership on this theme?

- Capacity – what is the capacity to deliver a programme on this theme? For example, are there existing successful programmes which have been developed to address such a theme in the past within the community or region?

- Human resources – would a partnership on this theme bring necessary human resources to this investment?

- Legitimacy – by partnering on this theme, would the company's contribution gain greater legitimacy?

- Sustainability – by partnering on this theme, would the company's contribution be more sustainable?

- Any negative impacts – could there be adverse consequences from partnering on this topic? For example, a sense that the company is seeking assistance from others for something that should be managed and funded by the company itself?

Step 2

Based on existing knowledge of stakeholders, develop a list of all possible community development partners. Using your knowledge of these potential partners, identify their areas of strengths and interests in community development.

Table 9: Partnership assessment worksheet

Potential benefits (themes)	Financial contribution	Mandate	Baseline needs	Operational Effectiveness	Outreach	Capacity	Human Resources	Legitimacy	Sustainability	Any negative impacts
Training programme	Project X has a budget for training. Partnering will allow contributions from others expanding the impact of the training programme	Project X operates in a region with high levels of (youth) unemploy-ment	Through social impact assessment and baseline studies for the community, training was identified as key need	Project X has training facilities, but no capacity and resources available to recruit and financially support trainees	Project X's programme is designed to cater for local community members, partnering could expand the impact to a wider contribution	There are existing partnerships between local governments and universities developing green hydrogen training programmes	Project X would need to hire additional trained staff to support and supervise trainees, a partnership would avoid this	There are (local) government youth skills and training programmes that project X could contribute to	Training community youth will increase employment opportunities beyond the green hydrogen economy	None noted

Step 3

Based on the partnership assessment in step 1, identify those themes where partnership provides you with the greatest benefits. Then reflect back on the list developed in step 2 to identify the best potential partners to deliver on these themes.

Step 4

When considering partnerships, it is important to understand the motivation of your own project or company for partnering. The following questions will help you in this process:

- Would the partnership have the support of key internal stakeholders?
- Would there be any internal opposition to this partnership proposal?
- What financial resources are available for partnership?
- Are staff available to support the partnership, and for how long?
- What technical resources will be available? E.g. accountancy, legal, etc.
- Is there agreement within your company on the purpose and expected outcomes of the partnership?
- Is there agreement on how to proceed with partnership planning?
- Do your colleagues and managers understand the resources and time that will be required to develop and implement the partnership?

Step 5

Using the narrowed options for potential partners (based on the analysis in step 3), conduct a strengths, weaknesses, opportunities and threats (SWOT) analysis internally for each potential partnership (table 10). This analysis will help you understand the value proposition for each partner in the partnership and help to ensure your future discussions address their needs and concerns as well. The table below should be completed for each potential partnership.

Table 10: SWOT analysis of partnership

For each partnership consider:	
Strengths	
Weaknesses	
Opportunities	
Threats	

Step 6

If you feel your green hydrogen project or company is ready for a partnership based on your assessment in step 4, approach potential partners, drawn from your list in step 3, with a view to reaching broad-level agreement to explore ways of addressing priority development initiatives through partnership. The SWOT analysis completed in step 5 should make these conversations mutually beneficial. To do this you may need to assign responsibilities and timelines for the following discussions to occur with each of the potential partners (use table 11 below).

Table 11: Partnership action list

Action	Responsibility	Deadline
Establish communications with potential partners		
Validate, with external stakeholders, assumptions in your internal assessment.		
Explore possible roles and resource commitments of prospective partners.		
Assess potential partners' capacity to contribute and maintain support for the partnership.		

Case study 3: Partnerships for training and education, Keren Energy South Africa[4]

Renewable energy company Keren Energy, in joint venture with Sakhumnotho, Cape Stack and Namaqua Engineering, is one of the first companies in South Africa that has a green hydrogen project that completed the Proof of Concept (POC) stage at the beginning of 2023. The POC used 100kW of solar to produce green hydrogen with a PEM electrolyser which was built by UWC. The electrolyser, metal hydride storage and compression unit were all housed in one container.

In 2022, Keren Energy entered into a collaboration with the South African Institute for Advanced Materials Chemistry (SAIAMC) at the University of the Western Cape (UWC) in South Africa. SAIAMC acted as the lead technology and skills development partner on the green hydrogen proof of concept (POC) project in Vredendal. The idea is to establish a UWC satellite campus in Vredendal where training and learning for the hydrogen economy will happen on site and in the region.

In their renewable energy projects, Keren Energy usually employs a service provider to deliver economic development programmes in communities. Within the company, they are focusing on building partnerships to enable community access to information and education.

As part of the collaboration, SAIAMC and the Namaqua District Municipality have signed an MOU to formalise a strategic partnership and cooperation between the two parties. The partnership will focus on joint projects and programmes concerning research, entrepreneurship development, capacity building, socio-economic development and transformation and related issues in Namakwa District. The programme is specifically designed to upskill and improve the employability of youth in the green hydrogen economy that could be employed as engineers, chemists, electricians, fitters and turners. [2] [3]

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Further reading: THE SDG PARTNERSHIP GUIDEBOOK: A practical guide to building high impact multi-stakeholder partnerships for the Sustainable Development Goals, Darian Stibbe and Dave Prescott, The Partnering Initiative and UNDESA 2020. PDF here: https://sustainabledevelopment.un.org/content/documents/26627SDG_Partnership_Guidebook_0.95_web.pdf

4 Interview – George van Rensburg. Chief Executive Officer, Keren Energy. 23 February 2023.

Chapter 3

Planning

Tool 7: Community Mapping

Description

In this tool, a community map is a visual representation of what the community perceives as their community space. This includes showing the boundary of the community as understood by community members and all the elements recognised by them as part of their area. Most of the spatial information is obtained through direct observation and facilitators should familiarise themselves with the area sufficiently to be able to assist the community in drawing the map. However, it is the community members themselves who must decide what does and does not go on the map and how big they should be. Some items of importance to the community, which they may choose to mark on the map may not be noticeable to outsiders – sacred sites or group boundaries, for example. This tool does not take a lot of time and delivers significant benefits. We encourage project developers to do it.

Why this tool/Purpose

This tool serves several purposes including to:

- Provide insight into how community members understand the boundaries and spatial elements of their community
- Help project developers to learn about the community, about potential needs, power structures, potential sources of conflict, etc.
- Encourage community members to recognise that they are experts about their own community
- Show community members that your company recognises and values their expertise
- Get discussion and cooperation going
- Demonstrate how different groups in the community can have different understandings of the community and therefor draw different maps
- Introduce community members to planning exercises
- Enable facilitators, companies and government officials to learn about how the community functions and how the community sees themselves
- Encourage community cooperation and integration by providing an opportunity to produce a combined community map from different small group maps.

When to use this tool

Community Mapping should be used at the start of interactions between your company's community development team and members of the community. It could be the first of a series of exercises that lead up to a community development workshop to develop a Community Action Plan. It is also often used as part of the initial analysis for a social baseline. It should also be used to update the community map when new community members join the development work or when there is a change in the way community members understand their community.

Background information

Community Mapping is used by a wide range of institutions including businesses, governments, the UN, NGOs and academic researchers. They have developed a range of understandings and methods suited to their particular environments and objectives.[1] All of them emphasise the importance of both product and process. The value of the exercise lies both in the visual representation of the community that is produced, and in the process of expression, communication and engagement between community members and other stakeholders. The United Nations High Commissioner for Refugees, for example, includes relationship mapping in its understanding of community mapping.[2] This is something useful for green hydrogen project developers to keep in mind. As much as community mapping is about producing maps, it is also about establishing, understanding and developing relationships.

How to use this tool

Step 1

Establish your team to guide the process. Clarity and consistency is important. Who among your team will facilitate and guide, and who will join as participants with other stakeholders?

Step 2

Ensure that as many community members and stakeholders feel encouraged and welcome to join, although nobody should be pressured to join.

Step 3

Gather and prepare map making materials. Newsprint sheets and coloured markers should suffice. Arrange a venue with enough space and tables to make it comfortable to make maps in groups.

Step 4

Explain the purpose of the exercise clearly at the start and establish ground rules that are collectively formulated and agreed to by the participants. Explain a suggested process of map making that could look like this:

1. Make a list of the boundaries of the community
2. Make a list of the elements that are included in the community such as geographical landmarks, buildings and neighbourhoods
3. Name one element at or near the centre of the community
4. Draw a representation of the element at the centre in the middle of the sheet
5. Draw the boundaries of the community
6. Fill in the other elements of the community using drawings and words.

Step 5

Ask people to divide themselves into groups. They must decide how to divide. They might choose to go into groups based on gender, area of residence or shared interests. This will be important in determining how the maps will look. Ask the groups to make their maps.

Step 6

Let the groups come together and present their respective maps to the workshop. Note similarities and differences.

Step 7

Ask the workshop to combine the different maps into one big map if they want to.

Step 8

Give participants a chance to reflect and discuss the maps and their experience of the process of making the maps.

Step 9

Collate the maps and write a report of the workshop.

Figure 6: Example of community sketch map
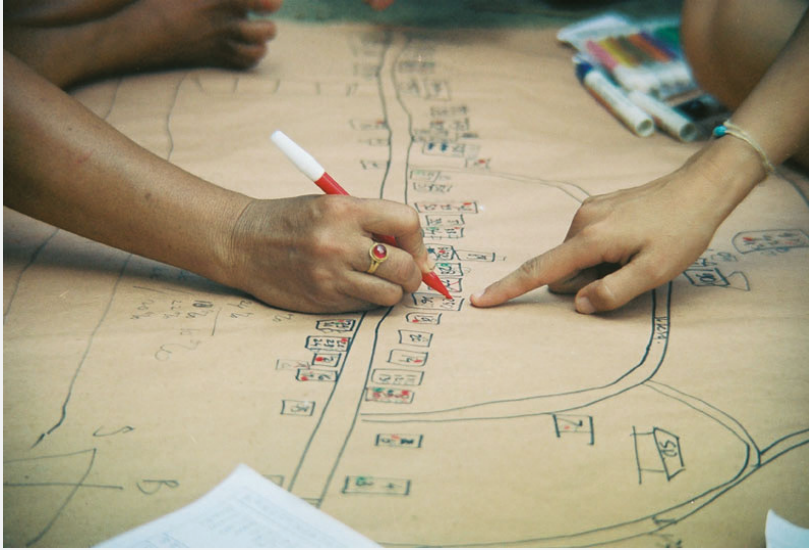
Source: Training Kit on Participatory Spatial Information Management and Communication, Module 8, Ground and Sketch Mapping.
CTA, the Netherlands and IFAD, Italy See
http://pgis-tk.cta.int for further information

(Photo. Steward Brown, 2010)

Key references

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Tool 8: Institutional Analysis

Description

Institutional analysis is a process whereby the community development team engages groups of community members in discussing the institutions present in and around a community. Institutions could be schools, churches, mosques, sports teams, co-operatives, women's groups, youth groups, businesses, government offices and a range of other organisations. From this process the community development team should learn how community members understand what institutions are present, how important each of them is, how they relate to each other and who participates in them. This is an important step to help prepare the development of Community Action Plans, as it will assist you to see how different institutions relate to community development and what roles they could possibly play.

Why this tool/Purpose

The broad purpose of this tool is to guide you through a process that will help your community development team to understand the community better through learning how community members understand their own community. In this it is similar to the Community Mapping tool (Tool 7). The specific purpose is to build this understanding by focusing on institutions.

This exercise makes clear which institutions are inclined and able to play an active role in development activities and which may need persuading and strengthening. One of the major benefits is that it reveals who the community members consider to be influential and not just those who may appear to you to be so. To this end it will highlight both formal and informal institutions. Informal ones might easily be overlooked without this exercise. It also brings to light the inner workings of these institutions and how community members relate to them. This knowledge will be invaluable to your community development work. Institutions are key to cooperation with and within communities as it shares knowledge, mediates relationships and organises activities.

When to use this tool

You can use this tool as part of a series of exercises that may lead up to a community development planning workshop to develop a Community Action Plan. It should be used at the start of interactions between your company's community development team and members of the community and can be part of the initial analysis for a social baseline. It should also be used to update the institutional analysis when new community members or new institutions join the development work or when there is a change in the way community members understand their community.

Background information

Institutions are defined as formal and informal rules that structure social interactions in ways that shape behaviour and persist over time. [1] Community development work has a much better chance of success when it takes into account the presence and dynamics of community institutions. It might even be worthwhile to supplement this tool by using other methods such as interviews and reviewing of media reports to gain a better understanding of the institutions in the community.

How to use this tool

Step 1

Explain to the participants what a Venn diagram is. [2] You will be using paper circles of different sizes. Each circle will represent an institution in or around the community. The more important an institution is to the community, the bigger the circle that represents it. The biggest circle represents the community itself. Place or draw this circle on a big table or on the floor. There must be enough space to place other circles around it.

Step 2

Place sets of pre-prepared paper circles on a surface. Members of the community choose a circle to represent an institution that is important to them, for example a circle to represent a school. Ask them to explain the role of the institution and why they have chosen a particular size of circle to represent its relative importance. Different community members often challenge the size of circles chosen and lively discussion ensues. Continue until the community members have agreed on a set of circles representing most of the important institutions.

Step 3

Direct the attention of the participants to the large circle that represents the community. Ask them to place the institutional circles inside, outside or on the boundary of this large circle. This will indicate how central each institution is to the community. This does not refer to the physical placement of the institution, but to its place in the day-to-day functioning of the community. One way of thinking about this is to ask how often community members interact with this institution.

Step 4

Ask the participants to think about how these different institutions relate to each other. Ask them to draw lines between institutions that are connected. Intense and close connections may be represented by two or more lines. The relationship between various institutions may also be described by the distance between the circles.

Step 5

Ask the participants to summarise what they have learnt about the institutions in their community. As with all participatory planning exercises, the institutional analysis may be undertaken by separate groups of women, youth, the elderly, religious or ethnic communities, and these separate sessions may reveal different power bases within a community. It might be useful and instructive to ask participants for suggestions for separate sessions. If undertaken in a joint session, it is essential that the facilitators ensure the opportunity for all community members to contribute, not just the most vocal.

Figure 7: Example Venn diagram in South African context. [3]
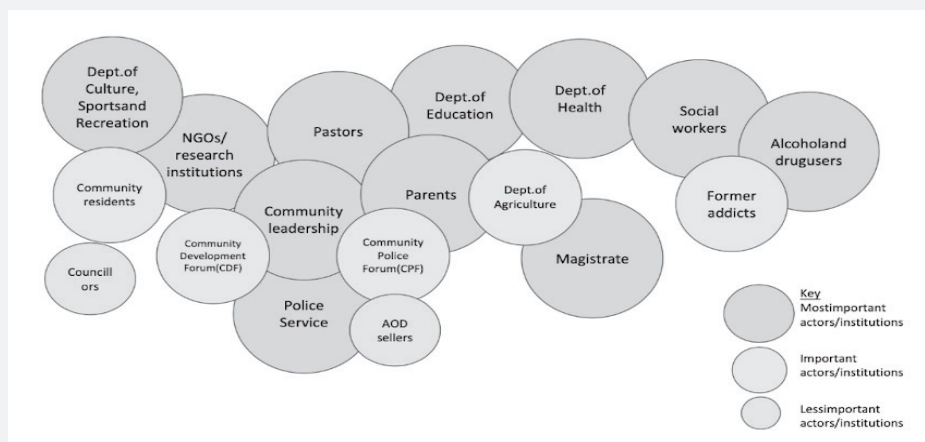
Source: Oladeinde, O. et al. (2020) Access here:
https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7067166/

This example of a Venn diagram was prepared by community stakeholders showing the range of actors addressing alcohol and other drug abuse, and their levels of importance and connection to the community. The participatory action research from which this diagram resulted was done in Mpumalanga, South Africa. This diagram is illustrative of typical community role players and their importance in communities, such as: local government departments, churches, local councillors, community leaders, and various other community-based institutions that can provide resources and support for community action plans.

Case Study 4: Community Skills and Training Committee in Saldanha Bay Industrial Development Zone[1]

In the South African context, the municipal ward system is an institution that is used to implement community development programmes. The Development Programmes team of the Saldanha Bay Industrial Development Zone started their engagements by annually visiting each ward and speaking with residents in community halls. The problem was that these engagements were sometimes perceived as being platforms for political parties. Over time, their community development approach has changed as a result.

The community development approach of Freeport Saldanha IDZ focuses on two key areas. The first area is skills development to support direct job creation and the second area is contractor and enterprise development to promote local economic development. The Development Programmes team implements community development in Saldanha Bay through this approach.

The implementing structure for skills development is the *community skills and training committee* (CSTC). This platform has been established through the municipal ward committee system. This partnership between SBIDZ and civil society resulted from numerous engagements and discussion from 2012 about what the presence of the industrial zone would mean for citizens of the Saldanha Bay Municipality. A long engagement process identified that skills development would be the stepping stone to develop work opportunities for community members. The *community skills and training committee charter* was drafted in 2017 and governs the institution.

How does it work? Ward committees are made up of representatives of a particular ward. They are made up of elected members who represent various interests within the ward. The term of the ward committee is 5 years according to local municipal legislation. [4]

Unlike the institution of the ward councillor, the ward representatives do not represent a political party. By using the institution of the ward committees, SBIDZ demonstrates their commitment to build a partnership with the community that is not based on an alignment with specific political parties.

The *community skills and training committee*[2] consists of two representatives from each of the fourteen ward committees in the Saldanha Bay Municipal area. The two representatives are elected by each ward committee and include women, youth and disabled people. The SBIDZ is represented by members of the skills development unit and the Saldanha Bay Municipality Ward Committee Coordinator is a member too. There is a voting protocol that gives each ward one vote and SBIDZ one vote. The CSTC may invite others to CSTC meetings when relevant as agreed by the representatives.

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1 Patrick Lakabane, Executive Development Programmes Freeport Saldanha. 31 January 2023
2 Saldanha Freeport SEZ community skills and training committee charter (2017)

In monthly meetings, SBIDZ informs the committee about training programs and work opportunities. The committee endorses community members for training and assists with collecting CVs and disseminating information to the community. Notably, there have been no disputes in the committee over whether beneficiaries of the development programs are considered 'local' or not. The community skills and training committee shows how local institutions can be used to support community development programmes.

Key references

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Tool 9: Development Opportunity Ranking

Description

This tool combines assessment and planning processes. Community members identify their major development priorities or concerns and then assess opportunities for achieving desired changes. The next step is for community members to rank the opportunities, using agreed criteria, and then compare this ranking with the interests and priorities of your company and other stakeholders. Overlapping priorities and interests between community members, your company and other stakeholders can provide strong contributions to a Community Action Plan.

Why this tool/Purpose

Development Opportunity Ranking is important for both the processes that it facilitates and the product or outputs it produces. The outputs are:

- A list of development opportunities that reflect the views of a broad cross-section of community members
- A ranking by community members of these opportunities
- Knowledge of how the community members' ranking of development opportunities compare and overlap with the interests of other stakeholders such as the green hydrogen company, government bodies and NGOs.

This tool is designed to produce these outputs through processes that are community-driven, inclusive and transparent. Community members decide on development priorities in a process where your company and other stakeholders are open and clear about their interests and capacities. This tool will help community members and other development partners to decide which projects to work on jointly as well as which projects to start implementing first. It will also help to create cohesion between the expectations of different partners.

When to use this tool

As part of a series of exercises that may lead up to community development planning workshops to develop a Community Action Plan. This should be done when community development programmes are being considered, so that active community engagement in the planning process can be encouraged. The tool should be used together with or as a follow up to Community Mapping (tool 7).

Background information: development opportunities, community members, stakeholders

In order to use this tool you need:

- A working definition of development opportunities
- Knowledge of the boundaries and make-up of the community – who are considered members and who are not
- Understanding of the stakeholders in community development.

We can define community development opportunities as circumstances that make it possible to do something that enables community members, with or without support from outside agencies, to take actions that enhance economic empowerment, human rights, inclusion, social justice, self-determination and collective action in their community.[1] [2] Typical development opportunities associated with green hydrogen projects include employment at renewable power plants and green hydrogen plants and uniform and clothing tailoring supply. For more examples see figure 8 below.

For knowledge of the community and its boundaries, you can use two tools from this toolkit – Tool 7: Community Mapping and Tool 8: Institutional Analysis. We recommend that you do at least the Community Mapping tool before you do Development Opportunity Ranking.

Tools 3 (Stakeholder Identification) and 4 (Stakeholder Analysis) are designed to help build your understanding of the various stakeholders in the development of a particular community. We recommend that you use the Stakeholder Identification tool to prepare for doing Development Opportunity Ranking.

How to use this tool

This exercise is usually done in a community workshop and led by experienced facilitators. It may require a series of meetings either with the whole group or with sector groups such as men, women and youth, whichever way community members prefer. The facilitators may come from the community, from NGOs, from local government agencies, from your community development team or be consultants hired for this purpose.

Facilitators should not lead the discussion in any particular direction, other than to explain the process and prompt thoughts and discussion. This approach provides the setting in which all participants can contribute. No topic is rejected. All issues are considered. Community members are the contributors and decision-makers when it comes to identifying, assessing and ranking their development opportunities, although they may call for suggestions and ideas from the facilitators or other observers, including you. The final ranking of development opportunities is to be decided upon and owned by the community participants.

Step 1

Initiate meeting with community leaders

The facilitator will make initial contact with community leaders (ideally, the facilitator will be someone known to the community). Community development practitioners who have worked in the South African communities where green hydrogen projects are likely to be based, have asked mayors and municipal councillors to facilitate initial contact with community leaders.[3] Discussions with community leaders and key individuals, including women and youth, will indicate interest and capacity to effectively participate in community development activities. Plans can be made to conduct a development opportunity ranking exercise in a community if there is interest and sufficient labour, resources and financial capacity.

The facilitator needs to emphasise the importance of including different sectors and groups such as women, youth, the elderly and the disabled from the outset. Representatives of these different groups must be included in the planning meeting.

Step 2

Development opportunity identification (small groups)

This step begins with the coming together of the community. It can be in one big group or, if preferred, men, women and other groups can meet in separate locations.

As the facilitator, introduce and explain the process and facilitate the meeting with other team members where needed. Questions that can be asked include:

- What is most important for your future and that of your household and family?
- What are the priority development needs for your community?
- Which of these needs can realistically be addressed by this group of stakeholders?

Ask individuals or households to consider these questions for themselves, before the community view is agreed through discussion. If individuals are comfortable completing this task, bring them into groups of up to ten people – although six or less is ideal. Ask each group to discuss the development opportunities identified by individual participants. Ask the group to reach consensus on the priority development opportunities they consider important for the community. They record this consensus outcome in a large piece of paper, ready for presentation to other participants. The consensus might not be complete. Strong minority views must also be recorded.

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3   Referred to in most interviews conducted by Bentec for this toolkit.

Step 3

Community level development opportunity consensus

Each small group shares their consensus with the other participants in a plenary session. The facilitator records these development opportunity priorities. The plenary group considers the list of opportunities from the small groups and prioritises them for the community. The group seeks consensus on the top five or ten development priorities (community members decide on the number of priorities).

Step 4

Development opportunity ranking

At the end of step 3 the community members will have a list of projects or opportunities they would like to pursue. The list will possibly address the same development topic, or a varied group of topics. Not all of these opportunities will be able to be addressed by you or the community themselves in the short, medium or long term. How will you and the community members go about ranking them?

It is best to develop a set of agreed criteria to use when assessing the opportunities for each development theme. Commonly used criteria for ranking opportunities include:

- Desirability – how important is this project to the community? How much do they want it?
- Sustainability – can the community keep the project running after outside assistance has gone?
- Productivity – will the project substantially increase the availability of needed resources?
- Equitability – will the project benefit a broad cross-section of the community?
- Cost – will large amounts of external funding be needed?
- Community contribution – will the community be able and willing to contribute to the project (normally through in-kind contributions including effort)?
- Technical feasibility – does the project require specialised expertise to start and maintain?
- Social/cultural acceptability – does the project fit within the community's norms?
- Time needed – will it take a long time for the community to reap the benefits of the project?

Considering each development project against these criteria can help you work with the community to rank priorities and develop a community action plan. In table 12 below, community members have:

- Identified a significant development opportunity (improved access to water)
- Defined an objective (increased water availability)
- And assessed four options (boreholes, roof catchment, shallow wells and surface dams) for achieving the objective.

In this instance, the action plan would focus on roof catchment as that was assessed as the number one option.

Table 12: Participatory assessment of water options

Option	Sustainability	Productivity	Equitability	Feasibility	Social/ cultural	Cost	Community contribution	Time	Points	Rank
Boreholes	1	3	1	0	2	1	1	2	11	4
Roof catchment	3	2	3	2	2	2	3	2	19	1
Shallow wells	2	2	2	1	2	2	2	2	15	2
Surface dams	1	2	1	2	2	1	2	1	12	3

Key: 0 – Nil   1 – Low   2 – Average   3 – High

Step 5
Identify overlapping stakeholder frameworks of interest – follow-up session

This is one more step towards a community development plan agreed to by key stakeholders. All the stakeholders share their relative frameworks of interest that broadly show what they want out of community development and what they can contribute to it. Step 5 can be broken down further into steps, as shown in table 13 and figure 8 below.

As a company, you will decide internally which community development projects are priorities for social investment. We recommend you use the Social Impact and Opportunity Assessment (tool 10) to help your company make those decisions. Government structures will normally have local and regional development plans that list their development priorities. Many NGOs and CBOs focus on specific areas and will therefore prioritise projects in their field of interest.

Stakeholders can get together in a joint meeting to identify overlapping frameworks of interest. Priorities identified by community members that do not overlap with the frameworks of interest of other stakeholders, can still be priority issues for the community to solve, but they may need to seek alternative sources of support or act independently.

Table 13: Steps to identify overlapping stakeholder frameworks of interest

Step	Action	Description
a	Share community framework of interest	The top priority development opportunities identified by community members during step 4 represent the community framework of interest
b	Introduce other stakeholders' frameworks of interest	Introduce senior leaders of the green hydrogen company, government bodies and NGOs to present their respective frameworks of interest.
c	Identify overlapping frameworks of interest	Compare the community framework of interest to the other. Identify overlapping interests. Ideally several will be chosen to be developed as Community Action Plans (tool 11).

Figure 8: Example of overlapping frameworks of interest

Community interests:

- Income
- Training
- Infrastructure
- Access to water
- Access to electricity
- Sustainable development

Company interests:

- Social licence to operate
- Enhanced reputation – developer of choice
- Continuity of production
- Employer of choice
- Renewable electricity generation
- Desalination of water

Overlapping interests:

- Employment at renewable power plants and green hydrogen plants
- Small business training and operation
- Transport operator training and operation
- Machinery maintenance and supply
- Uniform and clothing tailoring supply
- Generation of renewable electricity for plant and community
- Desalination of water for plant and community

Government interests:

- Revenue
- Education
- Health
- Electricity
- Water
- Roads

NGO/CBO interests:

- SME building
- Microfinance
- Capacity-building and training
- Supporting access to water
- Supporting access to electricity

Key references

1. Oxford English Dictionary. 15 Oct 2019 [cited 22 Mar 2023]. Available: https://languages.oup.com/research/oxford-english-dictionary/

2. What is community development? The short guide to community development 2e. Policy Press; 2017. pp. 9–28.

Tool 10: Social Impact and Opportunity Assessment

Description

This tool is a combination of two parts – identifying negative impacts of your green hydrogen project and mitigating them, and identifying the positive aspects of the presence of the project and enhancing them. It helps you look for methods to strengthen the development opportunities that can flow from the positive impacts as well as to offset the negative ones. This approach is explained comprehensively in the IFC's handbook on 'Strategic Community Investment'.

Green hydrogen project developers need to pay attention to both actual and perceived impacts of their projects. Misconceptions about impacts must be addressed with the same seriousness as actual impacts, because both can shape the attitudes of communities and other stakeholders to your project. This tool helps with assessing and addressing both.

The tool also helps you to think through, with community members, impacts and opportunities that may be distant in space and time. Some impacts and opportunities may be present at a regional, provincial or national level, or may only become apparent after a long time. They nevertheless need to be assessed and may require planning and interventions. Social Impact and Opportunity Assessment (SIOA) draws on the baseline studies that are undertaken as part of initial Environmental and Social Impact Assessments (ESIA), usually done by professional researchers.

Why this tool/Purpose

A SIOA can serve the following purposes:

- Update and revise the findings of a social baseline study conducted as part of the initial ESIA
- Provide baseline data where a social baseline has not been done
- Assess potential social impacts of your project
- Identify development opportunities generated by your project
- Generate customised baseline data that can be used for monitoring and evaluating specific development projects and actions
- Provide platforms for your team, community members and other stakeholders to get to know each other, exchange information and views, and build consensus around potential impacts and opportunities
- Provide opportunities for marginalised groups such as women to participate in shaping development plans.

When to use this tool

SIOAs usually form part of the social baseline study or are done soon after as it draws on the data and knowledge generated by the baseline study. Where a social baseline study has not been done, it is possible to use SIOAs to generate baseline data. In this case the focus of the SIOA must be adjusted. It will have a broader focus than an SIOA that is done after a baseline study because it needs to generate broad knowledge about the community.

You should also make assessments at each stage of the project, from feasibility to maturity to possible closure. This might be particularly important during construction, when land is enclosed and temporary workers employed. Green hydrogen projects have a long lifespan compared to industries such as mining. Impacts and opportunities are likely to change over time, often in unforeseen ways. It is therefore necessary to do SIOAs periodically or at turning points.

Background information: Social Baseline Studies

SIOAs draw on the data and knowledge generated by social baseline studies. A social baseline study is 'a collection of data about the situation in the community you want to work in before your project starts. It is a detailed description of the status quo. This can be in the form of a survey, research, interviews or other ways of data collection.' [2] It also includes an assessment of the potential social impacts of your project and is normally part of the ESIA that is done as part of the feasibility study of your project. [3] (IUCN 2020)

This means that social baseline studies are usually done by specialised professionals. We recommend that you contract researchers to carry it out. In the event that you and your team decide to do it and you are not specialised researchers, various guides are available. See Tool 11 in the Community Development Toolkit of the International Council on Mining and Metals. [4]

How to use this tool

Step 1

Review the social baseline study to determine areas of concern to the communities, potential impacts as well as areas where the project might present opportunities. For the latter, refer to Tool 9: Development Opportunity Ranking. Get further input from community members and stakeholders through focus groups and advisory panels (also in the following three steps).

Step 2

Assess potential impacts and opportunities and identify areas needing impact management programmes. Determine whether there are significant cumulative impacts in the project's broader region as well as direct and indirect impacts. Cumulative impacts occur when the effects of several separate developments combine to create intensified impacts. Direct impacts are the observable and measurable consequences of project activities while indirect impacts are the consequences that flow from the change circumstances brought about by the project. For example, a sizable in-migration of workers during the construction phase of the project can be a direct impact while a rise in rent and housing prices can be an indirect impact. See the example impact assessment framework below.

Step 3

Propose measures to manage and, if necessary, mitigate the identified impacts and enhance the opportunities. Keep in mind that addressing perceived impacts can be as important as addressing actual impacts. There might be a perception that green hydrogen projects will divert limited water and electricity resources away from communities. In reality it is likely that large-scale green hydrogen projects will generate electricity and purify water that exceed their own needs and can be shared with communities. In places like South Africa where water and electricity are scarce, the perception that your project will divert these resources away from communities must be addressed as part of impact mitigation.

It is likely that a key impact that must be addressed is land use and enclosure. Renewable electricity generation requires sizable land, which may be in use or earmarked by community members for agriculture or other activities. Development plans need to address this and either provide for alternative land for affected community members, or for agriculture on the same land as the solar panels and wind turbines, or both.

Step 4

Reassess the impacts and opportunities, taking the proposed management measures into account.

Step 5

Work with community and other partners on participatory development plans that address community priorities (enhancing opportunities) as well as required mitigation programmes (mitigating impacts). Tools 7, 8, 9 and 11 are directly relevant here.

Step 6

Review management measures and programmes regularly and adjust as required. See tools 14 and 15 for monitoring, evaluation and learning.

Step 7

In some cases significant regional and cumulative impacts may occur as a result of the project, or development opportunities may require cooperation beyond the local area or local actors. An example may be the development or redevelopment of a harbour that serves a region for the purpose of exporting green hydrogen. In these cases you should initiate a regional management approach as early as possible, in partnership with government, civil society, donor organisations and other green hydrogen project developers. Tool 3 will help you to identify the appropriate stakeholders and partners to work with.

Example impact assessment framework (for step 2)

To give yourself the best chance to develop optimum interventions to mitigate negative impacts, you will need to describe the key impacts as accurately and fully as possible. The matrices proposed in table 14 below will help you to do that, which will assist with both ranking impacts in order of importance and with coming up with appropriate management actions. It will also help you to rank these actions if it is not possible to do all of them at once. The matrices in the table provide examples rather than definitive parameters.

Table 14: Example matrices for determining significance of identified impacts

Impact assessment criteria		
Criteria	Category	Description
Extent or spatial influence of impact	Regional	Beyond 20km of the project sites
	Local	Within 20km of the project sites
	Site specific	On-site or within 100m of the site boundary
Magnitude of impact (at the indicated spatial scale)	High	Social functions are severely altered – large number of directly impacted people/households
	Medium	Social functions are slightly altered – medium number of directly impacted people/households
	Low	Social functions are slightly altered – small number of directly impacted people/households
Duration of impact	Long term	Longer than the project life (more than six months after operations cease)
	Medium term	For the duration of the current project plan
	Short term	For the duration of the construction phase (or less than six months)

(The distances and durations will vary depending on the context.)

To complete the framework you add naming the potential impact, its cause, nature, significance, and the mitigation activities designed to address it. You also add an assessment of the likely effects of the mitigation activities on the named impact. In other words, what will be the state of this particular impact after the mitigation activities have been done? What will be the residual impact? You can answer this question more precisely by looking separately at different aspects of the residual impact – the extent, magnitude, duration and significance.

Table 15 on the next page offers a complete framework with information from a fictional example set in South Africa.

Table 15: Example of potential impacts/issues before and after mitigation measures

Potential impact/issue	Cause	Nature	Extent	Magnitude	Duration	Significance	Mitigation activities	Residual extent	Residual magnitude	Residual duration	Residual significance
Land alienation and enclosure	Enclosure of land for renewable electricity plant	Direct, negative	Local	High	Medium term	High	Minimise project footprint / Avoid agricultural land / Investigate possible agriculture on the land where renewable electricity is generated	Local	Medium	Medium term	Medium
Perceived diversion of scarce water resources	Water scarcity / Misconceptions about water sources for green hydrogen production	Indirect, negative	Local, regional	High	Medium term	High	Education and awareness about water management for green hydrogen production / Demon-strations of water management for green hydrogen production / Sharing surplus water with the community	Local, regional	Low	Medium	Low
Perceived diversion of electricity	Electricity cuts (load shedding) / Misconceptions about electricity generation and use for green hydrogen production	Indirect, negative	Local, regional	High	Medium term	High	Education and awareness raising / Demon-strations / Sharing surplus electricity with the community	Local, regional	Low	Medium	Low

Key references

1. International Finance Corporation. Strategic Community Investment. In: openknowledge.worldbank.org [Internet]. Jun 2010 [cited 30 Apr 2023]. Available: https://openknowledge.worldbank.org/server/api/core/bitstreams/6e13fc47-a533-5b21-bd20-9b3225c73dd9/content

2. Wieners E. What is a baseline study? In: proposalforNGOs [Internet]. 8 Feb 2018 [cited 24 Mar 2023]. Available: https://proposalsforngos.com/what-is-a-baseline-study/

3. IUCN. Environmental and Social Impact Assessment (ESIA). In: iucn.org [Internet]. 15 Mar 2020 [cited 24 Mar 2023]. Available: https://www.iucn.org/sites/default/files/2022-05/esms-environmental-and-social-impact-assessment-esia-guidance-note.pdf

4. Community Development Toolkit. International Council on Mining and Metals; 2012.

Relevant Resource for further reading: Green Hydrogen Organisation. *Green Hydrogen Contracting Guidance Land Acquisition and Use,* 2022. Access PDF here: https://gh2.org/sites/default/files/2022-12/GH2_Contracting%20Guidance_Land%20Acquisition%20and%20Use_2022_1.pdf

Chapter 4

Programme Implementation

Tool 11:
Community Action Plans

Description

Community Action Plans (CAPs) are the outcome of participatory planning and assessment. Going through the steps of participatory planning and assessment (tools 3 – 10) enables community members to analyse their situation, gain confidence in their ability to understand the cause of their problems, devise solutions to them and design a detailed plan for future action. CAPs list actions that need to be taken for community development, state who should undertake those activities, and record dates by which actions need to be undertaken. They provide detailed work programmes both for the community, who own the plan, and for development partners.

Participatory assessment and planning are on-going and interactive. Your company, community members and other development partners work together to fine-tune, modify and update plans as you go through the implementation process. CAPs are not drawn up for development experts to implement or for gaining community acquiescence in preordained plans. The process of participatory planning is designed to bring about a mutually respectful and cooperative working relationship between communities and their partners in government, NGOs and green hydrogen companies.

Why this tool/Purpose

CAPs serve the following purposes:

- Place systematic participatory planning at the centre of community development work
- Serve as a record of community achievements during assessment and planning activities
- Serve as the basic management tool for the community's development programme
- Through producing a CAP, community members produce a set of community-developed and owned goals, activities, partners and timelines to enable them to achieve their development objectives
- Provides you and other development partners with an understanding of community priorities and objectives to which you can align your programmes.

When to use this tool

This tool follows on from the planning and assessment exercises detailed in tools 3 – 10. Specifically, the results of the Development Opportunity Ranking (tool 9) feed directly into the CAP process, as action plans need to be developed for the implementation of the priority opportunities identified. CAPs should be reviewed as circumstances change or at least once a year. The community development project's system for monitoring, evaluation and learning (see tools 14 and 15) should check whether CAPs are being implemented and suggest whether revisions are required.

Background information

Community Action Plans are at the centre of community development as understood in this toolkit. The tools before it prepare for the making of CAPs by generating knowledge and building relationships, while the tools that come after are about implementing and reviewing CAPs. It is important that you think about how CAPs are understood and valued by community members and other development partners. Do not assume that everyone involved attaches as much importance to the CAPs as this toolkit does and as your team might do. A starting point is to gather background knowledge about planning practices in the community and among development partners. Are participatory planning and CAPs new practices in the community? What other approaches to planning are in use? This background information will help you gain insight in how CAPs are understood and what you may need to do to convince community members and development partners of the value of CAPs.

How to use this tool

Step 1

Organise a planning workshop. You and your team can initiate the workshop, but it is important to collaborate with key local stakeholders. Invite as broad a range of participants as possible, including representatives from relevant government bodies. Make special efforts to ensure that women, youth, the elderly and the disabled are included and that cultural and religious minority groups are represented. Your task as facilitator is to encourage community members to take the lead in the production of CAPs.

Step 2

Make a list of the prioritised development opportunities. You should draw on the Development Opportunity Ranking (tool 9) for this. (For this step and the ones that follow, when we say 'you' we mean you together with all the participants in the workshop. All the steps must be carried out collectively and collaboratively.)

Step 3

(Step 3 to step 8 is carried out for each of the identified development opportunities.) State the specific objective that will address the identified issue.

Step 4

Make a list of activities that must be undertaken to achieve the objective.

Step 5

Decide who in the community or what unit or agency of which development partner is most appropriate to undertake each activity.

Step 6

Decide when the activities are to be done.

Step 7

Decide what resources and budget will be needed for each activity and who will contribute resources.

Step 8

You now have a plan for each of the identified development opportunities. Consolidate them into one overall Community Action Plan. Table 16 below provides an example of a CAP framework.

Step 9

Name who will take responsibility for ensuring that the plan is implemented. The CAP then becomes the management tool for community development activities, to be managed by the community with support from company, government and NGO partners. Part of the management processes for the CAP will include developing indicators (tool 14) for monitoring, evaluation and learning. These indicators are the measuring guides for reporting to community members and development partners on programme challenges and achievements.

Table 16: Example of a CAP framework

Opportunity/ Objective	Actions	Resources needed	Who will provide	Date to start	Who will follow up

Case Study 5: Mainstream Renewable Power community programmes, South Africa[1]

Mainstream Renewable Power applies an asset-based community development approach that departs from the communities' own assets and resources to develop community action plans. Community members are invited for a two-day process to identify:

- What can be done without any financial assistance? These are the low hanging fruits that enable impact in the short term.
- What medium and long term projects are possible with help from investors?
- Who are the active (and not so active) players and SMMEs in the community that can be part of activities?
- What collaborations can support the identified activities? Sometimes municipalities or other local contributors have financial resources available which makes the community development actions more sustainable.

Here are a few examples of the community development initiatives focused on youth and women that have materialised as a result of the community engagements and participatory workshops:

- Start of an apprenticeship program to train local youth to become wind service turbine technicians. Six of the 15 youth in this program are females, which contributes to the transformation of the industry in terms of gender dynamics.
- One of the Special Purpose Vehicles (SPVs) implemented a skills development programme for a group of 12 women who did home-based care training. Five of the women have entered a program with the local Department of Health. One of the SPVs Mainstream is managing, sponsored a mobile clinic that provides healthcare in remote farming areas of the Western Cape.
- On all their plants, Mainstream is managing local youth who were trained to do monitoring and evaluation. With these data collection and M&E skills the youth set up their own SMMEs. They received training and mentoring from the African Foundation for Sustainable Development.

In the Sustainability Report of 2021, the company reports on delivered community initiatives with a breakdown of the type of initiative, the money spent on this initiative, the project name and stage, and the numbers of learners/community members impacted.

Key reference

Community Development Toolkit. International Council on Mining and Metals; 2012.

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1   Interview with Jo-Anne Brown. Mainstream Renewable Power. Country Economic Development Manager South Africa. *16 March 2023.*

Tool 12: Conflict Resolution and Grievance Mechanism

Description

Conflicts between your company and some community members and other stakeholders will arise during the course of your community development. It will be of different levels of intensity and may or may not revolve around your community development work. Whatever the case, your community development team will have an important role to play in managing and resolving conflict.

Different levels of conflict require different kinds of intervention, which can be categorised based on the level of formality and potential cost of the intervention. A non-judicial grievance mechanism occupies an important place within the set of available conflict resolution mechanisms. It provides for a structured, methodical procedure to address a serious grievance, without the complex legal proceduralism and cost associated with litigation. Your community development team has prime responsibility for the creation and implementation of a grievance mechanism.

The parameters that need to be covered by a non-judicial grievance mechanism have been defined by the UN Office of the High Commissioner for Human Rights in 'The Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework.'[1] The key elements pertinent to your business are summarised in the text box below.

> **Key elements of the United Nations "Protect, Respect and Remedy" Framework**
>
> *The United Nations Guiding Principles on Business and Human Rights provide guidance on what effective company grievance mechanisms look like. Such mechanisms should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, confidential, a source of continuous learning, designed and monitored in consultation with communities, culturally appropriate, gender-sensitive and context-sensitive. For more detail, see the Green Hydrogen Organisation contracting guidance on community engagement and transparency (page 16-17). [2]*

Why this tool/Purpose

This tool provides a brief overview of different levels of conflict resolution methods and then concentrates on guiding your team in the creation and implementation of a non-judicial grievance mechanism. The latter's purpose is to give your stakeholders an avenue to raise concerns and complaints about your project that were not resolved through day-to-day dialogue and engagement. By instituting a grievance procedure, community members and stakeholders can formally voice their concerns and provide a valuable feedback loop to help you learn about the effectiveness of your activities. If complaints procedures or mechanisms are well designed and implemented, they are likely to improve relationships between all stakeholders and address problems within the community development work in an effective manner.

In addition to serving as a platform to resolve conflicts and grievances, an effective grievance mechanism can help achieve the following goals:

- Open channels for effective communication
- Demonstrate that a company is concerned about community members and their well-being
- Mitigate or prevent adverse impacts on communities caused by company operations
- Improve trust and respect
- Provide structures for raising issues that reduce imbalances in power
- Promote productive relationships
- Build community acceptance of a company's social licence to operate.

When to use this tool

Conflict resolution becomes relevant whenever a complaint is received from a community member, whether oral or written. Record all complaints and conduct an evaluation as to which method of conflict resolution is appropriate. Make it clear to community members that any of the methods are available to them at all times, depending on their preference. If a complaint cannot be resolved quickly through dialogue, and the grievance does not yet require third party involvement or does not involve legal action, then initiate the grievance mechanism immediately. We want to stress that the decision to activate the grievance mechanism must be made as quickly as possible, preferably on the spot. It might be tempting to delay, either to give dialogue a chance to resolve the grievance or to give senior company management the chance to make the decision, but it is important to avoid any perception of unwillingness to entertain the grievance seriously. Companies should give their community development team the power to decide to activate the grievance mechanism to avoid delays.

Background information: methods of conflict resolution

There are many methods of conflict resolution. Four main ones are dialogues, non-judicial grievance mechanisms, third party mediations or reviews and litigation. They could be seen as progressive – each is used when the previous ones have not resolved the grievance, although dialogue can continue alongside the others.

Dialogues happen throughout the community development process. In this toolkit, all the tools from 3 onward include some level of dialogue between community members, your company and other stakeholders. Many or most grievances or conflicts will be pre-empted or resolved through these on-going, multi-dimensional dialogues.

The **non-judicial grievance mechanism** is activated for those conflicts and dialogues that were not resolved by dialogues. This is a formal, methodical procedure, although as the name indicates it does not involve the courts or other outside parties. It is between the aggrieved community members and the company and it gives both access to a transparent, structured process with guarantees that they would be heard.

In cases where the grievance mechanism does not resolve the conflict, it may be necessary to arrange **third party review or mediation** of the conflict. The company might be seen by some community members as too vested in the grievance to respond to it fairly and the involvement of an impartial third party could set such concerns at ease. It is important that both sides to the conflict accept the impartiality, good faith and competence of the third party. Although this option is more costly than the grievance mechanism, it may still be worth it because it can repair broken relationships and may still be less costly than litigation. It may be up to your team to persuade your company to bear the costs as often community members are unable to.

If all else fails, **litigation** may be necessary to resolve conflicts. This path is always open to both communities and companies, but should be avoided if possible. Not only is it costly, but although it can give permission to proceed with or refuse desirable activities, it often leaves negative feelings in its wake that may become a constant source of conflicts and grievances. It is an option of last resort.

Third party reviews or mediation and litigation depend on outside professionals, while dialogue is ongoing. It is the development and implementation of a non-judicial grievance mechanism that will require a special effort from your community development team. In the rest of this tool we will therefore focus on grievance mechanisms.

How to use this tool

Grievance mechanisms are a huge topic. The ICMM even has a separate publication on them: 'Handling and Resolving Local-level Concerns and Grievances: Human Rights in the Mining and Metals Sector'. [3] We will introduce the topic below, but companies should refer to the dedicated ICMM guide (or any other grievance mechanism guide) if they want to know more about the topic.

By designing a grievance mechanism in a transparent and participatory manner with the community you are likely to increase buy-in and understanding of the mechanism. You need to consider issues of accessibility. Vulnerable and less visible members of the community must have recourse to the procedure. You therefore need to make efforts to ensure that the existence of the grievance mechanism is known to a broad cross-section of community members and that the procedure can be accessed both orally and in writing in the languages spoken in the community.

Regardless of the exact method, it is important to define a clear process with well-defined steps leading to a particular outcome. This process must include regular updates to complainants about the status of their grievances. One method is shown in the procedure flowchart (figure 9) below. The seven potential steps are summarised as follows:

Step 1

Receive grievance

The staff member receiving the grievance is responsible for documenting and recording the grievance and ensuring that it is entered into the stakeholder engagement database or complaints log. (If there is significant potential for conflict or there is a lack of trust, an Ombudsman might be better placed to receive the grievance than a staff member.)

Step 2

Preliminary assessment

An initial assessment of the grievance should be conducted to assign the grievance to the relevant person in the company. Grievances may be classified into a number of categories such as environmental, cultural heritage, land disturbance, recruitment procedures, health and safety, human rights, physical or economic displacement or related to a community development project. For each of the categories, a different person within the company would be assigned to deal with the specific details of investigating the grievance.

Step 3

Respond to the grievance

Write to the complainant to acknowledge the grievance and provide information as to expected steps and timing for resolution of the grievance. This must be done within a set period of time, typically within seven working days of the receipt of the grievance. Where illiteracy is common, you need to consider combining verbal with written communication.

Step 4

Investigate and resolve

This step is about investigating the underlying cause of the grievance and developing actions to resolve it. You also need to think about measures that will prevent the recurrence of a similar grievance. The approach and team membership to complete the investigation will depend upon the category and level of the grievance, but the community development team will stay involved helping to keep momentum going and supporting communication with community members. Some investigations may require a simple examination of the company's records, whereas others may require discussions with many stakeholders, both internal and external.

A grievance resolution report should be completed no later than one month from the start of the grievance investigation, which begins on the date the grievance was entered into the company's records. This could vary depending on the nature of the grievance, but this timeframe should be aimed for. The community development team of your company should coordinate conflict resolution activities required to contain and resolve actual or potential conflicts and ensure that the complainant is kept informed of the progress of the grievance procedure, especially if a longer period of time is needed to complete the investigation.

Step 5

Conclusion

The community development team must follow the investigation procedure in order to develop recommendations to ensure the grievance does not recur. Engage the aggrieved parties and seek their views about the company recommendations. Ensure that they are satisfied with the proposed resolution. If the complainant is satisfied, seek their sign-off that the grievance has been resolved.

Step 6

Further action

If the complainant is not satisfied with the proposed solution, initiate further investigation to determine what further action may be taken. In the case that satisfaction cannot be achieved, then the grievance may be referred for third party mediation or review.

Step 7

Monitoring, evaluation and learning

As part of the grievance management procedure, enter the details and each step of progress into the company's stakeholder engagement database. At various intervals – monthly is recommended – count and report to management and advisors, the number of grievances received, resolved and outstanding. At least annually, analyse the trends and time taken for grievance resolution. Use the evaluation to assess the effectiveness of your grievance mechanism.

If the procedure is not managing to resolve the majority of grievances within the set timeframes, then it may need to be adjusted. Likewise, if no grievances are being received, then the system is likely either inaccessible to stakeholders or is not trusted and needs to be revised. Better indicators of success are that resolution is received to the satisfaction of both parties within the agreed amount of time specified in the procedure in a majority of cases and that there are not recurring complaints about the same issues.

Figure 9: Grievance procedure flowchart

STEP 1

- Engage community member and receive grievance
- Record the grievance and enter it into the database
- **TIP: Ensure mechanism is accessible and promote external awareness of it, allow for different ways of making complaints and adapt these to local culture, log and document all complaints carefully**

STEP 2

- Preliminary assessment – categorise the complaint – environment, cultural, employment, human rights, health and safety, related to community development, etc.
- Assign the grievance to the relevant officer
- **TIP: Keep potential scope of issues broad, ensure internal support and accountability for the mechanism**

STEP 3

- Respond to the complaint – write or communicate verbally to the complainant
- Explain the process and timeline of the grievance procedure
- **TIP: Define a clear process for resolving the complaints involving regular updates to the complainant**

STEP 4

- Investigate the grievance using an appropriate team and required information
- Devise a resolution process and record the results
- **TIP: Involve communities and/or respected third parties where possible in the design and implementation of the mechanism**

STEP 5

- Follow up the resolution process with the aggrieved parties to ensure their satisfaction
- Seek sign-off from the complainant and file all documents in database
- **TIP: Seek resolution to concerns and grievances where possible through dialogue and joint problem solving with the communities**

STEP 6

- If the complainant is not satisfied, discuss further options
- If matter is still unresolved, refer matter to third party mediation or external review
- **TIP: It may be necessary to deepen community or third-party engagement to strengthen trust. In some cases, setting up an independent forum or process, potentially led by third parties, may be necessary**

STEP 7

- Regularly monitor and evaluate the numbers of grievances received, resolved and outstanding
- Adjust procedure if required
- **TIP: Internally evaluate how the mechanism is functioning, report externally on the results of the mechanism**

International Commission of Jurists (ICJ): Effective Operational-level Grievance Mechanisms (OGM) (2019) [4]

For two years the ICJ engaged in a research and consultation process with practitioners and stakeholders to assess the effectiveness of OGMs. They found that mechanisms are still often better in their design level than in their actual implementation in the field and there is significant opacity in their operations, reporting and monitoring.

The report states that "although the predominant model of OGM is one led by a company, the ICJ has found several other models of similar effectiveness that are run by local communities or groups and are accepted and used by companies".(p11) TVI Resource Development is an example. This Canadian company operating in the Philippines used local practices and institutions to engage community grievances. For a detailed report on community perspectives on company-led grievance mechanisms you can have a look at a report by the UKs International Institute for Environment and Development. [5]

The ICJ report presents recommendations for the improvement of the design and implementation of Operational-level Grievance Mechanisms (OGMs), including a set of Proposed Performance Standards to assist companies and other stakeholders in their work. This might be helpful when designing and planning a grievance mechanism for your project.

Key references

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Tool 13:
Local Economic Investment

Description

Green hydrogen projects can bring economic stimulus to an area with benefits such as jobs and business opportunities. Due to the land requirements of renewal power plants, to which green hydrogen production is tied, green hydrogen projects are often located in sparsely populated areas. Therefore, although the absolute numbers of jobs and other economic opportunities created may seem low compared to something like mining, it is nevertheless likely to be quite significant due to the extent of the value chain in the local context.

With thoughtful planning and cooperation with community members and other stakeholders, you can ensure that these benefits are optimised. This requires a variety of knowledge, conceptual and relational tools, including a clear understanding of local contexts, awareness of locally available skills and an appropriate approach to enterprise development and economic diversification. Your team and company can play a crucial role in this and in ensuring equitable distribution of benefits by making sure programmes provide opportunities to women and vulnerable and marginalised groups.

Why this tool/Purpose

To enhance the economic benefits delivered by your project at a local level. This can be through short-term employment during the construction phase or through building the capacity of local businesses to supply the goods and services needed by your company. An important aspect of local enterprise development is to assist businesses to develop a diversity of other products and markets that can sustain the local economy and community independently of the green hydrogen project.

When to use this tool

The groundwork for local economic investment activities should start during the feasibility study. Questions could be included that look at what can and needs to be done to influence contractors to adopt employment and procurement policies that ensure inclusion of locals in employment and business opportunities. The feasibility study can also look at how local businesses can be supported to be ready to supply goods and services to the project. Providing support for companies and individuals to develop sustainable businesses and marketable job skills will be a constant priority. If successful, as time passes there will be new people and businesses needing support as their predecessors achieve viability and independence.

Background information

The International Finance Corporation (IFC) published 'Strategic Community Investment: A Good Practice Handbook for Companies Doing Business in Emerging Markets' in 2010.[1] This short book (144 pages) comes with a useful Quick Guide and provides good suggestions for how companies can establish an effective set of local economic investment programmes. It gives comprehensive advice about the many elements that need to be considered, including the company's strengths and priorities, community priorities, local economic capacity, appropriate means of assistance and many other useful aspects.

For the IFC, strategic community investment involves voluntary contributions or actions by companies to help communities in their areas of operation address their development priorities and take advantage of opportunities created by private investment in ways that are sustainable and support business objectives.

> ### Defining 'local' in REIPPPP
> *In South Africa, the Renewable Independent Power Producer Procurement Programme (REIPPPP) specifies that for recruitment of workers, renewable power producers have to use a definition of local as the community within a radius of 50 km around the project. It further specifies that a local is a person who has been living within the designated community continuously for at least two years.*

How to use this tool

Step 1

Define local

To prioritise local investment, you need to consider what 'local' means in this context. You may use different definitions of local for recruitment and procurement. At this first step you need to consult with community members and other stakeholders, especially government, and check if there are any legal or regulatory definitions that must be used. For consultation you can draw on the results of Stakeholder Identification (tool 3). Your goal is the development of agreed parameters, acceptable to all stakeholders, for the definition of 'local' for both employment and procurement purposes. This might be a physical distance from the project, a distinction between impacted and non-impacted communities by the green hydrogen and renewable electricity plants, a political or administrative region, etc.

Step 2

Increase local content

One quick and reliable way of 'kick-starting' local economic investments is for the company's procurement department to search for and support synergies between its product and service needs and the supplier capacity of local people. In this regard, the IFC recommend the following key tasks:[2]

A. Conduct a company self-assessment

The IFC has developed a spreadsheet to support companies to do this assessment (available at IFC_LPPGuide_PDF20110708.pdf) [2]It assesses the supporting structures that are in place to support a local procurement programme, the existing processes in place and support that your company already provides to small, medium and micro enterprises (SMMEs). Based on this assessment, you will get an understanding of the gaps that will need to be addressed in order to implement an effective local procurement programme.

B. Identify the business case

For local procurement to be integrated in standard operating procedure for your company, the business case needs to be clearly stated and agreed across the company. The business case can vary for different operations, but the IFC has identified six key drivers:

- Government regulation or contract requirement for local content

- Competitive advantage

- Social licence to operate

- Energy and environment consideration
- Cost reduction and/or increase in quality
- Business continuity and long-term economic diversification.

C. Define local

As highlighted in step 1, it is critical that you agree on a definition for your local procurement.

D. Create a policy

By working through these tasks you will be in a position to develop a local procurement policy, which can be applied to both your own business activities and those of your contractors.

Step 3

Local employment

When communities hear about green hydrogen projects in their area, they often ask how many jobs will go to their community members. Expectations around local employment need to be addressed with clear information, and honestly communicated. There are steps you can take to improve opportunities for local employment within your project. You should consider the following ideas:

A. Local employment policy

Do you have a local employment policy and/or a national requirement to prioritise local employment? Is this policy well understood across your project and by community members?

B. Skills audit

Do you know what skills are held by community members? Are there opportunities to use these skill sets currently? Can vocational education programmes build on these skill sets for possible future employment?

C. Contractor requirements

The largest labour force is normally seen during construction and it is often primarily contractor based. Do you have clauses in your tender process that favour companies who employ locally, or that require contractors to train local employees as they undertake the work?

D. Community development programmes

Are there programmes you could support that would increase the likelihood of the community members finding sustainable opportunities, either with your project or ideally with other diversified activities?

Step 4
Diversify opportunities

In addition to supplying goods and services to your project, it is important to encourage alternative livelihood and economic opportunities. This can be done through providing low-cost loans to other businesses, business advice and mentoring not solely related to procurement opportunities, and a variety of training courses and support services.

One philosophy for diversifying local businesses is called Enterprise Facilitation, developed over 25 years by the Sirolli Institute.[3] Its approach relies upon never offering advice until an entrepreneur asks for it, thereby fostering relationships based on mutual respect. It also emphasises the importance of building a team approach to business. Entrepreneurs are unlikely to be equally skilled and passionate about production, marketing and financial management, so it makes sense to team up people whose strengths lie in each of these fields. This approach can be explored on the Sirolli Institute website at: www.sirolli.com

Table 17: Typical job and business opportunities in green hydrogen projects[2]

	Typical local job opportunities	Typical local goods and services supplier opportunities for SMME / business opportunities
Construction	• Construction workers • Transport workers • Artisans	• Construction workers • Transport workers • Artisans
Operations, management, communications and training	• Site/plant manager (industrial engineering background) • Computational scientist / IT • Power systems and transmission engineer • Management jobs: asset manager, finance manager, project developer, regulatory expert, legal staff • Industrial engineers, power engineers • Communications manager • Public relations specialist • Sales engineer and representatives • Occupational health & Safety specialist • Logistician	• Monitoring and evaluation • Marketing services • IT services • Logistics supplier • Security • Grounds maintenance: gardens and grounds • General maintenance
Engineering, manufacturing, and research and development	• Chemical engineer • Software engineer • Electrical engineer • Manufacturing technicians • Instrumentation and electronics technician • Mechanical engineer • Environmental engineer • Research engineer • Material scientist • Environmental scientist • Plant operator • Electrician • Assemblers and fabricators • Computer Numerical Control (CNC) operator • Industrial equipment mechanic	• Component manufacturing: pumps, safety equipment, telecommunication, paint, engines • Cleaning • Catering • Learnerships, apprenticeships

2 Sources: adapted from 'Hydrogen and fuel cell careers', Website with map of hydrogen and fuel cells careers from US Government, interview Ebrahim Takolia 13 february 2023, Saldanha Bay Industrial Development Zone Development Programmes Framework 2019

Note on required qualifications:

– For the installation of a green hydrogen plant, the required qualifications are comparable to people who operate in the vehicle manufacturing industry in South Africa. These are people with practical knowledge and not necessarily people with a maths and sciences background. The work is similar to any internal combustion engine or process plant.

– In a green hydrogen plan, typically about 80% of people have a more technical background and qualification. The other 20% would need to have serious maths, science and engineering skills. These could be interesting long-term jobs because these projects run at least 20-40 years and the system needs maintenance throughout.

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Chapter 5

Monitoring, Evaluation and Learning

Tool 14:
Indicator Development

Description

Effective reporting, monitoring and evaluation depend on the identification of effective performance indicators, which also helps you to describe the lessons learnt in a structured, detailed and comprehensive way. You, community members and other stakeholders need to agree on what will be measured as evidence of the performance of your community development work. This will tell you what to report on, monitor and use as the basis for evaluations. Effective performance measurement needs to:

- Use appropriate units for measuring change
- Be able to distinguish between inputs, outputs and outcomes
- Measure effectiveness and efficiency
- Assess both qualitative and quantitative dimensions of change.

Why this tool/Purpose

To develop a set of verifiable indicators to measure performance of community development programmes that is understood and accepted by all stakeholders.

When to use this tool

Developing indicators for monitoring, evaluation and learning (MEL) is part of formulating Community Action Plans (tool 11). Without indicators to measure performance and progress, the CAP is not complete. Indicator development should therefore be part of making CAPs, or it should be done as soon as possible after the CAPs have been accepted, as a way of completing the CAPs.

Background information: monitoring, evaluation, learning, inputs, outputs and outcomes

For background, you need a good understanding of two sets of concepts. The first set defines the purposes of indicator development, namely monitoring, evaluation and learning. The second set defines what the indicators are meant to measure, namely inputs, outputs and outcomes.

Monitoring is the on-going, methodical collection and analysis of data on development activities. It provides programme managers and stakeholders with early indications of progress and achievement of goals. Monitoring can be said to measure outputs and is undertaken more frequently than evaluation. It is often done by people involved in the community development programmes.

Evaluation is primarily concerned with longer-term results of development activity, or the measurement of outcomes. It aims to identify how and why activities succeeded, failed or were changed in order to improve the effectiveness of future activities.

Learning is about using the data collected and evaluated to enrich discussions that will inform future work both in and beyond the specific project.[1] It goes beyond outputs and outcomes and engages the meaning of activities and lessons in a systematic way.

Inputs are the money, time and other resources contributed to development activities, for example money spent, number of meetings held, number of studies conducted, etc.

Outputs are the direct results of community development projects, for example numbers of people trained in agricultural methods, amounts spent on local procurement, etc.

Outcomes are longer-term changes in the situation of the community, for example measurable change in the community's quality of life, health or economic well-being. They are the best measure of how successful, or otherwise, development activity has been.

How to use this tool

The development of programme indicators is best done as a group exercise involving community members. Performance measurement should be based on indicators that can be verified by third parties. This ensures that measurement of change by one group is accountable to all stakeholders and can be repeated by other groups if needed. The point is that there must be a means to verify results, for example numbers of trainees completing a course, or hectares of land made available for community agriculture.

Step 1

Gather together a group of people from the community and the company. The people should have knowledge of and interest in the programmes you want to develop indicators for. In addition to beneficiaries from the programme, this should include staff with insight about how the projects fit into the broader socio-economic objectives of the operation. Involving staff from different departments in your company can increase buy-in for the selected indicators and for the community development work as such.

Step 2

Brainstorm ideas for indicators, including means of verification:

- What will we measure?
- How will we measure it?
- How can other people verify our measurements?

SMART indicators

Indicators should be SMART:
Simple *Easy to interpret, monitor and understand by the community and others.*
Measurable *Quantifiable and reliable.*
Accessible *Based on accessible and consistent information that is available over time.*
Relevant *Measures what people need to know and can be acted on.*
Timely *Responds to changes in social conditions and alerts people to action that is needed at a particular time*

Step 3

Prepare a list of indicators for each programme. Examples of quantitative indicators may include:

- The frequency of meetings, the number of people involved
- Growth rates
- Yields, prices
- The uptake of activity inputs, for example loans, school enrolment, visits to the clinic
- The adoption or implementation of activity outputs, for example technologies, manuals, newsletters or guidelines in use.

Qualitative indicators may relate to:

- The level of participation of a stakeholder group
- Stakeholder/consumer opinions, satisfaction
- Aesthetic judgements regarding local amenity or lifestyle choices
- Decision-making ability
- Changes in attitudes
- The emergence of leadership
- The ability to self-monitor
- The development of groups and of solidarity
- Behavioural changes
- Evidence of consensus.

It is generally easier to measure behaviour than feelings; behaviour can be observed. So if an objective is to increase people's confidence in meetings, it may be appropriate to measure this by observing how often they speak and whether they speak clearly.

Step 4

Evaluate the feasibility of the output or outcome expected. In order to evaluate the feasibility of each recommended indicator, you should consider the following:

- How potential indicators will contribute to strategic socio-economic management or development objectives
- Whether the recommended indicator will be effective
- Whether the resources and skills to measure the indicator are available within the company or among partners
- The approximate cost and time required to measure the indicator.

Figure 10: Ideal criteria for indicators

(adapted from Anglo American's Socio-Economic Assessment Toolbox [SEAT]) [2]
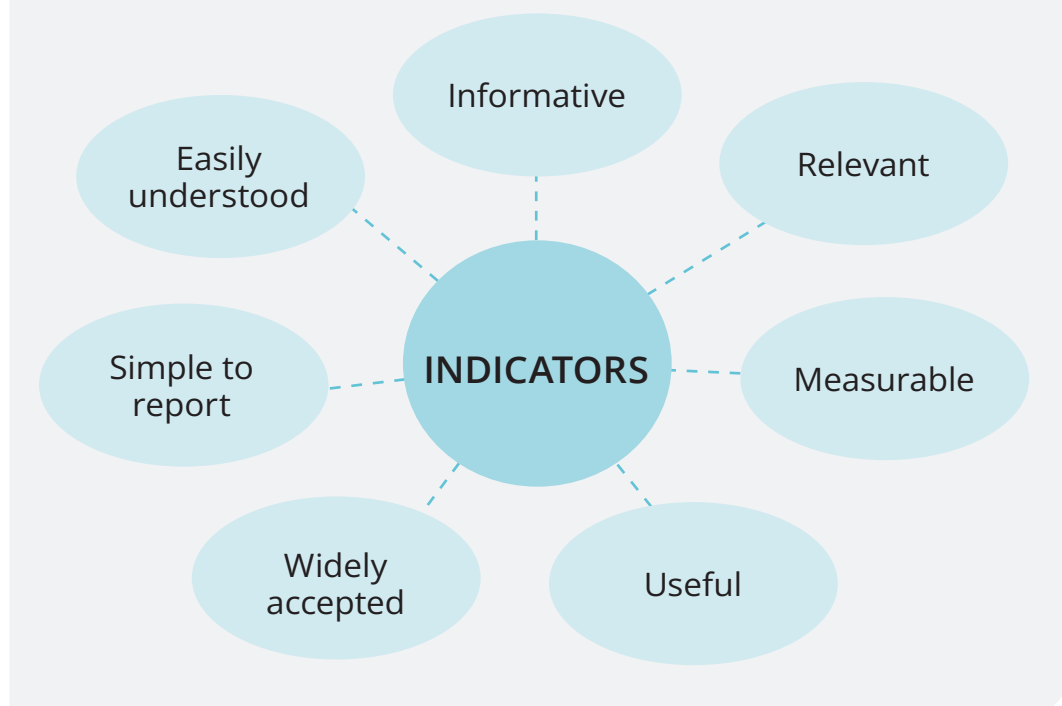
Table 18 gives an example of how monitoring might be undertaken for an investment in apprenticeships and training courses.

Table 18: Example of a monitoring table

Monitoring of apprenticeships, training and skills development				
Input	Output expected (indicator)	Actual results (indicator)	Difference	Observations (action to be taken)
Apprenticeships and training courses	Twenty apprentices and trainees starting, graduating and finding continuous employment with the company	Twenty apprentices and trainees completed the course though only fifteen found continuous employment with the company	Five	More support for individuals to manage the transition from apprenticeships/ trainings to continuous employment

The selected indicators can be classified according to the SMART system (Box 4). The input is the apprenticeships and courses themselves, although this could also be noted as the cost of the courses, for example US$5,000, which would be more *Simple*.

The expected output is *Measurable* – the target was 20 apprentices and trainees starting, graduating and finding continuous employment with the company. The target was *Accessible*, although it was not reached. The indicators are *Relevant*, as numbers of graduates finding continuous employment is what the programme was designed for. Finally, the monitoring indicators are *Timely*, as the courses were run for a fixed period of time.

Step 5

Engage with stakeholders to monitor and report on the effectiveness of the community programmes using the indicators. Monitoring should be carried out through engaging openly with stakeholders, allowing for feedback on performance and informal inspections of programmes. Involving external parties in monitoring can also provide useful feedback.

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Tool 15: Logframe

Description

A logical frame (logframe) is a table that visually presents the logical relationships between your project's goals and the available resources and planned activities in a systematic, concise manner. [1] [2] It is used for planning, monitoring, evaluation and fundraising. The process of creating and using a logframe helps community development workers visualise and articulate how change can be achieved. This process draws on the results of other assessment, planning and monitoring tools, and organises the knowledge gained logically. You should create the logframe for your project after using the Indicator Development Tool (tool 14).

Why this tool/Purpose

Logframes serve the following purposes:

- Summarise and organise your planning information generated through the use of other tools
- Visually present your project plan in a compact and logical way
- Spell out the way you see how change can be achieved step by step
- Build a common understanding of your project between you, community members and other stakeholders
- Provide a guide for monitoring, evaluation and learning
- Explain your project plans to executive management and potential funders.

When to use this tool

You should create a logframe as early as possible at the start of your community development work or at the start of new projects in your on-going community development. This should happen after you have done indicator development (tool 14).

Logframes can be used throughout the lifespan of the project for monitoring. There will be times when it becomes particularly important – when you have to present the project plan visually to colleagues and management, during periodic evaluations and when you apply for funding or other resources from outside parties.

Background information: logical relationships

As the name indicates, logframes are about logic – it presents the logical results of combinations of actions and circumstances. Logic is 'reasoning conducted or assessed according to strict principles of validity'. [3] For community development workers, logic poses the question: do you have valid reasons to expect particular results from particular activities?

Logframes offer you a way to answer this question clearly and concisely by saying, 'if we do this, under these conditions, then we expect those results.' In particular the logframe expresses these 'if-then' relationships between your project's goals, outcomes, outputs and activities, while at the same time specifying how you will measure and verify that your underlying logic is valid. You will be saying: 'if we do these activities, that produce these outputs, that lead to these outcomes, then we will reach this goal.'

How to use this tool

Step 1

Gather together a group of people from the community and the company. The people should have knowledge of and interest in the programmes you want to develop indicators for. In addition to beneficiaries from the programme, this should include staff with insight about how the projects fit into the broader socio-economic objectives of the operation.

Things to bring to the gathering:

- The written results of previous assessment and planning exercises. Think about putting it in a form that participants can easily access, for example poster sized print outs or use a projector to show it on a screen.
- Enough flipcharts, markers, post-it notes and other stationery so everyone can take part in writing up the ideas.

Step 2

Explain the goal of the gathering. Questions to be discussed:

- What is a logframe?
- Why do we need it?
- How will we make it?

Use table 19 to explain the structure of the logframe you will be making.

Table 19: Logframe structure

	Project summary	Indicators	Means of verification	Risks/assumptions
Goal				
Outcomes				
Outputs				
Activities				

Step 3

Check who of the participants were involved in the preceding planning of the project and to what extent. Go over the list of assessment and planning steps that were taken already, for example Stakeholder Analysis, Community Mapping, Development Opportunity Ranking, Community Action Plans and Indicator Development.

This will show participants that there is a lot of knowledge to draw from. Creating the logframe happens late or at the end of the planning process. Its purpose should be seen as organising the available information and providing an opportunity to review the strength of the logic underlying the planning decisions up to now.

Step 4

Start completing the logframe using the structure in the table above and filling in the missing information. Depending on the number of participants, you can work in one big group or in smaller groups that later combine their tables.

Draw on the results of previous assessment and planning exercises to complete the table. For goals, outcomes, outputs and activities you should be able to draw on Development Opportunity Ranking (tool 9), Social Impact and Opportunity Assessment (tool 10), Community Action Plans (tool 11) and Local Economic Investment (tool 13). For indicators and means of verification you can draw on Indicator Development (tool 14). This will enable you to complete the 'project summary', 'indicators' and 'means of verification' columns of the logframe table.

Step 5

This step is where you test the validity of the logic of your plan by completing the 'risk/assumption' column and adapting the plan if needed. You start at the bottom row working upwards: will Activity A lead to Output A? The 'risk/assumption' column helps you answer this question by stipulating the circumstances that need to be in place for Activity A to lead to Output A. These circumstances might be outside of your control, but must nevertheless be taken into account. Your answer will now read: Activity A will lead to Output B if we assume these things in the 'risk/assumption' column are in place. This will also show that there is a risk that you will not achieve the desired output if these things are not in place. This will help evaluators to identify the causes of programme results.

You move up from activities to outputs to outcomes to goals and complete the 'risk/assumptions' column for all of them. Then you combine the logframes for each goal into one overall logframe.

Table 20 is an example of a completed logframe adapted from Tools4dev. [4]

Table 20: Completed logframe for a community development goal

	Project summary	Indicators	Means of verification	Risks/ assumptions
Goal	Support 15 local youth to become wind turbine technicians within one year	Number of youth and number of women who became wind turbine technicians through the programme.	Records of company and training institute. Survey of apprentices.	Youths (including women) who complete the apprentices have good prospects of finding continuous employment.
Outcomes	At least 15 youths complete the 1 year apprenticeship and become accredited wind turbine technicians	Number of youth completed the 1 year apprenticeship. Number of women who completed the 1 year apprenticeship.	Training institute and power company records.	At least 15 youths will complete the apprenticeship. At least 7 women will complete the apprenticeship.
Outputs	20 local youths embark on accredited wind turbine apprenticeship. At least 10 are women.	Number of youths embarking on apprenticeship. Number of women apprentices.	Company records of progress and gender balance of apprentices.	Youth and trainers will show up as expected. Company will create space for apprentices as agreed.
Activities	1. Establish 20 wind turbine technician apprenticeships at the wind power company. 2. Partner with accredited technical training institution to provide training. 3. Recruit 20 youth with suitable high school qualifications. There must be gender balance in the group	1. Number of apprenticeships established. 2. Partnership with training institute established. 3. Number of youth recruited. Gender balance of recruits.	1. Official written confirmation of apprenticeships established. 2. Record of partnership agreement with training institute. 3. Enrollment records that include gender data.	1. Funding is available. 2. Training institute is available and able to enrol the trainees. 3. Enough youth with suitable high school qualifications are interested and available.

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