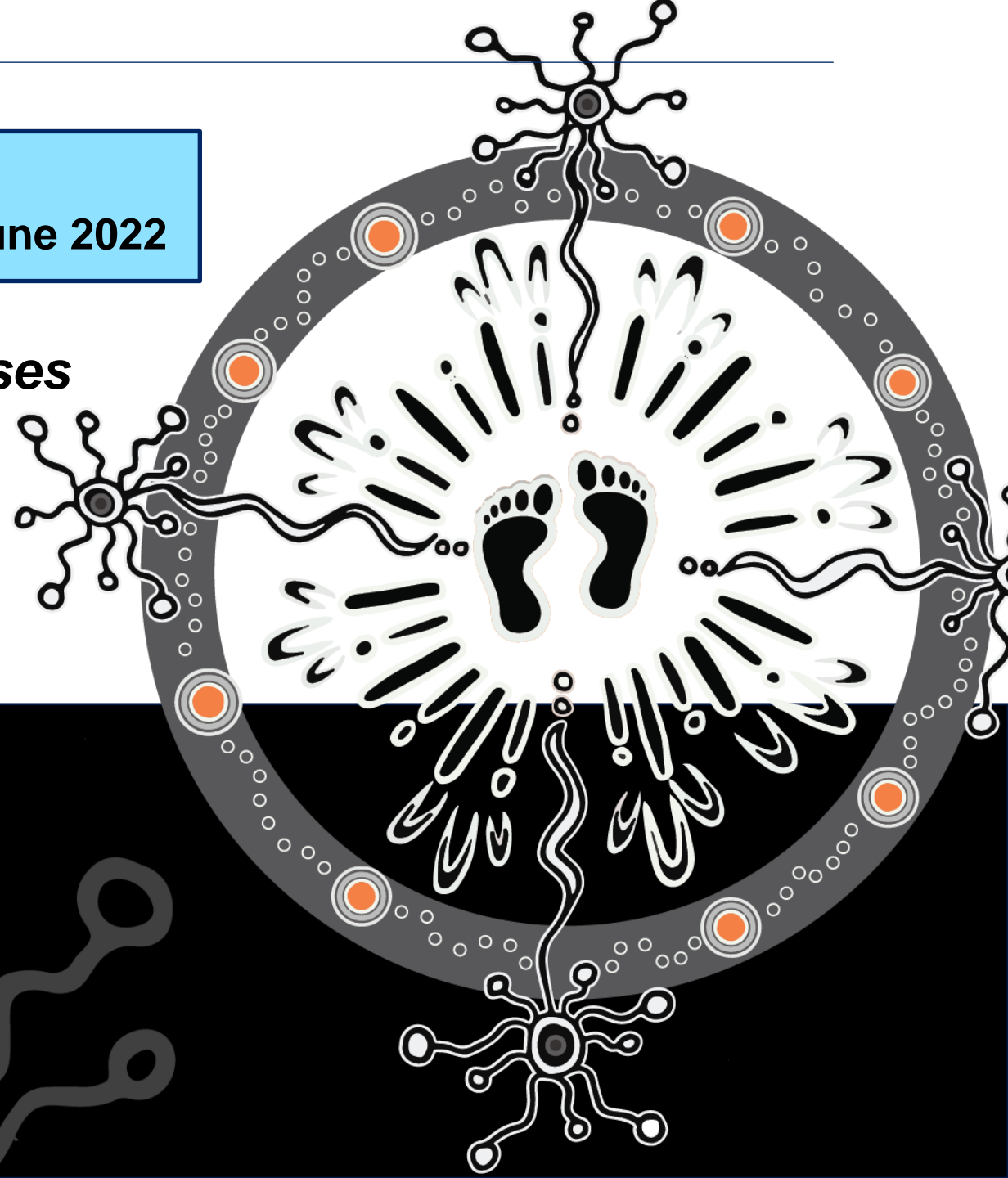


**International symposium on social impact
assessment in east Asia and the Pacific, June 2022**

***Integrating SIA in regulatory processes
for major development projects***

Dr Richard Parsons, SIA Specialist



Overview

1. Context – SIA in NSW
2. SIA for major projects in NSW
3. Key features of the NSW SIA guideline
4. Comparisons with World Bank *Environmental and Social Framework*
5. What does 'good' look like?



1. Context – New South Wales, a diverse state

- NSW population >8 million (Australia ≈ 26 million)
- About 3.4% are Aboriginal, and one third of all Aboriginal people live in NSW.
- Almost a third of NSW residents were born overseas
- More than 275 different languages spoken
- Economy ≈ \$3 trillion (one third of Australia's output)
- Unemployment rate (2016):
 - Aboriginal people 15% of the total labour force
 - non-Aboriginal people 6% of the total labour force

Sources:

<https://www.nsw.gov.au/about-nsw/key-facts-about-nsw>

<https://www.aboriginalaffairs.nsw.gov.au/>



NSW legislation



Environmental Planning and Assessment Act (1979) objects include:

- to promote the *social and economic welfare* of the community
- to facilitate ecologically sustainable development by integrating relevant economic, environmental and *social considerations* in decision-making.

- The Act defines ‘environment’ as including “all aspects of the surroundings of humans, whether *affecting any human as an individual or in his or her social groupings.*”
- Regional, district and local plans need to “*have regard to economic, social and environmental matters.*”
- Development applications require a consent authority to consider ...the *likely impacts of development*, including “*social and economic impacts in the locality.*”

The recent SIA journey in NSW

pre-2017

Legislation required social impacts to be considered, but no state-level guidance on *how* to do so. (Some local councils provided guidelines).

This policy gap had led to:

- **inconsistency**
- **uncertainty**
- **community distrust**

in a context of pressure on:

- regional communities from extractive industries
- Sydney communities from rapid urban development



2017

Social impact assessment guideline

For State significant mining, petroleum production and extractive industry development
September 2017



Extractive industries only

2021

The 'what'

Social Impact Assessment Guideline

For State Significant Projects
July 2021

dpie.nsw.gov.au

The 'how'

Technical Supplement

Social Impact Assessment Guideline for State Significant Projects
July 2021

dpie.nsw.gov.au

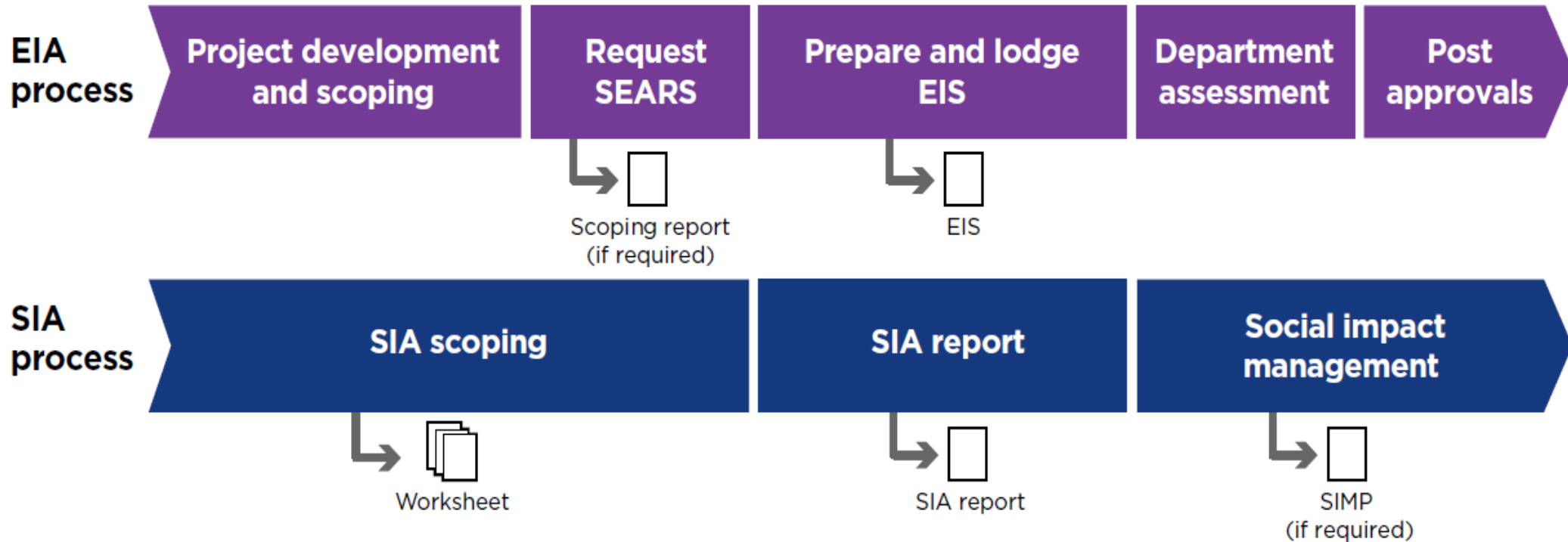
All 'state significant' projects, i.e. those:

- *over a certain size*
- *over a certain capital investment value*
- *in an environmentally sensitive area.*

e.g. manufacturing
mining, energy, pipelines
rail/road infrastructure

waste facilities
schools
hospitals

2. SIA for major projects in NSW



3. Key features of the NSW SIA guideline



- Based on IAIA guidance 2015
- Defines a 'suitably qualified person'
- Principles-based
- Social science approach
- Informed by engagement outcomes
- Scalable/proportionate – identifies typical social impacts for different development types (see App. B of *SIA Tech. Supplement*)
- Assess positive, negative, and cumulative
- Scoping worksheet to promote early assessment.

Scoping worksheet (template)

Social Impact Assessment (SIA) Scoping Worksheet						Project name:						
PROJECT ACTIVITIES	CATEGORIES OF SOCIAL IMPACTS	POTENTIAL IMPACTS ON PEOPLE		PREVIOUS INVESTIGATION OF IMPACT		CUMULATIVE IMPACTS		ELEMENTS OF IMPACTS - Based on preliminary investigation				
Which project activity / activities could produce social impacts?	Which social impact categories could be affected by the project activities	What impacts are likely, and what concerns/aspirations have people expressed about the impact?		Has this impact previously been investigated (on this or other project/s)?	Briefly describe the previous investigation or identify the other project and investigation	Will this impact combine with others from this project (think about when and where), and/or with impacts from other projects (cumulative)?		Will the project activity (without mitigation or enhancement) cause a material social impact in terms of its: You can also consider the various magnitudes of these characteristics.				
		Summarise how each relevant stakeholder group might experience the impact. NB. Where there are multiple stakeholder groups affected differently by an impact, or more than one impact from the activity, please add an additional row.	Is the impact expected to be positive or negative?			Combined / Cumulative / Combined and Cumulative / No / Unknown / N/A	If yes, identify which other impacts and/or projects	extent i.e. number of people potentially affected?	duration of expected impacts? (i.e. construction vs operational phase)	intensity of expected impacts (i.e. scale or degree of change)?	sensitivity or vulnerability of people potentially affected?	level of concern/ interest of people potentially affected?
	way of life											
	community											
	accessibility											
	culture											
	health and wellbeing											
	surroundings											
	livelihoods											
	decision-making systems											

4. Comparisons with the World Bank Environmental and Social Framework (ESF)

NSW

- Key documents: *SIA guideline* and *SIA Technical Supplement* (2021).
- Principles-based approach, deriving from NSW legislation and the public interest.
- Dedicated guidance for SIA methods & content, to integrate with EIA.
- All SIA guidance is in one place – helps to communicate expectations.

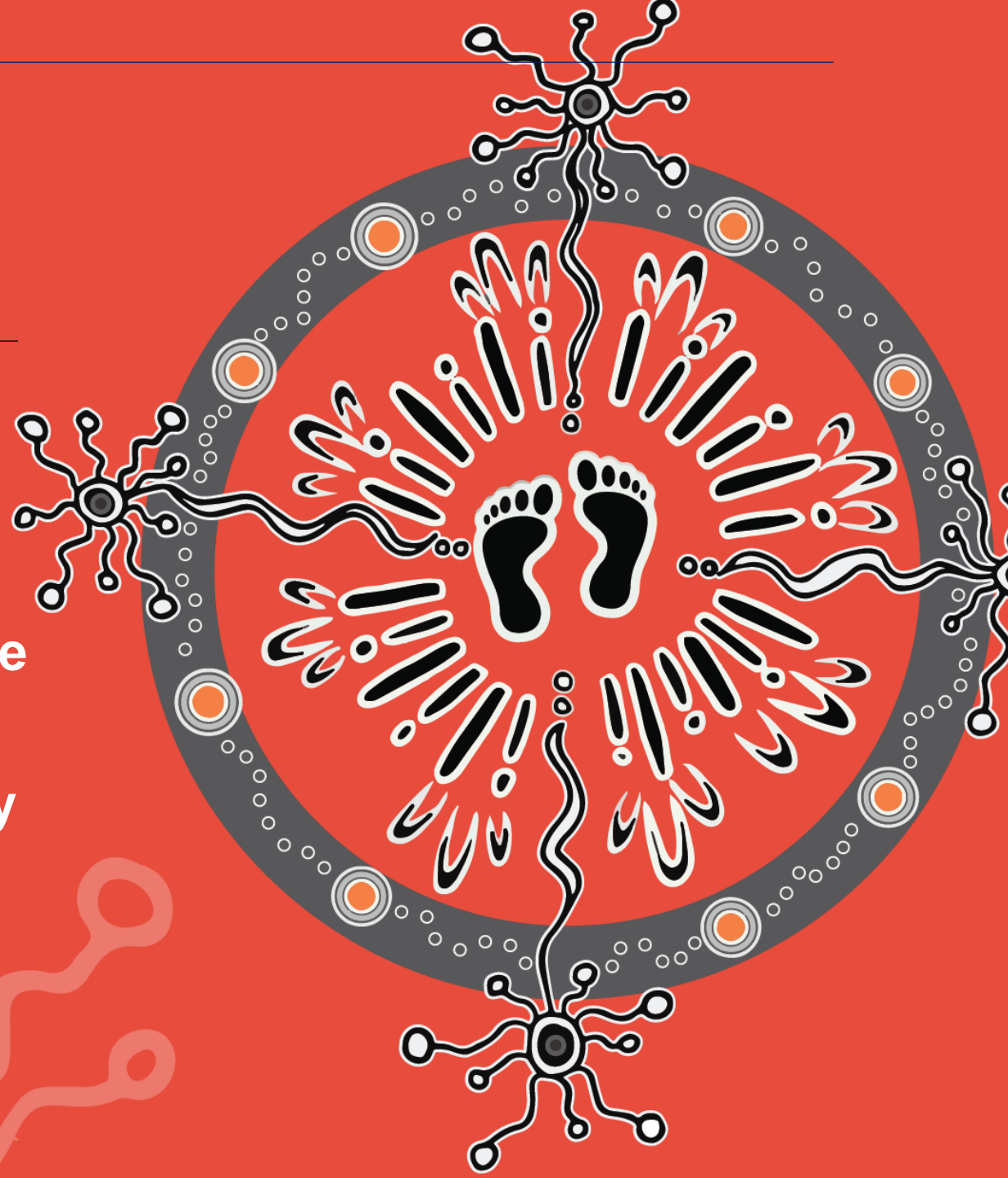
ESF

- Key document: *ESS1 Assessment and Management of Environmental and Social Risks and Impacts* (2017).
- Risk-based approach, deriving from the Bank's requirements as an investor.
- No dedicated guidance for SIA content, but dedicated standards on specific topics, e.g. resettlement, and for different sectors.

Perhaps the two frameworks can be complementary?

5. What does 'good' look like?

1. Achieves better outcomes
2. Integrates Indigenous knowledge and local voices
3. Spreads SIA effort across the lifecycle
4. Considers distributive equity
5. Assesses positive social impacts



Good SIA 1: Achieves better outcomes

The NSW guideline requires proponents to:

- Refine the project design in response to identified social impacts.
- Propose actions in response to 'residual' social impacts, and that are:
 - tangible
 - durably effective
 - deliverable by the proponent.
- Monitor and adaptively manage social impacts.

Larger projects require a **Social Impact Management Plan (SIMP)**:

- prepared by the proponent
- approved by the Department
- implemented by the contractor(s).

Example SIMP monitoring mechanism

Impact / Opportunity	Mitigation / Enhancement	Desired Community Outcome	Indicators	Target	Adaptive measure if target not met	Data to be collected	Methodology	Monitoring frequency	Monitoring responsibility	Reporting
Way of life Livelihoods Wellbeing	Local Aboriginal participation in project	Improvements for local Aboriginal people's way of life, livelihoods and wellbeing through meaningful participation in the local economy	Proportion of project workforce identifying as Aboriginal on the (contractor and subcontractor) Workforce participation post-training Skill development program	Workforce participation = 1.5 times local population who identify as Aboriginal 50% of those who complete the project-sponsored training and skill development gain employment (4+ weeks of work, 8+ hrs/week)	Justification and alternative legacy co-designed with local Aboriginal community	Number of workers identifying as Aboriginal employed (contractor and subcontractor) Number of people (and hours worked) gaining employment post-training and participating in skill development programs	Source data from: 1. Contractor and subcontractor monthly reporting 2. Training provider monthly reporting	Three-monthly from construction through to operation	Skills Development team	Stakeholder reporting e.g., website update and newsletter to stakeholders (six-monthly)
Community cohesion Safety concerns deriving from sudden influx of workers	Worker (Contractor & subcontractor) Code of Conduct as part of Workforce Plan	No adverse impacts deriving from the project workforce in the community	Crime rates Community experiences and perceptions, especially among vulnerable people	No statistical increase in crime rates No adverse change in community experience and perceptions, against a baseline	Review disciplinary measures in accordance with Code of Conduct (Workforce Plan) Proactive community engagement activities	Local police crime statistics Community self-rating of safety. E.g. If there is anywhere they don't feel safe, why?	Local police data Community Perception Survey, with particular focus on vulnerable people Informal engagement	Ad hoc & as per stakeholder engagement plan Continuous through operation	Community Engagement Team (six-monthly) and independent annual monitoring	Stakeholder reporting e.g., website update and newsletter to stakeholders (six-monthly)

Good SIA 2: Integrates Indigenous knowledge and local voices (1)

The NSW guideline requires proponents to:

- consider the unique ways in which Aboriginal people may experience a project, including 'cultural or spiritual loss'.
- practise a range of engagement techniques to suit each group's needs, and use outcomes to inform the SIA.

PRACTICE NOTE ENGAGING WITH ABORIGINAL COMMUNITIES

Social Impact Assessment Practice Notes



Image: People sitting around UoW Yarning Circle, Illawarra. NSW DPIE

Good SIA 2: Integrates Indigenous knowledge and local voices (2)

*Everyone has a voice – but
not everyone is heard*

**The NSW guideline
requires proponents to
actively seek the views of
all groups in the
community**

**... there's really no such thing as the 'voiceless'.
There are only the deliberately silenced,
or the preferably unheard.**

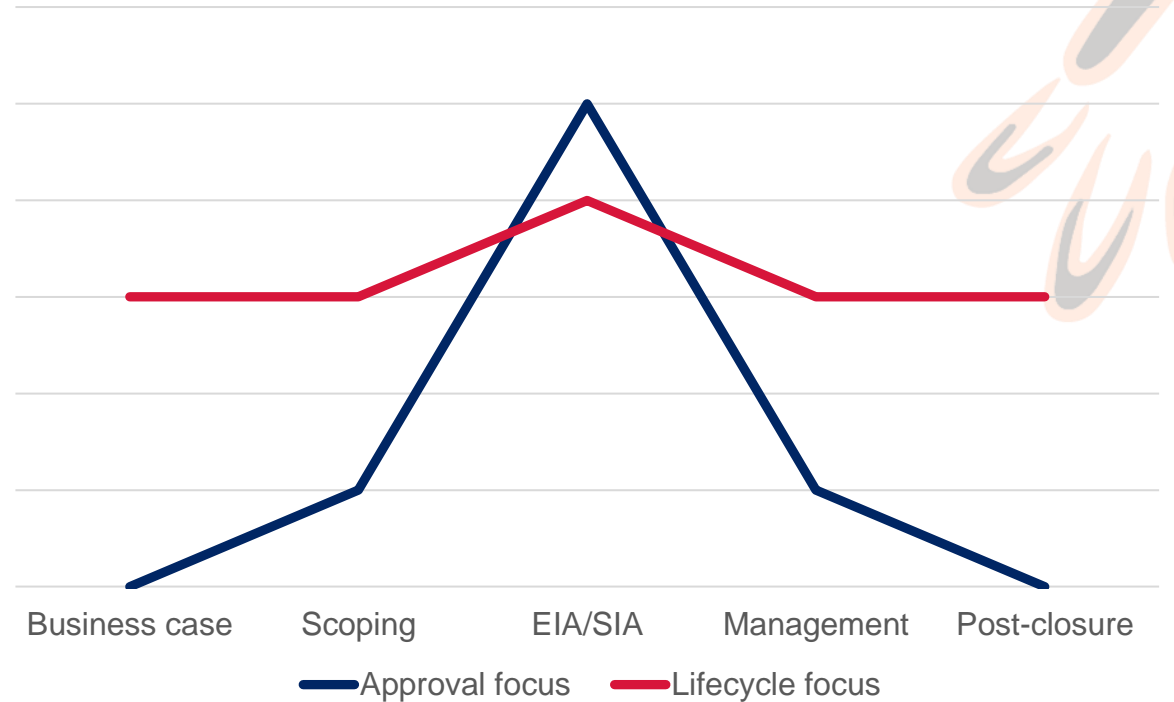
— Arundhati Roy

Good SIA 3: Spreads SIA effort across the lifecycle

The NSW guideline supports a lifecycle approach.

- SIA is a *process*, not a product.
- Social impacts begin early, so SIA also should begin early.
- Social impacts can continue long after the project ends and the proponent has left the community.

Level of SIA effort over the project lifecycle



Good SIA 4: Considers distributive equity

The NSW guideline requires focus on the distribution of impacts – intragenerational *and* intergenerational:

“how different groups will experience social impacts differently (particularly vulnerable and marginalised groups, future generations compared with current generations, and differences by gender, age and cultural group).”

(SIA guideline, p. 10)

Potential vulnerable and marginalised groups – depends on context but may include:

- Indigenous peoples
- women
- isolated elderly people
- children and young people
- single-parent households
- those on very low incomes
- those living with disabilities or poor health
- ethnic minorities, migrants, those who are culturally and linguistically diverse (CALD) or those from non-English speaking backgrounds
- those experiencing homelessness or insecure housing
- those living outside metropolitan areas
- those who are unable or unwilling to express or represent themselves and their needs



Example – influx of construction workers

local livelihoods
public safety, especially for women
sense of place / community character

positive
negative
mixed/uncertain

Good SIA 5: Assesses positive social impacts

The NSW guideline requires **analysis** (not just assertion) of **positive social impacts**, to enable a **balanced assessment**.



Work site in
Woolloomooloo, Sydney,
October 2018

Blacktown, Sydney,
September 2020

Some reflections on integrating SIA in regulatory processes

- Developing and implementing a regulatory framework for SIA takes time and effort.
- Senior executive support is critical.
- Technically competent leadership needed:
 - to develop tools and advice
 - to prepare and deliver in-house training and ongoing capacity building
 - to support, advise and respond to industry and practitioners
 - to build community trust in the system.
- Change is difficult and threatening for some people:

Engage...build capacity...engage...build capacity...engage.....

Thank you!

Dr Richard Parsons

Richard.Parsons@planning.nsw.gov.au

