IAIA19 Brisbane – SIA how early is too early?

What can SIA learn from Australian Rules Football?

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PHOTO: Marlene Gilson’s ‘Marngrook Football’, 2015, depicts Indigenous football being played adjacent an Australian rules game.
Challenges for SIA

- ESIA often on critical path: project definition
- Two epistemic approaches to reducing uncertainty
- SIA essentially a linear process
Challenges for SIA

- ESIA often on critical path: project definition
- Two epistemic approaches to reducing uncertainty
- SIA generally conceived as a linear process not iterative
- Lack of focus on SIA follow-up and adaptive management
- Stakeholder expectations for ex ante SIMP precision
Case studies

- Small mining
- Sulawesi, Indonesia
- Late feasibility
- Short critical issue review
- Due diligence for potential investor incl 3-day site visit
- Triggered 8 IFC PS

- Global LNG project
- Australia field & plant
- Early construction
- SIA & SIMP development
- Late lender due diligence through to construction
- Triggered 6 IFC PS
Linear, Inflexible, Ambiguity

- **Structured conversations about change**
  - familiar issues in unique context is about governance and community leadership
  - why wouldn’t it seem haphazard?

- **Mining**
  - Sequenced for approvals not most significant unknowns – not bankable

- **LNG**
  - Partial scope SIA - pressed to borrow process from other context & lost leverage with lenders
Linear, Inflexible, Ambiguity

- **SIMP guidance asks for SMART actions**
  - Useful to agree characteristics of impacts; useful to have political/capability analysis
  - Rigidity in planning not useful - doesn’t engender trust

- **Mining**
  - Mitigation statements in approval ANDAL – failed to convince investors understood issues or whether local would engage

- **LNG**
  - Resisted regulator pressure & issued interim SIMP pioneering works – secured agreement for powerful/agile stakeholder reference groups
Linear, Inflexible, Ambiguity

- **Expectations:** metrics into conditions, EPC contracts
  - SIMP reporting tends to focus on activity / promise kept
  - Trigger-Action-Response discipline
  - Co-design: impact literacy, collective capacity, useful metrics
  - Co-design builds human relationships to deal with ambiguity

- **Mining**
  - Provisioned for resettlement – overlooked international standards
Linear, Inflexible, Ambiguity
Linear, Inflexible, Ambiguity

- Can’t predict precisely how game will play out
- Value coach’s adaptive management skills
- SIA leaders need to secure discretion to adapt to local politics & community dynamics
- Role is to make adjustments focused on overall goal
Linear, Inflexible, Ambiguity

- We ask coaches to win championships
- Don’t describe how each goal will be scored before they’ve assessed fitness, other team or pitch conditions
- SIMPs dense & intimidating; follow-up lacks transparency
- Focus less on program design: more on programme governance including capability development
Conclusion

- Think of a project plan to develop the SIMP as a game plan
- Processes of SIA to SIMP should be better phased based on material risks and unknowns
- Impact managers need to lead more and manage less
- It’s all about leadership
Questions
Thank you

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