INTRODUCTORY

ASL

TOOLKIT SERIES

Embedding community engagement and benefit-sharing in renewable energy project development

A guide for renewable energy developers

Version 1, October 2025

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The ASL Social Value Toolkit tools and guidance are structured across three levels to support the gradual development of social value capability and maturity.

INTRODUCTORY

Builds foundational understanding and capability in social value practice.

INTERMEDIATE

Builds on foundational capability to support more developed social value practice.

ADVANCED

Supports established capability and more mature social value practice.

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1. Introduction

Community engagement and benefit sharing are critical components of successful renewable energy project development in Australia. As the country transitions to a net zero energy system, ensuring that local communities – particularly First Nations peoples and regional stakeholders – see tangible benefits from projects is essential for securing social licence and maintaining public confidence.

The Australian Government has made community engagement and benefit sharing a policy priority, aligning with broader national objectives around emissions reduction, economic development, and social inclusion. This focus is reflected in regulatory frameworks, funding initiatives, and project assessment criteria, particularly within competitive tendering processes such as those run by ASL. ASL's tender processes incorporate social value criteria, requiring developers to demonstrate best practice approaches to community engagement and benefit sharing. Improving performance in these areas is not only a requirement but also a strategic advantage, enhancing project approval timelines, reducing conflict, and fostering long-term community partnerships.

This guide provides renewable energy developers with a structured approach to embedding community engagement and benefit sharing across the project lifecycle. It outlines best practices, tracking and reporting requirements, tools and templates, and additional resources to support developers in delivering meaningful social impact alongside clean energy infrastructure.

2. Best practice strategies across the project lifecycle

Embedding community engagement and benefit-sharing into renewable energy projects requires a proactive, structured approach across all stages of development. From early-stage site selection through to long-term operations, each phase presents unique opportunities to build trust, address concerns, and deliver meaningful benefits to host communities. Best practice strategies ensure that engagement is not merely a compliance exercise but a genuine, two-way process that enhance project success and secures social value benefit realisation.

This section outlines key actions developers should take at each stage, helping to align project outcomes with community expectations, government policy priorities, and ASL's social impact criteria.

2.1 Early-stage engagement and site selection

Community engagement should begin as early as possible – well before planning approval or site selection are finalised. Proactive engagement helps identify potential concerns, shape project design, and establish trust with local stakeholders.

- **Stakeholder mapping:** Identify key community groups, local government representatives, Traditional Custodians, and other relevant stakeholders.
- **First Nations engagement:** Adhere to principles of Free, Prior and Informed Consent (FPIC), ensuring genuine consultation with Traditional Custodians regarding land access and cultural heritage considerations.
- **Transparency and communication:** Provide clear, accessible information about the project's purpose, potential benefits and impacts. Avoid overly technical language and use multiple communication channels, such as town hall meetings, online forums and direct consultations.
- **Partnership approach:** Establish long-term relationships rather than one-off consultations, ensuring communities are active participants in shaping project outcomes.

2.2 Project design and development

As the project advances, engagement should shift from information-sharing to co-design, ensuring that community concerns and aspirations inform project development.

- **Community needs assessment:** Undertake a needs assessment to understand the specific challenges and opportunities within the community to inform project and community engagement planning.
- **Community engagement and benefit-sharing frameworks:** Develop frameworks and strategies with clear themes and intended outcomes to guide your whole of project lifecycle approach to community engagement and benefit-sharing.
- **Community benefit-sharing mechanisms:** Collaborate with local stakeholders to design tailored benefit-sharing programs, which could include:
  - Revenue-sharing models (e.g. community co-ownerships or profit-sharing)
  - Employment and training programs
  - Investment in local infrastructure (e.g. roads, schools, healthcare)
  - Support for local businesses through procurement policies.
- **Cultural and environmental considerations:** Work with Traditional Custodians and local experts to incorporate cultural heritage protections and environmental safeguards and/or offsets into project design.
- **Social Impact Assessment:** Conduct rigorous assessments to identify potential social impacts and mitigation strategies, ensuring that community concerns are addressed proactively.

2.3 Construction and implementation

During the construction phase, maintaining community engagement and delivering on benefit-sharing commitments is crucial to avoid disruptions and negative public sentiment.

- **Local employment and procurement:** Prioritise hiring from local communities and working with regional businesses to maximise economic benefits.
- **Community liaison officers:** Appoint dedicated personnel to act as a bridge between the project and the community, addressing concerns and facilitating ongoing dialogue.
- **Real-time engagement:** Use digital tools, social media updates, and on-the-ground engagement to keep communities informed about construction timelines, road closures, and any potential disruptions.
- **Managing concerns and complaints:** Implement a structured grievance mechanism that allows community members to raise concerns and ensures timely responses and resolution.

2.4 Operations and long-term community partnerships

Once the project is operational, long-term community engagement and benefit-sharing strategies should continue to evolve, ensuring sustained positive impacts.

- **Ongoing benefit distribution:** Ensure that community benefits, such as revenue-sharing and infrastructure investments, are implemented as agreed.
- **Performance monitoring:** Regularly assess and report on social and economic impacts, adjusting strategies as needed.
- **Community governance structures:** Establish advisory panels or partnerships that allow local representatives to have a continued voice in decision-making.
- **Education and capacity building:** Support local skills development, scholarships, or industry partnerships that help communities participate in the renewable energy transition beyond a single project.

3. Tracking and reporting on community engagement and benefit-sharing

Developers participating in ASL's tenders and similar competitive processes must demonstrate measurable commitments to social value. This requires robust tracking and reporting mechanisms.

- **Key Performance Indicators (KPIs):** Establish clear, quantifiable metrics for community engagement (e.g. number of consultations, stakeholder satisfaction levels, employment outcomes).
- **Regular reporting:** Provide transparent updates to communities, regulators and ASL on progress against social value commitments.
- **Third-party audits:** Engage independent assessors to verify community benefits and ensure compliance with agreed commitments.
- **Adaptive management:** Use monitoring data to refine engagement strategies and enhance benefit-sharing initiatives over time.

4. Tools and templates for enhancing engagement and benefit-sharing

To support developers in implementing best practices, the following tools and templates can be adapted for project needs.

4.1 Stakeholder Mapping Template

Engaging with the right stakeholders at the right time is critical to securing social licence and ensuring project success. The Stakeholder Mapping Template helps developers systematically identify key community members, Traditional Custodians, government bodies, and other interest groups who may influence or be affected by the project. By understanding stakeholder priorities, influence levels and concerns early, developers can tailor their engagement strategies to build trust, address issues proactively, and foster long-term relationships. This structured approach minimises risks, streamlines approvals, and enhances community support for the project.

4.1.1 Purpose

This tool helps developers identify key stakeholders, understand their interests, and prioritise engagement efforts to build strong relationships.

4.1.2 Template

Stakeholder group	Name / organisation	Interest in project	Influence level (High / Medium / Low)	Engagement approach	Key concerns / Opportunities	Primary contact
Traditional Custodians / First Nations communities	[Name / Group]	*E.g. Cultural heritage, land use, social, cultural, economic development*	*E.g. High*	*E.g. Formal agreements, consultation meetings*	*E.g. Heritage protection, employment and procurement opportunities*	[Contact person]
Local government	[Council name]	*E.g. Planning approvals, local economic benefits*	*E.g. High*	*E.g. Formal briefings, collaboration on local policies*	*E.g. Infrastructure impacts, rate revenue*	[Contact person]
Community groups	[Group name]	*E.g. Environmental impact, local benefits*	*E.g. Medium*	*E.g. Public forums, co-design workshops*	*E.g. Wildlife protection, benefit-sharing participation*	[Contact person]
Local businesses	[Business name]	*E.g. Procurement opportunities*	*E.g. Medium*	*E.g. Business networking events, supplier briefings*	*E.g. Local job creation, contract opportunities*	[Contact person]
Residents	N/A	*E.g. Project impact, community benefits*	*E.g. Medium – low*	*E.g. Information sessions, social media updates*	*E.g. Noise, visual impact, compensation*	N/A

4.2 Community Consultation Plan

A well-structured Community Consultation Plan ensures that engagement efforts are strategic, inclusive, and aligned with best practice standards. By outlining clear objectives, engagement methods, and timelines, this plan helps developers communicate effectively with communities, gather valuable input, and respond to concerns in a timely manner. It also provides a framework for consistent, transparent and meaningful dialogue across all project phases, reducing the likelihood of conflict or opposition. When used effectively, this plan supports developers in securing community buy-in and demonstrating a genuine commitment to shared benefits.

4.2.1 Purpose

A structured plan for engaging with the community throughout the project lifecycle, ensuring consistent and meaningful interactions.

4.2.2 Template

Details	
Project name	[Project name]
Date	[Date]
Engagement objectives	
Objective 1	*E.g. Inform the community about the project's scope, timeline and expected impacts.*
Objective 2	*E.g. Gather input to shape project design and benefit-sharing strategies.*
Objective 3	*E.g. Address concerns and build long-term relationships.*

Engagement methods and schedule

Phase	Engagement activity	Stakeholders	Method	Timing	Responsible party
Early engagement	*E.g. Introductory meetings*	*E.g. Local council, Traditional Custodians*	*E.g. In-person, virtual meetings*	*[Date]*	*[Team member]*
Planning and design	*E.g. Community consultation*	*E.g. Residents, businesses*	*E.g. Town halls, surveys*	*[Date]*	*[Team member]*
Construction	*E.g. Ongoing updates*	*E.g. General public*	*E.g. Social media, newsletters*	*E.g. Ongoing*	*[Team member]*
Operations	*E.g. Long-term partnership*	*E.g. Community groups*	*E.g. Community advisory panel*	*E.g. Annually*	*[Team member]*

4.3 First Nations Engagement Protocols

Engaging with Traditional Custodians and First Nations communities requires a culturally appropriate and respectful approach, guided by Free, Prior and Informed Consent (FPIC) principles. The First Nations Engagement Protocols provide developers with a framework to establish genuine relationships, recognise Indigenous rights, and co-design opportunities for participation in the project. This tool ensures that engagement is not tokenistic but instead leads to meaningful outcomes such as employment, business partnerships, and cultural heritage protection. Respectful and sustained engagement with First Nations peoples strengthens social licence and aligns with reconciliation commitments.

4.3.1 Purpose

Ensuring meaningful and respectful engagement with Traditional Custodians and First Nations communities, adhering to FPIC principles.

4.3.2 Template

Key principles	
	• **Respect:** Recognise and follow First Nations sovereignty and cultural values.
	• **Early and ongoing engagement:** Engage Traditional Custodians from the beginning of the project and throughout its lifecycle.
	• **Two-way communication:** Create space for open dialogue and ensure information is accessible and culturally appropriate.
	• **Capacity building:** Support First Nations participation through employment, training and business opportunities.
Engagement process	
	1. **Identify Traditional Owners and Custodians** • Use government heritage registers and Indigenous Land Councils. • Approach with respect and seek introductions through trusted contacts.
	2. **Initial contact and relationship building** • Meet on Country if possible. • Listen to concerns and aspirations. • Clearly communicate project intentions and potential benefits – but do not make promises or commitments you do not intend to keep.
	3. **Formal agreements and co-design** • Develop Cultural Heritage Management Plans. • Consider Indigenous-led business partnerships and employment pathways, including employment and procurement strategies.
	4. **Ongoing communication and benefit realisation** • Regular updates and consultation meetings. • Monitoring and adapting benefit-sharing initiatives to ensure meaningful impact.

4.4 Benefit-sharing Framework

Benefit-sharing initiatives are key to ensuring that renewable energy projects provide lasting social and economic advantages to host communities. This framework helps developers design structured, transparent and equitable benefit-sharing programs that reflect community priorities. By outlining clear mechanisms – such as local employment, infrastructure investments, and revenue-sharing – developers can create tangible and long-term benefits. A well-document benefit-sharing framework also strengthens competitive bids in ASL's tenders, demonstrating a commitment to positive social impact.

4.4.1 Purpose

A structured approach to designing and implementing benefit-sharing programs that deliver tangible community benefits.

4.4.2 Template

Details	
Project name	[Project name]
Benefit-sharing goals	
Goal 1	*E.g. Maximise local economic benefits.*
Goal 2	*E.g. Support social and environmental sustainability.*
Goal 3	*E.g. Enhance long-term community wellbeing.*

Benefit-sharing initiatives

Initiative	Target group	Description	Implementation timeline	Monitoring and evaluation
Local employment	*E.g. Regional workforce*	*E.g. Priority hiring and training for locals*	*E.g. Start of construction*	*E.g.*
Community investment fund	*E.g. Local organisations*	*E.g. Funding for education, health and infrastructure*	*E.g. Ongoing*	*E.g. Annual impact reports, community feedback*
Energy bill discounts	*E.g. Nearby residents*	*E.g. Reduced electricity costs for host communities*	*E.g. Operations phase*	*E.g. Number of households benefiting*

4.5 Social Impact Assessment Tool

Understanding and mitigating social impacts is critical for project success. The Social Impact Assessment (SIA) Tool provides developers with a simple but systematic approach to evaluating potential social, economic and cultural consequences of their projects. By identifying risks – such as housing pressures, employment displacement, or cultural heritage concerns – early in the process, developers can implement proactive mitigation strategies. A rigorous SIA not only reduces the likelihood of community opposition but also supports regulatory approvals and enhances the project's long-term sustainability.

4.5.1 Purpose

A structured method for assessing potential social impacts and identifying mitigation strategies. This template provides a high-level SIA only and does not consider cumulative impacts of multiple projects within a given region.

4.5.2 Template

Key assessment areas	
Demographic impact	*How will the project affect local population dynamics?*
Economic impact	*Will the project create or displace jobs?*
Cultural and heritage considerations	*Will cultural heritage or historical sites be affected?*
Community wellbeing	*Will noise, traffic or other disruptions affect residents?*

Assessment matrix

Impact area	Potential impact	Mitigation strategy	Responsible party	Monitoring plan
Jobs	E.g. Increase in local employment	*E.g. Training and skills programs*	*E.g. HR team*	*E.g. Annual employment review*
Housing	E.g. Increased demand for rentals	*E.g. Developer-funded housing initiatives*	*E.g. Community Liaison*	*E.g. Quarterly market assessment*
Heritage	E.g. Risk to cultural sites and artefacts	*E.g. Cultural Heritage Management Plan*	*E.g. Traditional Custodians / Registered Aboriginal Parties*	*E.g. Ongoing site audits*

4.6 Community Grievance Mechanism Template

A transparent and accessibly grievance mechanism is essential for managing community concerns effectively and maintaining trust. This template provides a structured process for receiving, assessing and resolving complaints in a timely and fair manner. Without a formal grievance mechanism, unresolved issues can escalate, leading to reputational damage and potential delays. By demonstrating a commitment to addressing concerns and continuously improving engagement practices, developers can foster stronger community relationships and minimise project risks.

4.6.1 Purpose

Ensuring that community concerns are addressed in a structured and transparent manner.

4.6.2 Template

Grievance process	
	1. Receive complaint • Accept grievances via multiple channels (phone, email, in-person). • Acknowledge receipt within [X] business days.
	2. Assess and investigate • Categorise the issues (e.g. noise, environmental, employment) • Investigate within [X] days, consulting relevant stakeholders.
	3. Resolve and communicate outcome • Develop a resolution plan and communicate back to the complainant. • Implement corrective actions if needed.
	4. Follow-up and continuous improvement • Check in with the complainant post-resolution. • Use complaints data to improve engagement strategies.

5. Additional resources and links

To further support developers, the following resources provide detailed guidance and case studies on community engagement and benefit sharing in renewable energy projects:

- State and Territory renewable energy roadmaps – Jurisdiction-specific policies and regulations on community engagement. For example:
  - NSW Government's First Nations Guidelines https://www.energy.nsw.gov.au/nsw-plans-and-progress/major-state-projects/electricity-infrastructure-roadmap/first-nations
  - Victorian Government's Community Engagement and Benefit Sharing in Renewable Energy Development Guide https://www.planning.vic.gov.au/__data/assets/pdf_file/0025/621970/community-engagement-and-benefit-sharing-in-renewable-energy-development.pdf
- The Energy Charter Landholder and Community Better Practice Engagement Guide https://cleanenergycouncil.org.au/news-resources/benefit-sharing-for-renewable-energy-projects
- Clean Energy Council's Guide to Benefit Sharing Options for Renewable Energy Projects https://cleanenergycouncil.org.au/cec/media/background/resources/a-guide-to-benefit-sharing-options-for-renewable-energy-projects-2019.pdf
- Clean Energy Council's Community Engagement Guidelines for the Australian Wind Industry – Industry standards for community engagement in renewable energy development https://cleanenergycouncil.org.au/news-resources/community-engagement-guidelines-for-the-australian-wind-industry
- Australian Government First Nations Clean Energy Strategy – Guidance on engaging with First Nation communities in renewable energy projects https://www.energy.gov.au/energy-and-climate-change-ministerial-council/working-groups/first-nations-engagement-working-group/first-nations-clean-energy-strategy
- Reconciliation Australia's RAP Framework – Guidance for embedding reconciliation actions in business operations https://www.reconciliation.org.au/reconciliation-action-plans/the-rap-framework/
- Clean Energy Council and KPMG's First Nations engagement guide for the renewables industry – Guidance on meaningful engagement, consent, participation and benefit-sharing with First Nations people https://cleanenergycouncil.org.au/news-resources/first-nations-engagement-guide-for-renewables-industry

6. Conclusion

Embedding community engagement and benefit-sharing in renewable energy projects is not just a regulatory requirement – it is a business imperative. Meaningful engagement helps developers secure social licence, streamline project approvals, and contribute to a just energy transition that benefits all Australians.

By adopting best-practice strategies, tracking performance, and leveraging available tools and resources, developers can build long-term trust with communities while delivering clean energy infrastructure that creates lasting social and economic benefits.

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