



5.20.006 Cultural licence to operate in the blue economy

KEY POINTS

Δ In this scoping project, the first preliminary version of the Cultural Licence to Operate (CLO) framework is applied in the case of the Blue Economy sector. The learnings can be extended to other Industry sectors. The framework aims to shift from transactional to transformational partnerships between First Nations and Industry as summarised below:

TRANSFORMING BY



Re-orienting from routine inertia to explore new strategic alternatives



Embrace uphill climb to evolve risks to rewards



Anchoring to the building of trust and understanding



Cultivate maximum co-benefits centred around values



Constructive dialogues to reconcile tensions through deeper learnings on both sides



Certify performance and adjust to new benchmarks



Customising and tailoring to reach a workable pathway at place



Communicating the learnings and wins

- Δ The CLO is framed around the standards of practice of ethically and equitably building a partnership that we have defined as a Cultural Partnership Pathway where each pathway is navigated at place by cultivating maximum co-benefits through courageously, innovatively, and iteratively bridging the gap between opportunities and challenges.
- Δ The Indigenous-led project team involved experienced Indigenous researchers and practitioners from both Australia and Aotearoa (New Zealand) that included CSIRO, Swinburne University of Technology, New Zealand Plant & Food Research and Wai Communications.
- Δ The project was based around three key phases:
 - Δ Phase 1 Method for defining the CLO framework
 - △ Phase 2 Data analysis Components
 - Δ Phase 3 Formulation of recommendations
- Δ The report concludes with providing five key recommendations for shifting behaviours and approaches from rhetoric to break through. We expand on these recommendations by providing specific points for the Blue Economy CRC, Industry, Government and Public.



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THE CHALLENGE

The project addressed a significant and often re-occurring issue in many parts of the world, namely the need for Industry to move from their business-as-usual way of approaching their engagements with First Nations towards the ultimate transformative goal — real beneficial relationships with First Nations.

The cross-Tasman and Indigenous led nature of the project is also significant in that it provided a platform for Indigenous research methodologies and perspectives to be centred in the work. Research focus around the Cultural Licence to Operate (CLO) is lacking and this study aims to raise much needed attention and dialogue as we present a first preliminary version of the CLO framework.

The project addressed several key challenges around the Cultural Licence to Operate in the Blue Economy:

Firstly, instead of adopting informal and ad hoc methods to building partnerships and co-benefits, the project engages this challenge by developing a framework for earning partnership achievements by navigating expectations about building and maintaining of an ethical, equitable and sustainable partnership.

Secondly, instead of making assumptions about fairness and relying on personal intuition that fairness is tracking a particular way, this project addresses this challenge by building an evidenced-based approach to characterising a "fairness yardstick" architecture. This assesses views about the expected landscape of fairness and the readiness attitudes need to build change initiatives that are fair.

Thirdly, instead of misunderstandings arising within the zone of agreement making, this project addresses this challenge by examining the divergent and convergence elements needed to progress agreement making between First Nations and Industry. It highlights those inherent challenges and mechanisms by which they can be overcome during partnership agreement making.

Lastly, the project addresses the move from states of rhetoric to action by transformative actions needed to deliver the co-benefit goals and to renew direction and awareness of the benefits in building and maintaining a rewarding relationship between First Nations and Industry.

THE OPPORTUNITY

The study addresses a persistence gap by providing some guiding tracks and transparency to shift out from a transactional way to engage with First Nations through "keeping up an appearance" to a building and maintaining a relational way of maximising co-benefits. It set out to:

- **a. Develop guidance and transparency** to enable a shift from transactional to relational partnerships with First Nations that maximise co-benefits.
- **b. Guide efforts** to build resilient partnerships between First Nations and Industry through transformative commitments built on ethical performance and a measurable and equitable yardstick.
- **c. Develop better understanding** for measuring partnership fairness against a yardstick built on an evidenced-based approach.



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OUR RESEARCH

SHIFTING TO MORE OBJECTIVE POSITIONS ON THE GOAL POSTS FOR ETHICAL, EQUITABLE AND SUSTAINABLE DEVELOPMENTS

Corporate responsibility strategies can ring hollow if they remain in the subjective greyness of it being informal, unwritten and self-regulated and do not focus on the steps to objectively reaching co-benefits. The study proposes the CLO framework to implement a shift away from any perceived subjectivity of a strategy to a more objective and committed approach for First Nations and Industry to come together to build and maintain the agreed delivery of co-benefits.



Figure 1. Landscape that links Cultural Business Ethics with Corporate Social Responsibility (CSR), Sustainable Development Goals (SDG) and Environmental Social Governance (ESG). It is important to acknowledge the shift from subjective to more objective positions on the goal posts for ethical, equitable and sustainable developments.

PILLARS OF THE CULTURAL LICENCE TO OPERATE FRAMEWORK

The CLO framework is based around seven key pillars that provide a guiding compass to the sense-making, trust-making and behaviours for Industry to boldly "walk the talk" of respectfully and productively working alongside First Nations.

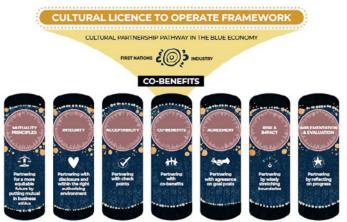


Figure 2. The Cultural Licence to Operate framework to building at place Cultural Partnership Pathway in the Blue Economy.

When fairness is explored, it is important for it to be approached from both sides – the eyes of First Nations and the eyes of Industry – "What is being seen as fair benefits in the eyes of the beholder".

APPROACHING FAIRNESS FROM BOTH SIDES

We develop an evidenced-based approach to characterising the fairness yardstick architecture by assessing views about the expected landscape of fairness and the readiness attitudes with building fair change initiatives.



WHAT IS BEING SEEN AS FAIR BENEFITS IN THE EYES OF THE BEHOLDER

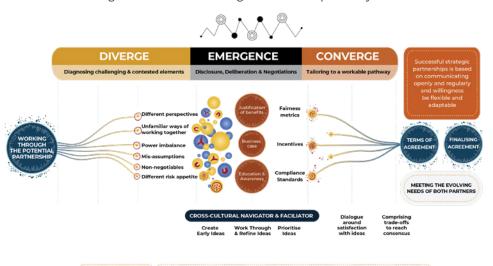


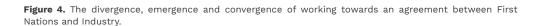
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AGREEMENT MAKING BETWEEN INDIGENOUS PEOPLES AND INDUSTRY

Partnerships can be a powerful tool in driving business success and competitive advantage, but they also come with their own set of challenges with delivery and emergence of agreed terms.

We develop a conceptual framework of working towards an agreement by understanding the divergence, emergence and convergence components that builds the tailoring involved in reaching a workable pathway.



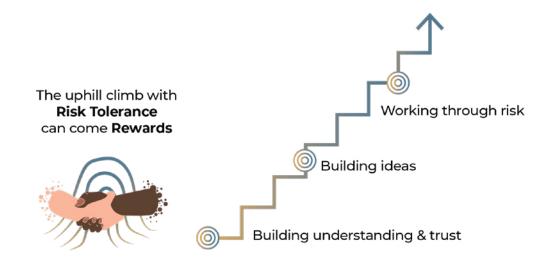


Different situations will require tailored solutions and workable agreements can look totally different from agreements that have been developed before

OUTCOMES

Building the trajectory of partnership pathways with maximum co-benefits.

Tapping into the power inherent to business uncertainty requires a willingness to embrace unorthodox approaches, expand understanding of the risk factors, developing a value-focused strategy and investment in education and awareness. It can be an uphill climb, but putting in the time and work into partnership development can yield rich rewards.





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NEXT STEPS

5 KEY RECOMMENDATIONS FOR SHIFTING BEHAVIOURS AND APPROACHES

Recommendation ONE

Investment to implement and test the Cultural Licence to Operate Framework

Recommendation TWO

Convene diverse sectors to surface and address tension points

Recommendation THREE

Investment to continuously clarify and disseminate expectations and capacity to meeting standards

Recommendation FOUR

Mandate leadership performance to meeting standards

Recommendation FIVE

Empower strategic foresight that optimises synergies

PROJECT TEAM



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