



## **Social license to operate: case from brazilian mining industry**

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### **SOCIAL LICENSE TO OPERATE: A CASE STUDY FROM A BRAZILIAN MINING INDUSTRY**

The approach of the Social License to Operate (SLO) emerges as an important element in academic discussions and business practices related to extractive industries.

It appears that in productive activities with great potential to produce economic, social and environmental impacts, conventional approaches based on legal compliance no longer sufficient to legitimize the actions of companies and engagement stakeholders.

Studies highlight the need of mining activities receiving a SLO "issued" by companies stakeholders, including society, government, non-governmental organizations, media and communities.

However, local communities appears as major stakeholders in governance arrangements, by virtue of its proximity to extractive areas and ability to affect the company's results.

Stakeholders with unmet expectations can generate conflicts and risks to the company, the knowledge of these expectations and an awareness of company managers of the importance of Social License to Operate (SLO), can generate strategies and mitigating actions to prevent and or minimize possible conflicts.

The concept of SLO arises in engineering extractive industry, when you need to respond to social challenges, beyond the usual environmental challenges, technological and management. According to Franks and Cohen (2012) there is a tendency of engineering sectors, sustainability, environmental, safety and especially in risk mappings, treat the technological issues in a neutral manner, separating the technological research projects of social influences.

I want to contribute to the advancement of the debate on stakeholder engagement and adopting as focus on the company's relationship with the community, the aim of this study was to understand how a social project held by one of the largest mining companies in Brazil contributed to the process of SLO.

This methodological procedure adopted was a qualitative, descriptive, and exploratory interviews with the communities located in rural areas of direct influence of the company's approach.

The results show that the strategy adopted by the company contributed to the process of SLO, furthermore it is necessary adopt strong methodologies that facilitate the engagement processes of the other company's stakeholders, as well as the challenge to keep on local legitimacy earned.

Key words: Mining, social license to operate (SLO), social impact, corporate social responsibility, stakeholders.

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