



COMMUNITIES BRIEF

THE **HIDDEN** BILL OF GREEN CONFLICT

Protecting rights, livelihoods, and fair benefits from renewable energy projects

This brief forms part of a series of actor-specific briefs by the Institute for Human Rights and Business (IHRB) report on the Hidden Bill of Green Conflict, which examines how community opposition to renewable energy projects can translate into material financial, operational, and societal costs.

Why communities should care

Renewable energy deployment plays an essential role in limiting global temperature increases and achieving net-zero targets by 2050. Renewable projects can also create local opportunities for host communities, including jobs, training, improved infrastructure, and long-term economic development.

However, renewable energy projects can also affect land access, natural resources, cultural heritage, and local livelihoods. When communities feel excluded from decision-making or when project information is unclear, tensions can emerge. If these concerns are not addressed early, they can escalate into long and costly conflicts that affect both projects and communities.

Communities increasingly judge renewable energy projects not only by their climate benefits, but also by the equity, transparency, participation, and local benefits they generate.

This is the foundation of what is often described as a social license to operate: a project's ongoing acceptance and legitimacy in the eyes of the communities it affects.

A strong social license is built when communities are treated as active partners in the energy transition, whose voices, priorities, and well-being help shape how projects are designed and implemented.

The hidden costs communities often bear first

When renewable energy projects are poorly planned or engagement is weak, the consequences are often felt first by host communities.

These impacts can include prolonged uncertainty about land access and livelihoods, pressure on local resources, social divisions within communities, misinformation, or promises that are poorly communicated or not fulfilled. In some cases, communities may spend years navigating consultations, legal processes, or negotiations before their concerns are addressed.

Many of the financial costs companies eventually experience - such as project delays, redesigns, litigation, or cancellations - are often the result of earlier tensions that communities have been raising for months or years.

For this reason, early dialogue, transparency, and fair benefit-sharing are not only tools for protecting project value. They are also essential for ensuring that communities are treated as legitimate partners in the energy transition rather than passive recipients of its impacts.

What healthy projects look like: “Green flags” communities can look for

A successful renewable energy project is not one with zero conflict, but one where concerns are addressed openly and constructively on an ongoing basis.

Positive signals that a project is being developed responsibly include:

- **Transparent information:** Project information is shared openly, early, and in accessible formats and local languages.
- **Genuine stakeholder mapping:** Community groups, vulnerable populations, and traditional authorities are meaningfully identified and included.
- **Continuous dialogue:** Engagement happens throughout the project lifecycle, not only during permitting stages.
- **Early resolution of concerns:** Complaints and grievances are addressed before they escalate into larger disputes.
- **Meaningful participation:** Community perspectives influence project design and mitigation measures.
- **Inclusive engagement:** Women, youth, indigenous groups, and other vulnerable populations are included in consultations.
- **Responsible company behaviour:** Contractors and project staff respect local norms and community dynamics.
- **Independent validation:** Trusted third parties help verify commitments and progress where appropriate.

These practices help ensure that renewable energy projects contribute to both climate goals and local development.

Benefit sharing: ensuring communities share in the transition

Benefit-sharing is an increasingly important part of responsible renewable energy development. Communities that host renewable projects often expect that the projects will contribute to long-term local development, not only through short-term compensation.

Benefit-sharing arrangements may include:

- local employment and training programs
- local procurement opportunities for community businesses
- community development funds
- infrastructure investments such as roads, schools, or healthcare facilities
- revenue-sharing or equity participation in projects
- long-term education and skills programmes linked to the energy transition

The most effective benefit-sharing arrangements are co-designed with communities, aligned with local priorities, and transparently monitored over time. Where communities see clear and lasting benefits, renewable energy projects are far more likely to build trust and long-term support.

What communities can do

Communities also play an important role in shaping how renewable energy projects are developed. Constructive engagement can help ensure that projects reflect local priorities while protecting community rights and livelihoods.

Communities may consider the following actions:

- **Know your rights:** Understand the national laws governing land access, environmental impact assessments, and consultation processes. International standards such as Free, Prior and Informed Consent (FPIC) and International Labour Organization Convention 169 may also apply in certain contexts.
- **Organise collective engagement:** Discuss project impacts internally and develop shared positions before entering negotiations with companies or government authorities.
- **Engage early in project planning:** Participate in consultations and community meetings before major decisions are finalised.
- **Use grievance mechanisms where needed:** Raise concerns through available complaint channels and track whether they are resolved effectively.
- **Ask clear questions about benefits and commitments:** Ensure benefit-sharing arrangements are documented, transparent, and tied to clear timelines.
- **Seek independent advice where appropriate:** Legal experts, civil society organisations, and community leaders can help communities understand their options and rights.
- **Protect community autonomy:** Communities should retain control over their internal decision-making processes and avoid external pressures that may divide groups.

Communities as partners in the energy transition

The energy transition will only succeed if renewable energy projects are developed in ways that respect the rights, livelihoods, and aspirations of the communities that host them.

When communities are treated as partners, rather than obstacles, renewable energy projects are more likely to move forward successfully and deliver long-term benefits for both developers and host communities.

Building this trust is not only a matter of fairness. It is increasingly a condition for delivering the clean energy infrastructure needed for the global climate transition.

To learn more about the Hidden Bill of Green Conflict visit www.ihrb.org/resources/the-hidden-bill-of-green-conflict



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