

## **Doctor of Business Economics**

# **Essays on the Social License to Operate for Large-Scale Transport Infrastructure: The case of seaports and the hinterland.**

**Bruno Moeremans**

**Promotor: prof. Michaël Dooms, PhD**

### **ABSTRACT**

Port clusters are catalysts of global economic development and social wealth. Yet, the existence and spatial clustering of economic activities strategically located within port areas represent extensive sources of negative externalities to geographically close and adjacent densely populated urban areas. Local community stakeholders for instance, have shown to be particularly sensitive to, and vocal about, the impacts of ports clusters on the local spatial level. While the ability of seaports to generate wealth was conventionally seen as the ultimate instrumental justification for their existence, today, contemporary port clusters are increasingly requested to safeguard the generation of both economic, environmental, and social prosperity. Progressive stances to port clusters' performance and legitimacy through normative value creation, broader sustainable aspirations, and the consideration of larger stakeholder bases, have become essential to port managing bodies in search for their intangible and less formal, but powerful, *'social license to operate'*.

The social license to operate (SLTO) can be defined as the ongoing acceptance or approval given by local community stakeholders towards the operations of a certain organization or industry. Recent history (*Maasvlakte II* in Rotterdam or the *Deurganckdok* in Antwerp) has shown that the port industry is particularly concerned and impacted by the representation of local community stakeholders on the port-city interface in its quest for a social license to operate. The port industry has therefore increasingly embraced the execution of a vast spectrum of strategies articulated around sustainable and reciprocal value creation in recent years. However, studies specifically inquiring the impact of contemporary 'sustainable' port strategies on local community stakeholders in light of a social license to operate remain shy. Despite frequent references to the social license to operate in diverse academic literature streams, to this day, it has played a less noticeable role in the transport literature and related port management research.

As a consequence, this dissertation sets out to provide an extensive contribution to the limited body of knowledge in the port management literature aimed at a better understanding of the social license to operate concept in the port industry. The dissertation particularly intends to do so through five dedicated chapters and studies, across two different parts:

The first part of the manuscript ambitions to better understand how port clusters aim to create value for local community stakeholders towards a social license to operate in view of sustainable transitions and localised negative externalities by focusing on the port system and its evolution towards the hinterland (port regionalization). The second part of the manuscript casts a closer look at the specific case of the individual seaport cluster towards the development of an effective measurement model of social license to operate for the port industry.

The findings provide evidence that a social license to operate is significantly influenced by the positive experiences and perceptions of local community stakeholders regarding triple-bottom line value creation and stakeholder engagement processes. As such, port managing bodies are recommended to actively engage with local community stakeholders through the introduction of spatial and dynamic factors to the process of stakeholder identification and social capital building. Furthermore, the findings provide evidence that port clusters should particularly dedicate more efforts towards a balanced assessment of resource allocation considering sustainable port performances and port regionalization strategies.