

Grievance Mechanisms for Business and Human Rights

18 April, 2013 – 7:00 PM EST



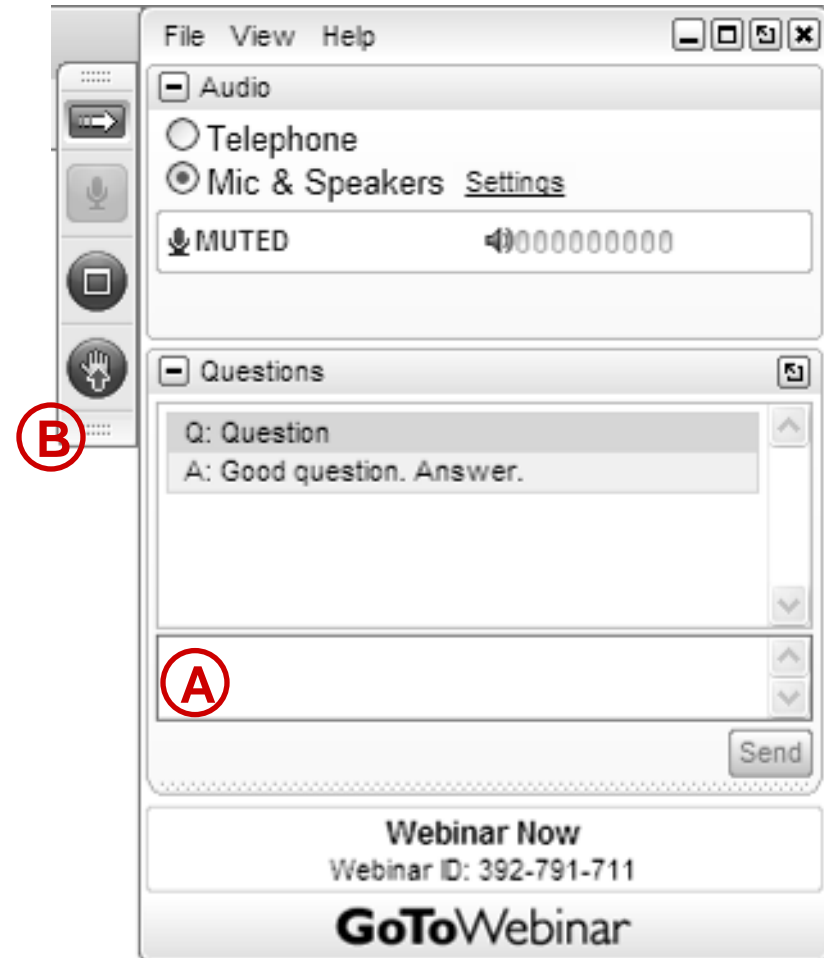
United Nations Global Compact

Questions

Technical Difficulties: If you have technical issues, please let us know by typing a message in the Questions pane (A). You can raise your hand (B) if we do not respond.

Q&A: We will be taking questions on content at the end, but you can send them to us throughout the webinar by using the Questions pane (A). Please specify to whom the question should be directed.

Example: Question for John Doe: What are the Guiding Principles?



United Nations Global Compact

Agenda



Introduction by UNGC: 3 Minutes

Matthew Daly, Human Rights, UN Global Compact



Introduction to Grievance Mechanisms: 10 - 15 Minutes

Caroline Rees, President, CEO and Executive Board Member, Shift

Recorded during webinar at 9AM EST



Business Examples: 12 Minutes Each

Valentin Zhovtun, Social Performance Adviser, Sakhalin Energy



Lisa Dean, Communities and Social Performance, Rio Tinto

Q & A: Remaining Time



United Nations Global Compact

UN Global Compact Webinar Grievance Mechanisms

Caroline Rees, President

Copyright (c) Shift Project Ltd, 2012. All rights reserved.

Shift

Putting Principles into Practice



Sakhalin Energy – establishing an effective grievance mechanism

Author: External Affairs

Date: 2011

Security Classification: Non-restricted

BACKGROUND

Grievance Procedure - launched in 2003

- Required to ensure consistent and systematic response to community grievances and concerns
- One of the key elements to demonstrate respect for human rights

▪ Audience: Sakhalin communities/public and contractors' & subcontractors' employees

A grievance can be defined as an actual or perceived problem that might give ground for complaint



Sakhalin Energy
To be the premier energy source for Asia-Pacific

Practical tools for effective grievance mechanism

Shall be a part of the business management process



Shall accessibility and transparency



Shall include unbiased mechanisms for registration, assessment and tracking



Shall include a risk assessment instrument



Shall be incorporated into supply chain



Sakhalin Energy

To be the premier energy source for Asia-Pacific

Grievance mechanism a part of the whole business management process

Stakeholder Engagement Mechanisms

Social Impact
Assessment

Three-level
system of
direct
communication

Grievance
Procedure

Partnerships

Throughout the Project's life

The progress of addressing the grievances is controlled by high management of the company.



Sakhalin Energy

To be the premier energy source for Asia-Pacific

Ensuring accessibility

Multiple channels for grievances submission

Letter

E-mail

Hot-line

Web-site

CLO

Inf. centres

Company

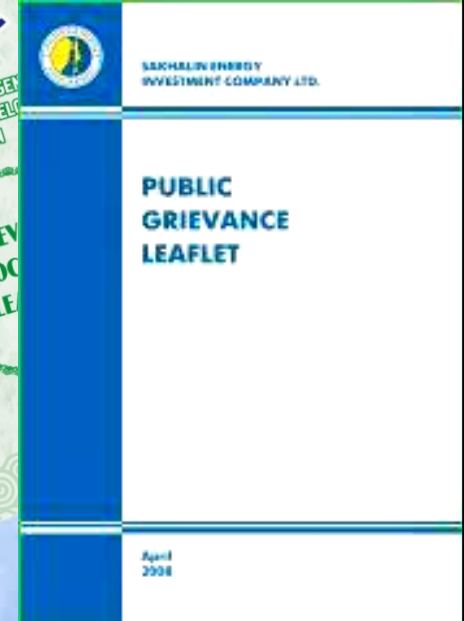
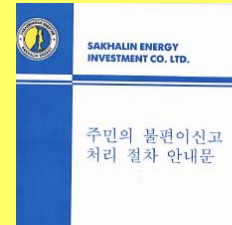
CLO

Information Centers

Community liaison
organization

23 Company's
Information Centers

Regular awareness campaigns



Sakhalin Energy

To be the premier energy source for Asia-Pacific

Ensuring transparency

Clear timeframes for the grievance resolution processes

Continuous communication with complainants

External reporting

Confidentiality shall be observed



Sakhalin Energy

To be the premier energy source for Asia-Pacific

Grievance mechanism to be incorporated into supply chain

Specific clauses in the contracts

Contractors training:

- General on social commitments
- Targeted (Human rights, grievance procedure, etc)

Monitoring /audits (external and internal)



Sakhalin Energy

To be the premier energy source for Asia-Pacific

SUMMARY: Sakhalin Energy grievance procedure and UN Guiding Principles

- Integration into the company's management system
- Internal and external audits
- Automated system of registration and tracking
- Confidentiality observed during grievance investigation
- Regular information campaigns
- Many channels for grievances submission/acceptance
- Restricted timelines for resolution
- Using experts' knowledge / consultations / assessments
- Transparency of the process for stakeholders
- Analysis of grievances and processes
- Clear KPIs used

- 
- Legitimacy**
 - Accessibility**
 - Predictability**
 - Equity**
 - Transparency**
 - Rights-compatibility**
 - A source of continuous learning**
 - Engagement and dialogue**

•Engagement with stakeholders



Sakhalin Energy

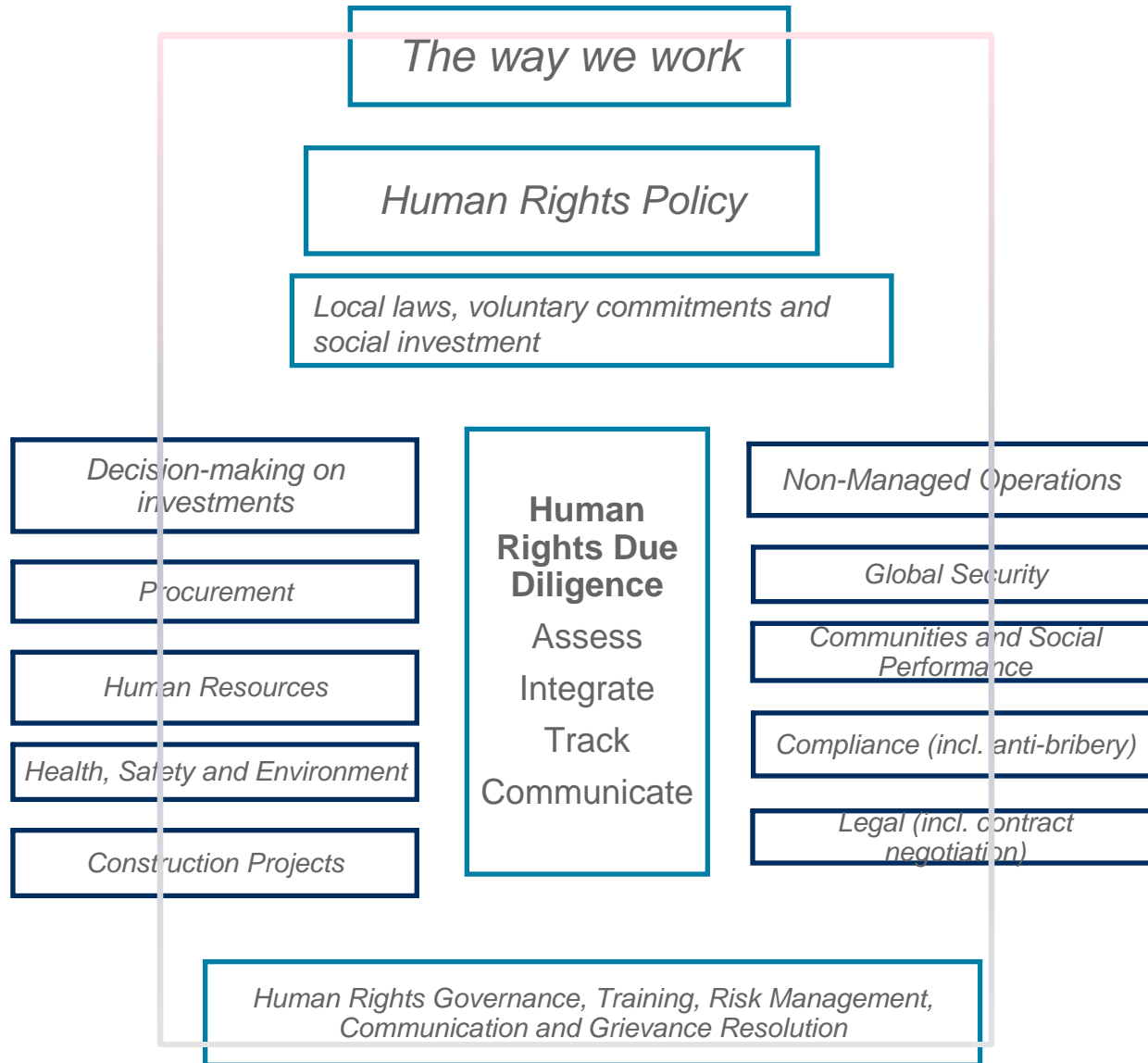
To be the premier energy source for Asia-Pacific

UN Global Compact Webinar: Grievance Mechanisms for Business and Human Rights

Lisa Dean, Communities and Social Performance, Rio Tinto
18 April 2013



Snapshot of Rio Tinto's Human Rights Approach



System of complaints handling

- Recognize need for access to effective remedy for business-related human rights abuses.
- Have developed, and are continuing to evolve, multi-faceted system of remedy to address adverse human rights impacts to which we have caused or contributed.
- System of remedy in line with key voluntary commitments including OECD Guidelines for Multinational Enterprises, UN Global Compact and Voluntary Principles on Security and Human Rights.
- System of remedy includes:
 - *Employees and suppliers/contractors*: SpeakOUT
 - *Community members*: complaints, disputes and grievance processes
- We seek to cooperate with state and non-state based non-judicial grievance mechanisms including OECD National Contact Points and National Human Rights Institutions etc.
- We respect the right of affected parties to seek to make use of legal remedies.

Communities and Social Performance: complaints, disputes and grievances processes

Community complaints, disputes and grievances Guidance Note

- Founded in Communities Policy and Communities Standard.
- All businesses (i.e. sites) must have a community complaints, disputes and grievances procedure in line with criteria of effectiveness for non-judicial grievance mechanisms in UN Guiding Principles on Business and Human Rights. This includes being **publically available**, **locally appropriate** and **easily accessible** to all community members.
- Further guidance recently provided through “Why Human Rights Matter” guide for Communities’ practitioners.



Definitions of complaints, disputes and grievances

- **Complaints:** notifications provided by a community member, group or institution to the business.
- **Disputes:** complaints that have not been accepted as valid by one party or the other and have escalated into disagreements between the parties.
- **Grievances:** complaints or disputes that have escalated to the point where they require third party intervention or adjudication to resolve.



How to successfully manage complaints, disputes and grievances?

- Act immediately – work to resolve complaints and disputes early to avoid escalation.
- Most complaints can be resolved quickly and satisfactorily by:
 - Dealing with complaints in person;
 - Apologising for inadvertent breaches;
 - Rectifying root causes;
 - Assuring complainants of future preventative action.
- Internal processes should not undermine legal mechanisms or attempt to address criminal, labour law and commercial matters.



How to successfully manage complaints, disputes and grievances?

A very good understanding of community beliefs, values and attitudes relating to complaints and dispute resolution is essential, including through:

- Community consultation and participation in resolution processes;
- Participation of relevant 'at risk' or vulnerable groups.



Lessons



- Process is as important as substance.
- Different forms of remedy may be appropriate, especially given cultural and societal factors: i.e. apologies, compensation, preventative action, reconciliation ceremonies, improvement/establishment of community development programmes.
- Internal coherence necessary to implement agreed remedy – i.e. Communities' practitioners need to work effectively with site level managers.
- External collaboration also important – i.e. working with other actors such as civil society, government, community leaders to ensure remedy adequately delivered and process remains sustainable.

Case study: Weipa, Australia

Weipa community feedback system

- A formalised process for local community to provide both positive and negative feedback including adverse human rights impacts.
- Multi contact points to ensure accessibility; advertised to promote local awareness.
- Feedback to be logged; investigation team to determine root causes and identify any actions required.
- Feedback procedure includes provisions for engagement and dialogue with affected persons.

Integrating complaints, disputes and grievance resolution into operations and management

- Communities and Social Performance team on site involves relevant functions in any complaints resolution, to improve across-site accountability.

*Nb full case study available as one of 12 case studies included in Why Human Rights Matter Guide



Thank You

Thank you for joining us today.

Presentation slides and a recording of the webinar
will be available on the UNGC website.

If you have any additional questions, please contact:

Matthew Daly: daly@unglobalcompact.org



United Nations Global Compact