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 is Human Trafficking?
Cumulative Human Rights Impacts

25 June 2014
11:00AM EDT (New York)
Agenda

**Welcome**
Michelle Lau, UN Global Compact

**Introduction to Cumulative Human Rights Impacts**
Ashleigh Owens, United Nations University

**Cumulative Human Rights Impacts and the UN Guiding Principles on Business and Human Rights**
Lloyd Lipsett, Shift

**Cumulative Human Rights Impacts and Indigenous Peoples**
Nick Pelosi, First Peoples Worldwide

**Company Reflections**
-Simon Wake, Rio Tinto
-Jan Klawitter, Anglo American
Introduction to Cumulative Human Rights Impacts
Ashleigh Owens, United Nations University
## Cumulative Impacts: Examples

<table>
<thead>
<tr>
<th>Right</th>
<th>Source of right</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Right to health</strong></td>
<td>ICESCR, Article 12</td>
<td>Reduced water quantity through groundwater draw and water table impacts from multiple mines and industries</td>
</tr>
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<td></td>
<td></td>
<td>Increased transmission of HIV/AIDS as a result of the improved transportation and increased in-migration of projects</td>
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<td>Many companies targeting high-sugar foods and drinks at children, with an impact on child obesity</td>
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<td></td>
<td>Health effects from cumulative emissions into air and water sheds by multiple activities (air/water pollution)</td>
</tr>
<tr>
<td><strong>Right to adequate standard of living</strong></td>
<td>ICESCR, Article 11</td>
<td>Factory emissions from several factories into a waterway, reducing fish stocks and damaging harvests of a local community</td>
</tr>
<tr>
<td><strong>(right to food)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Right to adequate standard of living</strong></td>
<td>ICESCR, Article 11</td>
<td>Price inflation and pressures on social services in towns near to or hosting several extractive projects (e.g. housing, rents and access to medical services).</td>
</tr>
<tr>
<td><strong>(right to housing)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Right to enjoy just and favourable</strong></td>
<td>ICESCR, Article 7</td>
<td>Pressures placed upon a supplier by several companies during peak periods, causing workers to exceed safe overtime limits</td>
</tr>
</tbody>
</table>
Cumulative Human Rights Impacts: Expanding the Field of Vision

From a view of the effect of your company’s activities only...

To a wider view of the total impact experienced by the community...
Cumulative Impacts in Environmental, Social (and Health) Impact Assessment

Human Rights impacts of business
“[i]n some cases, the most ecologically devastating environmental effects and subsequent social consequences may result not from the direct effects of a particular action, project, or activity but from the combination of existing stresses and the individually minor effects of multiple actions over time (Clarke 1994).”

IFC 2013, Good Practice Handbook on Cumulative Impact Assessment and Management: Guidance for the Private Sector in Emerging Markets
**FIGURE 1. RCIA: SIX-STEP APPROACH**

**STEP 1:** Determine spatial and temporal **boundaries**
- Identify **VECs** in consultation with affected communities and stakeholders
- Identify all **developments** and external natural and social stressors affecting the VECs

**STEP 2:**

**STEP 3:** Determine **present conditions** of VECs

**STEP 4:** Assess **cumulative impacts** and evaluate their **significance** over VECs’ predicted **future conditions**

**STEP 5:**

**STEP 6:** Design and implement: (a) adequate strategies, plans, and procedures to **manage** cumulative impacts, (b) appropriate **monitoring** indicators, and (c) effective **supervision** mechanisms

**Analysis of the existing legal, institutional, and governance framework**
1. Human Rights not yet included

2. Human Rights are different:
   A. Consider from the perspective of the affected people
   B. Consider internationally recognised human rights
   C. It’s not enough to “describe” impacts or maintain “acceptable levels”: must do something about it

3. C.I.s not often addressed well in practice
C.I.s in Existing HRIA Tools

- **Nomogaia Toolkit:**
  - “people, so inured to living with extreme pollution, are numb to the reality that additional contamination could have disastrous cumulative impacts.”
  
  (Nomogaia Human Rights Impact Assessment Toolkit: http://nomogaia.org/tools/)

- **CSR Netherlands’ CSR Risk Check:**
  - “Common grounds for grazing in India … under severe threat due to the pressure of encroachment, privatization and allotment of land for non community purpose.”
C.I.s in Existing HRIA Guidance

- **ICMM**
  - “recognizing that some areas of potential importance from a human rights perspective are not always well covered within ESIAs (such as … cumulative impacts …) and taking steps to address such gaps, where appropriate.”

ICMM 2012, *Human rights in the mining and metals industry: Integrating human rights due diligence into corporate risk management processes*
C.I.s in Existing HRIA Guidance (cont.)

- **IPIECA**
  - “Cumulative impacts” are an example of “areas of human rights impacts which are not, in practice, always included in the scope of ESHIAs, or which, if included in scope, may warrant further attention in practice.”
  - “Cumulative impacts may require broader engagement of other parties rather than a solution within a single company action. Such situations may be best addressed through broad engagement involving affected communities and individuals, other companies operating in the area, as well as the appropriate host country government regulatory agencies and lenders for externally financed projects.”

C.I.s in Existing HRIA Guidance (cont.)

• EC Guidance
  • “Identify potential ‘cumulative impacts’ on stakeholder groups that may not be immediately evident”
    – by “mapping out both the near-term and future facilities and considering the legacy of projects in the area.” (Oil & Gas Sector Guidance)
    – “e.g. where multiple actors in the international recruitment process contribute to negative impacts on migrant workers.” (Recruitment Sector Guidance)

Cumulative Human Rights Impacts

"How should a responsible company identify and address its incremental contribution to a cumulative human rights impact, particularly an impact on an individual or a community that is the result of the combined actions of several actors?"

This page presents an introduction to and analysis of the dilemma. It does so through the integration of real-world scenarios and case studies, examination of emerging economy contexts and exploration of the specific business risks posed by the dilemma. It also suggests a range of actions that responsible companies can take in order to manage and mitigate those risks.

- What is the dilemma?
- Common dilemma scenarios
- Examples of emerging economy scenarios
- Risks to business
- Suggestions for responsible business
- Background to the dilemma

Discuss Cumulative Impacts in the Forum
Participate in the Forum

The UN Global Compact and Maplecroft invite you to participate in a Forum designed to stimulate discussion about the dilemmas responsible multi-national companies may face in their efforts to respect and support human rights when operating in emerging economies. Further information about the Forum can be found at the bottom of this page.

You can access the content of this site via our interactive map or by dilemma theme (see tabs below). In addition, we would encourage you to take part in our online discussion forum, which can be found here.

Option 1:
Populate map by themes/case studies

SHOW ALL
Access to water
Child labour
Community relocation
Conflict minerals
Corruption
Cumulative impacts
Doing business in conflict-affected countries
 Forced labour
Freedom of association
Freedom of religion
Freedom of speech
Gender equality
Health and safety
HIV/AIDS
Housing
Human trafficking
Indigenous peoples’ rights
Living wage

Map: Human Rights Risk Index

Themes
Risk
Categories

Case Studies
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Hover on the list to explore each dilemma theme and click on the list to access all associated content

**Access to water**
- Child labour
- Community relocation
- Conflict minerals
- Corruption
- Cumulative impacts
- Doing business in conflict-affected countries
- Forced labour
- Freedom of association
- Freedom of religion
- Freedom of speech
- Gender equality
- Health and safety
- HIV/AIDS
- Housing
- Human trafficking
Cumulative Human Rights Impacts

This page presents an introduction to and analysis of the dilemma and case studies, examination of emerging economy contexts dilemma. It also suggests a range of actions that responsible companies should consider.

Temporal accumulation
Natural Resources Impacts
i. Water
ii. Land acquisition
iii. Raw ingredient sourcing

Advertising & Media Portrayals
In-migration
Impacts on suppliers

- Reputational
- Financial
  i. Protests & Delays
  ii. Alienating consumers
  iii. Disinvestment

- Legal
  i. International law
  ii. Civil tort (with case examples)
  iii. Corrective legislation
Suggestions for Responsible Business

• Assess cumulative human rights impacts
• Use learning from ESHIA field (But with HR lens)
• Defining the scope of assessment – and separating out responsibility
• Identifying cumulative impacts from the manifestation of risk events
• ‘Selling’ action on cumulative impacts internally and to stakeholders
Suggestions for Responsible Business (cont.)

• Taking unilateral action to cease or prevent contributions to cumulative impacts
• Establish or engage in collaborative initiatives to address cumulative human rights impacts
• Learning from the “commons” field
• Fostering cross-boundary leadership
• Engage governments on cumulative impacts
Cumulative Impacts and the UNGPs

- Corporate responsibility to respect involves on-going human rights due diligence
- Where relevant to a company’s operating context(s), HRDD should include preventing and addressing cumulative impacts
- Responsibility for cumulative impacts flows from the company’s potential or actual contribution to negative impacts on affected stakeholders
- Cumulative impacts can arise where there is absent/weak enforcement of regulations – implications for the state duty to protect human rights
- Cumulative impacts can pose particular challenges for providing remedy to affected stakeholders
Challenges of Cumulative Impacts

- Practical and scientific challenges in assessing and addressing cumulative impacts:
  - Lack of detailed baseline information and understanding of threshold capacities of communities and ecosystems
  - Potential increased severity of impacts where cumulative impacts reach “tipping points”
  - Difficulty in obtaining information about others’ activities that is required to understand the nature of one actor’s contribution to the impact
  - Cumulative impacts are often outside the scope of company risk and impact assessment processes
Bringing a UNGPs lens to addressing cumulative impacts

- UNGPs emphasize the importance of “leverage” in addressing situations of contribution, including cumulative impacts
- Distinguish between responsibility and leverage (influence)
- Leverage over whom, how and for what purpose?
- Identifying opportunities for leverage
- Growing catalogue of examples of companies effectively using leverage to address human rights risks with: suppliers; joint venture partners; customers and clients; governments
- Internal leverage is also relevant, eg: top management messaging; peer influence; exposure to information; engagement and support; external demand
UNGC CEO Water Mandate Project

- Shift and the Pacific Institute (Mandate secretariat) partnering on bringing UNGPs lens to company efforts to respect the human rights to water and sanitation (HRWS)
- Developing practical guidance for large water-using companies
- Normative content aligned with work of UN Special Rapporteur on HRWS and includes understanding of related human rights impacts
- Importance of “translating” impacts on the HRWS into corporate water stewardship terms
- Cumulative impacts of large water-users – exploring particular steps that such companies can and do take, including through confidential interviews with >20 companies in 8 sectors
- Draft guidance to be released at Stockholm World Water Week 2014
Preliminary reflections?

• Importance of addressing cumulative impacts from the perspective of all 3 pillars of the UN “Protect, Respect and Remedy” Framework
• Learning from the environmental field: strong regulation and legal systems needed to provide framework for dealing with cumulative impacts; what leverage can companies exercise where this does not exist?
• Developing the “business case” for assessing and addressing cumulative impacts before they become severe and are extremely difficult to remediate
• What can rights-based principles of interdependence and interrelatedness contribute to how companies approach cumulative impacts on specific human rights?
Shift

Putting Principles into Practice

shiftproject.org
Indigenous Peoples, Cumulative Impacts, and Risk

UN Global Compact
June 25, 2014

Presented by
First Peoples Worldwide is an Indigenous-led organization that strives for culturally-appropriate, community-led development for Indigenous Peoples. We help Indigenous communities retain control of their assets, including their natural resources and traditional ways of life. We believe that this asset-based approach is the key to protecting Indigenous rights and prosperity.

**Keepers of the Earth**
First Peoples’ Keepers of the Earth Fund (KOE) provides grants directly to Indigenous-led development projects. Since 2007, we’ve given US$1.5 million in grants to hundreds of Indigenous communities across 57 countries.

**Corporate Engagement**
First Peoples corporate engagement program is devoted to building a cultural bridge between companies and Indigenous communities and to making the win-win business case for respecting and upholding Indigenous Peoples’ rights.

**Grassroots Network**

**Win-Win Solutions**
Indigenous Peoples’ Vulnerability to Cumulative Impacts

• Indigenous territories comprise up to 24% of earth’s land surface, and 80% of biodiversity

• Remoteness of communities

• Size of communities, relative to industrial projects

• Relationships with land and natural resources
Indigenous Rights Risk Report

• Assessed 52 oil, gas, and mining companies’ risk exposure to Indigenous Peoples’ rights

• Identified 370 sites with actual or possible overlap with Indigenous territories

• 92% of the sites posed a critical, high, or medium risk to companies and their shareholders
Indigenous Rights Risk Report

- Location Risk (20 percent)
- Policy Risk (20 percent)
- Reputation Risk (20 percent)
- Country Risk (10 percent)
- Community Risk (25 percent)
- Legal Risk (5 percent)
Indigenous Rights Risk Report

- Location Risk (20 percent)
- Policy Risk (20 percent)
- Reputation Risk (20 percent)
- Country Risk (10 percent)
- Community Risk (25 percent)
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“Hot Spots”

- Bakken/Three Forks (North Dakota, US)
- Powder River Basin (Wyoming, US)
- Oil sands (Alberta, Canada)
- Ring of Fire (Ontario, Canada)
- Niger Delta (Nigeria)
- Neuquén Basin (Argentina)
Bakken companies with Indigenous Peoples Policies

ExxonMobil  Enbridge

Bakken companies with Human Rights Policies

Statoil  Hess  Baker Hughes  MarathonOil  Halliburton

Bakken companies without either policy

Whiting  Chesapeake  Oneok Partners  SWN  WPXEnergy  Kodiak Oil & Gas Corp.  Petro-Hub  Slawson  Continental  QEP Resources, Inc.  eog Resources
Company Reflections

Simon Wake
Principal Advisor – Communities & Social Performance, Rio Tinto

Rio Tinto
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:
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