

Appendix 1 Universal Declaration of Human Rights

PREAMBLE

Whereas recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world,

Whereas disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the common people,

Whereas it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law,

Whereas it is essential to promote the development of friendly relations between nations,

Whereas the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women and have determined to promote social progress and better standards of life in larger freedom,

Whereas Member States have pledged themselves to achieve, in cooperation with the United Nations, the promotion of universal respect for and observance of human rights and fundamental freedoms,

Whereas a common understanding of these rights and freedoms is of the greatest importance for the full realization of this pledge,

Now, therefore,

The General Assembly

proclaims

This Universal Declaration of Human Rights

as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of territories under their jurisdiction.

Article 1

All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

Article 2

Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

Furthermore, no distinction shall be made on the basis of the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.

Article 3

Everyone has the right to life, liberty and security of person.

Article 4

No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.

Article 5

No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.

Article 6

Everyone has the right to recognition everywhere as a person before the law.

Article 7

All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.

Article 8

Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted him by the constitution or by law.

Article 9

No one shall be subjected to arbitrary arrest, detention or exile.

Article 10

Everyone is entitled in full equality to a fair and public hearing by an independent and impartial tribunal, in the determination of his rights and obligations and of any criminal charge against him.

Article 11

(1) Everyone charged with a penal offence has the right to be presumed innocent until proved guilty according to law in a public trial at which he has had all the guarantees necessary for his defence.

(2) No one shall be held guilty of any penal offence on account of any act or omission which did not constitute a penal offence, under national or international law, at the time when it was committed. Nor shall a heavier penalty be imposed than the one that was applicable at the time the penal offence was committed.

Article 12

No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.

Article 13

(1) Everyone has the right to freedom of movement and residence within the borders of each State.

(2) Everyone has the right to leave any country, including his own, and to return to his country.

Article 14

(1) Everyone has the right to seek and to enjoy in other countries asylum from persecution.

(2) This right may not be invoked in the case of prosecutions genuinely arising from non-political crimes or from acts contrary to the purposes and principles of the United Nations.

Article 15

(1) Everyone has the right to a nationality.

(2) No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.

Article 16

(1) Men and women of full age, without any limitation due to race, nationality or religion, have the right to marry and to found a family. They are entitled to equal rights as to marriage, during marriage and at its dissolution.

(2) Marriage shall be entered into only with the free and full consent of the intending spouses.

(3) The family is the natural and fundamental group unit of society and is entitled to protection by society and the State.

Article 17

(1) Everyone has the right to own property alone as well as in association with others.

(2) No one shall be arbitrarily deprived of his property.

Article 18

Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.

Article 19

Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

Article 20

(1) Everyone has the right to freedom of peaceful assembly and association.

(2) No one may be compelled to belong to an association.

Article 21

(1) Everyone has the right to take part in the government of his country, directly or through freely chosen representatives.

(2) Everyone has the right to equal access to public service in his country.

(3) The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.

Article 22

Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

Article 23

(1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

(2) Everyone, without any discrimination, has the right to equal pay for equal work.

(3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.

(4) Everyone has the right to form and to join trade unions for the protection of his interests.

Article 24

Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.

Article 25

(1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

(2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

Article 26

(1) Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.

(2) Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace.

(3) Parents have a prior right to choose the kind of education that shall be given to their children.

Article 27

(1) Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits.

(2) Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

Article 28

Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.

Article 29

(1) Everyone has duties to the community in which alone the free and full development of his personality is possible.

(2) In the exercise of his rights and freedoms, everyone shall be subject only to such limitations as are determined by law solely for the purpose of securing due recognition and respect for the rights and freedoms of others and of meeting the

just requirements of morality, public order and the general welfare in a democratic society.

(3) These rights and freedoms may in no case be exercised contrary to the purposes and principles of the United Nations.

Article 30

Nothing in this Declaration may be interpreted as implying for any State, group or person any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth herein.

Appendix 2 Human rights system

How are human rights implemented?¹ After the devastation of the Second World War became clear, it was recognised that a universal declaration articulating and codifying the rights of individuals was necessary.

After the development of the UDHR, the second step consisted of making the rights thus outlined binding in the sense of a juridical commitment. While at worldwide level the first step was achieved through the adoption of the UDHR in 1948, the second step commenced in 1966 with the adoption of the two treaty instruments for the protection of human rights, the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social, Cultural Rights (ICESCR). These two covenants, together with the UDHR, constitute the International Bill of Human Rights².

Besides the International Bill of Human Rights, a multitude of other treaties and non-binding instruments exist, e.g. Convention on the Rights of the Child or the International Convention on the Elimination of All forms of Racial Discrimination. Next to these international covenants, regional documents on human rights have been developed as well, such as the European Convention on Human Rights and the European Social Charter, American Convention on Human Rights and the African Charter of Human and Peoples' Rights.

The UDHR was conceived as a statement of objectives to be followed by governments and it therefore not legally binding. However, the UDHR is incorporated in the constitutions and laws of many countries. The international covenants and conventions have the force of law for the States that ratify them. The degree of bindingness of the two International Covenants differs considerable. As far as the ICCPR is concerned, the rights it encompasses are conceived of as strict obligations, which states parties simply must abide by. The ICESCR boils down to a promotional obligation, which is not owed to the individuals concerned.

A complicated system exists to monitor and enforce compliance of States with human rights. Most conventions establish mechanisms to oversee their implementation. A distinction is made between Charter-based and treaty-based human rights bodies. The Charter-based human rights body is the Human Rights Council (HRC), which derives its establishment from provisions contained in the Charter of the United Nations, holds a broad human rights mandate and take action based on majority voting. The HRC was only established in March 2006 and replaced the widely criticized Commission on Human Rights. The Treaty-based human rights bodies (e.g. Committee against Torture or Committee on Economic, Social and Cultural Rights) derive their existence from provisions contained in a specific legal instrument (e.g. ICCPR), hold more narrow mandates (e.g. the set of issues codified in the legal instrument involved), address only those countries that have ratified the legal instrument in question and base their decision-making on consensus.

The UN High Commissioner for Human Rights (UNHCHR) has principal responsibility for UN human rights activities and assists the Charter and Treaty based human rights bodies. The Office of the High Commissioner for Human Rights (OHCHR) monitors human rights in field offices and provides technical assistance at the requests of governments in many countries.

¹ The sources for explanation of the human rights system are Tomuschat (2003) and United Nations websites on human rights (2006).

Concerning the enforcement of civil and political rights, each five years, states must submit a report on the progress of implementation of human rights in laws and practices. The human rights committee then sends a report to the UN General Assembly through the Economic and Social Council based on the state reports from that year. Because the Human Rights Committee's report is accessible by the international community, states with poor human rights records can be pressured into improving their attitude towards civil and political rights. Another method of enforcement is that a state can report to the Human Rights Committee that another state is abusing civil and political rights. A third method of enforcement is that individuals and non governmental organizations are also allowed to submit complaints of the violation of human rights of states. When received, the complaints are merely filed for record-keeping. However, if a large number of complaints against a certain state are received in a short period of time, the United Nations may decide to investigate. This method of enforcement has limited power, since the states violating human rights standards are not actually forced, but rather, only pressured into improving.

Concerning the enforcement of economic, social and cultural rights, states are required to submit reports every six years on the progress they have taken to achieve the rights in the CESCR. States are also allowed to describe reasons for the shortcomings. If there is a valid reason for why the rights were not provided for properly, the United Nations Committee on Economic, Social and Cultural Rights can help the state by arranging for financial assistance from other international organizations. However, the committee has had a problem with states failing to even submit a report. Some of those submitted are written for the sole purpose of fulfilling the report obligation; they are not reliable and do not provide an insightful view into the state of human rights in their respective states. Besides, since the covenant uses the financial state of a country to weigh its ability to provide the right, this state may argue that its capital should be better spent on democracy instead of the economic, social and cultural rights of its people. Consequently, a state that should provide more of these rights can simply point to the covenant and argue that its money can be used in other and more important ways. Other reasons for lack of monitoring and enforcement include the ambiguousness of the duties in the CESCR, and that Non- Governmental Organizations (NGOs) tend not to dwell upon violations of the economic, social, and cultural rights.

Mechanisms also vary as to the degree of individual access to them. Under some conventions, e.g. the European Convention on Human Rights, individuals are permitted automatically to take individual cases to the enforcement mechanisms. Under most, however, e.g. the UN conventions, individual access is contingent on the acceptance of that right by each state party, either by a declaration at the time of ratification or accession, or through ratification of or accession to a protocol to the convention.

In sum, the international community has to rely on the power of states willing to exercise peer pressure. Nevertheless, some mechanisms do have great political and legal authority, and their decisions are almost always implemented. An example is the European Court of Human Rights. According to Tomuschat (2003), NGOs occupy today a leading position, which induce states to abide by their human rights obligations. NGOs speak out on human rights violations in the country where they are based and sit as observers or can even make complaints when the Human Rights Council meets. Also, NGOs try to influence government representatives. Most human rights violations and abuses are documented by NGOs such as Amnesty International, Human Rights Watch, Freedom House, International Freedom of Expression Exchange and Anti-Slavery International.

Appendix 3 Mandate UN Special Representative on business & human rights

The UN Commission on Human Rights adopted a resolution on 20 April 2005 requesting "the Secretary-General to appoint a special representative on the issue of human rights and transnational corporations and other business enterprises...with the following mandate:

(a) To provide views and concrete and practical recommendations on ways to strengthen the fulfilment of the duty of the State to protect all human rights from abuses by or involving transnational corporations and other business enterprises, including through international cooperation;

(b) To elaborate further on the scope and content of the corporate responsibility to respect all human rights and to provide concrete guidance to business and other stakeholders;

(c) To explore options and make recommendations, at the national, regional and international level, for enhancing access to effective remedies available to those whose human rights are impacted by corporate activities;

(d) To integrate a gender perspective throughout his work and to give special attention to persons belonging to vulnerable groups, in particular children;

(e) [To] Identify, exchange and promote best practices and lessons learned on the issue of transnational corporations and other business enterprises, in coordination with the efforts of the human rights working group of the Global Compact;

(f) To work in close coordination with United Nations and other relevant international bodies, offices, departments and specialized agencies, and in particular with other special procedures of the Council;

(g) To promote the framework and to continue to consult on the issues covered by the mandate on an ongoing basis with all stakeholders, including States, national human rights institutions, international and regional organizations, transnational corporations and other business enterprises, and civil society, including academics, employers' organizations, workers' organizations, indigenous and other affected communities and non-governmental organizations, including through joint meetings;

(h) To report annually to the Council and the General Assembly".

Appendix 4 Draft norms on transnational corporations and human rights

Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights, U.N. Doc. E/CN.4/Sub.2/2003/12/Rev.2 (2003).

Preamble

Bearing in mind the principles and obligations under the Charter of the United Nations, in particular the preamble and Articles 1, 2, 55 and 56, inter alia to promote universal respect for, and observance of, human rights and fundamental freedoms,

Recalling that the Universal Declaration of Human Rights proclaims a common standard of achievement for all peoples and all nations, to the end that Governments, other organs of society and individuals shall strive, by teaching and education to promote respect for human rights and freedoms, and, by progressive measures, to secure universal and effective recognition and observance, including of equal rights of women and men and the promotion of social progress and better standards of life in larger freedom,

Recognizing that even though States have the primary responsibility to promote, secure the fulfilment of, respect, ensure respect of and protect human rights, transnational corporations and other business enterprises, as organs of society, are also responsible for promoting and securing the human rights set forth in the Universal Declaration of Human Rights,

Realizing that transnational corporations and other business enterprises, their officers and persons working for them are also obligated to respect generally recognized responsibilities and norms contained in United Nations treaties and other international instruments such as the Convention on the Prevention and Punishment of the Crime of Genocide; the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment; the Slavery Convention and the Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery; the International Convention on the Elimination of All Forms of Racial Discrimination; the Convention on the Elimination of All Forms of Discrimination against Women; the International Covenant on Economic, Social and Cultural Rights; the International Covenant on Civil and Political Rights; the Convention on the Rights of the Child; the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families; the four Geneva Conventions of 12 August 1949 and two Additional Protocols thereto for the protection of victims of war; the Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society to Promote and Protect Universally Recognized Human Rights and Fundamental Freedoms; the Rome Statute of the International Criminal Court; the United Nations Convention against Transnational Organized Crime; the Convention on Biological Diversity; the International Convention on Civil Liability for Oil Pollution Damage; the Convention on Civil Liability for Damage Resulting from Activities Dangerous to the Environment; the Declaration on the Right to Development; the Rio Declaration on the Environment and Development; the Plan of Implementation of the World Summit on Sustainable Development; the United Nations Millennium Declaration; the Universal Declaration on the Human Genome and Human Rights; the International Code of Marketing of Breast milk Substitutes adopted by the World Health Assembly; the Ethical Criteria for Medical Drug Promotion and the "Health for All in the Twenty-First Century" policy of the World

Health Organization; the Convention against Discrimination in Education of the United Nations Education, Scientific, and Cultural Organization; conventions and recommendations of the International Labour Organization; the Convention and Protocol relating to the Status of Refugees; the African Charter on Human and Peoples' Rights; the American Convention on Human Rights; the European Convention for the Protection of Human Rights and Fundamental Freedoms; the Charter of Fundamental Rights of the European Union; the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of the Organization for Economic Cooperation and Development; and other instruments,

Taking into account the standards set forth in the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy and the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization,

Aware of the Guidelines for Multinational Enterprises and the Committee on International Investment and Multinational Enterprises of the Organization for Economic Cooperation and Development,

Aware also of the United Nations Global Compact initiative which challenges business leaders to "embrace and enact" nine basic principles with respect to human rights, including labour rights and the environment,

Conscious of the fact that the Governing Body Subcommittee on Multinational Enterprises and Social Policy, the Committee of Experts on the Application of Standards, as well as the Committee on Freedom of Association of the International Labour Organization, which have named business enterprises implicated in States' failure to comply with Conventions No. 87 concerning the Freedom of Association and Protection of the Right to Organize and No. 98 concerning the Application of the Principles of the Right to Organize and Bargain Collectively, and seeking to supplement and assist their efforts to encourage transnational corporations and other business enterprises to protect human rights,

Conscious also of the Commentary on the Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, and finding it a useful interpretation and elaboration of the standards contained in the Norms,

Taking note of global trends which have increased the influence of transnational corporations and other business enterprises on the economies of most countries and in international economic relations, and of the growing number of other business enterprises which operate across national boundaries in a variety of arrangements resulting in economic activities beyond the actual capacities of any one national system,

Noting that transnational corporations and other business enterprises have the capacity to foster economic well-being, development, technological improvement and wealth as well as the capacity to cause harmful impacts on the human rights and lives of individuals through their core business practices and operations, including employment practices, environmental policies, relationships with suppliers and consumers, interactions with Governments and other activities,

Noting also that new international human rights issues and concerns are continually emerging and that transnational corporations and other business

enterprises often are involved in these issues and concerns, such that further standard-setting and implementation are required at this time and in the future,

Acknowledging the universality, indivisibility, interdependence and interrelatedness of human rights, including the right to development, which entitles every human person and all peoples to participate in, contribute to and enjoy economic, social, cultural and political development in which all human rights and fundamental freedoms can be fully realized,

Reaffirming that transnational corporations and other business enterprises, their officers – including managers, members of corporate boards or directors and other executives – and persons working for them have, inter alia, human rights obligations and responsibilities and that these human rights norms will contribute to the making and development of international law as to those responsibilities and obligations,

Solemnly proclaims these Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights and urges that every effort be made so that they become generally known and respected.

A. General obligations

1. States have the primary responsibility to promote, secure the fulfilment of, respect, ensure respect of and protect human rights recognized in international as well as national law, including ensuring that transnational corporations and other business enterprises respect human rights. Within their respective spheres of activity and influence, transnational corporations and other business enterprises have the obligation to promote, secure the fulfilment of, respect, ensure respect of and protect human rights recognized in international as well as national law, including the rights and interests of indigenous peoples and other vulnerable groups.

B. Right to equal opportunity and non-discriminatory treatment

2. Transnational corporations and other business enterprises shall ensure equality of opportunity and treatment, as provided in the relevant international instruments and national legislation as well as international human rights law, for the purpose of eliminating discrimination based on race, colour, sex, language, religion, political opinion, national or social origin, social status, indigenous status, disability, age – except for children, who may be given greater protection – or other status of the individual unrelated to the inherent requirements to perform the job, or of complying with special measures designed to overcome past discrimination against certain groups.

C. Right to security of persons

3. Transnational corporations and other business enterprises shall not engage in nor benefit from war crimes, crimes against humanity, genocide, torture, forced disappearance, forced or compulsory labour, hostage-taking, extrajudicial, summary or arbitrary executions, other violations of humanitarian law and other international crimes against the human person as defined by international law, in particular human rights and humanitarian law.

4. Security arrangements for transnational corporations and other business

enterprises shall observe international human rights norms as well as the laws and professional standards of the country or countries in which they operate.

D. Rights of workers

5. Transnational corporations and other business enterprises shall not use forced or compulsory labour as forbidden by the relevant international instruments and national legislation as well as international human rights and humanitarian law.

6. Transnational corporations and other business enterprises shall respect the rights of children to be protected from economic exploitation as forbidden by the relevant international instruments and national legislation as well as international human rights and humanitarian law.

7. Transnational corporations and other business enterprises shall provide a safe and healthy working environment as set forth in relevant international instruments and national legislation as well as international human rights and humanitarian law.

8. Transnational corporations and other business enterprises shall provide workers with remuneration that ensures an adequate standard of living for them and their families. Such remuneration shall take due account of their needs for adequate living conditions with a view towards progressive improvement.

9. Transnational corporations and other business enterprises shall ensure freedom of association and effective recognition of the right to collective bargaining by protecting the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without distinction, previous authorization, or interference, for the protection of their employment interests and for other collective bargaining purposes as provided in national legislation and the relevant conventions of the International Labour Organization.

E. Respect for national sovereignty and human rights

10. Transnational corporations and other business enterprises shall recognize and respect applicable norms of international law, national laws and regulations, as well as administrative practices, the rule of law, the public interest, development objectives, social, economic and cultural policies including transparency, accountability and prohibition of corruption, and authority of the countries in which the enterprises operate.

11. Transnational corporations and other business enterprises shall not offer, promise, give, accept, condone, knowingly benefit from, or demand a bribe or other improper advantage, nor shall they be solicited or expected to give a bribe or other improper advantage to any Government, public official, candidate for elective post, any member of the armed forces or security forces, or any other individual or organization. Transnational corporations and other business enterprises shall refrain from any activity which supports, solicits, or encourages States or any other entities to abuse human rights. They shall further seek to ensure that the goods and services they provide will not be used to abuse human rights.

12. Transnational corporations and other business enterprises shall respect economic, social and cultural rights as well as civil and political rights and contribute to their realization, in particular the rights to development, adequate food and drinking water, the highest attainable standard of physical and mental

health, adequate housing, privacy, education, freedom of thought, conscience, and religion and freedom of opinion and expression, and shall refrain from actions which obstruct or impede the realization of those rights.

F. Obligations with regard to consumer protection

13. Transnational corporations and other business enterprises shall act in accordance with fair business, marketing and advertising practices and shall take all necessary steps to ensure the safety and quality of the goods and services they provide, including observance of the precautionary principle. Nor shall they produce, distribute, market, or advertise harmful or potentially harmful products for use by consumers.

G. Obligations with regard to environmental protection

14. Transnational corporations and other business enterprises shall carry out their activities in accordance with national laws, regulations, administrative practices and policies relating to the preservation of the environment of the countries in which they operate, as well as in accordance with relevant international agreements, principles, objectives, responsibilities and standards with regard to the environment as well as human rights, public health and safety, bioethics and the precautionary principle, and shall generally conduct their activities in a manner contributing to the wider goal of sustainable development.

H. General provisions of implementation

15. As an initial step towards implementing these Norms, each transnational corporation or other business enterprise shall adopt, disseminate and implement internal rules of operation in compliance with the Norms. Further, they shall periodically report on and take other measures fully to implement the Norms and to provide at least for the prompt implementation of the protections set forth in the Norms. Each transnational corporation or other business enterprise shall apply and incorporate these Norms in their contracts or other arrangements and dealings with contractors, subcontractors, suppliers, licensees, distributors, or natural or other legal persons that enter into any agreement with the transnational corporation or business enterprise in order to ensure respect for and implementation of the Norms.

16. Transnational corporations and other businesses enterprises shall be subject to periodic monitoring and verification by United Nations, other international and national mechanisms already in existence or yet to be created, regarding application of the Norms. This monitoring shall be transparent and independent and take into account input from stakeholders (including non governmental organizations) and as a result of complaints of violations of these Norms. Further, transnational corporations and other businesses enterprises shall conduct periodic evaluations concerning the impact of their own activities on human rights under these Norms.

17. States should establish and reinforce the necessary legal and administrative framework for ensuring that the Norms and other relevant national and international laws are implemented by transnational corporations and other business enterprises.

18. Transnational corporations and other business enterprises shall provide prompt, effective and adequate reparation to those persons, entities and communities that have been adversely affected by failures to comply with these

Norms through, inter alia, reparations, restitution, compensation and rehabilitation for any damage done or property taken. In connection with determining damages in regard to criminal sanctions, and in all other respects, these Norms shall be applied by national courts and/or international tribunals, pursuant to national and international law.

19. Nothing in these Norms shall be construed as diminishing, restricting, or adversely affecting the human rights obligations of States under national and international law, nor shall they be construed as diminishing, restricting, or adversely affecting more protective human rights norms, nor shall they be construed as diminishing, restricting, or adversely affecting other obligations or responsibilities of transnational corporations and other business enterprises in fields other than human rights.

I. Definitions

20. The term "transnational corporation" refers to an economic entity operating in more than one country or a cluster of economic entities operating in two or more countries - whatever their legal form, whether in their home country or country of activity, and whether taken individually or collectively.

21. The phrase "other business enterprise" includes any business entity, regardless of the international or domestic nature of its activities, including a transnational corporation, contractor, subcontractor, supplier, licensee or distributor; the corporate, partnership, or other legal form used to establish the business entity; and the nature of the ownership of the entity. These Norms shall be presumed to apply, as a matter of practice, if the business enterprise has any relation with a transnational corporation, the impact of its activities is not entirely local, or the activities involve violations of the right to security as indicated in paragraphs 3 and 4.

22. The term "stakeholder" includes stockholders, other owners, workers and their representatives, as well as any other individual or group that is affected by the activities of transnational corporations or other business enterprises. The term "stakeholder" shall be interpreted functionally in the light of the objectives of these Norms and include indirect stakeholders when their interests are or will be substantially affected by the activities of the transnational corporation or business enterprise. In addition to parties directly affected by the activities of business enterprises, stakeholders can include parties which are indirectly affected by the activities of transnational corporations or other business enterprises such as consumer groups, customers, Governments, neighbouring communities, indigenous peoples and communities, non governmental organizations, public and private lending institutions, suppliers, trade associations, and others.

23. The phrases "human rights" and "international human rights" include civil, cultural, economic, political and social rights, as set forth in the International Bill of Human Rights and other human rights treaties, as well as the right to development and rights recognized by international humanitarian law, international refugee law, international labour law, and other relevant instruments adopted within the United Nations system.

Approved August 13, 2003, by U.N. Sub-Commission on the Promotion and Protection of Human Rights resolution 2003/16, U.N. Doc. E/CN.4/Sub.2/2003/L.11 at 52 (2003).

Appendix 5 Examples influencing strategies company and its stakeholders

Stakeholders	Adversarial strategies	Neutral strategies	Co-operative strategies
Organisational stakeholders			
Employees	Strikes, resign	Participate in staff council	Pro-actively setting up projects to improve situation
Shareholders	Public scrutiny, drawing back investment	Influencing through private conversations	Pro-actively working together to improve situation
Labour unions	Organising strikes, blocking negotiations	Providing services, such as monitoring of working conditions	Pro-actively working together to improve situation
Economic stakeholders			
Customers	Boycotts of products	Express concerns	Buying products, partnerships to improve performance
Investors	Boycotting, drawing back investment	Express concerns to companies	Investing and cooperate to improve performance
Competitors	Slandering	Participating in industry association	Active partnerships, constructive dialogues
Industry associations	Banishing from association	Providing information to companies	Pro-actively setting up working groups
Suppliers and distributors	Stop supplying or distributing	Express concerns to companies	Pro-actively setting up projects to improve situation
Societal stakeholders			
Governments	Penalties, law suits, banning investment	Providing framework and facilitation of knowledge sharing	Tri-partite dialogue to improve situation
Intergovernmental organisations	Asking governments to take actions against companies	Express concerns to companies and government	Partnerships, working groups with industry associations
NGOs, Academics	Public campaigns damaging the company	Influencing the government service provision	Partnerships, constructive dialogues
Local communities	Demonstrating, obstructing production	Express concerns to companies and government	Pro-actively setting up projects to improve situation
Media	Destructive publishing/broadcasting	Balanced publicity on situation	Partnerships with companies, constructive publishing/broadcasting

Table 1 Examples of stakeholders' influence strategies towards companies on human rights

These strategies result into ten different roles that NGOs can take towards companies (Van Tulder & Van der Zwart, 2006): business orientated, partnerships orientated, business interested, shareholding, strategic stakeholder oriented, broker oriented, supervisory, discussion and dialogue oriented, watchdogs and direct action oriented NGOs.

Appendix 6 Human Rights Compliance Assessment tools

Shortly after the Shell Group explicitly expressed its support for human rights in 1997, the need arose to understand and address the human rights risks faced when entering or operating in such politically sensitive countries and regions. At the time, the company found little information available on how private corporations should address or manage human rights. The company faced difficult challenges, such as how to translate the human rights conventions drafted for states to measurable indicators that are relevant to the business context. Shell started to proactively look for solutions and came across the DIHR.

At that time, the DIHR had a Human Rights & Business project that sought to combine the expertise of the human rights community with the experience of business to develop practical and efficient human rights tools for companies. The ultimate aim was to assist business develop while maintaining good human rights practices.

To that end, the DIHR developed the Human Rights Compliance Assessment (HRCA) tools. One of these tools, the Country Risk Assessment, compares local laws and practices against the Universal Declaration of Human Rights in addition to more than 80 other international treaties. It identifies the main risk areas in a country, like labour rights for foreign labourers or the behaviour of security forces. Companies can use the tool to test the procedures and practices they have in place for respecting these rights and work to close any gaps.

Spurred by this mutual interest in connecting business and human rights, Shell International B.V. and the DIHR began collaborating in 2001 to road test these HRCA tools and deepen the understanding about what human rights means in practice for companies.

What is the HRCA?

The HRCA is a database of 350 questions and 1,500 indicators. These questions and indicators have been developed based on the minimum responsibilities of companies with regard to human rights, as defined by the DIHR, towards its employees, business partners and the wider communities in which they operate.

The HRCA uses the Universal Declaration of Human Rights (UDHR) as an overall framework and refers to the dual Covenants (the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights). In addition, more than 80 major human rights conventions and treaties, as well as the major ILO (International Labour Organisation) conventions are taken into account.

The HRCA was developed by the DIHR through extensive consultation with companies and NGOs all over Europe, with the goal of including necessary input from both audiences.

The HRCA consists of several tools that provide a practical step-by-step approach to assess all potential risks to violate human rights.

What are the HRCA tools?

The following HRCA tools are discussed below: the Country Risk Assessment, the Company Assessment, the Action Plan and the Quick Check.

1. Country Risk Assessment (CRA):

The CRA builds on twenty human rights drawn from the UDHR. The CRA is performed by the DIHR and evaluates how formal law and the social and cultural practices of a specific country compare with human rights norms.

Based on this assessment, the level of risk for a company operating in a specific country, with regards to the potential violation of human rights, is determined in terms of high, medium and low. This business risk evaluation is based on the risk ratings in law and practice for each right, combined with an assessment of the relevance, link and proximity to company operations in general. The proximity of company operations includes relations with suppliers, contractors, security forces, communities and government.

Table 1 shows the outcomes of a Country Risk Assessment (CRA) performed for a country, indicating the compliance level (high, medium or low) of formal law and social and cultural practices with human rights norms and the business risk level (high, medium or low) for twenty human rights:

<i>CRA Score country</i>	<i>High</i>	Medium	Low
Non-compliance with formal law	7	10	3
Non-compliance with practices	11	7	2
Business risk	5	11	4

Table 1 CRA scores for country

The CRA scores for the country shows that the formal legislation regulates human rights to a reasonable degree (3 human rights have strong compliance and 10 have medium compliance in formal law), but the balance shifts when looking at the practice level (11 human rights are in high non-compliance with human rights). For example, formal law regulates the right to privacy, but this right is sometimes violated by various arms of the state.

Based on the formal law and practices check, five human rights are identified to be high risk for business and their operations (across all sectors). For example, this country does not have a national minimum wage system, which may lead to employees not being able to obtain an adequate standard of living.

Focal areas

This business risk assessment then allows for the selection of a number of focal areas for companies. The focal areas are selected in a two-stage process: 1) according to the status of the particular human right and the severity of the human rights violation; and 2) the company risk of human rights.

For this country, five focal areas have been identified for all companies and their business partners working in that country: working conditions, trade unions, discrimination, salary and government relations.

The selected focal areas are complemented with recommendations for companies to help mitigate the identified human rights risks. For example, a company operating in this country is recommended to focus on working conditions of especially foreign workers because those workers are the most vulnerable group. A sample recommendation for foreign workers in this country is to ensure that such workers are provided with labour contracts and valid work permits.

Available CRAs

CRAs are developed based on the preferences of the member companies of the DIHR and/or the DIHR itself. CRAs are currently available for: Algeria, Brazil,

China, India, Kazakhstan, Libya, Oman, South Africa, Tanzania, Ukraine and Vietnam (2007). Expected CRAs include Russia and Kenya.

2. Company Assessment:

The second step is to create a customized HRCA check with the purpose of evaluating how company policy, procedures and practices cover human rights risks.

The DIHR selects the questions and indicators from the HRCA database, based on the business risk identified in the CRA, as well as consider taking into account the human rights risks related to the type of business operations in the country. In practice, this usually means that approximately 15% of the questions and corresponding indicators are selected.

For instance, based on the focal area of working conditions identified as a high risk area for business in this country, questions and corresponding indicators are selected for the company assessment. The following is an example of such a question and indicators:

Q: Does the company ensure that its employment-related decisions are based on relevant and objective criteria?

- Employment advertisements do not reference irrelevant characteristics, such as race, unless listed as part of an equal opportunities promotion.
- Hiring managers receive training regarding the company's non-discrimination policies.
- An individual or department in the company is responsible for monitoring company compliance with the company's non-discrimination standards and policies.

Then, in the form of a self-assessment, companies can assess coverage of human rights risks for the selected indicators at policy, procedure and performance levels. For example, a company checks whether there is a procedure in place that ensures all employment advertisements are non-discriminatory.

3. Action Plan:

After the company assesses its policies, procedures and performance on coverage of human rights risks, an overview will arise where the company has strong and weak coverage. This may result in a plan of action for mitigation. The company may choose to invite key stakeholders to discuss the plan of action.

4. Quick Check

Besides this step-by-step plan, a short version of the company assessment, called the 'Quick Check', can also be used. This check comprises of approximately 10% of the questions and indicators (28 and 230 respectively) from the full HRCA database. The Quick Check contains the most essential human rights issues, determined by the DIHR, for a company to consider in relation to its business operations. These fall into the following three categories:

1. Employment practices: forced labour, child labour, non-discrimination, workplace health and safety, freedom of association, conditions of employment and work;
2. Community impact: security, environmental health and safety, corruption and bribery, company products;
3. Supply chain management: relationship with suppliers.

The advantage of the Quick Check is that it takes considerably less time than the full HRCA and can therefore be used to quickly gain an insight into the human rights issues facing a particular company. The disadvantage is that it does not

include the full pallet of human rights and it is not country-specific (although it can be made country specific in combination with the other tools). The Quick Check is freely available and can be found along with the other HRCA tools at <https://hrca.humanrightsbusiness.org>.

A dialogue between the DIHR and its corporate members allows for a continuous adaptation of the tools that fit business needs. Future projects include sector specific and country specific HRCA checks.

After these tools are used, the company can choose to involve key stakeholders to review findings and discuss the action plan. Also, in the interests of transparency, each company may report externally on the results of its human rights performance.

Appendix 7 Global stakeholders: questions, fora and reports

Interview questions

The questions used in the interviews with global stakeholders of Shell (see section 3.5.1):

1. How have you engaged with Shell on human rights (alone or with others, what moments in time, etc)?
2. What is your motivation to engage with Shell?
3. What are the results of those engagements?
4. How did the international context impact these engagements or the results of these engagements?
5. How do you assess Shell's performance on human rights and why? And compared with competitors?
6. What can Shell improve on its human rights performance?

Participation in international fora

The following forums were visited in which Shell and its stakeholders interact:

- Dutch roundtable on human rights with Amnesty
- BLIHR conference, 2005
- VNO-NCW, multinational working group
- Nottingham CSR seminar, 2006
- ABN Amro presentation
- Remembring KSW, November 2005
- Rabobank presentation
- National Sustainability congress, 2005
- Meetings in NIDO
- DIHR training, 2005
- Amnesty: Business in conflict zones, 18th May 2006
- Etc.

Reports reviewed

The following reports of global stakeholder regarding Shell and human rights were reviewed:

Analysis	Report
NGO(s) who wrote report	Friends of the Earth, Refinery Reform Campaign, Louisiana Bucket Brigade and other local NGOS
Report Name	Failing the challenge The Other Shell Report 2002 - developed out of the book 'Riding the Dragon'
Timing	2nd May 2003
NGO objective	Testament to people who have suffered from Shell's operations. Encouraging Shell to engage with local communities. Demands changes to UK company law for more responsibilities for company behaviour abroad. Indeed, Shell is the target FOE has chosen to 'personalise' this objective.
Target audience and how they distributed report	UK government, media. Relatively limited print run; limited use at Shell AGM. Very little subsequent publicity
Content Summary	History of Shell, Durban, Port Arthur, Norco, Nigeria, North West China, Manila, Argentina and greenwash/sustainable development.
Shell criticisms	Analysis? - Unsustainable development, short-term profits before people and planet and promises but not enough action. Site specific criticisms.
Other companies/actor criticised?	No - Shell targeted in order to 'personalise' FOE's agenda.

Analysis	Report
NGO(s) who wrote report	Christian Aid
Report Name	Behind the mask The real face of corporate social responsibility
Timing	21st January 2004
NGO objective	Part of Trade Justice Campaign. Aims to draw attention to companies who are perceived CSR leaders that have failed to live to their CSR promises, to encourage more international regulation of MNEs. 'Binding standards are needed to take corporate accountability beyond voluntarism'
Target audience and how they distributed report	UK government, MPs, media, civil society. Distribution by print copy and web site.
Content Summary	Background info on CSR, case studies on how companies have allegedly failed to live up to promises, argument for further regulation.
Shell criticisms	Case study on Shell in the Niger Delta. Poor community development projects, oil spills effecting communities and violence by military linked to Shell protests.
Other companies/actor criticised?	British American Tobacco (Kenya) and Coca Cola (India)

Analysis	Report
NGO(s) who wrote report	Friends of the Earth and local NGOS
Report Name	Behind the Shine The other Shell Report 2003
Timing	23rd June 2004
NGO objective	Update on first FoE Alternative Shell Report, also profiling new case studies. Challenging the failure of CSR and the use of voluntary codes of practice.
Target audience and how they distributed report	UK government and MPs, media, SRIs, ST&T shareholders. Much larger print-run than the first report. Handed out to all shareholders entering the ST&T AGM, promoted outside the Hall. Also sent to e.g. media, MPs, SRIs, doubtless other special publics, etc
Content Summary	The year in review since first FoE report, global recognition of people standing up to Shell, Durban, Port Arthur, Manila, Norco, Nigeria, Sao Paulo, Curacao, Sakhalin, environmental damage, social performance, corporate lobbying, voluntary approach.
Shell criticisms	Shell failing to address the concerns of Shell fence line communities from last year's AGM, oil reserve and greenwash.
Other companies/actor criticised?	No

Analysis	Report
NGO(s) who wrote report	Amnesty International
Report Name	Are human rights rights in the pipeline?
Timing	9th November 2004
NGO objective	To highlight the current situation in the Niger Delta. The report presents a reasonable view of the complexities of the region (ethnic conflict, availability of weapons, crude oil theft, revenue distribution, etc.) and calls for action to be taken by the Nigerian government, Niger Delta States and oil companies.
Target audience and how they distributed report	Amnesty International members, Governments (to support UN Norms), Nigerian government, media and companies. Distribution by print copy and web site.
Content Summary	Background on Niger Delta, recommendations to TNCs, Nigeria federal govt and Niger Delta States and three case studies - 1 on Agip and 2 on SPDC.
Shell criticisms	Big issues - human rights violations, lack of transparency around operating practices, lack of consultation, stop cash payments, environmental performance. See internal response statement - exploit oil reserved without regards for environment and communities - ACHPR decision, Rukpokwu oil spill, Gbarantoru

	issue - cash payments, environment impact reports and water issues.
Other companies/actor criticised?	Criticism of Nigerian Federal government and Delta States and Agip case study

Analysis	Report
NGO(s) who wrote report	Ian Rutledge for Friends of the Earth, CEE Bankwatch Network, Platform, SEW, PERC and WWF
Report Name	The Sakhalin II PSA - a Production 'Non-sharing' agreement
Timing	30th November 2004
NGO objective	Criticising the Sakhalin II project for the lack of benefits and damages for Russia.
Target audience and how they distributed report	Not known. Availability published on several environmental websites
Content Summary	Background on Sakhalin II project, unfavourable features of PSA and analysis.
Shell criticisms	Interesting that environmental NGOs sponsor a report focused entirely on economic issues - ie shows their fundamental objection to the project, rather than their claimed objective to improving the environmental aspects of it. Suggests that Shell had succeeded in fooling the Russian Government!
Other companies/actor criticised?	No

Analysis	Report
NGO(s) who wrote report	Save The Children (and other "Publish what you pay" coalition members)
Report Name	Beyond the Rhetoric Measuring revenue transparency: company performance in the oil and gas industries
Timing	17th March 2005
NGO objective	To draw attention to how host governments and companies are progressing on making transparent the payments around natural resources in line with commitments of the Extractive Industries Transparency Initiative (EITI). It defines standards for the way that companies should operate and assesses practice against this standard.
Target audience and how they distributed report	Multiple stakeholders for the EITI Summit meeting on 17th March 2005. Companies wishing to benchmark their performance against their competitors, investors and rating agencies and civil society.
Content Summary	Background of issue of revenue transparency, methodology of benchmarking and results and recommendations. 25 oil and gas companies surveyed.
Shell criticisms	Shell came 3rd out of 25 companies (Talisman 1st, TransAtlantic, 2nd, ... BP 6th, Exxon 8th). Talisman and TransAtlantic are both Canadian companies and owe their high scores to a Canadian regulation that obliges them to disclose revenues paid to host governments. 'Shell has the highest country-specific score for its progressive disclosure practice in Nigeria (82 per cent).'
Other companies/actor criticised?	Yes benchmarking of 25 companies (BP 6th, Exxon 8th).

Analysis	Report
NGO(s) who wrote report	Amnesty International
Report Name	Nigeria, Ten years on: injustice and violence haunt the oil Delta
Timing	3 rd of November 2005
NGO objective	Remembering the Death of Ken Saro Wiwa and stating that nothing has happened to improve the Niger Delta since then.
Target audience and how they distributed report	Not known. Availability published on several websites

Content Summary	
Shell criticisms	Allegations of security arrangements between a Shell Nigeria subcontractor and a criminal group in Odioma; not adhering to the UN Norms for Business and human rights not refraining from being complicit in human rights abuses in the Niger Delta; no transparency of payments made and contracts awarded and employees are recruited and communities are consulted; signing agreements that undermine human rights
Other companies/actor criticised?	Chevron

Appendix 8 Case study protocol for countries using HRCA

Overview case study project

The objective of the case studies that apply the HRCA tools (see appendix 6) is to provide deeper insight into the effectiveness of human rights mechanisms and explaining this effectiveness from the local, organisational and relations contexts at the subsidiary level.

Field procedures

The subsequent procedure is followed when applying the HRCA tools to the case studies:

1. Study the Country Risk Assessment (CRA) performed by the Danish Institute for Human Rights.
2. Study external reports on country specifics and human rights published by civil, academic or governmental organisations.
3. Interview external experts on country specifics and human rights.
4. Study the characteristics of the subsidiary in the specific country through interviews with Shell internal experts, analysing internal reports (e.g. annual assurance or issues documents).
5. Study the selection of questions and indicators for the HRCA – around 50 questions per country.
6. Assess HRCA questions on electronic available policies and procedure documents.
7. Identify and select managers and employees of the subsidiary and local stakeholders who to interview and make appointments.
8. Construct structured interview question list based on the questions and indicators per interviewee.
9. Construct semi-structured list of interview questions for senior management.
10. Perform interviews – between 10 and 15 interviews per subsidiary.
11. Work out interviews and send to interviewees for feedback.
12. Assess HRCA questions and indicators on interview results and additional internal documents.
13. Assess the results of the People survey in the specific country.
14. Perform SWOT analysis and make initial Action Plan.
15. Report and discuss results to subsidiary and other relevant internal actors.
16. Finalise the action plan after discussions.
17. Track progress and support where needed.

This procedure is completely followed when a full HRCA assessment is performed. However, this is not the case in all of the subsidiaries. In fact, the only case that has gone through the complete procedure is the subsidiary in country 1. The following table shows which activities are performed for which countries for which reasons:

Region of Subsidiary	Activities	Reason
Country 1	1-17	-
Country 2	1-6, 12-14	CRA, HRCA and Action Plan performed on desk-top basis, because of politically sensitivity.
Country 3-6	1-4, 13-17	Only CRA and Action Plan, because new country entry and no existing policies, procedures and practices could be assessed.

Table 1 Research activities per subsidiary and/or joint venture

Case study questions

The questions in the interviews are based on the indicators that are selected from the HRCA database. However, these questions are not suitable to use in an interview setting due to confrontational and sensitive nature, so interview lists were restructured accordingly.

Guide for case study report

For all of the case studies, the final Action Plan can be regarded as the case study report. The following format is followed:

Nr	Action	Shell company way forward	Suggested Action Party	Action Date	Completed

Appendix 9 Interview protocol Country Chairs

Before we start, I must first thank you for your cooperation. Let me start with explaining which roles we have in the company. We are part of Corporate Affairs, Policy & Issues team. The task of the team is to monitor external debates related to our business and engage with international stakeholders, such as NGOs, UN organisations, etc. Also, we are the custodians of the SGBP and work on moving SGBP forward within the company. Ms X is the focal point for human rights for the Group and I am a PhD candidate assisting her on that subject.

You have received the note from SD manager, explaining why we have approached you. Basically, the last couple of years, we noticed that there has been an increased focus in particular on the role and record of the extractive industry operating in countries with poor human rights records. That is why we are currently developing an overview of the human rights issues facing the Group around the world and the risks they imply for our businesses. The purpose of this interview is to request your help in compiling this picture. The questions are basically around the issues and challenges that you face in managing human rights in your country, if it poses a risk and how you handle these issues internally and externally and why.

Also, if you have any feedback on and requests for assistance from us on this topic, please take this opportunity. That way, we can focus our work and assist you better in addressing the actual or potential human rights issues that you and the Group may face.

After the interview, I will make a short write up and feed this back to you, so you can check whether it is accurate or not. The results of all the interviews I do here will feed into a report to the Shell Group.

Do you have any questions before we start?

1. Can you please tell us a bit more about your background:
 - a. nationality
 - b. experience in Shell
 - c. worked in which countries in which roles?
2. In what context did you first encounter the words human rights related to Shell's activities? In general terms, what do you think about a company's responsibilities regarding human rights?
3. How do you regard the human rights situation in your country?
4. What are the issues related to human rights which are front of mind for you at the moment?
Why?
5. Do you regard these issues as (material) risks to your business? Why (not)?
6. How do you handle these issues externally and why do you choose to handle them like that?
 - Do you see any key stakeholders for Shell in your country?
 - Who are your key stakeholders?
 - What do they want? Are they interested in Shell's activities or not? Why?
 - What is your approach towards these stakeholders?
 - Which level of government is relevant? How do you engage?

- Are you aware of any international stakeholders to be involved in human rights issues in your country or take an interest in Shell? How do you engage?
- How do you assess and address the issues related to contractors and suppliers?
- How do you assess and address the issues related to communities?
- Why do you choose this approach?

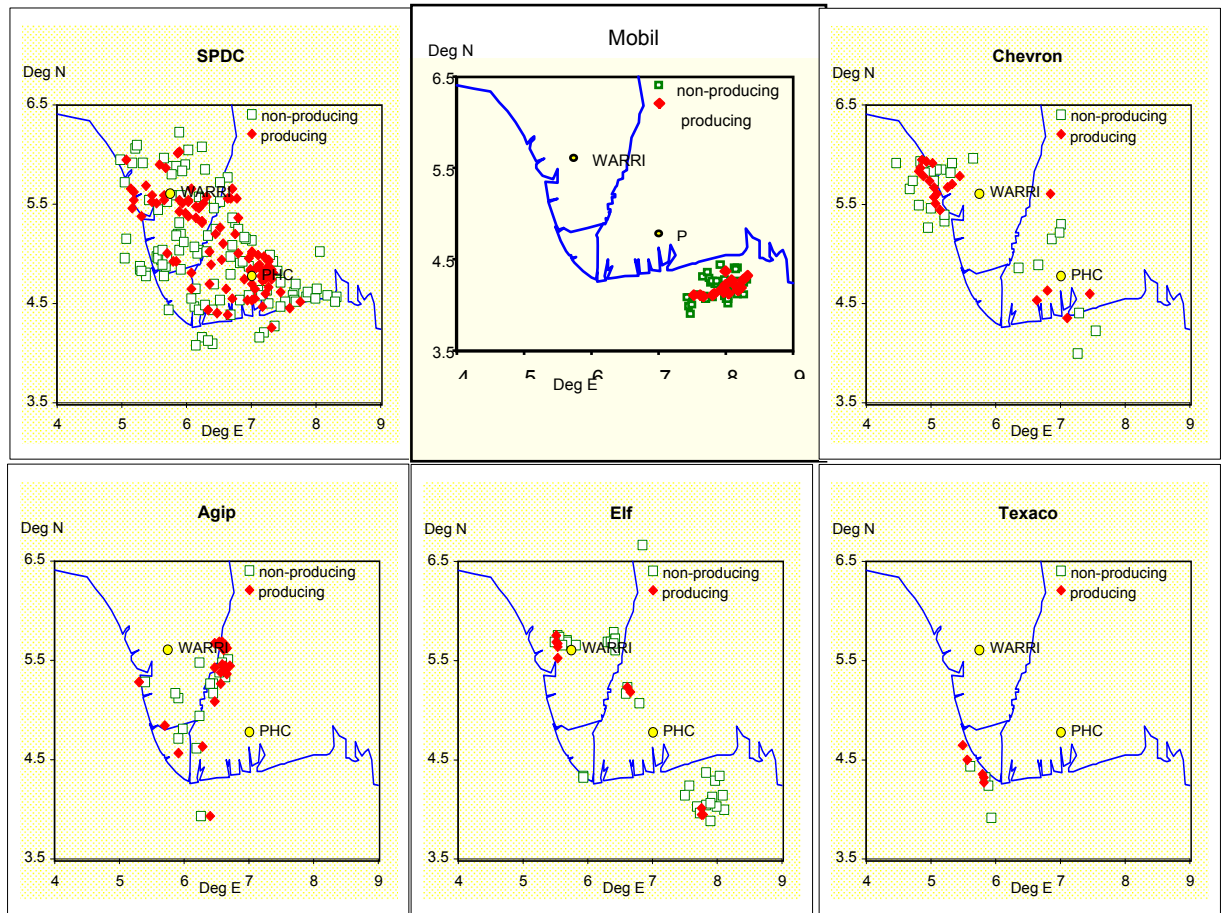
7. How do you deal with these issues internally in the Shell companies within the country?

- a. Do you feel that these issues on management's priority list / regard it as a business risk? Why (not)? Examples?
- b. What mechanisms do you have in place in order to monitor and improve performance?
 - Formal mechanisms: standards and procedures?
 - Awareness and competencies: which level, internal discussions, sharing experiences, communications, etc?
 - Informal mechanisms: hearts & minds, behaviours, company culture, etc?
- c. Are these mechanisms usually used to improve performance (how is it adapted to company/country culture)?
- d. Are these mechanisms effective? Why (not)?
 - Do you feel sufficient resources are allocated (people, money) to make these mechanisms effective?
- e. Do you see any differences between the global policies and standards, mechanisms of Shell regarding D&I, SGBP, HSE, Security, environment, etc and the way things are done in your country? Examples?
- f. How much flexibility do you get in developing country specific policies and practices? Do you feel dependent on Shell corporate in resolving issues?

8. Did/do any tools that are available within Shell assist you in handling these issues?

- are you familiar with the tools available?
- what do you think of these tools? Do you ever use them? Why (not)?
- Do you feel that Shell corporate makes a real effort to help you in dealing with issues? Why (not)? Examples?
- What could be improved? (also relating to centralisation/formalisation)

Appendix 10 Spread SPDC operations



Appendix 12 Big Rules SCD Nigeria

1. SCD sets the corporate direction and strategy of community interactions and manages corporate CD activities in the SPDC.
2. All community development projects/programmes must be in accordance with the agreed/approved five-year rolling SPDC community development plan, which is aligned to the Niger Delta master plan where appropriate.
3. All community budget and expenditure must be approved and accounted for in accordance with SCD procedures.
4. SCD programmes/projects must have a sustainability plan and exit strategies and must be subjected to independent verification.
5. All new projects must have a baseline community survey and all existing projects must have a social evaluation review.
6. All community MoUs (Memorandums of Understanding) must conform to SCD guidelines and be approved by the Asset and SCD Managers.
7. Area teams are accountable for the implementation of SCD projects in line with agreed plans and SCD guidelines.
8. There shall be no payments to communities other than those specified for legitimate business reasons.
9. No payment for ghost workers or standby employment.
10. Contractors/sub-contractors working under contract with SPDC must strictly adhere to the SCD policy and procedures for community interaction.
11. SPDC must deliver on SCD commitments.
12. SPDC will strictly adhere to SCD guidelines/policies at all times, even when operational continuity is threatened.
13. The Sustainable Community Development Controls Committee (SCDCC) must approve any deviation from the above rules.