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Foreword

Since its inception in 2003, Swedwatch has been on the forefront in Sweden to ensure positive synergies between business, human rights and the environment. We have worked tirelessly to maximise stakeholder engagement and momentum and have developed our strategic direction to help ensure that the Sustainable Development Goals are achieved and that poverty, inequality and austerity is curbed and the environment protected.

In order to address challenges and opportunities in our operating environment, Swedwatch developed a new strategy for the period 2019-2022 - our first fully independent strategy that will further position the organisation to be an even stronger agent for change in Sweden and abroad. We defined our vision, mission and outlined our theory of change while working to bridge gaps and address some of the world’s most pressing issues. The current global development context is characterised both by great positive momentum and global mobilisation, and by increasing inequalities, shrinking civic space, climate change exacerbation, environmental degradation and humanitarian crises – all of which are part of Swedwatch’s operating environment when implementing programmes, projects and activities in the area of business, human rights and the environment.

We have, throughout 2018, worked diligently to build on positive developments and counteract negative trends. Projects and activities were conducted to create long-lasting change for rights holders, for example through exposing human rights risks within the downstream responsibilities of businesses in high-risk contexts, in corporate sponsorship, in the textiles industry and in large-scale agribusiness projects particularly as regards the right to water and access to remedy. This work provided several significant results across stakeholder groups. In alignment with Swedwatch’s ambitions to increase engagement with rights holders affected by unsustainable business practices, Swedwatch also initiated consultations and arranged highly appreciated trainings in countries such as South Africa, Liberia and Colombia, enhancing the capacity of human rights defenders and civil society actors to hold business actors accountable.

Swedwatch has a proven track record in creating positive change and has, throughout its 15 years of operations, increased the awareness of human rights risks and environmental impacts on the part of private and public actors, and helped contribute to greater influence for workers, local communities and CSOs. We take pride in the outputs and results that we achieved in 2018 as we anticipate that many of these will contribute to long-lasting change for rights holders globally. Looking ahead, Swedwatch is determined to achieve even more and stronger results in the years to come.

Alice Blondel
Director, Swedwatch

Per Söderberg
Board Chair, Swedwatch
Executive Summary

This progress report presents the findings of results captured and of work and activities carried out by Swedwatch in 2018 – a year that saw a continued and significant increase in results across countries and sectors, funding diversification and strengthened strategic direction. These trends reflect a strengthened organisation and an increased recognition of, and demand for, Swedwatch’s important work.

Swedwatch has also taken significant steps to strengthen as an organisation, through the development of its first stand-alone strategy - including its first theory of change -, enhanced PMEL processes, reviews of methodology and project management tools and organisational learning. This places Swedwatch in a good position to move forward and to contribute towards sustainable development and sustained peace.

Throughout the year, Swedwatch’s projects and activities addressed challenges and opportunities across Swedwatch identified targeted stakeholder groups and included both the initiation of new projects and follow-ups of previous projects. Swedwatch conducted extensive research and investigations, facilitated dialogue, as well as capacity building and exchange. Swedwatch focused its efforts on business, human rights and environment challenges in, for example, the downstream responsibilities of businesses in high-risk contexts, respect for human rights in corporate sponsorship, social dialogue in the textile industry in Bangladesh and human rights risks in in agribusiness projects particularly as regards to the right to water and access to remedy.

Examples of key activities conducted over the year, and change results harvested to which Swedwatch’s work contributed include:

Change results:

➢ Echoing Swedwatch’s recommendations in the report Carrying the cost on human rights impacts associated with mining, a large South African platinum producer launched a community grievance mechanism system based on input from affected stakeholders.
➢ Global hotel chain Hilton created an e-learning training on the risks of modern slavery in labour sourcing in the hospitality industry, that will be mandatory for staff such as human resources directors, procurement leads and directors of finance. According to Hilton, the training is in part based on Swedwatch’s report Shattered dreams on risks facing migrant workers in Dubai.
➢ The report Overlooked and undermined on community impacts by jade mining in Myanmar was used by the member organization the Church of Sweden’s Myanmar country liaison officer in dialogues with embassies, CSOs, business and financial actors. Key findings were also included in a report by the UN Special Rapporteur on Human Rights in Myanmar submitted to the UN General Assembly in August 2018.
➢ Retail company RNB made their supplier list public, in accordance with recommendations in Swedwatch’s report Power of the Voice, and stated that in 2019, the company plans for all its suppliers to attend trainings related to enabling worker influence at textile factories.

Facilitation of capacity building and exchange:

➢ The two-day workshop Business and Human Rights - monitoring and reporting in Quito, Ecuador, was arranged by Swedwatch in cooperation with Solidarity Sweden-Latin America for human rights defenders from Ecuador and Colombia.
Swedwatch arranged a three-day training and consultation on business and human rights in Monrovia, Liberia, in which 25 human rights defenders and representatives from government bodies participated. Findings are being incorporated in dialogue with the UN Liberia Configuration of Peacebuilding Commission.

A seminar and a training on corporate accountability was conducted in South African mining community Marikana by Swedwatch and local partners and was attended by community members from several parts of the country’s platinum mining area.

**Public procurement:**

Swedish county councils and Ethical Trading Initiative initiated a project to help eliminate the abuse of workers, improve business practices and identify risks of child labour and slavery in the surgical instrument sector in Sialkot, Pakistan. This follows work by Swedwatch in promoting sustainable public procurement practices and highlight working conditions in the production of surgical instruments in Pakistan, supplying Swedish hospitals.

Swedwatch has continued to receive invitations from international and national stakeholders to present findings and recommendations in the report *Agents for change* directed to public procurement authorities in the EU, and to highlight how public procurers might draw benefit from Swedwatch’s expertise and lessons learnt in Sweden.

**Increased international engagements:**

Following an invitation by the Permanent Mission of Sweden to the United Nations in New York, Swedwatch participated in discussions regarding the role of businesses in sustaining peace in Liberia at the Peace Building Commission on Liberia configuration meeting in March 2018 in New York.

Swedwatch was invited by the U.S. State Department to participate in a New York round table discussion on responsible sourcing in the jewelry industry, to which Swedwatch provided expertise based on the findings and results from projects on risks in the diamonds and minerals supply chains.

Significantly, most recorded changes were at organisational levels and have thereby also the potential to deliver impact at the macro-level, increasing the likelihood for far-reaching positive change. Furthermore, Swedwatch continued to increase its focus on and work with stakeholders in the Global South, both within research projects and capacity development and exchange.

**Following extensive analysis of lessons learned and of its operating environment, in 2018 Swedwatch also adopted its first-ever stand-alone strategy, covering the 2019 – 2022 period.** The strategy consolidates vision and mission statements, includes a first theory of change and outlines three main focus areas: 1) responsible and equitable use of natural resources; 2) sustainable and fair supply chains; and 3) empowered rights holders and expanded civic space. The strategy also employs three cross-cutting perspectives; gender; climate and environment, and conflict. The Sustainable Development Goals and Sustained Peace are central themes in Swedwatch strategy. Swedwatch has begun the operationalising its strategy and will continue this work throughout 2019.
1. About Swedwatch

Swedwatch is an independent, not-for-profit organisation working to empower rights holders and promote responsible business practices by highlighting how people and the planet are impacted by unsustainable corporate activities. With a background in research and investigations from over 40 countries, Swedwatch uncovers pressing human rights and environment issues across sectors, from extractives and agriculture to energy, textiles, food and tourism. With research as a base, Swedwatch aims to build bridges across stakeholder groups, provide guidance on best practice, and to ensure that the perspectives of rights holders are the driving forces behind change. Swedwatch facilitates capacity development and increases awareness of human rights risks and environmental impacts stemming from unsustainable business practices and has been able to drive substantial positive change for rights holders since the organisation was established in 2003.

Focus areas and perspectives
Swedwatch’s work seeks to create positive change in areas where there is an urgent need, identified by rights holders, for increased responsibility by both corporations and states within the area of human rights and the environment. These are categorised into six thematic areas;

- Climate and Environment
- Community Rights
- High Risk and Conflict Areas
- Labour Rights
- Public Procurement
- Vulnerable Groups

Swedwatch’s work is based on recognised frameworks as outlined in international human rights law, environmental laws and standards, voluntary standards and international conventions and resolutions such as the 2030 Agenda, the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises. While Swedwatch’s goal is the fulfilment by companies and state actors of these standards and agreements, Swedwatch also recognises the need to identify gaps and opportunities, and to continuously work to strengthen their relevance, ownership and implementation on both international and national levels for the benefit of rights holders globally.

In alignment with these guidelines and resolutions, Swedwatch’s overall aim is to contribute to global poverty alleviation. Through our research, dialogues and initiatives for capacity-building and exchange, local civil society actors - representing the interests of business-affected workers and communities – are provided access to information, dialogue forums and decision-makers. This in turn helps to enable them to engage on issues connected to business, human rights and the environment with stakeholders such as companies and investors. In order for businesses to not contribute to, or exacerbate poverty, it is essential that their operations are performed with respect human rights and the environment, for example through human rights due diligence processes. Furthermore, in order to maximise positive contributions, Swedwatch encourages businesses to develop and strengthen sustainable and inclusive business models.

The 2030 Agenda for Sustainable Development calls on an end to poverty in all its forms and to leave no one behind. 193 states have committed to protecting people and the planet and to ensuring sustainable development in its three dimensions; socially, economically and environmentally, by 2030. Swedwatch recognises the crucial role of all actors in contributing to the fulfilment of the Agenda and its 17 Sustainable Development Goals (SDGs), and particularly aligns interventions with
the declaration in the Agenda to ‘foster a dynamic and well-functioning business sector, while protecting labour rights and environmental and health standards in accordance with relevant international standards and agreements and other ongoing initiatives in this regard’.

Swedwatch works to contribute to the fulfillment of the Agenda by providing thorough research on which to base dialogue and engagement. This includes the identification of opportunities and challenges as regards to attainment of the SDGs and the address of gaps that exist between policy and practice. Swedwatch always places the perspectives of rights holders at the center of its work and strives to ensure that business and state actors act responsibly for the benefit of people and planet. Swedwatch’s strategy for the 2019-2022 period also identifies three cross-cutting perspectives – Gender equality and inclusion of women in development, Climate change and environment, and Conflict – that will consolidate efforts on SDGs 5, 16, and 13. The 2030 Agenda is connected to all aspects of Swedwatch’s work, however our work mainly contributes to SDGs 1, 2, 5, 6, 8, 12, 13, 16 and 17 with special attention to Goal 1, No poverty, Goal 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all and Goal 12, Ensure sustainable consumption and production patterns - in particular Target 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

Through the Paris Agreement, the world has committed to keeping the rise in global temperatures below 2 degrees Celsius by the end of the century. Companies have a responsibility to know how they affect the climate and the environment, and to prevent contributions to environmental degradation or climate change. Swedwatch aims to contribute to the goals of the Paris Agreement through conducting research on the roles and responsibilities taken by companies and financial actors to contribute to the climate transition, as well as through policy and company dialogue with rights holders at the center.
The United Nations Guiding Principles of Business and Human rights (UNGPs) are considered the baseline for all recognised international standards on business and human rights. Increased adherence to, and awareness of, the UNGPs by business actors is central to many parts of Swedwatch’s work and research. The principles, endorsed by the UN Human Rights Council in 2011, define the roles of states and companies in ensuring that companies respect all human rights. They clarify that although states have the ultimate duty to protect their citizens against human rights violations by third party actors, business enterprises are responsible for respecting human rights in their operations and throughout their business relationships, regardless of the company’s size, sector, location, ownership and business structure. The UNGPs also state that in order to respect human rights, companies should perform human rights due diligence (HRDD). The process builds on the concept of “know and show” which means that business actors are responsible to be aware and report on how their operations impact human rights throughout their supply chain. Effective HRDD is critical when there is a heightened risk of impacts.

To Swedwatch, the UNGPs is an effective tool for companies to ensure their contribution to a sustainable development. There are many clear linkages between the UNGPs and the 2030 Agenda, which emphasises that the business sector is a key actor for the realization of the SDGs. Notably, paragraph 67 specifically relates to the private sector and calls on all businesses to “apply their creativity and innovation to solving sustainable development challenges. We will foster a dynamic and well-functioning business sector, while protecting labour rights and environmental and health standards in accordance with relevant international standards and agreements and other on-going initiatives in this regard, such as the Guiding Principles on Business and Human Rights and the labour standards of ILO.”

Swedwatch’s strategy

Swedwatch’s activities during the year were based on the strategy, goals and target groups outlined in its funding proposal to Sida covering the period 2015–2018. In this, Swedwatch employs a horizontal and vertical strategy. The former refers to issues-scanning, research, investigations and reporting which captures the needs of stakeholders in the Global South and the gaps and opportunities regarding corporations’ roles and responsibilities. The vertical approach refers to the extensive dialogue and awareness activities that Swedwatch promotes and engages in across stakeholder groups.

To ensure added value and efficiency, Swedwatch initiated a comprehensive review of its strategy in 2017 and 2018. The review included the involvement of Board members, member organisations and the Secretariat, and resulted in the adoption of Swedwatch’s strategy 2019-2022. See also New strategy development, page 14.

Overview of goals and target groups, 2015-2019

<table>
<thead>
<tr>
<th>Overview</th>
<th>Summary</th>
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</thead>
<tbody>
<tr>
<td>Swedwatch’s long-term goal:</td>
<td>Actors within the business sector and public sector follow international norms regarding human rights and the environment and contribute to poverty alleviation and sustainable development in the Global South</td>
</tr>
<tr>
<td>Overview</td>
<td>Summary</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td><strong>Companies and financial actors (medium-term objectives)</strong></td>
<td>Fulfil the criteria for international practice by applying international environmental and human rights standards in their value chains to a greater extent with the help of more stringent legislation and active application by government bodies.</td>
</tr>
<tr>
<td><strong>Public-sector bodies (medium-term objectives)</strong></td>
<td>Apply international environmental and human rights standards in procurement processes and investments to a greater extent and fulfil the criteria for international best practice with the help of more stringent legislation that is actively applied.</td>
</tr>
<tr>
<td><strong>Stakeholders in the Global South (medium-term objectives)</strong></td>
<td>Those affected by business interests and investments have increased awareness of companies’ responsibilities and are actively involved in dialogues and advocacy work to defend their environmental and human rights.</td>
</tr>
<tr>
<td><strong>Anticipated outcomes (summary of short-term objectives):</strong></td>
<td>• Companies and public-sector bodies targeted by Swedwatch’s projects have improved their capacity and communicated their commitment to reducing negative impacts on the environment and human rights and are working to achieve best international practice.</td>
</tr>
<tr>
<td></td>
<td>• Relevant international frameworks for corporate responsibility, responsible procurement and investment are more clearly integrated into laws, regulations and guidelines and are applied more systematically to companies’ value chains in the Global South.</td>
</tr>
<tr>
<td></td>
<td>• Stakeholders in the Global South that are the focus of Swedwatch’s projects have increased access to information, greater capacity and access to forums and channels through which to conduct dialogue and undertake advocacy work for corporate responsibility in the areas of the environment and human rights.</td>
</tr>
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**Governance and operations**

Swedwatch is made up of its Board, member organisations and a Secretariat. Each body fulfills a separate and complementary role to ensure good governance, delivery, development and improvement of Swedwatch’s work and efficiency and to ensure that Swedwatch is well-positioned to drive change in the area of business, human rights and the environment globally. Each is also central to the organisation’s new planning, evaluation, monitoring and learning (PME/L) process adopted by the Board in 2017 and implemented for the first time in 2018. See also Planning, monitoring, evaluation and learning.

, page 12.

**The Board**

Swedwatch’s highest decision-making body is the Annual General Meeting (AGM) which elects the Swedwatch Board. The Board is made up of representatives from Swedwatch’s member organisations Afrikagrupperna, the Church of Sweden, Diakonia, Fair Action, the Swedish Society for Nature Conservation and Solidarity Sweden–Latin America. The Board works to ensure the sustainability and development of Swedwatch and adopts key documents such as steering documents, strategies, annual plans, annual reports as well as budgets and financial statements, ensuring that these are in line with decisions made at the AGM toward Swedwatch goals and in line
with its statutes. During 2018, the Board convened five times. The AGM was held on May 29th and elected Per Söderberg from The Church of Sweden as Chairperson of the Board and Åsa Beckius, Diakonia, as Vice Chairperson. During the year, the Board adopted an updated staff and work environment policy and underwent a full-day training provided by IDEA on Board governance, roles and responsibilities. This was then used to guide priorities for future work and areas of focus. Throughout the year, the Board has also contributed to the development of Swedwatch’s new strategy together with the Secretariat.

The Secretariat

The Swedwatch Secretariat is responsible for the overall management and implementation of strategies, programmes and projects. Swedwatch’s operations are guided by staff expertise, which helps ensure independence, participatory decision-making, transparency and the identification of priorities based on subject proficiency. The Swedwatch team is represented by a diverse range of skills that ensures exceptional research and expertise on business, human rights and the environment (BHRE). Through in-depth research and dialogue, Swedwatch has become synonymous with high-quality reporting on matters relating to business, human rights and the environment and has built a strong reputation in Sweden and abroad. Swedwatch has one office in Stockholm, Sweden, and consisted in 2018 of twelve employees, equivalent to ten full-time positions; a Director, a Head of Research, a Head of Finance and Administration, a Head of Communications and eight Researchers. Swedwatch is committed to providing a positive and healthy work environment for all its employees and works actively for an inclusive and fair work place.

The Secretariat works continuously to review approaches and methodology, to ensure that research and other activities are of high relevance and quality. Swedwatch has well-established planning, monitoring, evaluation and learning (PMEL) processes which includes continuous results-capture and twice-annual full-day reviews of activities and results. A key element of this process is the learning component, as it allows Swedwatch to identify strengths and challenges going forward. In 2018, two Swedwatch staff attended a two-day training at Sida’s Partnership Forum in Härnösand on Results-Based Management (RBM) in April 2018, in order to further strengthen this process. In preparation for the operationalisation of Swedwatch new strategy, staff also attended a two-day workshop on environment/climate and gender equality in development cooperation at Sida Partnership Forum in Härnösand.

Other training opportunities for staff during the reporting period included a full-day session on responsible journalism and media law that will be integrated into relevant operational processes. Swedwatch also reviewed and updated the organisations routines to comply with the General Data Protection Regulation (GDPR) which included a training for all staff by a GDPR expert.

Member organisations

Swedwatch has six member organisations; Afrikagrupperna, the Church of Sweden, Diakonia, Fair Action, the Swedish Society for Nature Conservation and Solidarity Sweden–Latin America. The member organisations are connected to rights holders through hundreds of partner organisations operating in countries and regions where Swedwatch focuses its research and impact goals. This helps ensure a rights-based approach and project relevance, dialogue and capacity development and exchange with rights holders at the centre.
Member organisations are often engaged in Swedwatch’s projects from the planning stages through to the post-delivery stage and integrate Swedwatch’s work into their own activities. Reports are also used locally by member organisation’s partners in the Global South in capacity-building, awareness-raising and advocacy activities. Member organisations may provide financial resources for individual reports and invest personnel resources which are converted to in-kind contributions.

**Swedwatch’s member organisations**

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>Afrikagrupperna</td>
<td>A Swedish solidarity organization with the overall vision of a just world. The organisation focuses on combating the unfair distribution of resources and power with a feminist approach, as women are the most affected. Afrikagrupperna is active in five countries across the Southern Africa region; Angola, Mozambique, Namibia, South Africa, and Zimbabwe supporting around 30 Non-Governmental Organisations and movements/networks in different areas such as sexual and reproductive health and rights, food sovereignty and land, natural resources, working conditions and human rights. Afrikagrupperna is a member-based organization with around 2,400 members in Sweden with a head office in Stockholm and one regional office in Johannesburg.</td>
</tr>
<tr>
<td>Diakonia</td>
<td>The main areas of focus of Diakonia’s work on development cooperation are democratisation, human rights, equality, economic and social justice, peace and reconciliation. Their work is founded on people’s desire and ability to change and improve the world. Diakonia works in partnership with 400 local organisations, associations and grassroots movements in 30 countries.</td>
</tr>
<tr>
<td>Fair Action</td>
<td>Fair Action is a not-for-profit organisation which works to promote more equitable trade. Fair Action monitors Swedish companies’ trade with low-income countries and run campaigns and consumer awareness programmes to persuade companies to trade with due respect for people and the environment.</td>
</tr>
</tbody>
</table>
**The Swedish Society for Nature Conservation**

works to 1) highlight good examples and propose solutions for sustainable and fair development and 2) decrease poverty and increase global solidarity. The Swedish Society for Nature Conservation works with 50 organisations in about 20 countries in Africa, Asia, Latin America and Eastern Europe, and also participates in various networks globally and within the EU. This international work is mainly carried out with financial contributions from Sida, the Swedish International Development Agency.

**Solidarity Sweden-Latin America**

Solidarity Sweden-Latin America works together with popular movements in Latin America to establish an equitable and sustainable society and an equitable distribution of the earth’s resources. Solidarity Sweden-Latin America’s partners are organised smallholders, agricultural workers and indigenous people from the strong, social movements Via Campesina and the indigenous peoples’ movement.

**Svenska kyrkan**

Church of Sweden’s international efforts focus on contributing to long-term positive change by working to address issues faced by communities and individuals whose lives are permeated by issues of war, environmental destruction, poverty and oppression. The Church of Sweden works directly with more than 200 partner organisations in 25 countries across Asia, Africa, the Middle East and Central and South America – and with more than 1,000 organisations through their membership in the ACT Alliance - and focuses on the organisation of communities on issues including land and natural resources. The Church of Sweden has five main thematic areas: gender justice and gender equality; sustainable livelihoods; Peace and reconciliation; Health, with focus on sexual and reproductive health and rights, and faith and learning. Through the ACT Alliance, the Church of Sweden and Diakonia have a further 1000 partners.

**Planning, monitoring, evaluation and learning**

Central to Swedwatch’s approach to planning, monitoring, evaluation and learning (PMEL) is that it should function as a catalyst for ensuring results for rights holders while strengthening organisational learning and development. Significant focus has been placed over recent years on developing methods and tools to streamline internal systems within the Secretariat with member organisations and other partners. A key element of this process is the learning component, as it allows Swedwatch to identify strengths and challenges going forward, and thus harness lessons learned in order to ensure that Swedwatch effectively contributes to real change.

**Planning 2019 - 2022**

The development of Swedwatch’s Strategy 2019-2022 and a funding proposal to Sida for the same period, involved rigorous review and analysis of results. This provided the basis for both operational priorities and guidance that will ensure a rights-perspective and build on lessons learned to ensure positive sustainable change for rights holders. Swedwatch initiated the operationalisation of the new strategy toward the end of 2018 through the identification of priority areas and further scanning and consultation. The implementation of the strategy will inform Swedwatch going forward and will be integrated and reviewed as part of annual PMEL processes and strategy review post-2022 (See also New strategy development, page 14).

**Annual PMEL process**
In 2017, a new member organisation-, Board-, and Secretariat annual evaluation and planning process was developed. The process consolidates internal and external planning, monitoring, evaluation and lessons-learnt processes and helps to ensure strengthened planning and strategic focus. The new process has been integral in harnessing expertise and outcomes across its stakeholders. Identified challenges, opportunities and project ideas are gathered by the Secretariat throughout the year. These are based on environmental scanning, discussions with rights holders and other stakeholder groups and on information sent to Swedwatch by, for example, member organisations based on their own dialogue with partner organisations. The Swedwatch Secretariat reviews ideas and cases throughout the year and findings form the basis of subsequent years’ work plans. Depending on the findings connected to ongoing scoping with primary focus on the rights holders, as well as considerations regarding for example geographic focus and sector, an annual workplan is developed and adopted by Swedwatch’s Board along with an annual budget. The annual planning process is supported by several tools, questionnaires, reviews and discussions.

Swedwatch’s PMEL process has been developed by the Swedwatch Secretariat and Board with input from a consultant appointed by Sida during 2015. These have been fine-tuned further over the course of the 2015-2019 programme. The Secretariat has also developed templates to capture results in dialogue across stakeholder groups, including member organisations, business actors, financial actors, local project partners and local communities. Swedwatch may also undertake specific follow-ups on projects and operations either by external consultants or internally.

As part of its PMEL process, Swedwatch member organisations now take a more active role in capturing results and Swedwatch will, during the initial stages of the implementation of its new strategy, review its PMEL processes to ensure a continued rights-based approach and synchronisation with strategy outcome goals. Furthermore, strategy workshops with both the Secretariat and member organisations have captured lessons-learnt and contributed to the planning for the period 2019-2022.
2. Important organisational developments

Over the course of 2018 and 2017, Swedwatch reinforced its strategic direction and approach, and continued to consolidate operational processes and procedures. This included reviewing work and capacity within RBM and an increase in efforts to ensure that projects and activities place the perspectives of rights holders and poor people at the centre. The result of these efforts over time is reflected in an overall increase in results across stakeholder groups, particularly for stakeholders in the Global South. Swedwatch has also increased its dialogue with Swedish state actors and international organisations, which has underpinned collaboration and maximised results-potential. Swedwatch has also significantly broadened its funding portfolio and budget. Building on these successes, Swedwatch developed its new, overarching strategy.

New strategy development

The new 2019-2022 strategy was adopted by the Board in September 2018 and was presented also in Swedwatch’s proposal to Sida for future funding. The strategy was developed in a process that included rigorous analysis of Swedwatch’s operating environment, including through cross-stakeholder consultation on current trends, challenges and opportunities. It also built on Swedwatch’s 15 years of experience and proven track-record of creating positive and sustainable change for rights holders, and of strengthening the capacity and performance of businesses and public actors. As part of strategy development, Swedwatch reviewed interventions to ensure contribution to, and support of, the realisation of sustainable development and peace goals as they relate to business, human rights and the environment and as outlined in several established Swedish and international norms, standards and agreements. Special consideration was placed on the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda on financing for development, the Paris Agreement on climate change, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Security Council and General Assembly twin resolutions on sustaining peace; the Strategy for Sweden’s global development cooperation within sustainable economic development 2018-2022 and the Strategy for Sweden’s global development cooperation in the areas of environmental sustainability, sustainable climate and oceans, and sustainable use of natural resources 2018–2022.

Swedwatch’s new strategy marks the organisation’s first stand-alone strategy and culminated in the identification of the most pressing business, human rights and environment issues. The strategy consolidates and defines Swedwatch’s mission and vision, outlines its first theory of change and identifies prioritised outcome goals and cross-cutting themes that will allow Swedwatch to contribute to sustainable development and underpin sustained peace.

The Swedwatch Board, Secretariat and member organisations were integral to the strategy-development process. Several internal workshops to map challenges and inform the strategy going forward were held. This included two separate environmental scanning sessions - focusing on Swedwatch’s operating environment and trends relating to business, human rights and the environment. The Swedwatch Board and member organisations provided insight and identified areas for focus and collaboration as part of a workshop in February 2018, split into two days: one focusing on PMEL and the other on Swedwatch’s strategy, approach and added value in Sweden and internationally. One basis for discussions was member organisations’ answers to questions regarding their goals, focus areas and strategies within the area of business, human rights and the environment and where Swedwatch may add value. Member organisations were also asked to provide mapping of local presence, partners, and identify added value of possible Swedwatch presence, a question that may be reviewed at a later date as part of strategy realisation possibilities.
Funding and new income streams

The Swedish International Development Cooperation Agency, Sida, is Swedwatch’s main funder. Over recent years, Swedwatch has increased efforts to diversify funding in order to ensure the sustainable development of the organisation. This has led to increased funding, for example from donors such as the European Commission and the Swedish Consumer Agency. Swedwatch also engaged with potential new funders in 2018, submitted proposals, and will continue to explore possible future collaborations and projects in this regard.

Increased results across stakeholder groups

Swedwatch has continued to build on its engagement with stakeholders in the Global South in order to ensure that rights holders’ perspectives are always at centre. Over recent years, Swedwatch has worked to ensure that efforts in this regard are intensified through, for example, the evaluation of results and the application of lessons learned. This yielded significant results and results for stakeholders in the Global South has increased every year. Swedwatch has also explored innovative new ways to ensure the facilitation of capacity-building and exchange as well as empowerment.

Increased international engagements

In order to maximise results across stakeholder groups in Sweden and abroad, Swedwatch continued work aiming to increase the international reach and focus. This resulted in a heightened interest in the work of Swedwatch, resulting among others in the following engagements;

- An invitation by the US State Department to participate in a New York round table discussion on responsible sourcing in the jewellery industry, to which Swedwatch provided expertise based on the findings and results from projects on risks in the diamonds and minerals supply chains.
- An invitation to join the panel at the 2018 Trust Conference at the European Parliament organised by Thomson Reuters Foundation, to present case studies highlighting challenges and opportunities for the eradication of forced labour from supply chains.
- An invitation to Swedwatch by the Permanent Mission of Sweden to the United Nations in New York to attend discussions by the Peacebuilding Commission Liberia Configuration and to engage further as regards business and human rights within this context.

Operational consolidation

The Swedwatch Secretariat works continuously to ensure that captured lessons learned lead to a strengthened organisation and implementation improvements. This may include, for example, review of planning tools and templates, analysis of methodology and of organisational practice and expertise. During 2018, Swedwatch used findings from a two-day workshop in December 2017 which introduced the results of efforts on strengthening internal management systems and processes, including new responsibilities matrix and a review of existing PMEL mechanisms.

Swedwatch has also implemented a new set of guidelines and routines for operationalising projects. The RATSJ describes the roles and responsibilities of different actors, internal as well as external, in a
Swedwatch standard research project in the format of Responsibility, Authority, Task, Support and Informed. The document explains each step and each actor’s deliverables in the project process. The RATSI is included in the project manager’s internal planning and working tool, Project tool template, and serves as a guide for the realisation of each of Swedwatch’s ongoing research projects.

A new publications format was introduced; a Swedwatch Briefing. This new format allows Swedwatch to produce publications within shorter time frames and to present timely research that can contribute to, and drive ongoing debate on, business, human rights and the environment with a rights holder perspective. During the year, two publications were produced in the new format.

Swedwatch also updated its project plan template to ensure capture and streamlining of management systems and results-focus. In order to mirror Swedwatch’s new strategy, Swedwatch will review the project plan and other templates used in PMEL in order to ensure cross-fertilisation of approaches. Notably, Swedwatch has also initiated the operationalising of its strategy into its planning processes.

Methodology Handbook update

Swedwatch’s Methodology Handbook is a document that is continuously evaluated and revised by the team to explain and provide guidance for Swedwatch’s staff when planning, carrying out, and following up projects aimed at fulfilling Swedwatch’s goals and strategy. During 2018, the handbook was reviewed to capture and include organisational developments such as Swedwatch’s long-term strategy; new formats and tools for project planning and implementation; data collection formats; quality assurance; project evaluation and follow-up. Work to develop the methodology handbook is ongoing and will include the integration of PMEL process-findings and Swedwatch’s new strategy.

Work environment

Swedwatch’s management is continuously engaged to follow up and evaluate issues relating to the organisation’s work environment, in accordance with Swedwatch’s Staff and Work Environment Policy. During the year, such engagement included addressing results from internal work environment surveys. Actions on identified issues regarding physical and psycho-social work environment include the development of new guidelines and tools for project planning and implementation; staff training in Results-Based Management; improved routines for continuous management status updates with project managers in order to identify and mitigate deviations from project plans, potential challenges in time management and/or individual support needs related to specific activities or projects.

Partnerships and collaborations

Collaboration, local ownership and participation are central concepts in all Swedwatch’s projects and activities and are imperative in the organisation’s strategy to ensure the efficiency of efforts and sustainability of results. Swedwatch considers collaboration through national and international formal and informal partnerships and networks as essential in promoting positive change for rights holders. These partnerships include those with CSOs, as well as public and private actors. Swedwatch seeks to create synergies with other actors working on similar issues in order to ensure effectiveness of the work. In 2018, Swedwatch became member of the global CSO network OECD Watch. During the course of 2017, Swedwatch applied for consultative status to the United Nations Economic and Social Council (ECOSOC) and the application was still pending during 2018. Some of the partnerships and networks that Swedwatch are engaged in are listed below.
OECD Watch is a global civil society organisation network with more than 100 members in 55 countries, aiming to inform and advise the wider CSO community on how to use the OECD Guidelines for Multinational Enterprises and its associated grievance mechanism to achieve corporate accountability and access to remedy. OECD Watch is also committed to improving the implementation and effectiveness of the guidelines through increased global CSO coordination and advocacy towards governments and international institutions.

The **Make ICT Fair** project aims to improve the lives of workers and communities affected by the information and communication technology (ICT) supply chains. Swedwatch is coordinating the project which is carried out in cooperation with 10 civil society organisations from across Europe. The project runs between 2017 and 2020 and includes research, trainings, awareness-raising activities and advocacy work in Sweden and Europe. The overall objective is to mobilise EU citizens, decision-makers and public procurers to improve the rights of workers and communities in the ICT industry. See also Make ICT fair - improving rights holders affected by the ICT supply chains, page 53.

Swedwatch is part of a **Swedish Standards Institute (SIS) Technical Mirror Committee** which contributes to the development of a global ISO standard on traceability in chains of custody. The committee provides input and recommendations to the international Secretariat’s work that aims to create a generic standard for chains of custody. During 2018, Swedwatch took part in a one-day meeting and continued to follow and overlook the process on developing the standard and will continue to do so during 2019.

The **European Responsible Investment Network (ERIN)** is a network of organisations committed to promoting a sustainable investment system across Europe. Members share knowledge, develop joint projects and work together to champion sustainable and responsible investments, for example through focusing on large investors and shareholder activism. Swedwatch’s expertise, research and case studies provide entry-points for ERIN members across Europe to engage with investors and companies.

Swedwatch is part of **IWGEPP, International Working Group for Ethical Public Procurement** (former European Working Group on Ethical Public Procurement), a network of organizations, public procurers and governmental bodies who share the objective of developing and promoting sustainable and ethical trade practices in public procurement in the EU and its member countries. During 2018, IWGEPP met twice with OECD representatives to discuss ethical public procurement and the work of IWGEPP. Swedwatch participated in one of these meetings, in which IWGEPP also provided input to OECD’s work on sustainable public procurement and discussed future collaborations. As the OECD plans to produce guidance on sustainable public procurement for member states and has asked IWGEPP to provide expert input in this process, OECD and IWGEPP has agreed to explore future forms of collaboration and information exchange. From this perspective, Swedwatch’s participation in IWGEPP becomes even more important as Swedwatch can provide first-hand information from workers and local communities that may guide key stakeholders in their purchasing practices.
The European Coalition for Corporate Justice (ECCJ) is a network of more than 200 NGOs from 15 countries, advocating for European laws that guarantee corporate accountability and transparency. Swedwatch is actively engaged in an informal ECCJ network in Sweden. During 2018, Swedwatch was the convening organisation of ECCJ meetings in Sweden and in May 2018, Swedwatch represented the Swedish network at ECCJ’s Annual General Meeting in Brussels.

The Business, Conflict and Human Rights Network gathers NGOs and researchers with the aim to analyse the role of companies and how they impact human rights and the environment in conflict affected contexts. The network is developing a working group that will focus on the role of companies in peace building. As Swedwatch is exploring how to substantially intensify its contribution to this specific topic Swedwatch intends to increase engagement in the working group in 2019.

CONCORD Sweden is the Swedish platform of CONCORD Europe and promotes collaboration and joint advocacy initiatives on policy coherence, the implementation of the 2030 Agenda, shrinking space, aid effectiveness and other development policy issues directed mainly towards EU institutions and the Swedish government. Swedwatch is part of CONCORD Sweden’s Expert Group on Business and Human Rights which aims to raise the business and human rights perspective higher on the political agenda, and as such provides input to reports, advocacy work and policy dialogue. During the year, Swedwatch provided input to Concord’s biannual report Barometern, participated in meetings and joined a training on how to influence the EU on development policy issues.

UNEP 10YFP: Sustainable consumption and production is a stand-alone goal, SDG 12, in the 2030 Agenda, and target 12.1 calls for the implementation of the 10YFP. Following an invitation to apply for membership of the UN Environment Program’s network 10YFP Sustainable Public Procurement Programme, which promotes global sustainable public procurement practices, Swedwatch joined the network in 2017. 10YFP is short for the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns and is a global UN framework working to strengthen international cooperation on sustainable public procurement.
3. Progress toward goals, January-December 2018

Swedwatch’s long-term goal is that actors within the business and public sector follow international norms regarding human rights and the environment and contribute to poverty alleviation and sustainable development in the Global South. Swedwatch works towards this goal through a combination of approaches and activities categorised as research, dialogue, capacity development and exchange and expert inputs.

Activities are generally categorised as either change projects and awareness activities. While both types of work support the fulfilment of Swedwatch’s goals, change projects have wider scope and often include field research, report publications, company and rights holder dialogue and media work. Change projects also have specific objectives and recommendations to identified targeted stakeholders, most often business actors, investors and states, and are generally followed up over an extended period. Awareness activities, also critical to Swedwatch’s approach, may touch on macro questions or are developed to help drive change on specific issues. Activities include round tables, seminars, media work, stakeholder consultations or trainings used to complement change projects and to lift important issues onto the BHRE agenda. Change results may be harvested during or shortly after a change project is initiated and/or subsequent to, for example, a report launch and follow-on activities. However, many changes develop slowly, and it may also take time before Swedwatch is made aware of the results. Swedwatch harvests results through several different channels and stakeholders, mainly local partner organisations and member organisations, companies and civil society organisations. During the year, Swedwatch’s work provided a continued increase in results to the organisation’s key targeted stakeholder groups: business actors, public actors and stakeholders in the Global South.

- **Business and financial actors**: Swedwatch’s goal for this targeted stakeholder group is to fulfil the criteria for international practice by applying international environmental and human rights standards in their value chains to a greater extent with the help of more stringent legislation and active application by government bodies. Examples of actors include companies, industry associations, certification bodies, banks, investment funds and institutions. Swedwatch recorded 52 change results within this target group over the year, up from 42 in 2017.

- **Public actors**: Swedwatch goal for this targeted stakeholder group is to apply international environmental and human rights standards in procurement processes and investments to a greater extent and fulfil the criteria for international best practice with the help of more stringent legislation that is actively applied. Examples of actors include decision-makers at national and international level, public authorities at national and international level, county councils and public authorities. In total, Swedwatch recorded 21 (22) change results the year within this targeted stakeholder group, all linking back to Swedwatch’s reports, follow-up dialogues, commissions and media inputs.

- **Stakeholders in the Global South**: While business-affected workers and communities in the Global South are the ultimate beneficiaries of Swedwatch’s interventions, local CSO’s representing the interests of rights holders constitute one of Swedwatch’s most important targeted stakeholders. Swedwatch’s goal is that rights holders and CSO’s representing their interests have increased awareness of companies’ responsibilities and are actively involved in dialogues and advocacy work to defend their environmental and human rights. Within this target group, Swedwatch particularly works towards civil society actors, labour unions, local communities and human rights and environmental rights defenders. In total Swedwatch
recorded 17 (13) change results within this target group, all linking back to Swedwatch’s reports, follow-up dialogues, commissions and media appearances.

Many of the recorded changes are at company-wide and/or an organisation level, and thus go beyond awareness or increased knowledge and capacity amongst a smaller number of individuals within each entity. Results recorded link directly to Swedwatch reports, follow-up dialogues, commissions and media appearances. An overview, informed by Swedwatch M&E process and further detailed throughout this report, is provided below.

_change projects: Activities, outputs and results_

The process in which Swedwatch decides on change projects is based on continuous environmental scanning and stakeholder dialogue. During 2018, Swedwatch initiated and/or continued projects aimed at driving change and raising awareness in areas identified in Swedwatch’s 2018 work plan, specifically as regards businesses active in emerging and high-risk markets. Swedwatch also sought to address the issue of shrinking civic space across projects. All of these are areas where the challenges within the BHRE field are extensive, and where Swedwatch’s method and strategies can contribute to sustainable change. Focus of Swedwatch change projects over the course of 2018 were designed to respond to pressing human rights and environmental issues regarding:

_provider-customer relations and corporate responsibility:_ Across the globe, business actors are increasingly accustomed to addressing human rights concerns in their upstream supply chains (through for example their purchasing practices). Downstream responsibilities, for example how their products or services are used by customers, are receiving less attention. Positive impacts on human rights and environment could be substantial if this were to shift, particularly as regards poverty alleviation and ensuring human rights for those most vulnerable, including women and children. In two separate projects, Swedwatch examined the impacts by, and responsibilities of, companies that provide mining equipment to companies operating in high-risk contexts and areas. Projects included field research and investigations of human rights and environmental risks in conflict-ridden Kachin State, Myanmar, and in South Africa’s Platinum Belt.

**Community impacts of large-scale land investments:** Extensive land investments have the potential to create jobs and contribute to poverty alleviation but are also often associated with human rights risks, including adverse impacts on access to food and water or lack of access to justice for those whose rights are adversely affected. In 2018, Swedwatch initiated a project investigating community impacts related to agribusiness investments in the Ica Valley in Peru, where the large-scale production of fruits and vegetables has created water scarcity, and thus come at a high price for local residents. Water scarcity is predicted to increase with climate change and accordingly, wise water management has been identified as one of the keys to fulfil the goals of the Paris Agreement.

In addition, Swedwatch explored the responsibilities of investors in securing access to remedy for communities affected by failed agribusiness projects in Liberia and Sierra Leone. In both case studies communities were left significantly more vulnerable and in greater poverty than before the investments were made. In the case of the latter project regarding Sierra Leone and Liberia, Swedwatch examined how the lack of sustainable exit strategies put local communities at risk when large bioenergy projects failed.

**The responsibilities of states and businesses within corporate sponsorship:** Mega-sporting-events are often associated with human rights violations such as unsafe working conditions, forced labour and trafficking. Migrant workers, who often have little or no social protection, are
trapped in poverty, and are often exploited, are amongst the most vulnerable within this context. Swedwatch’s research examined what can be expected of companies who sponsor sporting events in countries with shrinking civic space and with well-established records of severe infringements on human rights. In doing so, Swedwatch also sought to highlight the positive potential of leverage. In a change project following up on earlier work by Swedwatch, sponsorship as part of a company’s value chain was explored. The case study outlined human rights risks by corporate sponsors ahead of the 2018 FIFA World Cup in Russia.

**Labour rights infringements and social dialogue**: Freedom of association and the right to collective bargaining are enabling rights, fundamental for the possibilities of workers to influence working conditions and for the fulfilment of SDG 8 on Decent Work. In this change project, Swedwatch examined how some of the largest Swedish buyers of ready-made garments produced in Bangladesh are addressing infringements on labour rights in the country’s textile sector which employs more than 3 million people, most of them women. The industry is infamous for its low wages and low levels of unionisation. Swedwatch investigated the state of social dialogue five years after the Rana Plaza incident – the deadliest garment-factory accident in history which claimed the lives of 1,134 people, most of them women - highlighting the perspectives of women and shedding light on the gaps to be addressed in order to ensure that rights are respected.

**Public procurement**: Public procurement is increasingly recognised as a powerful tool that can generate fairer supply chains around the world and alleviate poverty. Swedwatch has for several years worked to highlight the significant role that public procurers can play in contributing to more sustainable societies and has seen increased engagement in this regard – particularly as regards public procurers in Sweden. During the year, Swedwatch intensified this work, including through the EU-wide Make ICT Fair campaign aiming to raise awareness on human rights risks in the information and communication technology supply chains. Through continued concerted efforts and provision of Swedwatch expertise in Sweden and abroad, the positive leverage available to public procurers could contribute to substantial positive change.

Significant effort was also placed on the continuation of projects initiated in 2016, 2017 and earlier. Examples include child labour in diamond mining in the Democratic Republic of the Congo, the role of investors in addressing climate change and transparency in sectors such as manufacturing, palm oil extraction and oil excavation; and challenges associated with non-standard employment. Work on these projects included stakeholder consultations, dialogue meetings with decision-makers, companies and rights holders, and active participation in dialogue forums in Sweden and abroad.

During 2018, Swedwatch’s work within new or earlier projects resulted in several important changes and results across Swedwatch’s key target groups of which some are outlined below, categorised by prioritised area and/or Swedwatch thematic areas and with relevant SDGs highlighted.

**Provider-customer relations: High-risk areas and community rights**

The responsibility of companies in provider-customer relationships is an emerging issue. Although the UNGPs require business enterprises to ‘seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts,’ practice has often fallen among providers in actualising leverage and influence.
To review responsibility-dynamics within the provider-customer relationship, Swedwatch initiated two projects investigating measures taken by providers of mining equipment to respect human rights and the environment. Swedwatch chose to focus on mining as the extractive sector is identified as one of those baring highest human rights and environment risks. With the projects, Swedwatch sought to provide empirical data analysis to inform key stakeholders on this relatively unaddressed issue. If providers of machinery that can potentially severely impact the environment and human rights use their leverage over customers to address human rights risks, the positive impacts on the environment, poverty alleviation, and for rights holders can be extensive.

Contributions to the 2030 Agenda:

Both projects were designed to contribute to the fulfilment of the Sustainable Development Goals in the 2030 Agenda, particularly:

**Goal 5:** Achieve gender equality and empower all women and girls and **Target 5.2:** Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation

**Goal 12:** Ensure sustainable consumption and production patterns and **Target 12.6:** Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

**Goal 16:** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels and **Target 16.3:** Promote the rule of law at the national and international levels and ensure equal access to justice for all and build effective, accountable and inclusive institutions at all levels.

As Swedwatch’s research shows, mining operations often exacerbate existing injustices in nearby communities, particularly in contexts that are characterised by structural violence and/or armed conflict. In complex contexts, according to the UNGPs, business enterprises should ensure that they do not exacerbate the situation. This includes companies that provide products used in a way that risk causing negative human rights impacts.

The role of providers is often overlooked. Nevertheless, by exercising leverage on the buyers of their products, these actors have an opportunity to influence their downstream supply chains in order to help ensure that human rights are respected throughout their supply chains, not least for groups such as women and girls, that are most vulnerable to the salient rights risks associated with mining.

In South Africa, mineral extraction comes at a high social and environmental cost, often borne by poor and marginalised sections of society. Swedish providers of mining equipment who have been present in the country for many years and play a crucial role in the operations of the South African mining houses, can use their influence to help ensure the respect of human right and thus become important players in contributing to sustainable development.

Myanmar, and Kachin state in particular, is one of the world’s most complex environments from a business and human rights perspective. By exploring the downstream responsibilities of providers in
an area of armed conflict, a largely unexplored topic, the report has contributed to raising awareness on the role of business role in promoting peaceful and inclusive societies (Goal 16); a contribution confirmed by the UN Special Rapporteur’s inclusion of Swedwatch’s findings in her report submitted to the UN General Assembly in 2018 (see also *Human rights impacts from jade mining in Myanmar (2018)*). The report also provides undeniable evidence of severe impacts from business actors’ failure to adhere to international norms on business and human rights, and has contributed to putting pressure on three influential, transnational companies to adopt more sustainable practices and to integrate sustainability information into their reporting cycle (SDG target 12.6). By continuing the dialogue with the companies, Swedwatch expects to see improvements from the companies in this regard over time.

Below is a description of Swedwatch’s change projects launched during 2018 that address risks and opportunities facing local communities in high risk areas in relation to provider-customer relations, including activities, outputs and outcomes. The section is followed by additional results on the same issue, captured within other projects and work.

*Community rights risks in South Africa’s platinum belt (2018)*

Following up on the human rights situation in platinum mining communities in South Africa since Swedwatch investigated the issue in 2013, Swedwatch revisited communities in the area of Rustenburg and re-initiated dialogue with scrutinised companies. Specifically, the project reviewed to what extent providers of mining equipment have worked to influence their customers – the South African mining houses – in addressing human rights challenges tied to mining operations.

The project publication *Carrying the costs - Human rights impacts in communities affected by platinum mining in South Africa, and the responsibilities of companies providing mining equipment* was released five years after the 2013 report *Problematic Platinum* in cooperation with Afrikagrupperna and the Church of Sweden.

Many of the report’s findings highlighted the responsibility of companies to contribute to sustainable development, in this regard particularly Goal 1 to end poverty, Goals 3 and 4 on ensuring good health and well-being as well as access to quality education for all, Goal 5 on achieving gender equality and Goal 6, aiming to ensure access to clean water and sanitation for all.

**Issue description**

Platinum is one of the most valuable minerals in the world, necessary for a wide range of industrial purposes not least in the automotive industry. Around 80 percent of the world’s newly mined platinum is mined in Rustenburg in the West Province of South Africa, where communities are affected by a range of salient social and environmental impacts associated with mining operations. Human rights impacts stemming from mining operations in the Rustenburg area are well-documented by several actors.

Swedish companies Atlas Copco and Sandvik have provided equipment essential for platinum mining in Rustenburg for decades. They have direct and long-standing relationships with the mining houses in the area and have maintenance staff on location in the actual mines. Through this close
relationship, they are, according to the UNGPs, directly linked to human rights risks associated with
the mining operations and have, as such, a responsibility to manage these risks.

Research and findings

Community research was conducted in cooperation with South African Bench Marks Foundation, a
non-profit organization based in Johannesburg, which distributed a questionnaire developed by
Swedwatch to 600 community members. To ensure effective comparison, all but one of the
communities in the 2013 report were surveyed. Swedwatch also conducted in-depth interviews and
focus group discussions with rights holders in the communities. Assistance and background
information was provided by local CSO BUA Mining Communities, experts, and community
representatives participating at the Bojanala Mining summit in Rustenburg.

In comparing findings from 2013 to 2018, few signs of human rights and environmental
improvements in the communities visited were evident. Several actors attested to that the situation
had worsened. Already high unemployment levels were rising due to a steady influx of migrant
workers. People also claimed to have been evicted from their land while others experienced health
problems due to air-pollution and water-contamination. Disputes also posed risk: worker blockades
and protests directed at the mines put communities at risk of violence. Community members also
testified that they were fearful of making their grievances known to the companies due to fear of
reprisals. According to Swedwatch’s research, women were particularly exposed; while suffering
many of the general effects of mining, they were also at risk of sexual abuse and had difficulties
securing employment in the sector.

Despite similar findings in 2013, Swedwatch company dialogue provided little evidence that sufficient
efforts had been made to manage these human rights risks. Neither company provided any
information regarding which human rights impacts had been identified or if any of these had been
acted on in accordance with the UNGPs.

Swedwatch recommended that companies increase compliance in accordance with the UNGPs,
including through showing how they address human rights risks associated with their customers
operations. In their role as providers of mining equipment, Swedwatch encouraged the companies to
show if and how they had used their leverage over customers to address risks, and to ensure
communities’ access to an effective grievance mechanism. Swedwatch’s research indicated that the
mechanisms currently in place were not used to any relevant extent.

Reception and going forward

The report was launched at a Swedwatch seminar at the mining conference Alternative Mining
Indaba (AMI) in February 2018 in Cape town, South Africa. The AMI gathers hundreds of civil society
organisations with special expertise in, or experiences of, mining related human rights and
environmental issues. Present at Swedwatch’s seminar were activists from mining communities,
representatives from the Swedish Embassy in Pretoria and CSO’s from across the African continent.

With the purpose of providing an opportunity for rights holders to share their perspectives,
Swedwatch had invited representatives from communities portrayed in the report, who provided
testimonies of how their human rights were impacted by platinum mining. The event also allowed for
activists and community members from other regions and countries to share their experiences from
living in communities in heavily mined areas. During the seminar there were discussions on the
corporate responsibilities for human rights impacts in the provider-customer relationship which
provided increased awareness on these issues. The report was covered in Swedish daily newspaper
In separate statements, Sandvik welcomed the investigation while Atlas Copco declined to comment.

In association with the launch and in order to facilitate capacity-building and exchange, Swedwatch conducted a training on the UNGPs and invited an expert on community-based monitoring (CBM) from Source International, a CSO working with communities facing pollution and health problems related to extractive industries, to share his expertise. CBM supports communities to voice grievances and to strengthen their perspectives both proactively and in situations where a project is already ongoing. The training provided present stakeholder organisations with increased awareness of corporate responsibility and on how to conduct dialogue and advocacy in the field of business, human rights and the environment. Participants also increased their knowledge about CBM as a scientific-based tool for voicing community grievances.

In October 2018, Swedwatch presented findings and recommendations of the report in Marikana, one of the six communities in which Swedwatch conducted research for the report. The event, facilitated by Swedwatch’s long-term partner Bench Marks Foundation and local NGO Bua Mining Communities, was attended by community members from several parts of the platinum mining area around Rustenburg. At the event participants shared experiences from living in heavily mined area that confirmed report findings. For example, participants asserted that platinum mining often takes place without consultation or compensation to communities. Swedwatch also revisited the communities mentioned in the report to follow-up. The visit and event were welcomed by participants and community representatives. Bua Mining Communities also stated that the report had raised their awareness and capacity regarding business, human rights and environment issues.

Since the report was published, Swedwatch’s expertise on human rights and environment challenges and opportunities inherent in the provider-customer relationship has been increasingly sought after. In March 2018, a meeting between Swedwatch and a major South African mining house was held in Stockholm at the request of the company who expressed interest in dialogue regarding human rights issues connected to platinum mining. The meeting provided a valuable channel between Swedwatch and companies on the ground in the platinum belt.

Notably, months after the publication of the report, a South African platinum producer launched a community grievance mechanism system based on input from affected stakeholders. Echoing Swedwatch’s recommendations, the system aims to mediate grievances in a transparent and fair manner and track progress until issues reported are resolved. Although the effects of this initiative are yet to be seen, it is a potentially positive development for rights holders in South Africa’s mining communities. It is likely that the long-term work by local and international CSO’s such as Swedwatch and Bench Marks Foundation in raising awareness on the human rights situation in the sector contributed to this outcome.

During the second half of 2018, there were considerable developments in South Africa regarding human rights issues in the mining sector, including those raised by Swedwatch since 2013. These developments centre around three court rulings that have the potential to radically alter the mining landscape in South Africa. The most important concerns the mining community Lesetheng where a court ruled that mining companies not only need to consult with communities prior to commencing mining but to also obtain a written consent of the individuals affected.

Going forward, Swedwatch will continue to monitor the situation regarding mining impacts in South Africa. Swedwatch will also further elaborate on the issue of provider-customer responsibilities in the mining sector and will make use of the findings of the report in order to help ensure that the dire situation faced by local communities, including abject poverty and gender-based violence, is
addressed. Concrete plans include round tables with companies and other key stakeholders to increase awareness about how the UNGPs should be interpreted in this context.

*Human rights impacts from jade mining in Myanmar (2018)*

The second project exploring the downstream responsibilities of companies focused on measures taken by large international business actors in a high-risk sector and context such as jade mining in Myanmar. The choice of Myanmar and the choice of companies – major international providers of heavy mining machinery – stemmed from Swedwatch’s ambition to enhance its attention towards business in conflict areas, especially where civic space is limited, and to explore efforts and approaches by actors globally.

In June 2018, Swedwatch published the report *Overlooked and undermined – Communities affected by jade mining operations in Myanmar and the responsibilities of companies providing machinery*. The report scrutinises efforts taken by Caterpillar (USA), Komatsu (Japan) and Swedish Volvo Construction Equipment, including its subsidiary Terex Trucks – whose machines are used in Myanmar’s jade extraction – to address human rights risks in a high-risk context. The report was conducted in collaboration with the Church of Sweden.

The report highlighted the need for companies and governments to increase efforts in contributing to advancing the Sustainable Development Goals. Above all, the examination of armed conflict and jade extraction in Myanmar stresses the need for efforts towards fulfilling Goal 16, dedicated to promoting peaceful and inclusive societies for sustainable development and facilitating access to justice for all.

**Issue description**

Myanmar’s mining sector has since the early 2000’s experienced a dramatic increase in the use of heavy mining machinery, sold in Myanmar by international mining machinery providers. Thousands of heavy mining machines are employed in Myanmar’s most mineral rich area, the conflict-ridden Kachin state, where profits from mining play a key role in what observers have called ‘the world’s longest running civil war’. The influx of heavy mining machinery has enabled the extraction of minerals to take place at an unprecedented rate and impacts on local communities in the country’s jade extraction area have been severe and widespread.

**Research and findings**

As part of the research process Swedwatch visited two areas engaged in mineral extraction - one jade and one copper mining area - in Kachin state and Sagaing region. A total of 40 interviews were conducted with community members, formal and informal mine workers, CSO’s, academic researchers, jade traders, community-based leaders, church leaders, medical staff and a senior UN official. The interviews were conducted in Myitkyina, Mandalay, Monywa and Yangon. Additional expert interviews were conducted in Bangkok, Thailand. Research built partly on a scoping trip conducted by Swedwatch in 2016 whereby stakeholder consultations were held on pressing business, human rights and environment challenges in Myanmar and the subregion.
The research found that unsustainable mining practices has had detrimental impacts on local environment and communities in Kachin State. Seemingly thousands of people have lost their access to land and livelihoods, and hundreds allegedly die every year in landslides and flooding caused by negligent jade mining. Poverty is rife and local communities also suffer from endemic heroin use, the commercial sexual exploitation of women and girls, a high rate of HIV and AIDS, and lethal traffic accidents involving mining trucks. Residents are also heavily impacted by the violent armed conflict between Myanmar's state army and the armed ethnic group Kachin Independence Army.

Despite the clarity in the UNGPs, none of the companies in the report could demonstrate that they had made adequate efforts to identify, mitigate or prevent risks associated with the use of their equipment, particularly regarding adverse impacts on human rights and the environment in Myanmar’s mining areas. They could neither demonstrate efforts in line with international frameworks regarding the exercise of leverage towards local business partners. The report concluded that the companies rely on insufficient human rights safeguards regarding risks associated with the use of their equipment, and that the companies apparently fail in their compliance with the UNGPs concerning the sales of mining machines in Myanmar.

Swedwatch urged the companies to conduct ongoing and gender-sensitive human rights due diligence in Myanmar and other high-risk markets, to identify how the use of their products affects people and the environment. The report argues that, as global leaders of producing mining machinery, the companies could significantly influence the overall market's adherence to human rights standards.

Reception and going forward

All three companies declined Swedwatch’s offer to submit statements to the report on Swedwatch’s website, but in media interviews, spokespersons from Volvo CE stated that the company welcomed the investigation and would look into findings to see how procedures could be improved. In October 2018, the companies were approached by the Business & Human Rights Resource Centre with a new invitation to publicly respond to Swedwatch’s findings. Again, only Volvo CE chose to respond, stating that it was considering the findings and recommendations in the report within its Responsible Sales process. Swedwatch will reinitiate its dialogue with the companies in 2019, in order to track progress on efforts taken since Swedwatch’s report.

On the day of the launch, the report received extensive media coverage both by Swedish outlets such as Sveriges Radio, TT and Dagens Nyheter and by international media including Reuters, Japan Today. More importantly, the report’s findings and recommendations reached audiences in and around Myanmar through coverage by U.S. based Voice of America, broadcasting in Myanmar, and media channels such as The Irrawaddy, founded by Burmese exiles living in Thailand, and Radio Free Asia. This is considered of particularly high value as Myanmar remains a country where, according to Freedom House, the Government “maintains tight control over the media sector through the use of harsh defamation and other laws. In addition to prosecutions, media workers risk threats and physical violence in response to critical or investigative coverage.”

Shortly after publication, the report was brought to the United Nations office in Geneva by Khin Ohmar, an influential democracy activist from Myanmar, who distributed the report to relevant human rights stakeholders during meetings and panels. Ohmar works on the front lines of women’s empowerment and political reform since the 1988 student protests in Myanmar.
Following Swedwatch's dialogue with the UN Special Rapporteur on human rights in Myanmar, Yanghee Lee, Swedwatch’s report findings were included in her report *Situation of human rights in Myanmar*, submitted by the UN Secretary-General to the UN General Assembly in August 2018. The report stated that “The Special Rapporteur... has received information about a considerable number of mine machines, possibly in the thousands, which have been sold by foreign companies and are used in jade and copper mines in Kachin State. Reportedly, use of such equipment has led to expanded mining activities, which have in turn had a severely adverse effect on communities and the environment and contributed to deaths in landslides and floods. Foreign companies that sell mining equipment have a responsibility to manage the human rights risks to which they are linked through provider-customer relationships.” The inclusion of Swedwatch’s research in the high-level report is an important recognition of Swedwatch’s work and a significant result since it paves the way for further dialogue in business and human rights forums.

Furthermore, Swedwatch’s member organisation the Church of Sweden has reported that its country liaison officer has discussed and shared the report with a wide range of actors in Myanmar, including State development agencies and Embassies (including the US, Danish and Swiss Embassies to Myanmar and the Swedish Consulate), international and national NGOs such as Oxfam, the International Red Cross, the International Federation for Human Rights and the MIT-Peace Studies Center, with business actors and financial actors including the World Bank and the European Chamber of Commerce. According to the Church of Sweden, the report has served as a door opener for the organisation regarding discussions on business and human rights with new actors and also strengthened the organisation’s own work stream on business and human rights in the country.

**Additional results – provider-customer relations and community rights**

Swedwatch’s work related to high risk areas and community rights have led to significant results. The following are examples of activities and associated results noted during the course of 2018:

In March, Swedwatch organised a round table in Stockholm with companies Scania, Atlas Copco and Colombian CSO Ríos Vivos, representing communities affected by the construction of the Colombian hydroelectric power plant Hidroituango. Swedwatch has followed the human rights challenges associated with the construction for several years, including in the 2014 report *Drowned Rights, Floating Responsibilities*. Scania and Atlas Copco provide construction equipment, trucks and service personnel in support of the construction. Given the worsening situation for human rights defenders in the country, reflected in the fact that 2018 was the deadliest year on record for Colombian human rights defenders and included the murder of members of Ríos Vivos, Swedwatch saw the need to increase engagement on this issue and offered business actors the opportunity to meet local stakeholders. During a meeting organised by Swedwatch in cooperation with the Swedish Fellowship for Reconciliation, Ríos Vivos representative Isabel Zuleta, a well-known human rights defender in the country, informed stakeholders of current human rights impacts and risks. Swedwatch provided Ríos Vivos with information on how to report human rights abuses through an online platform owned by Business and Human Rights Resource Centre which the organisation is now using frequently. During her visit, Zuleta and Swedwatch also attended a meeting with Swedish members of Parliament to provide information on the situation.

In an article on Business & Human Rights Resource Centre’s website in April 2018, Scania responded that the company had engaged in dialogue with local representatives in Brazil and Colombia and with other Swedish companies. It also stated it had initiated meetings with a Swedish CSO and with the Swedish Ministry of Foreign Affairs. Atlas Copco has stated that the company is looking into the situation and has publicly expressed support for the families of the Ríos Vivos members who were killed.
Labour Rights: Manufacturing in South Asia

Freedom of association and the right to collective bargaining are enabling rights, fundamental for the possibilities of workers to influence their working conditions and for the fulfilment of SDG 8 on decent work. However, labour rights are often not guaranteed in countries producing goods for the global market. Due in part to the repression of trade unions and lack of support for the right to collective bargaining, workers in South Asia are prone to exploitation and rights violations.

According to the ILO, the number of workers in vulnerable employment is expected to rise by 11 million per year, primarily in Southern Asia and sub-Saharan Africa, a development that may exacerbate inequalities, poverty and underpin structural violence and conflict. In projects initiated in 2017 and 2018, Swedwatch explored different types of infringements on, or risks to, the fulfilment of labour rights in India and Bangladesh. In India, the trend of increasing non-standard forms of employment – such as temporary, part-time or on-call work – risk having negative effects on workers in terms of employment insecurity, unequal wages and infringed union rights. In Bangladesh, garment workers – of which the clear majority are women – suffer from harsh living and working conditions. Although the industry has provided work opportunities for millions of women, unpaid work and low wages has meant poverty remains a significant challenge that effects both women and their families. This economic and social difficulty has in turn caused conflict between workers and employers. Physical, psychological and sexual abuse is still common in factories and workers’ attempts to raise their voices are often silenced through threats and reprisals.

Contributions to the 2030 Agenda:

The projects aimed to enhance the respect for, and application of, the enabling rights of freedom of association and collective bargaining, particularly companies active in the Indian and Bangladeshi markets. Swedwatch’s aim was to empower women and workers, limit violence, protect labour rights and promote decent work and equality. Through increasing awareness among, and putting pressure on, the companies, the projects sought to contribute to the fulfilment of several Sustainable Development Goals in the 2030 Agenda; particularly:

Goal 5: Achieve gender equality and empower all women and girls and Target 5.2; Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.

Goal 8: To Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all and Target 8.8; Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment and Target 8.5; By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Below is a description of change projects launched during in 2018 addressing challenges to labour rights in the manufacturing sector in South Asia, including activities, outputs and outcomes. The section is followed by additional results on the same issue, captured within other projects and work.
Swedwatch has monitored human rights and environmental impacts from the textile sector for several years, including in the reports *Textiles with a dirty past* (2007), *A lost revolution* (2012) and *44 children* (2014).

In 2017, Swedwatch initiated a change project to further explore the issue in the report *Power of the Voice – Perspectives from workers and buyers on social dialogue within the Bangladeshi garment sector*. Findings presented results of surveys with 15 Swedish garment and textile companies on their approaches to, and experiences of, social dialogue in Bangladesh. The report aimed to provide a basis for discussion on the responsibilities of companies active in markets where the rights to freedom of association and to collective bargaining are systematically infringed upon. The report was published in collaboration with Fair Action.

The report also highlights the responsibilities of companies to contribute to advancing the Sustainable Development Goals through the promotion of social dialogue; as social dialogue is considered essential in creating better conditions for workers, enhancement of this type of enabling culture in global labour markets is one of the International Labour Organization’s (ILO) core focuses and an important means of fulfilling SDG 8 on decent work for all.

**Issue description**

Bangladesh is the second largest textile exporter in the world and an important production country for many of the world’s biggest retail companies. The industry is an important source of employment for women in Bangladesh. At the same time, the country’s ready-made garment (RMG) industry has for decades been characterised by labour market conflicts. The sector’s textile workers have limited chances of negotiating their terms of employment, and those who want to join or form unions risk repercussions from factory owners. Together, these factors put Bangladesh on ITUC’s 2018 top-ten list of the world’s worst countries to work in.

The harsh reality facing RMG workers has prompted calls for increased dialogue between workers, employers and the country’s Government - so-called social dialogue. Since the early 2010’s, after several deadly incidents including the collapse of the Rana Plaza factory in 2013, numerous multi-stakeholder initiatives on social dialogue have been launched in the country.

Social dialogue entails dialogue, information-sharing, negotiation and collective bargaining between corporations, workers and government representatives. Strengthening this type of enabling culture in global labour markets is one of the International Labour Organization’s core focus areas and an important means of fulfilling Sustainable Development Goal 8 on decent work, productive employment and inclusive economic growth.

**Research and findings**

In order to assess the state of social dialogue initiatives since the Rana Plaza incident, Swedwatch visited Bangladesh in November 2017 to interview workers and managers at factories exporting to the European market. In the garment district of Hemayatpur, Swedwatch conducted off-site focus group discussions with workers from four different exporting factories. Focus group discussions were also held at a factory in Ashulia with workers, management and local trade union leaders.
Swedwatch also visited exporting factories and a buying agent in the garment districts in Dhaka and Narayanganj and conducted expert interviews with Awaj Foundation, a local NGO working with union rights. Bangladeshi union federation leaders and representatives from garment suppliers provided written input.

The report concluded that despite initiatives to strengthen social dialogue, real effects for RMG workers in Bangladesh remain to be seen. Workers still lack negotiating power, few are unionised and collective bargaining agreements are close to non-existent. Union representatives stated that efforts made had failed to reach places and people who need them the most. In the absence of trade unions, the report showed that buyers tend to rely on factory-level worker participation committees, legally required by the Bangladeshi Government, as a stepping-stone. However, the study showed that these committees are often controlled by factory management and have not succeeded in delivering influence for workers. Furthermore, while companies in the study stated that many suppliers have increased knowledge on workers’ rights, they acknowledged that there is broad scepticism towards unions. As a result, few suppliers have independent trade unions or collective bargaining agreements in place.

During Swedwatch’s interviews with management representatives at supplying companies, many highlighted that prices had been pushed down at the same time as compliance requirements had gone up – putting them in a financially stressed position. They also expressed fear that unionisation would increase costs for the business. In their dialogue with Swedwatch, a majority of the purchasing companies claimed that they were addressing the lack of freedom of association and collective bargaining through social auditing, and through engagement in capacity-building activities. Some claimed to aim for long-term relationships with their Bangladeshi suppliers, for example through decreasing their number of suppliers, in order to increase influence and support local factories. A few highlighted their work for more sustainable purchasing practices in terms of fair price negotiations and more strategic planning.

Reception and going forward

After report publication on May 31 2018, many of the companies surveyed reacted positively to the report; one stated that it had increased knowledge of the situation and that it would distribute the report internally. Amfori Business Social Compliance Initiative (Amfori BSCI), a supply chain management system that 13 of the surveyed companies in the study are part of, stated that the report had helped them ‘critically reflect upon the effectiveness of its tools and services and to live up to the organisation’s philosophy of continuous improvement’ and published the report on its website. Report findings were also covered by several international and sector-specific media outlets such as Just Style, EcoTextileNews and FashionatingWorld. Prior to the launch, Swedwatch presented findings of the report to officials, including the Ambassador at the Swedish Embassy in Bangladesh.

In August 2018, RNB made their supplier list public, in accordance with the recommendations of the report, and has stated that in 2019, the company plans for all its suppliers to attend an Amfori BSCI course in order “to improve that workers running for elections for workers participation committees are not influenced by the management”. Gina Tricot states that the company has increased its dialogue with suppliers and workers regarding participatory committees and workers’ wages since the report Power of the Voice was launched. RNB, Sandryds, New Wave Group and Stadium all state that the report has contributed to increased organisational awareness on the issue; Stadium claims that the report has informed the company’s discussions on what topics within social compliance that should be its focus for improvement and for its “beyond auditing” initiative, and that the company have had discussions with suppliers on collective bargaining when updating their Code of Conduct.
Stadium further claims it has added “Workers Sentiment Reports” to its audits to provide indications on challenges linked collective bargaining.

In September 2018, Swedwatch presented the report at a seminar arranged by the Swedish Textile Importers’ Association (STIA), a trade association of Swedish companies that trade in textile, leather, clothes and shoes. Many of the companies scrutinised in the report were present. After Swedwatch’s presentation, H&M presented their social dialogue programme in Bangladesh, followed by a panel discussion on the issue with Swedwatch and H&M. The seminar was appreciated, and several companies asked for additional workshops focused on practical solutions, both in Sweden and with their suppliers in Bangladesh.

Going forward, Swedwatch will continue to monitor progress on social dialogue initiatives and Global Deal, including the involvement of stakeholders such as companies and its impact on social dialogue development. Swedwatch will also continue to use the report to raise awareness on the subject and to challenge companies’ current practices concerning addressing freedom of association and collective bargaining in their supply chains. During 2019, Swedwatch’s member organisation Fair Action plans to hold a seminar with Swedish apparel companies to discuss its report on living wages Left behind - How fashion brands turn their back on women in the Bangladeshi garment industry as well as Power of the Voice, in which Swedwatch will participate. Furthermore, Swedwatch is engaged in ongoing discussions with different stakeholders concerning possibilities of co-arranging events with companies, rights holders and other relevant stakeholders in Bangladesh during 2019.

The risks of non-standard employment (2017)

Almost four out of five workers in developing countries are in vulnerable forms of employment, commonly typified by lacking formal work arrangements and decent working conditions. According to the International Labour Organisation (ILO), insecure forms of employment are growing in labour markets globally.

Contributing to prior work by Swedwatch to highlight infringements on labour rights in global supply chains, an initiative to analyse the trend of increasing non-standard forms of employment was initiated in 2017. Research was conducted in India - a country that is expected to house the largest workforce in the world by 2026.

The report Risks associated with the global trend of non-standard Employment - A case study on India was published in December 2017, presenting relevant laws and guidelines as well as a case study within the manufacturing industry. The briefing built on a case study from Bangalore, India, a country which has for many years been an important market for multinational industrial companies and which is one of Sweden’s largest trading partners in Asia.

Issue description

According to the ILO, the proportion of informal workers in employment in India is over 90 percent, partly because of the increase in the use of contract and other forms of casual labour. The discussion about working conditions for non-permanent workers is widespread in the country. In February 2017, IndustriALL Global Union along with central trade unions organised a mass meeting in Chennai to protest against precarious work and demand equal pay for equal work. In a brief from the conference, IndustriALL stated that workers involved in precarious work usually work on par with
permanent workers and are at times subjected to increased workload and longer working hours, are paid low wages and are denied medical, pension and social security benefits.

Research and findings

While the trend of non-standard employment is a global phenomenon, this report is limited in scope to findings from a case study in India. In the research process, Swedwatch conducted interviews with local management representatives, union representatives and workers with different forms of employment in Bangalore in June 2017 after the Volvo Group provided Swedwatch with access to its factories.

Although India has legislation aimed at protecting workers engaged in non-standard forms of employment, Swedwatch findings in the report indicated that this is likely insufficient. For instance, several workers that are paid above legal minimum wage claimed their wages were not enough to live on and support a family. Workers interviewed also voiced concerns including conflict amongst standard and non-standard employees; employment insecurity; fear of raising grievances and social divides in the workplace. These adverse impacts require companies with non-standard forms of employment prevalent in their value chains to act responsibly in identifying, mitigating and managing these risks. Recommendations included ensuring consultation with workers and the address of human rights risks within companies’ human rights due diligence in accordance with the UN Guiding Principles on Business and Human Rights. Furthermore, state actors were recommended to contribute to the fulfilment of SDG 8 on decent work and economic growth through identifying and addressing challenges specific to non-standard employment.

Key developments January – December 2018

The briefing was published on 22 December 2017. According to dialogue with Volvo Group, the report increased awareness in the company’s business areas about the external perspectives on non-standard employment. The Group claims to have taken several actions since the report was released to ensure compliance by their suppliers who provide Volvo with contract workers and outsourced services: the local audit process has been strengthened and they are educating their suppliers in the Volvo Code of Conduct and statutory compliance requirements and building their capacity. As an example, an “open house session” for suppliers, contractors and agencies was held where the VG Code of Conduct was explained and the importance of freedom of association and collective bargaining elaborated, to enforce collaboration. At some of the sessions workmen/women also attended. From 1 April 2018, salaries within non-standard forms of employment (“flexible workforce”) in the industrial area have been increased by 4800 INR (approx. 60 €) per annum and they have been included into a Personal Accident Insurance for the time they are assigned, according to Volvo Group.

On the day of the launch, Swedwatch presented findings of the report to officials at the Swedish Embassy in India and explored possible synergies and possibilities of co-arranging a round table with companies, rights holders and other relevant stakeholders in India. The Embassy contacted the Swedish Chamber of Commerce in India, which in cooperation with the Swedish Embassy, is planning to organise a round table at Volvo’s premises in Bangalore during the spring of 2019, where findings of the report and how companies can work to improve the situation concerning non-standard forms of employment will be discussed. Swedwatch and Swedish companies active in Bangalore will participate. A similar session in Pune, where many Swedish companies have operations, has also been discussed.
Swedwatch will also continue to use the report to raise awareness of challenges and to drive sector-wide platforms for multi-stakeholder dialogue, round tables and other events to address issues and challenges in non-standard forms of employment as highlighted in the report.

Additional results - Labour rights in manufacturing
Swedwatch’s work related to labour rights in manufacturing have led to significant results. The following are examples of activities and associated results noted in 2018:

- In Thailand, Burmese migrant workers received financial support by a coalition of Nordic food companies led by Swedish stakeholder Axfoundation. The migrant workers had been charged in a court case with criminal defamation by their former employer, Thai chicken farm Thammakaset, which was part of the Nordic companies' supply chain. The financial support from the Nordic companies covered costs for the migrant worker’s legal team and other costs related to the case. The migrant workers were found not guilty by the court, but the ruling has since been appealed by the company. Engagement by Swedish companies in the specific case and on human rights risks in the Thai poultry sector, as depicted in the 2015 report *Trapped in the kitchen of the world*, is in part a result of Swedwatch’s continuous dialogue with companies on the issue.

- In dialogue with Swedish food wholesaler Menigo, Swedwatch was informed that the company has recruited new personnel to their sustainability department to increase their skills and capacity on handling human rights issues. According to the company, this was a direct result of Swedwatch’s work on human rights risks in the poultry supply chain described in the report *Trapped in the kitchen of the world* (2015).

- According to a large Swedish buyer of ready-made garments from Bangladesh, the company has distributed Swedwatch’s 2013 report *A lost revolution? Empowered but trapped in poverty. Women in the garment industry in Bangladesh* to suppliers in Bangladesh. According to a company representative, the report gave the company tools in their work towards improvements in the working conditions for female workers.

Community Rights: Responsible investments, exits and access to remedy

Large-scale land-related projects, such as commercial agriculture, imply a wide range of human rights risks for local communities, particularly in areas with widespread poverty, water shortage and food insecurity. Furthermore, global efforts to tackle climate change have spurred an increase in global investments in renewable energy.

Although companies and investors diligently assess financial risks associated with potential project challenges, many do not address potentially severe human rights and environmental risks in the event of a temporary or permanent project shutdown. Swedwatch has for many years highlighted these in order to place the discussion on the need for responsible exit strategies higher on the BHRE agenda. Swedwatch has also identified a need to highlight that local communities are often left to carry the costs for projects failures alone due to a lack of access to remedy: while states and businesses have a role to play in realising access to remedy for those affected by business-related human rights impacts, the chances for rights holders of being compensated for violations are in reality small.

To highlight these challenges, Swedwatch launched two projects in 2017 and 2018 that explored agribusiness investments in Sierra Leone and Liberia. In 2014 and 2015, while still recovering from the brutal civil wars ending in 2002/2003, both countries were hit by a double crisis: a devastating Ebola outbreak and a sharp decline in commodity prices on the international market. This led to
permanent and temporal shutdowns of a number of large-scale land-based projects within mining and agriculture.

Also, in order to further highlight community impacts from large-scale agriculture investments in water-stressed countries, Swedwatch launched an investigation focusing on vegetable production in Peru and the role of buyers in mitigating and addressing associated human rights risks.

All three report findings had several common denominators. Notably, in all cases, Swedwatch found that women and girls were disproportionately affected both by failed land investments and by water scarcity. When the land investments failed and communities lost their incomes, many women could no longer pay for their children’s school fees. In Sierra Leone, male workers that had moved to the project area in search for work and had children with women in the local communities, left and stopped maintaining their families when projects failed. Community representatives stated that older women stopped receiving help from other community members when these lost their jobs. In the case of the Ica valley in Peru, while the agro-export sector has offered many women employment, water scarcity severely affects women. Lack of clean water affects health and sanitation, and as women are often responsible for collecting water, scarcity means they often need to travel further to fetch water.

The projects also highlighted the need for an inclusive dialogue around the use of natural resources and for human rights defenders to be able to carry out their work without fear of retaliation. Putting clear requirements on businesses in this regard is especially important in post-conflict countries such as Peru, Liberia and Sierra Leone.

**Contributions to the 2030 Agenda:**

The projects were part of Swedwatch’s efforts in contributing to the fulfilment of the SDGs in the 2030 Agenda, particularly:

**Goal 2:** to *End hunger, achieve food security and improved nutrition and promote sustainable agriculture* and **Target 2.1:** By 2030, *end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round* and **Target 2.3:** By 2030, *double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.*

**Goal 5:** *Achieve gender equality and empower all women and girls* and **Target 5.a:** *Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.*

**Goal 6:** *Ensure availability and sustainable management of water and sanitation for all* and **Target 6.1:** By 2030, *achieve universal and equitable access to safe and affordable drinking water for all* and **Target 6.4:** By 2030, *substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.*

Below is a description of change projects launched during 2018 addressing community rights and access to remedy in agribusiness projects, including activities, outputs and outcomes. The section is
followed by additional results on the same issue, captured within other projects and work over the course of 2018.

Community Rights: Right to Water (2018)

The United Nations has recognised water as a human right. Still, over 650 million people lack access to clean drinking water, and water scarcity is predicted to increase with climate change - impacting on a wide range of other human rights. Lack of access to water impacts a wide range of other human rights such as the right to food, health and a decent living standard. Addressing the lack of access to water is therefore a fundamental part of reaching the Sustainable Development Goals, particularly Goal 6 aimed at ensuring access to clean water and sanitation for all.

This project was initiated as a collaboration between Swedwatch and Diakonia and sought to address challenges linked to water scarcity tied to large agribusiness investments. In November 2018, the report To the last drop – Water and human rights impacts of the agro export industry in Ica, Peru: the responsibility of buyers was published, addressing the right to water and water-related human rights impacts for communities in the Peruvian Ica region, a major production area for fruits and vegetables exported to Europe.

Issue description

The UN Development Programme (UNDP) has warned that climate change is threatening poverty reduction in Peru, since its economy is largely linked to business activities that damage the environment and contribute to climate change. Despite being one of South America’s most water-stressed countries, highly vulnerable to climate change, Peru is a leading exporter of fresh vegetables such as asparagus. A rise in demand has boosted economic growth and job creation in the country’s agro-export sector. At the same time, the associated pressure on freshwater resources has led to an acute water crisis for local communities. In the Ica valley, the agricultural sector accounts for over 90 percent of yearly groundwater extraction while the local population in some areas only have access to water for a few hours a week.

Research and findings

The report was based on local research conducted in the Ica valley by Swedwatch and Peruvian civil society organisation CODEHICA. Findings showed that that water scarcity had come with many severe implications for local communities in the area. Lack of water and poor water quality had caused health-related problems while increased competition over water had led to violent conflicts. Human rights defenders reporting on the issue faced threats and other forms of retaliation, small-scale farmers had been forced to leave their lands due to drying wells and lack of irrigation, and effective grievance mechanisms were non-prevalent. Another finding was that climate change and higher temperatures according had made the soil drier and the weather more unpredictable, impacting productivity.

While the water-related impacts are particularly severe, the report also showed that the agro-export sector has adverse impacts on labour rights, women’s rights and the rights of children. According to interviewees, unfair dismissals were common, and the few existing labour unions reported widespread harassments against members and their families. Lack of childcare facilities forced
workers to leave young children in the care of older siblings, and lack of living wages contributed to health-related problems and poor nutrition among children of farm workers.

Based on the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD-FAO Guidance on Responsible Agricultural Supply Chains, the report scrutinised the responsibility of buyers of agricultural products from Ica, Peru and the compliance with guidelines by seven Swedish companies: retailers ICA, Axfod and Coop, wholesalers Martin&Servera and Menigo and importers Everfresh and Ewerman. The report concluded that the companies’ follow-up of their suppliers’ compliance with human rights requirements were lacking and that they should strengthen their processes for human rights due diligence.

Reception and going forward

The report was published on 13 November 2018 and was presented two days later at a seminar arranged by Swedwatch and Diakonia at the Forum for Human Rights conference in Stockholm together with the screening of a short documentary from the Ica Valley.

Most of the companies highlighted in the report welcomed its findings, according to written statements provided by companies and published on Swedwatch’s website. Axfod stated that the company acknowledged its “shared responsibility for the situation since we have sourced commodities from the region, without proper due diligence and mitigation, as what is prescribed by UNGP” and that “If our suppliers cannot show enough knowledge and willingness to address issues in the supply chains we will turn down them in the tender process, which means we clearly send the signal to suppliers that they need to not only having certain certificates or social auditing, they also need to know, mitigate and address serious Human rights and/or sustainability issues in their supply chains.”

Ewerman visited the Ica valley as a result of the dialogue with Swedwatch and also consulted with suppliers and local water authorities. In its statement, Ewerman stated that Swedwatch’s report was “relevant, troubling and thus of major importance for several reasons, including increasing the general understanding of these issues, thus making it easier to define explicit actionable activities.”

Martin&Servera stated that the report had provided the company with “insights on the agro-export industry in the Ica valley which would be difficult to obtain through other channels” and that the report showed that “we need more knowledge about water scarcity and its impact on human rights issues.” Furthermore, the company outlined a need to improve control systems and intensify dialogue with subcontractors.

Peruvian industry association Association of Agricultural Producers Guild of Peru (AGAP), however, expressed “total disagreement and rejection of the perspective of Swedwatch”. Although not scrutinised in the report, AGAP was offered an opportunity to comment on its findings. In its response AGAP underlined that the “development of the agro-export sector has led to the reduction of poverty in rural areas, the reduction of informality, the generation of formal employment, the inclusion of rural women in economic activities, the economic decentralization of the country, rural development and the improvement in the quality of life of thousands of Peruvians.” Swedwatch acknowledges the importance of the agro-export sector as a major employer and the role it has played, not least for women who have received new opportunities to participate in formal employment. However, small-scale farmers in the area have been heavily impacted by sinking water tables and many have lost their main source of income. In addition, many workers in the sector live in areas without access to basic services in terms of water and sanitation.

Swedwatch also met with the Dutch importing company Nature’s Pride, one of the most important suppliers of Peruvian fruits and vegetables in Europe, to discuss the main issues in the report,
including water-related impacts on health and communities and labour rights in the industry. Discussions were also held with the Embassy of Peru in Sweden. Since the report was launched, it has been distributed to the Ethical Trading Initiative and the Water Stewardship Alliance as well as with other relevant stakeholders. On the day of the launch, the report was highlighted in several media outlets including Dagens Nyheter and subsequently reported on by both Swedish and international media.

Swedwatch’s member organization Diakonia has also used the report in different parts of their work, including in dialogue with the Swedish embassy in Peru and in advocacy work related to the development of a National Action Plan on Business and Human Rights in the country.

The project will continue throughout the course of 2019 and onwards. In order to follow up on the performance of the Swedish companies scrutinised and to discuss constructive solutions, a round-table was arranged in February 2019. Furthermore, a local presentation of the report – translated into Spanish – and stakeholder discussions will be organised in Ica, Peru, in March 2019. The event aims to present the report’s main findings to different stakeholders and affected rights holders and to spur a constructive dialogue on solutions. Several Swedish companies intend to participate and will also be invited to a field trip to communities highlighted in the report. Swedwatch will also continue to engage with SIWI and aims to continue to strengthen its voice on water-related human rights impacts and explore how to build on local partnerships.

Community Rights: The exit from Buchanan Renewables Fuel in Liberia (2018)

In this project, Swedwatch investigated the long-term human rights impacts seven years after the shutdown of a biofuel project in post-conflict Liberia. The resulting briefing paper Human rights impacts of the exit of Swedish investors from Buchanan Renewables Fuel in Liberia: an update was part of Swedwatch’s prior work on the issue of responsible exit strategies, including the reports No Business, No Rights (2017) and Cut and Run (2013).

Issue description

In 2010, Swedish state-owned company Vattenfall and Swedish development finance institution (DFI) Swefund acquired 30 percent of Liberian bioenergy project Buchanan Renewables Fuels (BRF). The investment represented part of Vattenfall’s strategy to reduce its carbon dioxide emissions and secure access to larger quantities of biomass; the project was set up to produce biomass from old rubber trees, some of which were bought from local rubber farmers. The biomass would supply the capital of Monrovia with electricity, while surplus biomass was to be exported to Europe.

The project was expected to create significant development effects including the creation of jobs in the Grand Bassa region, but only two years later the investors withdrew from the project as it was deemed economically unviable. Shortly after the exit, BRF shut down operations. Contracts signed with 34 farmers were terminated and 600 workers were dismissed. The project and its shutdown led to several human rights challenges for local communities, particularly for female charcoal producers, local rubber farmers and BRF employees.
Research and findings

The briefing paper built on a follow-up visit by Swedwatch and Liberian CSO Green Advocates to the affected region in Liberia, in November 2017. Visits were made to the BRF project area in Grand Bassa and the Freeman reserve. Over two days, interviews were conducted with approximately 15 representatives of the different stakeholder groups impacted by the company’s operations and shutdown. In the meetings, the farmers claimed they were still facing severe hardships following BRF’s shutdown. Several asserted that they were plunged into poverty and had difficulty securing food for their families. Despite numerous reports by local and international human rights groups, they had not been offered any remediation.

Reception and going forward

The briefing was launched in May 2018 together with a film which included an interview with the National Charcoal Union in Liberia. In published statements by Vattenfall and Swedfund, both companies claimed to have improved their work with human rights issues through new policies and processes, particularly in high-risk countries. Swedfund also said it had developed processes particularly regarding exits and referred to Swedwatch’s work in their integrated annual report 2017. The briefing was featured in Swedish sustainability magazine Aktuell Hållbarhet which included an interview with Vattenfall.

In June 2018, Swedwatch invited John Brownell from Green Advocates to join two round tables with Swedfund and Vattenfall in Stockholm, with the purpose of to discuss the importance of exit strategies and the current lack of access to remedy for communities affected by the Buchanan Renewables project and similar projects. Swedwatch also raised the need for exit strategies at Swedfund’s annual stakeholder consultation in June 2018.

Protecting rights holders with responsible exit strategies (2017)

The report No business, No Rights - Human rights impacts when land investments fail to include responsible exit strategies. The case of Addax Bioenergy in Sierra Leone highlights the need to ensure the protection of local communities if large land-related projects fail or stall.

The report includes a foreword by the United Nations Special Rapporteur on the Right to Food Hilal Elver and complemented earlier Swedwatch reports of direct relevance to the project Cut and Run (2013) which focused on exit-related challenges in Liberia, and No Land, No Power (2013) focusing on a large-scale land investment in Sierra Leone. The report, developed in cooperation with the Church of Sweden, was published in November 2017 and launched in Freetown, Sierra Leone one week later.

Issue description

In 2011, the Swedish development finance institution (DFI) Swedfund and its Dutch counterpart FMO became minority shareholders of Addax Bioenergy – a high-profile project that would lease large areas of land to produce ethanol for the European market and generate electricity for the national power grid in Sierra Leone. Despite its high ambitions, the project faced a number of challenges and
was drastically downscaled in 2015 for a year and a half, during which Swedfund and FMO sold their shares and left the project. The majority of the 3,000 jobs that the project had created were lost and an associated food security support program faltered. Despite being provided with information on at least some of these severe human rights risks, Swedfund and FMO exited the project in December 2015 without conducting any human rights due diligence related to the project stall or their exit.

Research and findings

In the research process, Swedwatch visited seven communities in the project area. Ten focus group interviews were conducted with mainly female participants, as women are crucial to household food security and produce a large proportion of the food in Sierra Leone. Women are also more likely to be disadvantaged by land investments since they generally lack access to land and are less likely to be employed. The findings from these focus groups were triangulated with interviews with stakeholder groups including public authorities, civil society organisations and experts within the fields of business and human rights, food security and sustainable development.

The findings showed that impacts on local communities after the scale-down of Addax Bioenergy were widespread. Besides losing their jobs, community members’ access to natural resources was diminished as there was little to fall back on due to the nature of the project. Children were forced to leave school as their school fees could no longer be paid, older women and land-users stopped receiving help from other community members as they had lost their jobs, and most of the project’s associated food security support programs stopped working despite voiced concerns from communities over not having enough to eat.

An earlier influx of people seeking jobs in the area contributed to problems once the project stalled as the changing demographics exacerbated competition - and resulting conflict - over natural resources. In some communities, workers that had migrated to the area stayed hoping that employment opportunities would return. In other cases, male workers from outside the project area who had had children with women from the local communities left and stopped supporting their families.

Despite being provided with information on serious human rights impacts and risks, neither FMO nor Swedfund conducted human rights due diligence in line with the UNGPs. After their exit, transparency regarding the project and dialogue with local communities deteriorated significantly, which in turn made it more difficult for affected stakeholders to hold the project accountable for its impacts.

Key developments, January – December 2018

After repeated dialogue between Sierra Leone’s Environmental Protection Agency (EPA), Swedwatch and Sierra Leone Network on the Right to Food (SILNORF) about the water problems in Tonka community described in the report, EPA visited the community in August 2017 with the Office of National Security. Tonka community is located next to the Addax factory and reported severe hardships during scale-down due to the lack of land and current issues related to water supply and water quality. In August, the water issue was brought up again and in January 2018 Swedwatch received information that the community had been supplied with clean drinking water by the new company, Sunbird Bioenergy, who took over the project after the withdrawal of the European DFIs.
In June 2018, Swedwatch was informed by SILNORF that Tonka Community now have permanent access to water as pipes supplying water to the community have been installed. This was one of the recommendations to Sunbird Bioenergy made by Swedwatch. Sunbird has also engaged in a dialogue with civil society, including SILNORF, also in line with Swedwatch’s recommendations.

In order to increase the capacity for local CSOs and rights holders to push for increased human rights due diligence and responsible exit strategies in their dialogues with companies, investors and governments, the two reports were printed and distributed to local communities in Sierra Leone and Liberia in 2018 through Swedwatch’s local partners Sierra Leone Network on the Right to Food, SILNORF and Green Advocates Liberia.

In June 2018, Swedwatch initiated a joint letter together with the UN Special Rapporteur on the Right to Food and 14 other organisations to the Association of European Development Finance Institutions (EDFI) and its 16 members. Many of the projects in which EDFI members invest are land-based and located in high-risk areas. The letter urged the EDFI Secretariat and EDFI members to ensure the address of long-term effects and impacts of supported projects by taking joint measures to strengthen policies and processes for human rights due diligence and access to remedy in all land-based investments and projects, in order to comply with internationally recognised standards. It also urged EDFI and its members to improve transparency and dialogue with civil society in both home and host countries and to ensure that all voices are included in project-specific stakeholder dialogues and that human rights defenders can carry out their work without fear of retaliation. The letter was sent in September 2018. According to EDFI members, the letter has spurred an important discussion within EDFI. Swedwatch intends to continue the dialogue with EDFI in 2019.

During the year, Swedwatch has also continued its dialogue with Swedfund through meetings on issues such as the need for strengthened HRDD and exit strategies, which has yielded a number of positive results. According to Swedfund, enhanced HRDD has been made prior to all exits over the course of 2018 and new routines for exits have been implemented for all of its investment projects. Swedfund has also been an important part of discussions on HRDD and exits within EDFI.

**Distribution of reports and local launch in Liberia**

In order to increase the capacity for local CSOs and rights holders to push for increased human rights due diligence and responsible exit strategies in their dialogues with companies, investors and governments, the two reports were printed and distributed to local communities and authorities in Sierra Leone and Liberia in 2018 through SILNORF and Green Advocates Liberia. Both stated that they found the reports useful and appreciated by local communities.

On November 2, Green Advocates and the National Charcoal Union of Liberia organised two local launch meetings with affected communities in Freeman Reserve, to share key points in the report and information the dialogue with investors regarding the Buchanan project. About 40 participants, of which about 20 were workers and farmers and 20 represented charcoal producers and the Charcoal Union. Another launch of the report was held in Grand Bassa County on November 5 with Buchanan Renewable Fuel farmers and workers.

**Going forward**

Swedwatch aims to continue its work to highlight the need for sustainable exit strategies in land-related investments, particularly in high-risk settings, and to promote efforts by companies to comply with the third pillar of the UNGPs: Access to remedy.
Additional results – community rights, responsible exits and access to remedy

Swedwatch’s work related to community rights, responsible exits and access to remedy have led to significant results. The following are examples of activities and associated results noted throughout the year:

- In January 2018, Swedwatch was informed that the second Swedish Pension Fund, AP2, has improved transparency and monitoring of Environmental and Social Governance (ESG) as part of their investments in Brazilian farms. In a 2013 Swedwatch report *Investment without transparency*, findings showed that lack of transparency around AP2’s farmland investments in Brazil made it impossible to examine whether the fund lived up to its commitment regarding ethics and the environment. Following dialogue with Swedwatch and member organisation Solidarity Sweden-Latin America, AP2 is now sharing information on the exact location of the farmlands that they have invested in. All of the farms have undergone a social audit and a new Code of Conduct has been shared with leaseholders. Through a business partner, AP2 is also developing a stricter monitoring system to guarantee that leaseholders do not breach the Code of Conduct. Developments are in line with Swedwatch’s recommendations and have reported on by AP2 in their sustainability report.

High-risk areas and vulnerable groups: Migrant workers and child labour

Migrant workers constitute a vulnerable group, prone to exploitation and rights violations including forced labour or modern slavery. While growing cross-border trade enhances flows of goods and labour, the risks of illegal trade and human trafficking increases. The situation for female migrant workers and children in migrant worker families require special attention; in general, weak rule of law and lack of protection mechanisms lead to women facing heightened risks of falling victim to sexual exploitation by employers, recruiters and other actors. Furthermore, children of migrant workers face risks regarding health, poor living standards and neglect.

Swedwatch has through the years highlighted child labour, forced labour and the situation of migrant workers. Most recently, two reports published in 2016 and 2018 focus on labour rights violations in association with sporting events and the responsibilities of corporate sponsors, as well as child labour and company responsibilities in relation to the rights of children in the diamond supply chain.

Contributions to the 2030 Agenda:
The projects contribute to Swedwatch’s work to promote and fulfil the Sustainable Development Goals in the 2030 Agenda, particularly:

**Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all and Target 8.7;** Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms and **Target 8.8;** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
Below is a description of change projects launched during 2018 addressing child labour, forced labour and the vulnerability of migrant workers, including activities, outputs and outcomes. The section is followed by additional results on the same issue, captured within other projects and work.

**Vulnerable Groups: The FIFA World Cup in Russia: Sponsorship and human rights (2018)**

The worlds of sports and business are closely linked, and a massive sporting event such as the 2018 FIFA World Cup in Russia would not be possible without corporate sponsorship. However, mega sporting events are often associated with human rights violations such as unsafe working conditions, forced labour and trafficking.

With the aim of highlighting the human rights responsibilities of companies when entering sponsorship agreements with sports associations, Swedwatch initiated a project examining the responsibility for human rights impacts inherent in such agreements. The briefing paper *The 2018 FIFA World Cup in Russia: Sponsorship and human rights* examined efforts made by some of the biggest sponsors of the Swedish Football Association (SvFF) to identify and address human rights risks in connection with the 2018 FIFA World Cup, and reviewed developments since Swedwatch published similar studies on sponsorship in 2014 relating to sporting events in Sotji and Belarus.

**Issue description**

The 2018 FIFA World Cup was played at a time when, according to leading human rights bodies, hosting country Russia was defined by an acute human rights crisis characterised by growing restrictions on fundamental political freedoms. Hosting the World Cup is a massive financial undertaking as not only sports arenas must be constructed but also related infrastructure such as airports, hotels, roads and transportation. In Russia, the preparations were associated with salient human rights impacts, including severe labour rights violations.

According to the UNGPs, a company should act on human rights impacts linked to its products or services through its business relationships. Thus, the responsibility that comes with a business deal regarding sports sponsorships is no different than that associated with sourcing a product or supplying a service; a company that enters a sponsorship agreement with a national sports association connects the company’s products and/or services with any championships that the national teams play in. Consequently, these events become part of the company value chain.

**Research and findings**

The briefing paper was the result of research conducted by Swedwatch from February to June 2018, analysing answers to a questionnaire sent to corporate sponsors of SvFF regarding their work on human rights in their sponsoring activities. The questionnaire, based on new research and past findings and recommendations, was distributed to selected sponsors with the assistance of SvFF and analysed in the context of the UNGPs.

The briefing noted improvements in efforts to manage human rights risks among Swedish sponsors compared to 2014. All companies that took part in the survey had adopted human rights policies that extended to their sports sponsorships. In 2014, none of the then-investigated companies had such
policies in place. However, despite well-documented human rights risks associated with the 2018 FIFA World Cup, the briefing pointed to considerable gaps between policy and practice, especially with regards to sponsors using their leverage over SvFF to prevent and mitigate specific human rights impacts. Also, only seven of thirteen sponsoring companies contacted chose to take part in the research, an outcome worthy of note considering the UNGPs concept of “know and show” that outlines how companies should be aware of, and report on, how their operations impact human rights.

In the briefing, Swedwatch recommended corporate sponsors to conduct proper mapping and analysis of the actual and potential human rights impacts associated with championships in which the national teams are taking part. Companies should act on the findings, for example by encouraging sports associations to raise identified human rights risks with international counterparts.

**Reception and going forward**

The briefing was launched on 12 June 2018, together with an op-ed urging corporate sponsors to close the gap between policy and practice. It’s findings and recommendations were well received amongst scrutinised actors who mostly agreed to the conclusion that issues remain with regards to corporate responsibility for human rights in sponsorship. The main sponsor Svenska Spel stated that it welcomed the research and was looking forward to further dialogue. The findings were also covered by the media including by Swedish daily business newspaper Dagens Industri.

Swedwatch has been doing research on corporate sponsorship in major sporting events since 2014. In 2022, the FIFA World Cup will be played in Qatar where the human rights violations against migrant workers constructing stadiums, hotels and training facilities are already well-known. Ahead of this event and others, Swedwatch will continue to raise awareness and work for increased corporate responsibility in this field.

**Vulnerable groups: Child labour in global diamond value chains (2016)**

Mining represents one of the most hazardous work sectors and is a form of work that is particularly dangerous to children.

According to the ILO, “the dangers are so obvious and extreme that there are no conditions – poverty included – under which child work in mining can be tolerated."

At the same time, the leading certification available for diamonds, The Kimberley Process (KP), is widely criticised by human rights organisations for failing to address a range of urgent human rights concerns within the diamond trade including child labour. Still, KP remains the most well-known and referred to sustainability certification for diamonds.

In the report *Childhood Lost - Diamond mining in the Democratic Republic of the Congo and weaknesses of the Kimberley Process* launched in 2016, Swedwatch examined how children were affected by conditions in small-scale mine sites and outlined company responsibilities in relation to the rights of children in the diamond supply chain.

**Issue description**

An estimated one million children aged 5–17 work in small-scale mining globally, and the number is
said to be increasing. Children in artisanal diamond mines are exposed to physical and mental hardship, and the work deprives them of their childhood. Girls are particularly exposed to the extensive sexual abuse that exists in mining areas. Also, children who work in mines often do not complete their schooling, which limits their ability to create a better future and underpins poverty.

One of the world’s diamond-richest countries is the Democratic Republic of the Congo (DRC), a country that despite its wealth in natural resources remains one of the world’s poorest. The report was developed in cooperation with member organisation Afrikagrupperna which also conducted research on the Kimberley Process.

Research and findings

In the research process, Swedwatch visited diamond provinces and artisanal mine sites in Kasai and Kasai Central, DRC. Close to 50 interviews were conducted with teenage girls and boys, government officials, teachers, parents, mine workers, medical staff and diamond traders.

The investigation indicated that potentially tens of thousands of children were working in the country’s diamond mines and were exposed to abuses and violations of their rights. Girls and young women were particularly exposed to sexual violations, including rape and forced marriage, with no psychosocial support or medical treatment. Prostitution from young ages was said to be prevalent. The work in the mines also severely impacted the education of girls and boys. Findings also indicated that the DRC government was not sufficiently addressing the issue and that few, if any, mine sites in the diamond region had been visited as part of a due diligence process by any foreign companies.

As part of the research, Swedwatch conducted a survey among Swedish diamond importers and jewellery companies in order to assess the trade’s due diligence process and reliance on the Kimberley Process therein. The results indicated that implementation of applicable frameworks, particularly in regard to human rights due diligence, was low and that the companies to a large part relied on the Kimberley Process certification in their sustainability work.

Key developments, January – December 2018

As the EU took over the rotating Chair of the Kimberley Process in 2018, the report was a timely contribution to policy discussions on the much-needed reform of the Kimberley Process. In early 2018, Swedwatch was invited by the US State Department to participate in multi-stakeholder dialogue arranged as an ‘informal round table on responsible sourcing in the Jewelry Industry’ in New York. At the event, Swedwatch provided expertise based on the findings and results from the project. The multi-stakeholder dialogue aimed, among other things, to provide input to the US Representative to the Kimberley Process and Senior Advisor on Conflict Minerals, Pamela Fierst-Walsh, in her and the US State Department’s ongoing and future work to advance and promote responsible sourcing of diamonds and jewellery.

In connection to the European Union chairmanship for the Kimberley Process, the European Commission’s High Representative of the Union for Foreign Affairs and Security Policy, Frederica Mogherini, outlined how the European Commission would address child labour and sexual violence in diamond mining extraction and trade. In a statement, she reiterated statements that the EU would continue to address the root causes of unacceptable labour rights such as child labour and modern slavery and to encourage businesses to apply due diligence processes towards conflict free mineral supply chains. The statement was a direct response to questions submitted by Swedwatch through a Swedish Member of the European Parliament.

In April 2018, Swedwatch attended the 12th OECD Forum on sustainable mineral supply chains in
Paris. The conference included a one-day meeting on women’s role in the mineral supply chain, which served to strengthen Swedwatch’s capacity on the subject and later fed into Swedwatch’s planning for future projects.

In February 2018, Swedwatch presented the report *Childhood Lost* to a Member of the Swedish Parliament and discussed how Sweden and the EU could push for reform of the Kimberley Process. The MP was also, together with Swedwatch, part of a panel discussion on diamond extraction and the Kimberley Process at a seminar and associated photo exhibition arranged by Afrikagrupperna. The event, in which Swedwatch’s photos from *Childhood Lost* were used, was arranged with the aim to raise awareness on the human rights reality in diamond extraction.

Due to dramatic changes in the security situation in the DRC, Swedwatch postponed plans to translate a short version of the report for local dissemination as this might put interviewees in the report at risk. Swedwatch maintains in contact with local partners who will confirm when distribution of a translated version is feasible.

*Additional results – High risk areas and vulnerable groups*

Swedwatch’s work related to high risk areas and vulnerable groups have led to significant results. The following are examples of activities and associated results noted in 2018:

- At British American Tobacco’s (BAT) Annual General Meeting (AGM) in London, Swedwatch’s question regarding Human Rights Due Diligence and supply chain transparency was posed to the Chairman of the Board of Directors, by a representative of Swedwatch’s UK partner organisation Share Action. The question was asked in follow-up to Swedwatch’s 2016 report *Smokescreens in the Supply Chain* uncovering human rights violations including child labour in BAT’s Bangladeshi supply chain and similar Human Rights Watch findings in Indonesia and Zimbabwe. Share Action’s presence constituted Swedwatch’s third consecutive year of AGM inputs. An article in The Guardian reporting from the AGM underlined that the company’s response to the question and its measures to address the issues to date have been inadequate.

- According to travel agency Thomas Cook’s sustainability report, the company will conduct a ‘full external review’ of the approach to human rights in the company’s supply chains. Thomas Cook was one of the companies investigated in the report *Shattered Dreams* (2015) and one of the companies that took part in a Swedwatch round table on human rights in tourism 2016.

- Global hotel chain Hilton is using findings from Swedwatch’s research to address risks of modern slavery in its operations in Europe, the Middle East and Africa (EMEA). This includes work focusing specifically on human rights risks related to labour outsourcing, an area that was identified in a global human rights impact assessment conducted by Hilton. To address this issue Hilton has developed an e-learning training, specifically on the risks of modern slavery in labour outsourcing in EMEA. According to Hilton, the e-training is in part based on the 2015 Swedwatch report *Shattered dreams* focusing on the situation of migrant workers in the hospitality sector in Dubai. The training is mandatory for all Hilton employees at Hilton-managed properties in EMEA who play a key role in the decision-making process for labour outsourcing, including general managers, human resources directors, procurement leads and finance directors. As the training was welcomed by other companies in the hospitality industry, Hilton has also decided to make it publicly available via the International Tourism Partnership (ITP) website in 2019. According to Hilton, the training will help accelerate the industry’s ability to identify and mitigate the risks of modern slavery.
Climate and environment: Investor responsibility and indigenous communities

Climate change is one of the greatest human rights challenges of our time and its effects are already being felt by hundreds of millions of people around the world. In recognition of a need to ensure sustainable development, 2015 saw the adoption of Agenda 2030 and the Paris Agreement on Climate change.

The principal cause of climate change is the extraction of fossil fuels such as coal, oil and gas. However, emissions from deforestation and forest degradation constitute almost one-quarter of annual carbon emissions. Indigenous and local communities – increasingly under threat for defending land rights – are the principal stewards safeguarding a large proportion of remaining forests. There is growing evidence that secure indigenous and community land and forest ownership is key to combating climate change, poverty and hunger, and to preserving cultures and biodiversity values.

Simultaneously, throughout history, numerous indigenous peoples have been and continue to be discriminated against and marginalised politically, socially and economically. Today, many companies that engage in business activities and projects that displace indigenous communities from their traditional lands and destroy and degrade their traditional forests, are listed on international stock exchanges.

Contributions to the 2030 Agenda:
The projects contribute to Swedwatch’s work to promote and fulfil the Sustainable Development Goals in the 2030 Agenda, particularly:

**Goal 13:** Take urgent action to combat climate change and its impacts and **Target 13.a;** Implement the commitment undertaken by developed-country parties to the United Nations Framework Convention on Climate Change to a goal of mobilizing jointly $100 billion annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation and fully operationalize the Green Climate Fund through its capitalization as soon as possible.

**Goal 15:** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss and **Target 15.a;** Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems and **Target 15.b;** Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.

Below is a description of change projects launched in 2018 addressing risks and opportunities related to investor responsibility for climate and environment, including activities, outputs and outcomes. The section is followed by additional results on the same issue, captured within other projects and work.
Investor responsibility for people and planet (2017)

In 2017, Swedwatch continued its ongoing project promoting the transition to green, sustainable financial markets, and launched the report *Turning the Tide - The urgent need to shift capital flows to climate solutions: a case study of ten fund management companies*. The study built on a similar investigation carried out by Swedwatch in 2015 and was launched to coincide with the high-level climate meeting *One Planet Summit* in Paris, aimed at advancing private and public financing to fulfil the Paris Agreement.

The study presents the results from a climate survey and a portfolio analysis of Sweden’s ten largest fund management companies, that invest retail and institutional clients’ assets in global stock markets. It investigated what actions are taken to bridge the global gap in green investments and fulfil the goals of the Paris Agreement.

The report was developed in cooperation with the Church of Sweden and the Swedish Society for Nature Conservation.

**Issue description**

The financial sector is both part of the climate change problem and a key to its adequate address. Financial actors are heavily invested in fossil fuel production sectors, high-emitting industries, and in companies that cause and contribute to deforestation and dispossession of communities’ lands and forests. If swift and decisive actions are taken by leaders in the financial sector, catastrophic impacts of climate change could still be avoided. Asset managers and fund management companies play a key role in the last stage of the investment chain as it can allocate capital streams towards green investments in climate solutions.

**Research and findings**

The report, published in December 2017, concluded that two years after the Paris Agreement there is little time left for the world to make a necessary climate transition. However, contributions made by Swedish investors to reach the goals of the Paris Agreement are not even close to being sufficient. Investors included in the study had not set any targets for reallocation of capital from investments in fossil production to investments in green finance and climate solutions and across the board, climate solutions were almost exclusively found in niche funds. Some investors deferred responsibility for choosing to invest in climate solutions to clients.

The report recommended investors, asset owners and fund management companies to develop and scale up green fund products and publicly disclose increases in green investments as well as negative climate impacts of their total investments. It also urged financial actors to maximise their leverage to halt deforestation, fossil exploration and other projects which increase the climate vulnerability of affected local communities. Recommendations to decision-makers and regulators included the introduction of compulsory requirements on finance actors to conduct climate analyses for all of their investments and to publicly disclose how they intend to contribute to the Paris Agreement.

**Key developments January – December 2018**

The project continued through to 2018. Strong momentum and methods development in the area of
finance and climate were noted. Swedwatch’s call for urgent investor climate action, and the need to shift large capital streams towards climate solutions continued to be raised and communicated by many actors in finance, academia, governments and civil society. The following are examples of actions which show that the fund management companies in the report have taken positive steps since the report was launched.

- SEB has made a public endorsement of the TCFD (The Task Force on Climate-related Financial Disclosures) requirements and reinforced its ESG team. According to the bank, more products are redesigned to be classified as ‘sustainable’ meaning they can’t invest in fossil fuel extraction companies. SEB has also measured 3 products towards the 2-degree target and educated and trained staff face-to-face and in workshops in Sweden, Luxemburg and Ireland.
- Skandia has launched its third retail fund with the Swedish ‘Svanen’ certification for sustainable investments and states it has expanded its ESG-team. According to Skandia, the round table that Swedwatch held in conjunction with the release of Turning the tide improved the company’s knowledge within the area.
- Swedbank Robur introduced its first 2030 Agenda fund with investments which contribute to the fulfillment of the SDGs.
- Handelsbanken launched a new Green Bond framework with criteria for bond issuance in clean transport, sustainable forest management, green buildings, renewable energy and sustainable water management.
- Länsförsäkringar has made an update of its corporate governance policy so that it considers not only corporate governance but also responsible investments in general. It more clearly expresses its expectations of the companies that it invests in, for example that the companies should publish sustainability reporting in line with commonly accepted standards such as Global Reporting Initiative (GRI).
- The carbon footprint decreased in many of AMF’s funds, partly as a consequence of a new policy on fossil energy. During 2018, AMF introduced a new policy on investments in fossil energy saying that AMF refrains from investments in companies where more than 10 percent of revenues come from coal extraction. The policy also stipulates that AMF’s fund managers should analyse the carbon footprint in every investment decision, and that AMF should apply a best-in-class approach when investing in high-emitting sectors.
- SPP developed a new sustainability rating to address ESG risks and opportunities addressed by the UN Sustainable Development Goals, launched five new fossil free funds and expanded its work on deforestation by joining three different UN PRI initiatives on soy, cattle and palm oil. In 2018, SPP also developed a new deforestation policy, which will be launched at the beginning of 2019.

Going forward

Swedwatch aims to follow the development of two aspects of the legislation process under the EU Sustainable Finance Action Plan; taxonomy for sustainable financial activities and transparency and reporting requirements, and will pay attention to considerations made regarding human rights and climate, and the role of forests in sustainable development. Also, continued monitoring efforts by Swedwatch will harvest change results where fund management companies, banks and other actors transparently publish results from (i) scenario analysis, (ii) SDG analysis and (iii) where action is taken to shift substantial capital streams towards climate-positive investments.
In a project aiming to highlight rights holders’ perspective, increase the awareness on the links between bank investments, deforestation and the rights of indigenous peoples, and to contribute to improved policies and practices among banks, Swedwatch launched the report *Silent Approval – The role of banks linked to the crisis faced by Borneo’s indigenous peoples and their forest.*

The report examines human rights impacts of companies on indigenous peoples’ rights and links to seven Scandinavian banks and was developed in partnership with Fair Finance Guide (FFG).

**Issue description**

States are responsible for protecting the rights of indigenous peoples. However, in the case of Borneo, state bodies and court systems in both Malaysia and Indonesia have failed to protect these rights. The destruction of Borneo’s forests has been referred to as “one of the largest environmental crimes of our time”, and the dispossession of land from its traditional owners has resulted in a far-reaching human rights disaster. Large areas of indigenous land and forests have been approved for development under land concession agreements, without protection of indigenous peoples’ right to be informed and consulted prior to any planned developments (FPIC).

**Research and findings**

In the research process, Swedwatch conducted field interviews and research on Borneo. In Sarawak state, community group interviews and separate interviews were conducted with leaders and respected elders from the Kayan and Kenyah indigenous communities in Long Teran Kanan village, impacted by Malaysian palm oil developer IOI’s palm oil plantation. Swedwatch also interviewed human rights lawyers, environment experts and civil society representatives. In Central Kalimantan, Swedwatch conducted interviews with male and female leaders from the Dayak Murung indigenous community. The interview respondents included the village chief, religious leaders, respected elders, women’s group representatives, the village nurse and a teacher. In addition, Swedwatch was guided to places of cultural and religious significance and through communal forest areas by a group of traditional landowners. The field research was conducted in cooperation with the non-governmental organisation WALHI Kalteng which has engaged in longstanding cooperation with the community.

The report looked at four cases where the banks’ portfolio companies - Swedish palm oil importer AAK, Australian-British mining company BHP Billiton, German financial company Deutsche Bank and IOI – have acted in breach of international norms.

During Swedwatch’s research, indigenous communities claimed that they had not been engaged in a process of FPIC before forests and land were cleared for the establishment of the palm oil plantation. The report also showed that even though most banks’ policies analysed in the report endorsed international standards and conventions on indigenous rights, they did not enforce zero tolerance for violations of indigenous rights in their investments and had not seized opportunities to raise the challenges for indigenous communities in joint investor forums. Swedwatch’s recommendations to the banks in the report were to allocate more resources and take on more effective processes and methods to ensure respect of indigenous peoples’ rights – and to put pressure on companies and governments to improve the situation of affected communities. Bank retail customers were
recommended to request information and improvements from their banks.

**Key developments January – December 2018**

Since the release of the report, palm oil importer AAK has published a full list of first tier suppliers on its website. Organisational supply chain transparency is essential for accountability and it is likely that Swedwatch’s report contributed to this important development.

During the year, the report contributed to raised awareness on the situation for people in the Long Tenan Kanan community. Dialogue with investors and companies increased pressure to ensure adequate remedy, in this case to ensure respect for the community’s right to their indigenous territories. The report was also used by Swedwatch’s member organisation the Swedish Society for Nature Conservation (SSNC) in company dialogues both in 2017 and 2018, mainly with business actors in the palm oil industry. The report has also been used by SSNC to highlight how local communities are affected by the palm oil industry and to highlight the importance of protecting indigenous peoples’ right to FPIC, including in a meeting with AAK.

SSNC has also used and highlighted the report’s findings in association with approximately 25 to 30 local film screenings around Sweden of The Borneo Case during 2017 and 2018.

**Additional results – climate and environment**

Swedwatch’s work related to climate and environment groups have led to significant results. The following are examples of activities and associated results noted during 2018:

In association with field research conducted for an upcoming change project report – highlighting how unsustainable logging practices are not only driving climate change but entail risks for the human rights of vulnerable groups – Swedwatch partner organisation in Cameroon, Centre for Environment and Development, has developed and piloted a jointly designed survey tool on logging impacts on community rights to information, consultation, benefit-sharing, and long-term sustainable livelihoods. The organisation has increased their capacity in designing and conducting community surveys, which combine human rights and environment aspects, and where vulnerable groups such as indigenous peoples, women and children are given special consideration.

**Public procurement: Positively influencing global supply chains**

Items that are publicly procured include a wide range of products – from furniture and food used in public environments to construction materials and stone used for major infrastructure projects. At the same time, low wages, forced or child labour and excessive overtime are recurring issues in the manufacture of a number of product groups. Including social criteria in contracts with suppliers allows procuring authorities to contribute towards improved working conditions, poverty alleviation and greater respect for human rights throughout the supply chain. Despite this, many procuring authorities do not set social criteria, often due to a lack of knowledge about the risks of human rights abuses in supply chains.

**Contributions to the 2030 Agenda:**
Projects and activities were designed to contribute to fulfil the Sustainable Development Goals in the 2030 Agenda, particularly:

**Goal 8:** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

**Goal 12:** Ensure sustainable consumption and production patterns, particularly **Target 12.1; Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing.**

**Social criteria in public procurement (2016)**

In sectors such as health and educational services, energy and transport, public authorities are commonly the principal buyers. As a substantial share of goods purchased are produced in developing countries where working conditions and respect for human rights may not be enforced, public procurers have a significant role to play in positively contributing to more sustainable societies.

This is also reflected in the Sustainable Development Goal 12, specifically in target 12.7; **Promote public procurement practices that are sustainable, in accordance with national policies and priorities and in EU directives.**

Swedwatch works on the opportunities and challenges met by public procurers with regard to human rights and the environment. In 2016, Swedwatch initiated a project highlighting the efficacy of public procurers as agents for change in which the associated report *Agents for Change - How public procurers can influence labour conditions in global supply chains, Case studies from Brazil, Pakistan and Thailand* illustrates the positive contributions possible when including social criteria in public procurement.

**Issue description**

The issue of social criteria in public procurement is of utmost importance as human rights impacts are closely connected to public authorities’ supply chains. There is a need to build capacity, awareness and support among decision-makers and contracting authorities within the EU on the issue, in order to build leverage and create positive change.

Swedish contracting authorities are generally considered global forerunners in the implementation of such sustainability criteria. The report highlights several positive examples, but also raises remaining challenges. It seeks to increase the understanding of how contracting authorities in EU member states can use social criteria to generate more sustainable supply chains, and ultimately contribute to fulfilment of the Sustainable Development Goals.

**Key developments, January – December 2018**

Swedwatch has continued to receive invitations from international and national stakeholders to present the report’s findings and recommendations, and to highlight how public procurers in other countries might draw benefit from Swedwatch’s expertise and lessons learnt in Sweden. In addition, the National Office for the Collaboration on Sustainable Procurement of the County Councils’ has used the report in lectures, trainings and outreach activities, which has continued during 2018. As an example, the National Coordinator for the County Councils collaboration on sustainable procurement
used the report in her speech at the Asia Forum on Sustainable Procurement in the Health Sector in June 2018, with participants from contracting health authorities from around the world. This shows how the dissemination of the report continues on its own, reaching new audiences across the globe and provides examples to other procurement agencies.

**Make ICT fair - improving rights holders affected by the ICT supply chains**

The Make ICT Fair project aims to improve the lives of workers and communities affected by the information- and communication technology (ICT) supply chains. Swedwatch is the project lead and coordinator of a cooperation of 11 civil society organisations across Europe. The project runs between 2017 and 2020 and includes research, trainings, awareness-raising activities and advocacy work in Sweden and Europe. The overall objective is to mobilise EU citizens, decision-makers and public procurers to improve the rights of workers and communities in the ICT industry. The project is mainly funded by the EU and partly co-financed by Sida.

In August 2018, Swedwatch conducted a fact-finding mission to Zambia to investigate how copper mining impacts people and the environment, through a field study in two mining areas. The study will result in a publication and film on the topic of minerals used in ICT products such as smartphones and computers. These will be published in 2019 and disseminated across Europe.

As part of the project, in November 2018, Swedwatch invited human rights defender Frances Quimpo from the Philippine NGO, Center for Environmental Concern (CEC) to Sweden. CEC works closely with local communities impacted by mining operations in the Philippines. During Quimpo’s visit to Sweden, she participated in several events and meetings, including in a high-level panel on the seminar “Violence towards human rights defenders – the role of business” at the Swedish Forum for Human Rights together with UN Special Rapporteur on Toxins Baskut Tuncak, Sweden’s Ambassador for Sustainable Business Jakob Kiefer and representatives from H&M. In the panel, Frances Quimpo gave evidence of adverse human rights impacts of mining and on violence towards human rights defenders in the Philippines. During her visit, she also met with Forum Syd and Sida as well as with public procurers and suppliers at Stockholm County Council. At the Swedish Forum for Human Rights, Swedwatch also hosted and moderated a panel on risks connected to minerals in ICT products with panelists Joakim Wohlfeil, policy advisor at Diakonia, and Kristina McNeil Sehlin, an academic researcher with expertise in extractive violence.

As lead partner, Swedwatch has also been greatly involved in the overarching project management, supporting other partners regarding questions and challenges and keeping the dialogue with the European Commission. The annual report for Make ICT Fair, which was submitted in early 2019, showed good progress and expectations are that all outputs and outcomes will be met.

**Additional results – Public procurement and influencing global supply chains**

Besides activities and results captured in change projects described above, Swedwatch noted several results harvested between January to December 2018, relating to the organisation’s prior work in relation to public procurement. Some of these are outlined below.
Partly stemming from Swedwatch’s work to promote sustainable public procurement practices, Swedish county councils have, together with workers’ rights alliance Ethical Trading Initiative (ETI), initiated a multi-stakeholder project with the aim to help to eliminate exploitation and abuse of workers, improve business practices and identify key risks of child labour and modern slavery in the surgical instrument sector in Sialkot, Pakistan. The project includes research on supply chains and the development of a strategy together with local and international stakeholders, and capacity-building on the issue among stakeholders such as procurers and suppliers. The initiative follows in the footsteps of Swedwatch’s long-term work to highlight working conditions and child labour in the production of surgical instruments in Sialkot, which supplies Swedish hospitals.

In April, Swedwatch answered a request from the European Commission’s Directorate-General Growth’s for input on their new guidelines on Sustainable Public Procurement. Swedwatch’s submitted answers stressed the importance of including human rights aspects in social criteria and monitoring supplier’s compliance. Swedwatch was also part of the joint input outlined by the EWGEPP network.

Risk-assessment reports produced by Swedwatch in 2017, covering more than 30 individual products within five product categories that was conducted for Direktoratet for IKT og Forvaltning (Difi) in Norway, was published on their website. The reports target public procurers with the aim of increasing awareness of risks in products procured by the public sector. Without any official marketing of the reports, the risk-assessments pages have been viewed more than 560 times since they were published and downloaded more than 30 times.

In October, Swedwatch gave feedback to Swedish county councils new guidance on how to assess human rights due diligence practices. The guidance will support auditors who conduct audits at suppliers head-quarters in Sweden, to understand how they should evaluate the company’s human rights due diligence system. The guidance aims to improve the quality of audits and align assessment methods.

Byggvarubedömning, a Swedish industry construction sector initiative, has used a risk-assessment report on building materials that Swedwatch produced as an external commission to Oslo municipality 2017. According to Byggvarubedömning, it has used the report in approximately 30 meetings with construction material distributors, in which the risks presented in the report have been discussed. This has resulted in increased awareness of risks and how they could be addressed by the construction sector. Byggvarubedömning has also recommended its member companies to read the report, take note of risks and to use it in their dialogues with purchasing companies.

**Going forward:**
Swedwatch will continue to monitor the development of social criteria in public procurement and will remain an active stakeholder in an international context and will continue discussions with, and provide input to, key stakeholders including county councils in Sweden, the OECD and the EU. By request, Swedwatch will continue to participate in round tables, present at conferences and provide feedback to guides and tools. Furthermore, in 2019, Swedwatch will carry out three workshops targeting public procurers and policy makers within the Make ICT Fair project. The workshops aim to enhance public stakeholder inclusion and knowledge of social criteria in ICT contracts.

### 3.2 Activities and outputs beyond change projects

In 2018, Swedwatch continued to take an active role in discussions regarding corporate responsibility with different stakeholders within and outside of Sweden and was approached by actors such as civil society networks, public actors, companies, investors and academic institutions to partake in
research projects and dialogue. In accordance with the 2018 work plan, Swedwatch also continued to increase efforts toward stakeholders in the Global South as a direct target group. Focus was placed on the empowerment of rights holders and on developing Swedwatch’s capacity to contribute to increasing the awareness of business, human rights and environment, specifically on rights and responsibilities so that local stakeholders can be more actively involved in dialogue forums and advocacy work. Swedwatch also implemented lessons learned regarding the facilitation of capacity-building and exchange through local project launches as integrated components of projects and reports.

**Increasing young consumers’ knowledge on business, human rights and environment (2018)**

Consumers, future decision-makers and business leaders – young people are an important target group in creating positive change. In 2018, Swedwatch produced a magazine and educational material for young consumers, aged 15-19 years, in order to raise and increase their awareness on human risks and impacts associated with the consumption of different goods and services. Increased awareness in this regard is also critical to the fulfilment of the SDGs, in particular Goal 12 on ensuring *sustainable consumption and production patterns* and target 12.8; *By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.*

The project was funded by the Swedish Consumer Agency as part of the implementation of the Swedish Government’s strategy for sustainable consumption.

The material, which consists of a magazine called *Vad kostar din tröja* (What is the price of your sweater) and a teacher’s guide, focuses on young consumers and includes cases from the textiles-, electronics-, foods- and travel industries. In a pedagogic manner, it presents human rights and environment risks along the supply chains of different types of goods and services and explains the responsibility of companies regarding human rights. Also, it provides examples on how young consumers can use their consumer power to contribute to positive change.

The material was estimated to reach over 3,000 people in 2018 and 2019. However, the demand showed to be far higher and by January 2019 all 2,750 copies provided to teachers by Utbudet, the leading Swedish web portal for educational material, had run out. Swedwatch provided an additional 10,000 copies to Utbudet, and by February 2019 all of these copies had also been ordered by teachers. A further 2,000 copies of the magazine have been shared with Swedwatch’s member organisation the Swedish Society for Nature Conservation at the organisation’s request, to be distributed at schools and fairs throughout 2019. The material has also been distributed during lectures and workshops for students and teachers arranged by Swedwatch. As more actors have shown interest in the magazine, Swedwatch plans to translate it into English – and possible other languages - in 2019.

**Research and editorial work**

In addition to the research, awareness activities and editorial work that make up Swedwatch’s core work in projects, Swedwatch produces other outputs on a variety of topics in different formats such as op-ed pieces or articles, both for external websites or media and for Swedwatch’s own website.
and social media channels. An important part of this is to highlight challenges, but also positive developments and examples where private or public actors have taken steps toward improved respect of human rights and/or the environment. Examples of articles and op-eds produced during the year include interviews with human rights defenders, an op-ed calling for companies to move from policy to practice regarding human rights risks in sponsorship and a short film on water shortage in Peru. In cooperation with 29 civil society organisations, Swedwatch was also part of a call urging the jewellery industry, including large well-known international brands, to increase transparency and responsibility for human rights within mining in CAR, the Philippines and the DRC. The call, Behind the Shine, was part of a global campaign initiated by Human Rights Watch.

**Dialogue: connecting with stakeholders**

Swedwatch recognises open constructive dialogue as central to change. Through, for example, round tables with companies, rights holders and other relevant stakeholders, Swedwatch provides a platform for discussions, solutions-sharing and joint approaches. Round tables also provide Swedwatch with an opportunity to work as a link between different actors within the same sector, and as such can shed light on possible joint collaboration opportunities, maximising the potentials for positive change. Some examples of dialogue meetings and forums hosted by Swedwatch or in which Swedwatch was invited to partake are listed below.

- Following an invitation to Swedwatch by the Permanent Mission of Sweden to the United Nations in New York, Swedwatch participated in discussions by the Peace Building Commission on Liberia configuration meeting in March 2018 at the UN in New York. After a fourteen-year conflict, Liberia entered in 2018 a delicate phase of its peacebuilding process, marked by the closure of the UN Peacekeeping Mission in the country early in the same year. Considering the challenges that exist in building sustained peace in the country, and the ambitions of Swedwatch to explore the business- and peacebuilding nexus, Swedwatch dedicated significant time in 2018 to explore the role that businesses can play for Liberia’s peacebuilding process. Swedwatch noted that the role of business and responsible resource management was not central to meeting discussions and subsequently sought ways to raise this perspective on the UN Liberia Peacebuilding agenda. As a first next step, Swedwatch conducted a training and consultation with human rights defenders in Monrovia, Liberia, in which 25 human rights defenders, representatives from government bodies and civil society organisations participated (see also *Capacity development and exchange, page 55*).

- Following the training and consultation, Swedwatch held a meeting with the Swedish UN representation in New York to present its findings. Swedwatch also met with representatives from the UN Liberia Peace Building Commission to discuss future engagements around integrating a business and human rights perspective into the Commission’s work. It was agreed that a high-level meeting will be held with relevant actors at the UN premises in New York during the first half of 2019, which will aim to establish a shared understanding on the need for integrating a business, human rights and environment perspective into the Commissions’ strategies for sustained peace. Swedwatch is committed to continuing engagement and has approached the Sida department at the Swedish Embassy in Monrovia, to jointly explore options going forward. Swedwatch has also submitted a concept note, proposing a series of activities in Liberia to be realised over a four-year period. Swedwatch’s main desired outcomes going forward is for all future UN Peace Building Commissions to integrate a clear business, human rights and environment component into their peace building strategies.

- In May 2018, Swedwatch and other members of the European Coalition for Corporate Justice (ECCJ) arranged a meeting at the European Parliament with several Members of Parliament including Heidi Hautala, chair of the EU Working Group on Responsible Business Conduct. The
purpose was to discuss possible ways that the EU can take positive steps in the areas of business and human rights and access to remedy. Possible entry points in different ongoing EU processes were identified, and MEPs were made aware of the priorities of ECCJ.

- Swedwatch was part of a panel at the Trust Conference at the European Parliament, organised by Thomson Reuters Foundation, under the heading “Putting the rule of law behind human rights”. Discussions focused on forced labour, the 2030 Agenda, and the UK Modern Slavery Act and Swedwatch used case studies of business practices in the Global South to illustrate key challenges and opportunities in the eradication of forced labour from supply chains. In the panel were also rights holders that gave account on human rights abuse, Members of the European Parliament and business leaders.

- In February 2018, Swedwatch met with Business Sweden to present the work of Swedwatch and discuss in what ways Swedwatch can facilitate for example trainings to raise the knowledge of business, human rights and environment among Business Sweden’s staff.

- In April 2018, Swedwatch joined a round table arranged by Rights Livelihood Foundation with academic researchers and representatives of other Swedish NGOs. Issues discussed were the consequences of land investments for local communities’ access to food, water and impacts on their livelihoods.

Swedwatch also participates in companies’ and other actors’ stakeholder consultations to provide input on work relating to corporate responsibility and sustainability. During the year, Swedwatch gave input to both national and international stakeholders.

**Capacity development and exchange**

Swedwatch conducts trainings and workshops for companies, investors, public authorities, students or other relevant actors including stakeholders in the Global South. Following increased requests by the latter, Swedwatch identified an added value in designing trainings specifically on elements of business, human rights and environment with a focus on providing concrete tools aimed at ensuring empowerment, capacity exchange, dialogue and remedy.

Trainings carried out during the reporting year included:

- In October, Swedwatch conducted a three-day training on "Business and human rights: Enhancing capacity on research and reporting" in Monrovia, Liberia, in which 25 human rights defenders, representatives from government bodies and civil society organisations from different Liberian provinces participated. Swedwatch integrated a consultation into the training with the purpose of identifying most pressing business and human rights issues facing local communities in the country. This yielded a comprehensive list of business and human rights concerns and a list of recommendations directed to a range of different stakeholders, which will guide Swedwatch’s future engagement in Liberia and in particular with the Liberia Peace Building Commission. Among issues raised were lack of government oversight and accountability particularly in regard to the concept of Free Prior and Informed Consent (FPIC); shrinking civic space; conflict over land rights; environmental degradation; children’s rights including trafficking for forced labour and sexual exploitation; exclusion of women in decision-making and poor accountability by companies. The participant feedback was overwhelmingly positive and Swedwatch was requested to provide more trainings. Thus in 2019, Swedwatch will continue its ongoing dialogue with local partner Green Advocates on how a comprehensive training intervention best should be designed. Furthermore, Liberian government body Independent National Commission on Human Rights (INCHR) attended the training and
requested Swedwatch to provide capacity training also for its own staff. Swedwatch will in 2019 discuss with INCHR how these trainings best can contribute to capacity enhancement, and potentially also include other government agencies in the country.

- In February, Swedwatch arranged a UNGP training with approximately 30 attendees for entrepreneurs looking to set up companies in Somalia, organised by Forum Syd as part of their Somali Diaspora Programme.

- In connection with the launch of the report Carrying the cost in Cape Town, Swedwatch conducted a training on the UNGPs and had invited an expert on community-based monitoring (CBM) who shared expertise with the participants. The training provided present stakeholder organisations with increased awareness about corporate responsibility and on how to conduct dialogue and advocacy in the field of business, human rights and the environment. Participants also increased their knowledge about CBM as a scientific-based tool for voicing community grievances.

- In December 2018, Swedwatch arranged a two-day workshop in Quito, Ecuador on “Business and Human Rights - monitoring and reporting” for human rights defenders from Ecuador and Colombia. The workshop was arranged in cooperation with Swedwatch’s member organization Solidarity Sweden-Latin America (SAL). Due to the difficult situation and increase in threats and attacks against defenders in both countries, Swedwatch and SAL identified a need for such a training among civil society partners in the countries where various sectors, including agribusiness and mining, are expanding and posing new human rights challenges to communities. The workshop was designed to give participants useful new tools both in terms of theoretical knowledge on international guidelines on business and human rights, and practical knowledge on how to research and report on cases of business-related human rights abuse. Approximately 15 defenders participated in the workshop, of which half were from Colombia. Almost half of the participants were women. According to workshop evaluations, participants were very satisfied with the workshop’s content and methodology. Apart from new knowledge acquired, participants highlighted the importance of connecting and sharing experiences.

- In May, Swedwatch joined a workshop in Utrech arranged by OECD Watch on how to make complaints to National Contact Points (NCP). Governments that adhere to the OECD Guidelines for Multinational Enterprises are required to set up NCP’s whose main role is to further the effectiveness of the Guidelines, for example by handling enquiries. John Brownell from Green Advocates Liberia was invited to the workshop by Swedwatch. Through their presence at workshop Green Advocates gained new competence on how to file effective complaints and had the chance to network and exchange experiences with people from other organisations representing affected communities around the world.

- Swedwatch gave a lecture to over 100 students at the Media and Technology program at Södertörns Högskola about human rights impacts from mineral extraction around the world. The lecture focused on impacts from minerals that are used in media equipment that is relevant to the work of the students. In January, Swedwatch gave a lecture on the role of businesses in protecting people and planet to high school teachers in Södertälje as part of Globala Skolans lecture series, and in April Swedwatch gave a lecture on the same issue to students at the Institution for Sustainable Development, Environmental science and Engineering at KTH Royal Institute of Technology.

- In December, Swedwatch was invited to Ljungby to give a lecture on human rights in relation to the 2030 Agenda. Around 50 representatives from both the public and private sphere were present. Swedwatch explained public actors’ responsibilities for human rights in relation to companies by introducing the UNGPs and showed examples of positive impacts of sustainable public procurement.
In March, Swedwatch provided training to companies on how to manage risks of forced labour in supply chains organised by CSR Västsverige. Companies attending the training included Volvo, SCA and Göteborg Energi. The University of Gothenburg represented public actors at the event.

**Expert inputs**

As an expert organisation on business, human rights and environment, Swedwatch is sought after for advice and support across stakeholder groups. Expert inputs such as round tables, panels, in dialogues and interviews serve to increase awareness across stakeholder groups and increase the likelihood for change. Below are some expert inputs that Swedwatch provided in 2018:

- In January, Swedwatch gave input to Sida's development of a government strategy for Global Sustainable Economic Development. Specifically, Swedwatch highlighted the importance of clarifying the roles of companies and financial actors to minimise negative impacts and develop sustainable business models. In line with the UNGPs, transparency, results-focus and consultation and dialogue with workers, communities and other stakeholders should be at the centre of private sector contributions to sustainable economic development.
- In June, Swedwatch participated in the seminar “How Sweden can support human rights in Colombia” in the Swedish Parliament, on the situation for human rights defenders in Colombia and the situation around the hydroelectric power plant Hidroituango. The purpose of the seminar was to give Swedish Members of Parliament an idea of how human rights and human rights defenders in Colombia can be supported. Around 30 people attended the seminar.
- In July, Swedwatch was invited by the Swedish Delegation to the 2030 Agenda to join a panel discussion in Almedalen on the role of investors to combat climate change, together with Folksam’s CEO Jens Henriksson and Lisa Jonzon, Head of Swedbank Robur.
- Swedwatch provided input to the chapter on business and human rights in CONCORD Sweden’s report on Policy Coherence Barometern published in May 2018. The report contributed to raising awareness on mandatory human rights due diligence and the need for clarifications regarding public procurement agencies’ human rights requirements towards suppliers. The conclusions in the report were later presented by Swedwatch and other Concord members to representatives from the Ministry of Foreign Affairs and the Ministry of Enterprise and Innovation.
- In April, Swedwatch provided input to the UN Independent Expert on Human Rights and International Solidarity as per request by the Independent Expert. The independent expert on human rights and international solidarity is appointed by the United Nations Human Rights Council to develop a draft declaration on the right of peoples and individuals to international solidarity. Swedwatch raised issues pertaining to business and human rights, including the need for enhanced social criteria within public procurement. The Independent Expert welcomed Swedwatch’s input which will be included in the final report.
- As per the company’s request, Swedwatch provided expert input on supply chains risks in relation to Scandinavian ICT supplier Atea’s mineral supply chains and challenges within the ICT sector. Swedwatch’s contribution was said to be of value to the company’s risk- and materiality analysis.
- In June, Swedwatch along with the chair of the Swedish Delegation to the 2030 Agenda and the CEO of SPP participated in the panel of a seminar on sustainability arranged by law firm Vinge. In the panel, Swedwatch discussed the need for stronger legislation on business and
human rights and outlined Swedwatch’s research approaches and methodology. Approximately 45 representatives from the private sector attended the seminar.

- Swedwatch’s expert input to Tillväxtanalys’ report on how to enhance sustainability within the mineral trade, was included throughout the report. Apart from fact-checking and ensuring a stricter alignment to the SDGs, Swedwatch contributed with recommendations that will be directed to the Swedish Government. The recommendations focused on the need to act for enhanced regulation of mineral trade at the EU level. Swedwatch recommended, amongst other things, the integration of the OECD Due Diligence Guidance for Responsible Sourcing of Minerals from Conflict-Affected and High-Risk Areas into EU regulation; a broader inclusion of different minerals on the “conflict mineral” list and adoption of laws to increase transparency on beneficial ownership among mining companies.

Swedwatch in the media

Swedwatch works to advance issues regarding business impacts on human rights and the environment high on the agenda. Making our report findings visible in the media is an important tool in affecting change within our different targeted stakeholders, and in raising awareness on human rights and environmental risks associated with business operations. Reaching out with report findings and recommendations through media is of great importance not least in countries where rights holders’ access to information is limited.

Swedwatch has broadened its scope and publishes all its reports in English, in order to reach a wider audience including foreign corporate actors, decision-makers, CSOs and rights holders. Swedwatch has taken the same steps as regards media and has increased efforts to achieve international coverage. In 2018, Swedwatch continued to receive significant media coverage of reports and other activities: the potential reach, illustrating how many readers a news article in which Swedwatch is mentioned may potentially reach, increased to 302 million readers from 237 million in 2017. This was in part a result of coverage of and references to Swedwatch report findings by international news agencies and large online newspaper websites such as The Guardian and Daily Mail Online. Swedwatch’s investigations were also reported on in news outlets outside of Europe, in countries relevant to projects and rights holders.

Mentions include articles covering findings in reports as well as articles with expert comments or quotes from Swedwatch. As the figures do not include non-editorial hits, i.e. when Swedwatch has been mentioned in blogs or social media, they should be seen as a minimum.

4. Analysis and Lessons Learned

Central to Swedwatch’s Planning, Monitoring, Evaluation and Learning process is the analysis of progress toward results. Harnessing lessons learned is not valuable only to inform ongoing projects of what has worked well and in helping identify areas for improvement, but also in informing Swedwatch’s strategic direction. In February of 2018, Swedwatch conducted an analytic workshop to allow for the broader capture of results and lessons-learnt that has fed into plans going forward. Swedwatch’s member organisations were also invited to join the workshop and gave many examples of how they had used Swedwatch’s publications both in stakeholder dialogue, capacity-building and in awareness-raising activities. Based on an overview of activities, outputs and change results, the Secretariat and member organisations reflected on Swedwatch’s role in contributing to the results, and defined success factors and areas for improvement in programme implementation. While the learning process is continuous and logged on an ongoing basis, the Swedwatch Secretariat also held an in-house workshop in September 2018 to study more closely the first six months of the year.
Another workshop that also involved the participation of member organisations was arranged after the reporting period, in February of 2019. As discussions focused on work and collaboration conducted in 2018, some of the outcomes of that workshop are also included in this report.

The following is a summary of key findings from above mentioned workshops:

- Comparative cases and research relevant for entire sectors increases the potential reach and impact of findings in Sweden and internationally. This enables a comparative dialogue that in turn effects change beyond one or a small handful of actors. Swedwatch has noted that its work and expertise on public procurement, for example, has been sought after in Sweden and internationally – amongst individual state actors and intergovernmental organisations.
- Increased focus on public procurement agencies in Sweden and abroad has the potential to significantly increase results for rights holders through international drives.
- As a CSO producing in-depth research publications in the field of corporate accountability and human rights in different sectors and settings, Swedwatch is well-placed to contribute to policy processes relating to BHRE-issues. Swedwatch will hence increase its efforts to influence policy decisions in this area in Sweden, the EU and in the UN. Apart from an increased focus and participation in dialogue forums, Swedwatch will also to a greater extent align project timelines and recommendations with ongoing policy processes.
- Swedwatch’s short reports/briefings are a good way to capitalise on previous research investments made and facilitates for Swedwatch to take a more flexible approach towards publications than general Swedwatch reports that take long time to complete.
- Sharing operational plans between Swedwatch and member organisations on a regular basis, facilitates joint planning and helps identify other opportunities for cooperation.
- To maximise collaboration opportunities within projects carried out in cooperation with member organisations, long-term advocacy and communications plans should be adopted in the early stages of change projects. Furthermore, both member organisations and Swedwatch could benefit from more frequent reconciliations when projects are up-and-running.
- Harvesting results could be more efficient and exhaustive if information sharing between member organisations and Swedwatch on their use of Swedwatch reports was conducted on a regular basis, not only in connection to PMEL workshops.

5. Summary and going forward

In order to meet challenges, build on existing momentum and implement lessons learned, Swedwatch has throughout the last few years made significant organisational changes. Most importantly, Swedwatch has enhanced and increased its strategic direction as well as its international outreach and collaboration with communities in the Global South, member organisations and international partners. Going forward, Swedwatch will ensure that its new strategy and lessons learned are mainstreamed across the organisation, including in its policies and guiding documents. Swedwatch has identified several priority areas going forward. These are outlined below.

**Operationalising Swedwatch’s strategy**

The operationalising of Swedwatch’s strategy was initiated in 2018 and will to be a priority also for 2019. Swedwatch will continue its work to empower rights holders to claim their rights and be drivers of change, while also enabling duty bearers to meet their obligations. This will ensure that Swedwatch efforts toward sustainable development and peace are based on the realities and priorities of rights holders and poor people.
In its new strategy, Swedwatch responds to its operating environment by addressing three main focus areas: 1) the sustainable and fair use of natural resources; 2) responsible and transparent supply chains; and 3) expanded civic space and empowerment of rights holders. In so doing, Swedwatch will also employ cross-cutting perspectives in all aspects of its work: gender equality; climate and environment, and conflict.

Process reviews

Strengthening organisational capacity and sustainability is critical for the achievement of Swedwatch’s goals. To reflect an increased strategic focus internal systems will be reviewed, including Swedwatch’s Planning, Monitoring, Evaluation and Lessons Learned (PMEL) process. Swedwatch will also work to ensure coherence and use of systems including oversight and control functions. Internal policies and guiding documents that will be reviewed to reflect the new strategy also include equality policy, environment policy, communications strategy and fundraising strategy.

Implementation

Swedwatch will continue to increase its international approach, in order to strengthen reach and results. By broadening its scope beyond Swedish actors, a substantially increased volume of stakeholders are reached, which has the potential to multiply results and provide a basis for cross-stakeholder lessons-learned.

Swedwatch will build on its expanded collaboration with organisations and initiatives in Sweden and abroad and with member organisations, which are central to Swedwatch’s rights-based approach as they act as a catalyst to rights holders through hundreds of partner organisations in the Global South. This is a crucial part of Swedwatch’s work to emphasize the participation of local project partners in the design of research methods and project implementation, to certify that projects build on a rights-based perspective. This is also why Swedwatch’s work to facilitate capacity development and exchange in the form of enabling multi-stakeholder platforms, local events and trainings of local and regional CSOs in research and investigation methodology will continue to be integrated in planning and project implementation.

Swedwatch will also continue its engagement with the investor community, as financial actors are important target stakeholders in driving sustainable change. Engagement with, and focus on, the investor community has the potential to lead to widespread results. Furthermore, Swedwatch will continue its engagement with public procurement agencies in Sweden and abroad, as sound public procurement practices have strong potential to contribute to sustainable development.

While many of the priority areas for address have begun, Swedwatch will continue these efforts in 2019 to ensure consolidation and ensure the maximisation of future efforts toward poverty alleviation.