Swedwatch Progress Report 2019
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Foreword

Faced with a climate emergency and continuous clampdown on human rights and environmental defenders, Swedwatch has stepped up to meet several pressing challenges. Over the year, our ambitions to affect long-lasting change for rights holders have resulted in numerous significant and concrete results.

In alignment with our 2019-2023 strategy, three goals have remained at the centre of our work; responsible and equitable use of natural resources; sustainable and fair global supply chains; and empowered rights holders and expanded civic space. This year has shown that we can make progress towards these objectives by pursuing many different strands of activities, including increased engagement and dialogue, ramping up the capacity development of partners, arranging multi-stakeholder initiatives, and piloting new and innovative approaches and ideas.

Swedwatch has also continued to grow; new recruitments has boosted our expertise in areas such as climate finance, sustaining peace, natural resource management, communications and fundraising. We have also extended our reach, joining the UN Economic and Social Council (ECOSOC) as a consultative member and through accreditation to the UN Environment Assembly, UNEA.

To empower rights holders and expand civic space, it is essential to support environmental human rights defenders. In December 2019 we launched the report Defenders at Risk highlighting the serious plight of defenders globally, bringing personal testimonies of the dangers they face. This past year, Swedwatch also arranged trainings and consultation sessions for defenders in Sierra Leone, Liberia and Kenya, which have further given voice to people at great risk for protecting their communities.

Exemplifying our efforts toward responsible and equitable management and use of natural resources, we brought European food companies into dialogue together with Peruvian rights holders, suppliers and water authorities to reverse unsustainable water management practices in the agribusiness sector of Peru. Working to introduce sustainable and fair global supply chains, Swedwatch demonstrated the power of public procurement to bring lasting change; our focus on public procurement processes in Sweden and abroad has continued to yield results and to highlight the potential for creating fairer labour conditions for workers worldwide.

Moving forward, we will strive to move beyond the project focus and find new means and technologies to engage with rights holders – and to enhance their autonomous capacity for research and advocacy. Swedwatch will also pilot new tools, such as assisting communities to use the results of air and water quality studies in their dialogue with companies. With rights holders at the core of our work and the prime reason for our growth, implementation of these efforts and of Swedwatch’s new strategy will position the organisation to contribute to sustainable use of natural resources, fair supply chains and an expanding civic space.

Alice Blondel
Director, Swedwatch

Per Söderberg
Board Chair, Swedwatch
Executive Summary

This report presents work conducted and results captured in 2019, a year in which Swedwatch continued to contribute to long-lasting change for rights holders. Work was designed to contribute to sustainable development and to promote change across the organisation’s key focus areas. For instance, Swedwatch highlighted the grave situation facing environmental human rights defenders (EHRDs), urging companies to step up efforts to respect and consult defenders in their operations. Highlighting the need for sustainable natural resource management, Swedwatch engaged with communities affected by unsustainable logging and agribusiness operations. Efforts to operationalise the 2019-2023 strategy continued, with a focus on a rights-based approach and poverty perspective, while mainstreaming the cross-cutting perspectives gender, climate and conflict across Swedwatch’s work and activities. Examples of key outcomes to which Swedwatch’s work contributed:

Increased engagement on water management in promoting sustainable natural resource management
Water scarcity is predicted to increase with climate change and is already affecting 40 percent of the world’s population. In Peru’s Ica Valley, unsustainable water management by the agro-export sector has created an acute water crisis, affecting the health and livelihoods of local communities. Defenders working to address the issue face threats and retaliation.

- In 2019, Swedwatch’s work contributed to important developments. Following research presented in a report produced in collaboration with Diakonia and local partner Codehica, large food companies sourcing agri-products from Ica met and consulted with rights holders, suppliers and authorities in the area – an important step in the advancement of their human rights due diligence processes. Connecting buyers with local stakeholders also helped empower civil society actors, who were provided with platforms where they could voice concerns with authorities and companies. Local CSOs state they are now invited to events and discussions they were earlier excluded from. The report was also central to the formation of a new national CSO platform in Peru on business, environment and human rights.

Highlighting human rights and environmental impacts in the tropical timber sector
Sustainable management of the world’s tropical forests is critical for the achievement of the 2030 Agenda. In 2019, Swedwatch, the Swedish Society for Nature Conservation and Cameroonian CSO CED urged companies in the tropical forestry sector – including those operating in FSC-certified concessions - to conduct human rights and environmental due diligence, as a joint report found unsustainable logging to adversely affect in particular indigenous groups and unique forests, and to contribute to drive climate change.

- The report, Undercutting rights, has been used in dialogue and outreach activities throughout 2019. After translating the report into French, Swedwatch provided copies to a local partner in Cameroon for further distribution to Baka, one of the indigenous groups affected by the logging operations. In late 2019, one of the companies scrutinised in the report released a statement saying it intended to launch a community engagement program that would directly engage with all Baka communities, as well as another indigenous community.

Promoting business support for environmental human rights defenders
Swedwatch significantly increased its work to promote the rights of environmental human rights defenders, both through participatory research and capacity building, and by ensuring that their perspectives are presented in international fora.

- In December 2019, the report Defenders at risk, which outlined the severe situation for defenders worldwide and the measures companies should take to ensure that their rights are respected, was
launched at a seminar bringing together defenders from South Africa and the Philippines with government and company representatives. The report, conducted with all of Swedwatch’s member organisations, was highlighted by UN Special Rapporteur to open “many avenues to ensure human rights defenders operate in safe and enabling environments.”

➢ Following dialogue with Swedwatch on the case of defender Jorge Acosta – accused of “creating economic panic” after voicing concerns over working conditions in Ecuador’s banana sector – several large food companies showed their support for defenders’ right to speak freely and without fear of reprisals, in an open letter to banana suppliers and the Government of Ecuador.

Leading a successful campaign to Make ICT Fair
Swedwatch is the lead partner for the EU-wide project Make ICT Fair, aiming to improve the lives of affected workers and communities in the information- and communication technology supply chains.

➢ In 2019, Swedwatch contributed substantially to the campaign with the report Copper with a cost, highlighting environmental and human rights impacts in Zambia from copper extraction, a mineral often used in ICT products. The report supported the project’s goal to increase awareness among EU citizens, public procurers and decision-makers and was widely disseminated through the Make ICT Fair partner network. As part of the campaign, Swedwatch engaged in dialogue with public procurers both in Sweden and the EU, among others inspiring several MEPs to form a “Friends of Make ICT Fair” working group in the European Parliament. In 2019, an evaluation showed that the campaign has been effective and clearly surpassed its outreach targets.

Addressing the role of companies in peacebuilding efforts
More than a billion people are affected by violent conflict around the world but the vital role of business in fuelling conflict – or sustaining peace – is often overlooked in international peacebuilding efforts. In recent years, Swedwatch has substantially worked to increase the recognition of business in peacebuilding, in particular in in post-conflict settings.

➢ As part of this work, which has included dialogue with rights holders as well as the UN Peacebuilding Commission, Swedwatch in 2019 published a Policy brief on the issue, bringing together learning from previous work Sierra Leone and Liberia. The policy paper was launched to coincide with the 2019 UN Forum on Business and Human Rights, during which Swedwatch enabled for local partners from Liberia to participate in several panels on the role of business in peacebuilding.

Facilitating capacity building and exchange for defenders and civil society actors
Critical in expanding civic space and ensuring a rights-based, participatory and systems approach, is the facilitation of capacity building and exchange for CSAs to conduct BHRE research and engage in dialogue with other stakeholders. In 2019, Swedwatch arranged several training sessions:

➢ In a training in Freetown, Sierra Leone, Swedwatch invited defenders, CSOs and staff and commissioners of the National Human Rights Institutions of Sierra Leone and Liberia to exchange ideas for collaboration and learning on issues relating to business and peacebuilding. As part of the training, participants were asked to elaborate recommendations which Swedwatch will convey to UN agencies, including the UN Peacebuilding Commission in New York.

➢ In Kenya, Swedwatch supported East African partners working with communities affected by mining and agribusiness by arranging workshops on business, human rights and the environment. These provided participants with knowledge of corporate responsibility, and practical tools on how to monitor human rights risks linked to business operations in the East-African context.
1. About Swedwatch

Swedwatch aims to empower rights holders and to promote responsible business practices, by highlighting and contributing to the address of adverse impacts of business operations on people and planet. Swedwatch’s work is grounded in thorough research and investigations that form the basis of evidence-based publications and expertise, dialogue, capacity development and exchange facilitation. Swedwatch has been able to drive substantial positive change for rights holders since the organisation was established in 2003.

Swedwatch has an integrated perspective to human rights and the environment, holding that they are intrinsically linked and mutually reinforcing. By researching business-related environmental and human rights risks and impacts across themes and sectors, Swedwatch proposes solutions to relevant stakeholders, including business and public actors. Participatory research ensures that the perspectives of rights holders are the driving forces behind change. Through its work, Swedwatch facilitates capacity development and increases awareness - resulting in greater influence for workers, local communities and civil society actors (CSAs) in Africa, Asia and Latin America.

In an era of shrinking civic space, Swedwatch works to ensure that rights holders and CSAs representing their interests are empowered and able to claim their rights. By providing platforms where they can partake in dialogue with other stakeholder groups, Swedwatch provides forums for empowerment and engagement.

Swedwatch’s work is based on norms and standards as outlined in international human rights and environmental law, international conventions and voluntary guidelines – such as the United Nations Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises and the Paris Agreement. Swedwatch aims to contribute to the fulfillment by private and public actors of these standards, while recognising the need for increased ownership and implementation by all stakeholders for the benefit of rights holders.

Swedwatch is committed to supporting the achievement of the Sustainable Development Goals and to create positive change in areas where there is an urgent need: from efforts to end poverty and ensure decent work and inclusive economic growth, to clean water and sanitation as well as just, peaceful and inclusive societies and partnerships for the goals.

Through Swedwatch’s strategic work and outputs, the organisation has become an established player in Sweden and abroad. By harnessing lessons learned, continuously reviewing its operating environment and identifying innovative approaches to drive positive change, Swedwatch has strengthened its strategic direction and contributions to sustainable development.

VISION & MISSION

Swedwatch’s vision is a world in which global economic systems are just, transparent and sustainable. Human rights and the environment are protected and respected and businesses contribute to sustainable development and inclusive growth within the means of the planet.

Swedwatch’s mission is to empower rights holders and to promote responsible business practices and inclusive growth. We do this by highlighting how people and the planet are impacted by company activities and by building bridges for change across stakeholder groups.
Strategy and approach

Swedwatch’s 2019-2023 strategy reflects the results of an iterative journey and holistic approach to sustainable development, with a rights-based pillar at centre - placing the contexts and priorities of people living in poverty as the entry point of engagement. The strategy was developed in a process that included rigorous analysis of lessons learned and Swedwatch’s operating environment, as well as cross-stakeholder consultation on trends, challenges and opportunities. The strategy defines mission and vision statements, a theory of change and identifies three focus areas for Swedwatch’s work going forward.

Swedwatch’s Theory of Change holds that behavioural change of key targeted stakeholders is necessary to reach the organisation’s long-term goals. Change begins with awareness and engagement; being aware of risks and impacts of business operations on human rights and the environment, and engaging with various stakeholders, is key to understanding why and how stakeholders must change in order for human rights and the environment to be respected and protected.

Intervention strategies

Through Swedwatch’s intervention strategies, research and investigations, dialogue and engagement and capacity building and exchange, Swedwatch seeks to influence business and public actor behaviour and to empower rights holders in countries with weak governance and where democracy is under threat. Findings and insight gained is shared in Sweden and abroad to public actors, businesses, investors, civil society organisations and the general public, supporting efforts to ensure shared and cohesive lessons learned and progress. Across its work, Swedwatch seeks to highlight positive examples in order to support best practice, lessons learned and continuous improvement and collaboration.

Rights-based approach

Shifting to long-term engagement and putting the perspectives of rights holders at the heart of activities greatly increases the potential to influence actors. Swedwatch’s rights-based approach involves an enhanced strategy of consultation and long-term engagement with stakeholders through analysis, exchange forums, research, field visits, training workshops and dialogue. This has also strengthened Swedwatch participatory approach to interventions by engaging with rights holders throughout project design and implementation phases. It further encourages a participatory role in the evaluation of projects and in feeding back lessons learned into planning. Engagement has therefore increased with international CSOs, intergovernmental networks and Swedwatch member organisations’ local partners.

Systematic perspective

Another facet of the Swedwatch approach is the analysis of systems within a wider context, in order to identify negative dynamics and opportunities for address. This perspective heightens possibilities to contribute to change as it finds trends, gaps and common denominators as opposed to singular stakeholders or cases. This helps underpin communities of practice, and a ‘race-to-the-top’ mentality amongst targeted stakeholders and sectors. This approach is also reflected in Swedwatch international focus and reach, allowing for a wider span of change in behaviour across targeted stakeholder groups and increased results for rights holders.

Swedwatch application of its theory of change, cross-cutting perspectives of climate and environment, conflict, and gender and Sida’s multidimensional poverty framework are increasingly
streamlined across the organisation and are being operationalised throughout the organisation’s governance and operations, including into Swedwatch PMEL processes. Integrating these perspectives is crucial to understanding the complex interlinkages within the area of business, human rights and environment and informs how Swedwatch may best contribute to its overarching goals.

**Cross-cutting perspectives**

Swedwatch’s cross-cutting perspectives conflict, gender and climate and environment are central to its strategy and future programme plans, and crucial to understanding the complexity of the BHRE issues that Swedwatch works to address. The identification of these as cross-cutting was borne out of an analysis of the Swedwatch operating environment and of recurring themes across Swedwatch work and covering several years.

Ensuring lessons-learnt capture and an added-value in specifying approaches has strengthened results and Swedwatch sought to further build on this in 2019 by conducting a gap analysis that would help guide prioritised next steps and maximise their integration into operations. This will continue in 2020 and will include findings from Swedwatch’s twice-annual PMEL recommendations and internal capacity building, as well as findings and recommendations from the Sida Environment Helpdesk in regard to Swedwatch’s 4-year programme plans.

Swedwatch identified a need to further strengthen this approach and initiated efforts to streamline a holistic approach to the integration of the cross-cutting perspectives across the organisation’s work, taking into account not only their individual perspectives but also their interrelatedness. This included inclusion into key steering documents and intervention strategies with a rights-based approach at their centre. At board level, several policies were updated, including Swedwatch’s Environmental Policy and Swedwatch’s Equal Opportunities Policy. At secretariat level, an internal focal point was assigned to ensure that integration is mainstreamed across processes.

Of priority in 2019 was the review and development of Swedwatch methodology guidance, specifically in regards to Swedwatch approaches. This analysis included a review of existing internal policies, tools and processes as well as Sida’s toolboxes and guidance on gender, environment, conflict, a rights-based approach and a multidimensional poverty analysis. Swedwatch also received input and recommendations from member organisations, partner organisations and from Sida’s Environment and Climate Change helpdesk. Swedwatch and Sida also initiated discussions regarding support from Sida’s Gender helpdesk. The analysis concluded that outcomes of Swedwatch’s work could further be strengthened if the cross-cutting perspectives are also bolstered in for instance planning, field research and in communication and outreach activities. Methodology guidance will gather the new tools and practical guidelines on how to use them and will be based on the 2019 review.

Other important tools that will help ensure that cross-cutting perspectives are applied in Swedwatch’s work include internal capacity building and a formalised context analysis tool to be used in very early stages of projects. The development of these tools will continue in 2020 when the review of Swedwatch’s methodology work will also ensure that the cross-cutting perspectives permeate Swedwatch’s planning, execution and communication of the organisation’s activities, and the monitoring and reporting of results.
**Applying the environment and climate perspective**

A number of efforts aimed at maximising the environment and climate perspective across Swedwatch’s work were finalised or initiated in 2019. In order to ensure internal expertise, Swedwatch recruited two new staff members with environment and climate research expertise. Swedwatch also strengthened its methodology in regard to environmental impacts from business misconduct through a pilot project in Liberia. In this project and others, including one in Zambia, findings from water samples were an important part of the research. Efforts to ensure that project partners’ capacity to conduct similar research in future were also a central aspect in planning. Furthermore, the important role of environmental defenders in contributing to a sustainable development, and the importance of businesses recognising the right of defenders to work freely and without fear of retaliation, were highlighted in several Swedwatch reports, in particular *Defenders at risk* published in December 2019.

Swedwatch also received important support from Sida’s Environmental and Climate Helpdesk. In all documents reviewed (Swedwatchs miljöpolicy, Policy för Swedwatchs arbete, Draft version of Swedwatch Methodology Handbook, Swedwatch application to Sida, “Proposed programme in a nutshell” section, Safeguarding the environment and human rights 2020-2023 Programme), the Helpdesk stated that the environmental perspective was clearly integrated in Swedwatch’s work and could be strengthened through its systematisation in operations. For example, the Helpdesk identified opportunities to further integrate environmental perspectives in key steps in Swedwatch’s project cycle and provided input on relevant methodology for collecting data on environmental challenges locally. The dialogue with the Helpdesk also concluded that Swedwatch’s work on environmental and climate issues could benefit from increased cooperation with existing environmental networks and institutions, in line with findings in Swedwatch’s own gap analysis. Input and advice given by the Environment helpdesk was in 2019 integrated into the updated version of Swedwatch’s Environmental policy and will during 2020 be integrated into the updated versions of Swedwatch’s methodology guidance and related templates. The measures Swedwatch will take to address the gaps identified by Sida’s helpdesk include:

- **Continued strengthening and increased partnerships with environmental human rights defenders and civil society organisations working on environmental and climate issues.** This will be done in part by increased and continued work with such organisations among our existing local partners but also through a process to identify new partners within the network of our member organizations, especially the Swedish Society for Nature Conservation.

- **Increasing input for project ideas from environmental human rights defenders and civil society organizations working on environmental and climate issues by strengthening our network and communications with such organisations as explained above.** This is part of Swedwatch’s objective to increase input and participation of local partners in general. Methods to integrate this into Swedwatch planning process are an integral part of harnessing input and are complemented by a review of options for anonymous provision of information. This has been noted as key given issues of shrinking civic space, especially for environmental human rights defenders.

- **Standard questions that address environment and climate** will be integrated in tools and templates for both context analysis and in project design to ensure these perspectives are captured early in the process and linked to gender, conflict and poverty.

- **Research questions and existing tools for field research** will be complemented in order to ensure that environmental aspects are properly captured, for example through community walks and water samples. This aspect will also be included in the updated version of the methodology guidance currently under development.
• Links between environmental and climate impacts and impacts on gender, conflict and poverty will be increasingly communicated in our dialogue with businesses and other stakeholders and in our capacity development and exchange projects with local partners.

• Swedwatch will explore how to best use our consultative status with ECOSOC and UNEA, attained in 2019, and how we could develop and increase our dialogue with other key environmental actors.

Also, in 2019, Sida’s Helpdesk for Environment and Climate Change was commissioned to comment on Swedwatch programme document “Safeguarding the environment and human rights: Research, empowerment and dialogue to ensure responsible business and sustainable development, 5 September 2019”. The statement was submitted to Sida as agreed on 20 December 2019 and to Swedwatch’s board in April 2020. The primary finding related to awareness raising on investment law and challenges with investor-state disputes. Swedwatch will in 2020 review the statement’s reflections and recommendations and will integrate these into planning and strategic reviews.

**Applying the conflict perspective**

Regarding the conflict perspective, Swedwatch has had a strong focus on the role of business in peacebuilding and conflict during 2019, especially through an increased collaboration with local partners in Sierra Leone and Liberia in relation to these issues, and also with civil society actors in the Great Lakes and Horn of Africa region. Furthermore, a strategic collaboration and increased dialogue with several targeted stakeholders on conflict-related issues has been established, for example with the UN Working Group on Business and Human Rights and the Association for European Development Finance Institutions. The conflict perspective will also be integrated in the new context analysis tool as well as in research and field study methodology. This perspective also informed a number of Swedwatch reports during 2019 including *Business, Human Rights, Environment and Sustaining Peace – Experiences from Liberia and Sierra Leone*.

Swedwatch has in research and analysis increased the focus on the role of business operations throughout the entire conflict cycle, from societal tensions and escalation to post-conflict and peacebuilding, noting both the role business can play in promoting peace – and in exacerbating conflict dynamics. Streamlining Sida’s poverty framework and utilising the cross-cutting perspectives of environment and climate, gender and conflict, Swedwatch has put the spotlight on the root causes of conflict and how they relate to business operations in conflict-affected settings. At all times, Swedwatch recommends using and strengthening existing conflict-resolution mechanisms that are engrained in business affected communities, with particular focus on the role of women. This was for example the focus of Swedwatch’s 2019 policy paper *Business, Human Rights, Environment and Sustaining Peace – Experiences from Liberia and Sierra Leone* which highlights the need to integrate responsible business practices and sustainable natural resource management into the United Nations’ peacebuilding agenda.

This focus on conflict sensitivity is also reflected in the approach to Swedwatch’s own projects, including dialogue and capacity processes. Swedwatch’s call for responsible business based on human rights, environmental and social sustainability is mirrored in sustained cooperation with local partners based on mutual respect, transparency and ongoing open communication.

**Applying the gender perspective**

Swedwatch identified a need to further strengthen the gender perspective in work with local partners and in field research, as well as in design of projects and conceptualisation. Hence, in our work with local partners, the gender perspective has in 2020 been strengthened for instance through...
new partner criteria encouraging a gender balance in the staff and leadership of partner organisations, and in activities organised with local partners, such as research projects or workshops. Focus groups with women will in the future be part of all Swedwatch’s field research to ensure that women’s views and voices are captured regarding BHRE impacts. Swedwatch also increased its focus on gender-related impacts in its capacity development activities and workshops to ensure partners are aware of the need of gendered due diligence in development projects and other business activities scrutinised. In dialogue with, and in recommendations to, targeted stakeholders, Swedwatch increased focus on gender-related impacts and actions. This included specific input provided to the OECD (through OECD Watch) and Swedfund during 2019 and early 2020. Impacts on women in agricultural supply chains and interlinkages with impacts on water and the environment is one example of how Swedwatch has highlighted and applied the gender perspective as well as the interconnectedness with the environmental perspective during 2019. Gender-related aspects are also key in Swedwatch’s work related to peacebuilding as well as in our work to increase support for human rights and environmental defenders, including in the report *Defenders at risk* published in 2019.

In the methodology development going forward, input from various stakeholders including local partners and member organisations will also be taken into account to identify risks and opportunities and to maximise relevance and effectiveness of new tools and processes. Swedwatch may also receive input and advice from Sida’s gender helpdesk.

**Four dimensions of poverty**

Swedwatch works to address the multiple dimensions of poverty, including to contribute to ensure access to material and non-material resources; opportunities and choice; power and voice in decision-making; and human security. Swedwatch applies all of these perspectives in its research and strives to highlight how different dimensions of poverty can be exacerbated by unsustainable business practices.

Being poor in terms of **resources** means not having access to or power over resources, both material and non-material, that can be used to sustain a decent living standard and improve one’s life. Swedwatch draws attention to this dimension for example by:

- Highlighting how lack of decent work, secure incomes and fair wages is related to poor health and living standards and the risks of locking entire communities in poverty, calling on companies and governments to ensure basic labour rights.
- Highlighting how environmental impacts and health impacts, for example related to pollution, affect livelihoods and socio-economic development of entire communities, including coming generations, by calling on companies and governments to address such risks.
- Empowering local communities affected by business operations by documenting and reporting impacts on different resources vital for their survival and livelihoods, for example by taking water samples of polluted water.

Being poor in terms of **opportunities and choice** concerns which possibilities are available to be developed and how resources may be used to move out of poverty. Access to e.g. social services, to infrastructure, to capital, to land, or to natural resources affects opportunities and choices. Swedwatch highlights this dimension for example by:
• Highlighting how lack of access to natural resources such as land and water increases vulnerability of local communities, and risks exacerbating poverty; Swedwatch calls on corporates, governments and investors to prevent such risks.

• Highlighting how local communities face severe human rights risks including food insecurity when large land-related projects fail or stall, calling on investors to conduct ongoing human rights due diligence and ensure mitigation measures include an exit perspective, taking into account risks in the event of an unexpected project failure.

• Highlighting how vulnerable groups, such as migrant workers, are at high risk of being exposed to risks such as debt bondage or modern slavery, calling on companies such as tour operators and food importers to ensure that unlawful recruitment fees are stopped.

Being poor through lack of power and voice relates to the ability of people to articulate their concerns, needs and rights in an informed way, and to take part in decision-making that relate to these concerns. Swedwatch highlights this dimension for example by:

• Empowering human rights and environmental defenders working with business-impacted communities by offering trainings in how to use different kinds of grievance mechanisms to report impacts and demand access to remedy.

• Translating our reports to local languages as often as possible and by ensuring local rights holders get access to research results, by organising local launches and multi-stakeholder dialogues where affected people can voice their concerns directly with local authorities or business representatives.

• Calling on companies and investors to ensure that grievance mechanisms and compensation systems are designed to meet the needs of local rights holders, including women.

• Calling on companies and investors to identify and address risks to particularly vulnerable groups such as indigenous groups and migrant workers in order to respect their human rights, and to conduct gendered due diligence.

• Calling on companies and investors to be transparent about their supply chains and risk management to enable affected communities to voice concerns and be part of decision making.

• Calling on governments and investors to respect the principle of Free Prior and Informed Consent for indigenous and local communities affected by business-operations.

Being poor in terms of human security implies that violence and insecurity are constraints to different groups’ and individuals’ exercising their human rights and finding paths out of poverty. In a business and human rights context, lack of human security can for instance be a company contributing to local conflict and thereby hindering children’s access to school. Swedwatch highlights this dimension for example by:

• Calling on companies and investors to apply conflict-sensitive approaches when conducting human rights due diligence and when designing mitigation efforts or grievance mechanisms.

• Calling on companies and investors to adopt a zero-tolerance principle regarding attacks on human rights and environmental defenders and include such principle in agreements with relevant business partners.

• Empowering human rights and environmental defenders by offering trainings in risk management for their own organisations and trainings in how to protect themselves through practical and digital tools for safe communication.

• Calling on Sweden and the EU to adopt legislation on mandatory HRDD, particularly in high-risk and conflict areas.
Though Swedwatch already applies a multidimensional analysis of poverty, this will be further mainstreamed in 2020 through the development of a more formalised context analysis tool to be applied both before and during projects in planning and field research stages.

Contributions to the 2030 Agenda

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 BHRE and as outlined in several established Swedish and international norms, standards and agreements.

The 2030 Agenda makes clear the intention that the business sector, while prospering, must ensure that, for example, labour rights and environmental standards are protected in accordance with relevant international standards, agreements and other initiatives. Sweden’s Policy for Global Development is further clear in its recognition of companies’ responsibilities to work for human rights, a sound environment and combatting corruption, and that production and consumption patterns benefit sustainable development.

Swedwatch’s interventions are designed to contribute to the realisation of the SDGs where business and financial actors have a direct and/or indirect impact on environmental sustainability and human rights, in particular: No poverty (goal 1); Zero hunger (goal 2); Good health and well-being (goal 3); Gender equality (goal 5); Clean water and sanitation (goal 6); Decent work and economic growth (goal 8); Reduced inequalities (goal 10); Responsible consumption and production (goal 12); Climate action (goal 13); Life below water (goal 14); Life on land (goal 15); Peace, justice and strong institutions (goal 16), and partnerships for the goals (goal 17).

Swedwatch’s contributions to the SDGs is accounted for in the project sections of this report.
The United Nations Guiding Principles on Business and Human Rights (UNGPs)

The UNGPs are considered the baseline for all recognised international standards on business and human rights. There are many linkages between the UNGPs and the 2030 Agenda; paragraph 67 specifically relates to the private sector and calls on all businesses to “apply their creativity and innovation to solving sustainable development challenges.”

Increased adherence to, and awareness of, the UNGPs by business actors is central to many parts of Swedwatch’s work and research. To Swedwatch, the UNGPs is an effective tool for companies to ensure their contribution to a sustainable development. The principles 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 know and report on how their operations impact human rights throughout the supply chain. Effective HRDD is critical when there is a heightened risk of impact.

 Governance and operations

Swedwatch is made up of its Board, member organisations and a Secretariat. Each body fulfil 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 BHRE globally. They are also central to the organisation’s planning, evaluation, monitoring and learning process (see also Planning, Monitoring, Evaluation and Learning (PMEL)).

Swedwatch Annual General Meeting (AGM) and 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 Act Church of Sweden, Afrikagrupperna, Diakonia, Fair Action, the Swedish Society for Nature Conservation (SSNC) 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.

On 23 May 2019 the AGM adopted new statutes which introduced the set-up of an election committee to ensure that Board members are selected based on the competencies required to ensure sound governance. The AGM also clarified that, although the Board should consist of a majority of member organisations, non-member organisations representatives may also to be elected to the Board. Reflecting increased interest and discussions regarding membership, the AGM also specified the maximum number of Board members to ensure sustainability. The AGM re-elected
Per Söderberg from Act Church of Sweden as Chairperson of the Board and Åsa Beckius, Diakonia, as Vice Chairperson.

The Board convened six times in 2019 and adopted several new or updated policies as part of organisational and strategic consolidation. This included an Integrity policy, which outlines how Swedwatch processes personal data in accordance with the General Data Protection Regulation (GDPR), a Policy on corruption, fraud and conflict of interest, an Equal opportunities Policy, an Environmental Policy and a Fundraising Policy.

The Secretariat

Swedwatch’s office is in Stockholm, Sweden. Reflective of Swedwatch operating environment and demand, the team grew significantly over 2019 and currently consists of seventeen employees, including: a Director, Heads of Research, Finance and Administration, Communications, Fundraising and Development and ten Project Managers/researchers. Recruitments were imperative to the organisation’s long-term goals and sustainability and included individuals with expertise in climate finance, environmental human rights, corruption, sustainable peace as well as a communications advisor and a Head of Fundraising and Development, and a finance and administration officer. The latter three were recruited in order to help strengthen Swedwatch internal oversight, sustainability, and outreach. In light of changes, a full review of job descriptions was conducted to clarify roles and responsibilities. Over the course of 2020, Swedwatch will continue to consolidate by reviewing its organisational structure and systems based in lessons learned and external evaluations.

Swedwatch is committed to providing a positive and healthy work environment for all its employees and works actively for an inclusive and fair workplace. Work environment risks are managed systematically and mitigation measures prioritised for 2020 were based on one-on-one dialogue with staff and a safety inspection of the physical work environment. Important to work environment and to meeting goals is also competence development. Relevant positions were provided with training on leadership and group development, and training on environment and gender perspectives. Furthermore, in line with Swedwatch newly adopted anti-corruption policy, all staff underwent an internal training on corruption, fraud and conflict of interest.

Member organisations

Swedwatch’s 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.

Act Church of Sweden and Swedwatch work together to raise the perspectives of rights holders in business-related issues in areas such as land rights, natural resources and gender equality. Through this collaboration, Swedwatch may engage with exchange and capacity-building with Act Church of Sweden partner organisations across regions, as well as with investors and companies that Act Church of Sweden is in dialogue with, in its roles as both development actor, investor and procurer. Increased focus going forward will be directed towards emerging markets and in exploring how small- and medium sized enterprises adhere to national and international frameworks on human rights and business. Act Church of Sweden works directly with more than 200 partner organisations in 25 countries. Through the ACT Alliance, Act Church of Sweden and Diakonia have a further 1,000 partners.
Swedwatch works with Afrikagrupperna on issues related to their focus countries in Southern Africa. Shared areas of priority include addressing issues related to the exploitation of natural resources, and the empowerment of local civil society and local communities, particularly related to the empowerment and economic inclusion of women. Afrikagrupperna has 22 partners in southern Africa.

Swedwatch and Diakonia work together to raise awareness, build capacity and to advocate on business-related human rights risks and abuses towards stakeholders both in Sweden and in countries home to Diakonia’s partner organisations. Main issues include civic space, women’s empowerment and the responsibilities of companies operating in conflict-affected areas. Diakonia works in partnership with around 400 local organisations, associations and grassroots movements in around 30 countries.

Swedwatch and Fair Action work together in raising awareness on human and labour rights challenges in sectors such as garment and footwear, within tourism and in relation to the operations of investors/banks. One main focus is the promotion of decent work and living wages. While Fair Action mainly addresses companies through campaigns designed to create consumer support to affect change for rights holders, Swedwatch’s role in this regard is more in the form of raising general awareness on issues raised and to engage with companies and decision-makers through constructive dialogue and expert inputs.

In cooperation with SSNC, Swedwatch highlights human rights risks related to business activities adversely affecting the environment and climate, with specific focus on materials, resources and production practices. Through the SSNC, Swedwatch can connect with local partners across Africa, Latin America and Asia. In the collaboration, issues relating to shrinking space, large-scale land- and water investments, and lack of corporate transparency is often at the centre. Joint work typically includes awareness raising, capacity-building, dialogue and advocacy work. The SSNC works with 50 organisations in 20 countries in Africa, Asia, Latin America and Eastern Europe, and also participates in various networks globally and within the EU.

Swedwatch works with Solidarity Sweden – Latin America in Sweden and in collaboration with social movements and grass roots organisations that the organisation is partnering with in Latin America, to highlight human rights- and environmental challenges related to business activities. Specific issues will include natural resource and land rights and the situation for EHMDs in the region. Joint work often includes highlighting these challenges in Sweden and in affected areas, with particular attention to the roles and responsibilities of state pension funds, in line with earlier work conducted by the organisation.

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. Projects outputs, such as 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.
Planning, Monitoring, Evaluation and Learning (PMEL)

Swedwatch applies an RBM-approach, with PMEL processes that prioritise pragmatism, usability and capture and review lessons learned in a way that reflects our work in the world with a focus on results for rights holders. Swedwatch practices programme management that is adaptive and flexible in order to help ensure that key issues and approaches are relevant, effective and sustainable and contribute to change.

A flexible and results-based approach, informed by ongoing evaluation and learning, during design and implementation phases at organisational-, programme-, and project-level actions, allows for a programme that can adapt to changing circumstances and opportunities. A key element is therefore 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. Significant focus has been placed over recent years on developing methods and tools to streamline internal systems within the Secretariat.

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 work plan 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 has developed its PMEL processes significantly during the programme and has moved toward an Outcome Mapping approach as a way of defining and understanding how change happens. Processes at programme- and project-level are harmonised to ensure contribution toward overall programme goals. They align with macro-level behavioural changes to which the programme endeavours to contribute. Monitoring and evaluation strategies are incorporated into planning and integrated throughout project implementation and management.

In line with the Outcome Mapping approach, Swedwatch’s outcome objectives generally involve working toward changes in behaviour, relations and/or attitudes among targeted stakeholders. This can entail difficulties in establishing clear causality between activities and results and as such Swedwatch adopts monitoring methods primarily based on qualitative data including, for example storytelling. By “change”, Swedwatch intends to contribute to the increased capacity of both organisations and individuals (through awareness, skills and knowledge) and improved performance by business actors and public actors, as well as empowerment of rights holders and local CSOs. Swedwatch uses an Outcome Mapping approach mainly because the organisation believes that changes in behaviour are necessary in order for sustainable development and poverty alleviation to happen. The programme therefore aligns with contributions to achievement of outcomes rather than attribution of development impacts. This is an essential piece in driving change for rights holders and the environment.

Outcomes and results are harvested regularly, during or shortly after a project is initiated and/or subsequent to, for example, a report launch and other key activities. However, many changes develop slowly, and it may take time before Swedwatch is made aware of outcomes. Swedwatch harvests results through several different channels and stakeholders, mainly local partner organisations and member organisations, companies, and civil society organisations. Swedwatch
arranges twice-annual M&E workshops in order to harness lessons learned and identify ways forward.

During 2019 Swedwatch has received support from two external evaluations in identifying ways forward in developing its PMEL processes. A ROM Review of the Make ICT Fair project was carried out in early 2019 as well as an evaluation of the organisation by PwC. One of the conclusions from the ROM Review was that the project was designed in a way that helps partners acquire lasting capacities and that there is a good chance that changes made within target groups will persist over time, while one conclusion from the PwC evaluation was that Swedwatch’s programme implementation showed increased relevance (see also Important organisational developments). This has further increased the organisation’s capacity to adapt and further elaborate its PMEL processes. Considerable efforts toward this end has been initiated and will continue during 2020.

2. Important organisational developments

Over the course of 2019, Swedwatch made significant strides in incorporating its new strategy - which defines its vision, mission, and theory of change - into policies, projects, plans and routines. In response to increased international focus and demand, Swedwatch also successfully increased international engagement and collaboration with civil society actors (CSAs) in the Global South and with UN agencies. Focus was placed on environmental rights defenders and on obtaining UN observer status with ECOSOC and UNEA.

The strategic recruitment of staff has bolstered Swedwatch’s cross-cutting perspectives on conflict and climate and environment and enabled significantly strengthened attention to these areas. Efforts to diversify funding and increase outreach toward rights holders and targeted stakeholders have also substantially increased due to the appointment of communications and fundraising staff.

Operational consolidation

Swedwatch’s secretariat works continuously to ensure that captured lessons learned lead to a strengthened organisation. In 2019, this resulted in a strategy-update following input from stakeholders and own lessons learned.

Important to Swedwatch development and consolidation is also external evaluations. In 2019, apart from the ROM Review (mentioned above), Swedwatch’s work over the 2015-2019 programme period was evaluated by an independent third party, PwC. The analysis assessed progress against DAC criteria, with the aim to inform discussions and decisions on how programme implementation may be adjusted and improved going forward. The evaluation concluded that Swedwatch’s programme implementation shows increased relevance and that the organisation has shifted to strategic, long-term planning, increased its emphasis on rights holders and stakeholders in the Global South, and broadened its focus from Swedish to international arenas.

By implementing a long-term perspective and explicitly placing rights holders and the poverty perspective at the centre of its work, the evaluation concluded that Swedwatch “can contribute to an international dialogue on business, human rights and the environment and, as such, have a greater potential to influence.” The evaluation also noted that Swedwatch has increased its climate and environment perspective across the organisation as well as the conflict and gender perspectives. Swedwatch has also increased the incorporation of the four dimensions of poverty in its work and more directly addressed and included rights holders as part of project design and implementation, for example, through efforts to ensure the availability of reports and the inclusion of stakeholders…
and rights holders in Swedwatch-facilitated dialogue. According to the evaluation, “it is clear that objective three has been the starting point for a large part of the projects during the end of the programme period.” The evaluation also made recommendations regarding PMEL and sustainability of the organisation and results. Several of these have already begun to be implemented, for example as regards diversifying income (see below).

**Strengthening approaches and outreach**

As methodology and tools are developed and updated to reflect lessons learned and Swedwatch strategy, these have – over the course of 2019 and as part of Swedwatch rights-based and participatory approach – expanded to ensure that they can be used by project partner organisations and other defenders. Examples of tools being developed are Swedwatch’s methodology handbook, training tools, supporting documents, planning tools and templates. These will be developed to provide guidance when planning, implementing, and evaluating projects. Work included the integration of PMEL process-findings, alignment with the new strategy and efforts to ensure that the handbook integrates multidimensional poverty perspectives as well as Swedwatch’s cross-cutting perspectives. Swedwatch will continue to streamline a holistic approach to the perspectives.

In order to maximise potential outreach, Swedwatch is currently exploring the development of an online tool as part of Swedwatch website where partners and other organisations/defenders can access material from Swedwatch’s trainings and get advice on how to conduct their own research and reporting on BHRE. The aim of such a tool is to maximise Swedwatch’s outreach to key target groups and to ensure long-term results with the goal of building internal capacity among partners. Including a whistle blower function for partners and defenders who want to report cases of business misconduct is also under review.

During methodology development going forward, input from various stakeholders including local partners and member organisations will be taken into account to identify risks and opportunities and to maximise relevance and effectiveness of new tools and processes. Swedwatch has also requested expertise from Sida’s gender and climate and environment helpdesks. An agreement for support from the climate and environment helpdesk was finalised in early 2019, and a Terms of reference for input from the gender helpdesk is to be finalised in the spring of 2020.

**Funding and new income streams**

Swedwatch has increased efforts to diversify funding in order to ensure the sustainable development of the organisation and sustainability of results. This has led to funding for example from the European Commission and the Swedish Consumer Agency. Swedwatch has increased its dialogue with existing and potential funders in Sweden and abroad, several of these engagements were initiated by funders themselves. Through the recruitment of a Head of Fundraising and Development, appointed in August 2019, Swedwatch has substantially increased the organisation’s efforts and potential to secure funding from a diverse range of donors with several funding efforts.

**Increased international engagements, partnership and collaboration**

Collaboration, local ownership and participation are central concepts in 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. Partnerships include those with CSOs as well as public and private actors.
Swedwatch also seeks to create synergies with actors working on similar issues in order to ensure effectiveness of the work. In the spring of 2019, Swedwatch received positive notifications from the United Nations Economic and Social Council (ECOSOC) regarding Swedwatch’s application for consultative status, pending since 2017. The application was granted in July, as was an application for accreditation to the United Nations Environment Assembly, UNEA. In June, Swedwatch attended the Responsible Business and Human Rights Forum in Bangkok, Thailand, which provided an opportunity to engage and discuss with policy makers, industry leaders and other CSOs on topics related to BHRE issues. Swedwatch also participated in the UN South Asia Forum on Business and Human Rights in New Delhi, India. European collaborations have also expanded, for example through the Make ICT Fair project, of which Swedwatch is lead amongst eleven partner organisations across Europe (see also Make ICT fair - improving rights holders affected by the ICT supply chains).

Ahead of the 2019 UN Climate Change Summit, Swedwatch became one of the signatories to a summit declaration, uniting the efforts of civil society groups working on the climate crisis. The declaration pledges support to grassroots groups working for change, such as indigenous people and communities living in poverty, and commits the signatories to increase pressure on governments and corporations to live up to their environmental and human rights commitments, as well as protecting and enabling human rights defenders. The People’s Summit on Climate, Rights and Human Survival was co-hosted by the UN Human Rights Office.

These engagements have allowed for constructive and in-depth exchanges about business impacts and responsibilities, and furthermore allowed Swedwatch to act as an intermediary, connecting stakeholders with each other.

Some of the partnerships and networks that Swedwatch are engaged in are listed below.

**The Economic and Social Council (ECOSOC)** is at the heart of the United Nations system to advance the three dimensions of sustainable development – economic, social and environmental. The consultative status provides Swedwatch with access to ECOSOC and its subsidiary bodies – such as the Commission on the Status of Women, the UN Forum on Forests and ECOSOC regional commissions, to the various human rights mechanisms of the United Nations, ad-hoc processes on small arms, as well as special events organized by the President of the General Assembly.

**The United Nations Environment Programme (UNEP)** is the leading environmental authority in the UN system. UNEP uses its expertise to strengthen environmental standards and practices while helping implement environmental obligations at the country, regional and global levels. Swedwatch’s accreditation to the UN Environment Assembly (UNEA) of UNEP provides observer status to the Assembly and its subsidiary bodies. Accreditation is the main entry point for Major Groups and Stakeholders into policy dialogue at UN Environment.

**The Make ICT Fair campaign** aims to improve the lives of workers and communities affected by the information and communication technology (ICT) supply chains. Swedwatch is the lead coordinator and the project is carried out with ten other European CSOs and authorities. The project started up in November 2017 and runs for three years, and has an overall objective to increase EU citizens’ knowledge of EU development cooperation within the context of the SDGs, raise awareness and understanding among of EU citizens and decision makers on the interdependencies between the Global South and Europe and to mobilise EU citizens, decision makers and ICT purchasers to improve workers’ and communities’ rights and conditions in the ICT industry. The project is funded by the EU, and partly co-
financed by Sida (see also Make ICT fair - improving rights holders affected by the ICT supply chains).

The European Responsible Investment Network (ERIN) is committed to promoting sustainable investment systems across Europe. Members share knowledge, develop joint projects and work together to champion sustainable and responsible investments, for example through focus 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, a network of CSOs, 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 2019, Swedwatch together with other IWGEPP members discussed continued collaborations between IWGEPP and the OECD, which is developing guidelines on socially responsible public procurement for its member states. The collaborations and knowledge sharing with the OECD will continue in 2020.

The European Coalition for Corporate Justice (ECCJ) is a network of more than 250 NGOs from 15 countries advocating for European laws that guarantee corporate accountability and transparency. Swedwatch is ECCJ’s Swedish member, representing a network of Swedish CSOs working on BHRE issues. In May 2019, Swedwatch participated in ECCJ’s annual general meeting in Warsaw, Poland, to discuss on how to push BHRE higher on the agenda after the EU elections as well as in individual EU member states. Furthermore, in cooperation with other ECCJ members, Swedwatch in May 2019 responded to the European Commission’s survey regarding regulatory options to require business to undertake due diligence for human rights and environmental impacts in own operations and the supply chain.

The Business, Conflict and Human Rights Network gathers CSOs 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 aims to increase engagement with the working group throughout the course of 2019.

CONCORD Sweden, the Swedish platform of CONCORD Europe, promotes collaboration and joint advocacy initiatives on issues such as policy coherence, the 2030 Agenda, civic space, gender equality and other development-related issues. Swedwatch is part of CONCORD Sweden’s working groups on Civic space and Business and Human Rights. During the period January to December 2019, Swedwatch provided updates on the work of ECCJ and of BHRE developments at the EU level to other CONCORD members of the working group.

UNEP 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 August 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.

OECD Watch is a global CSO 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. In June 2019, Swedwatch participated in the OECD Responsible Business and Human Rights Forum in Bangkok, Thailand, gathering representatives from States, UN agencies, NHRI’s and NGOs to discuss good practices and challenges ahead. As a member of OECD Watch, Swedwatch participated in the network’s Global Gathering arranged just before the OECD Forum.
3. Progress toward goals, January-December 2019

The current development context is characterised by positive momentum and global mobilisation. While many business actors have integrated global frameworks and international standards such as the SDGs and UNGPs into their business strategies, significant adverse environmental and human rights impacts associated with businesses remain. In its report *Role of business in creating a carbon-neutral world* the Intergovernmental Panel on Climate Change concludes that if the world can become carbon-neutral by 2047, there will be a 66 percent chance of meeting the most ambitious end of the Paris Agreement pledge. However, such an achievement will require “deep and urgent” actions from policymakers and corporate actors. In the report, some of the most worrying consequences of a 2-degree warmer world, from rising sea levels to climate-driven food poverty and water stress, are likely to disproportionately affect the Global South – a warning that bears particular weight to any company with a global supply chain. On the issue of civic space, 2019 was according to Front Line Defenders characterised by waves of public uprisings of “remarkable magnitude”, often triggered by economic inequality, corruption, and calls for greater civil and political rights. More than ever before, women human rights defenders were leading these struggles, often paying a high price. In 2019, 304 EHRDs in 31 countries were targeted and killed for their work.

Swedwatch’s strategic framework 2019-2023 identifies three key areas in which the need to address business-related human rights and environmental risks and impacts are particularly pressing, and defines three long-term objectives for each area. In alignment with these objectives, Swedwatch focused its efforts in 2019 to promote a responsible management and use of natural resources, sustainable and fair global supply chains, and an expanding civic space.

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**SWEDWATCH**

**LONG-TERM GOALS**

**RESPONSIBLE AND EQUITABLE USE OF NATURAL RESOURCES**

Natural resources and ecosystems are increasingly protected, managed and sustainably used. Rights holders have a greater resilience to climate change impacts. Communities’ rights to land, food and nutrition, clean air and water, information, participation and the rights of workers are increasingly respected.

**SUSTAINABLE AND FAIR GLOBAL SUPPLY CHAINS**

Global supply chains for production of goods and services are increasingly sustainable, fair and transparent. Business-affected workers and communities have access to information and tools which enable them to claim their rights.

**EMPOWERED RIGHTS HOLDERS AND EXPANDED CIVIC SPACE**

Civil society actors are well-positioned to ensure that the environment and human rights are protected and respected as relates to business. Business-affected rights holders and civil society organisations representing their interests are influential stakeholders in proactive and ongoing consultations, grievance mechanisms and remedy processes.
Business, human rights and the environment – prioritised work and activities in 2019

Based on these long-term goals, Swedwatch initiated or continued work relating to key challenges identified within each goal. With rights holders at centre, and by applying the cross-cutting issues of gender, conflict and climate, Swedwatch’s work and activities were designed to drive change and raise awareness in areas in which issues relating to business, human rights and the environment are particularly pressing. A particular focus was placed on the situation of environmental human rights defenders, as issues facing them are relevant to all three objectives and critical for the attainment of all SDGs and sustainable peace.

Unsustainable natural resource management: Human rights and climate impacts
Natural resources are potentially a great source of wealth for many countries, but investments by oil, mining, and agricultural companies can come with adverse human rights impacts and drive climate change. The knock-on effects of climate change are themselves expected to act as threat multipliers to conflict, primarily due to increased competition over dwindling natural resources. The effects are expected to fall disproportionally on those already living in vulnerable situations, including women, local communities and indigenous people. In 2019, Swedwatch worked to promote sustainable and fair natural resource management in projects highlighting human rights and environment impacts in high-risk sectors, such as logging in the Congo Basin and copper mining in Zambia. Furthermore, Swedwatch continued its work to improve corporate responsibility in the area of water management, as stakeholder engagement on the issue of water scarcity caused by vegetable production in Peru continued over the year. The need to integrate responsible business practices and sustainable natural resource management to prevent armed conflicts from reigniting in post-conflict settings was also highlighted in dialogue and outreach activities over the year.

Large-scale land investments in high-risk settings
Extensive land investments have the potential to create jobs and contribute to poverty alleviation but are often associated with conflict, impacts on access to food and water, employment, or lack of access to justice for those whose rights are adversely affected. Ensuring the address of such risks and impacts by all companies and investors is critical to decrease the vulnerability to climate change impacts and safeguard a just transition to a green economy. In 2019, Swedwatch continued to engage with stakeholders on this issue, both regarding human rights impacts associated with agribusiness and renewable energy projects in Sierra Leone, Liberia and Kenya that continue to pose challenges to local communities.

Provider-customer responsibility in high-risk areas
Business actors are increasingly accustomed to addressing human rights concerns in their upstream supply chains, while downstream responsibilities, for example how products or services are used by customers, receive less attention and constitute a blind-spot for many stakeholders. However, 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 2019, Swedwatch continued its work to highlight this issue, particularly as regards the responsibilities of companies providing equipment in high-risk areas and contexts. Key projects entailed research, dialogue and capacity building on human rights and environmental risks in conflict-affected Kachin state in Myanmar, in Rustenburg, South Africa’s Platinum Belt and in Colombia. Building on its aggregated research on provider-customer responsibilities, Swedwatch also initiated a systems-focused research project that will result in a comparative study in 2020. The study will draw on lessons learned from sales of heavy equipment to controversial projects across the world – specifically in Myanmar, South Africa and Colombia.
Decent work: social dialogue and non-standard employment
Freedom of association and the right to collective bargaining are enabling rights, fundamental for the ability of workers to influence labour conditions and for the fulfilment of SDG 8 on Decent Work. In a project initiated in 2018 and continued in 2019, which builds on Swedwatch’s work regarding workers living in vulnerable situations, 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.

Public procurement: positively influencing suppliers with social criteria
Swedwatch recognises the significant potential for sustainable public procurement practices to contribute to sustainable business practices and poverty reduction. Building further on its successful work in this area, Swedwatch in 2019 continued to highlight the importance of social criteria in contracts. Swedwatch carried out several seminars and lectures on human rights criteria in procurement of ICT for procurers, suppliers and sustainability managers. Through the Make ICT Fair project, Swedwatch co-organised roundtables and meetings in the European Parliament, raising the issue of public procurement as a tool to push for improved working and living conditions in global ICT supply chains to individual MEPs and the European Parliament Responsible Business Conduct Working Group.

Supporting Environmental Human Rights Defenders
Companies are often linked to a broad variety of contexts and situations where their business operations, while contributing to prosperity and employment, risk contributing to negative impacts and to silencing those voicing concerns on impacts on people and planet. Through their work at local, national and global level, EHRDs uphold fundamental democratic principles and rule of law which serve society at large, including companies and investors. While an increasing number of companies have started to realise that defenders’ work is essential also for businesses, defenders often face severe reprisals for safeguarding workers’ rights or opposing projects such as dams, mines or plantations. Between 2015 and 2019, over 2,000 attacks on defenders working on business-related issues were reported. This manifestation of shrinking civic space particularly affects women, who are not provided with the same access to formal political processes as men. If civic space decreases, women defenders have reduced abilities to advocate or exercise influence. In 2019, Swedwatch significantly increased its work to empower EHRDs through direct engagement with both defenders and companies, through dialogue, capacity building and exchange activities, and through awareness raising and other outreach activities partly based on the 2019 report Defenders at risk.

Significant effort was also placed on new projects in which key outputs will be finalised or conducted in 2020, and on projects initiated in 2017, 2018 and earlier. Examples include the role of investors to combat climate change while promoting a just transition for countries dependent on fossil fuels, human rights and environmental impacts from the pharmaceutical industry, the address of child labour in high-risk contexts such as diamond mining, and labour rights in ICT supply chains. Work on these projects included planning, scoping, consultations and participation in dialogue forums in Sweden and abroad.
Responsible and equitable management and use of natural resources

In the face of climate change, advancing sound governance generally, and specifically related to natural resources, is urgent. In its Global Resources Outlook 2019, UNEP refers to the rapid growth in extraction of materials as the “chief culprit in climate change and biodiversity loss” and a challenge that will worsen unless the world urgently undertakes a systemic reform of resource use. The report also concludes that the use of natural resources, and the related benefits and environmental impacts, are unevenly distributed. In alignment with Swedwatch’s long-term objectives, work and activities conducted over the course of the year were designed to promote sustainable and fair natural resource management and supply chains. This included highlighting human rights and environment impacts from unsustainable logging in the Congo Basin and from copper mining in Zambia and human rights risks in the diamond supply chain. A selection of prioritised issues and Swedwatch’s contribution to address these, is outlined below.

Human rights and environmental risks in the tropical forestry sector

Logging is the second largest contributor to the ongoing destruction of forests and loss of biodiversity, after forest clearing for agricultural expansion. According to the Global Forest Watch, the tropics lost 12 million hectares of tree cover of which nearly a quarter was classified as primary forest or old growth tropical rainforests. The loss of primary forest equivalent to the size of Belgium is another blow to global carbon sequestration and sustenance of biodiversity. It is noted that clearance of primary forest often occurs within and in proximity to indigenous territories in the tropics. Sustainable management of the world’s tropical forests is thus critical for reducing poverty for the 1.6 billion people who rely on forests for their livelihoods, and for ensuring global climate stability.

Apart from counteracting efforts to achieve SDGs on climate protection and the sustainable management of forests, illegal logging undermines the achievement of a number of SDGs including SDG 1, No poverty. As illegal logging is also linked to weak governance and the exacerbation of conflict in many fragile states, it counteracts the achievement of SDG 16 on peace, justice and strong institutions.

Issue description

Many of the world’s tropical timber-exporting countries are fragile and conflict-affected. In areas where forest conversion to agriculture is carried out on a large scale, and where illegal and unsustainable logging practices persist, these lead to deforestation and the degradation of forest ecosystems. Illegal forestry practices compromise the foundations of sustainable development such as strong institutions and healthy government revenues from forestry. The situation is often compounded by a lack of equitable sharing of forest sector benefits and revenues with local forest-dependent communities, which puts their rights and livelihoods at risk. In spite of initiatives to address global deforestation and degradation including, for example, government efforts to stem illegal logging, and voluntary private sector initiatives such as FSC certification, the world’s forests are disappearing at an alarming rate, and most of the loss occurs in tropical areas. The Congo basin, the
second-largest tropical forest in the world after the Amazon, is expected to lose 70 percent of its remaining forest cover by 2040 unless current exploitation patterns are curbed.

Building on work on human rights and livelihood impacts associated with deforestation and logging with cases from for example Brazil, Swedwatch further investigated the sector and its impacts and/or benefits to local communities in the Congo basin. Findings were compiled in a report titled *Undercutting rights – Human rights and environmental due diligence in the tropical forestry sector. A case study from Cameroon*, launched in February 2019. The analysis included a case study from Cameroon, host to 10 percent of the Congo basin forests on which 75 million people, including nearly 150 ethnic groups and indigenous peoples, depend for their livelihoods and cultures. The report was conducted in association with the Swedish Society for Nature Conservation and with Cameroonian CSO Centre for Environment and Development (CED) which also contributed to the report as subject matter experts and by conducting and facilitating local research.

The report presents results from research in ten communities, impacted by three types of logging operations. In one of them, smaller Cameroonian and Asian companies converted forest areas to large-scale agriculture projects run by Singapore-based company Halcyon Agri’s subsidiary Sudcam. In this short-term operation, independent monitoring had indicated cases of illegal logging in 2017. The two other logging operations were long-term and forest management certified or legality certified under the Forest Stewardship Council (FSC).

**Research and findings**

Research was conducted together with local CSA CED and a participatory approach was adopted when establishing the local research methodology. A total of 44 group and individual interviews were conducted and focused on three different forestry operations: conversion logging for rubber plantation, legally certified forestry, and forest management-certified forestry.

The case study provided an illustration of worrying trends in deforestation and unsustainable forestry practices, which threaten to undermine the achievement of the 2030 Agenda. Instead of representing empowered communities who are involved in local development planning and decision-making regarding the use of their forests, interviewed communities described sparse and short-term benefits from logging, while negative impacts on forest livelihoods and human rights were significant.

Research clearly illustrated that tropical forestry is a high-risk sector where business activities may impact on unique tropical forests and the livelihoods and human rights of marginalised groups - and that even in FSC-certified operations, logging activities may come with negative impacts on people and forests. This suggests that certification schemes such as the FSC, globally considered to have the highest environmental and social standards in the timber sector, cannot replace human rights and environmental due diligence in line with international norms and standards. Findings from Cameroon indicated that all communities were adversely affected by the operations, with impacts ranging from irreversible deforestation and displacement to negative effects on wildlife and small-scale agriculture. The report also found that vulnerable groups, particularly girls and indigenous peoples, were disproportionately affected.

“At the beginning, the company only told us about the positive benefits of logging. It was only with time that we saw how our forests were depleted.”

*Indigenous Baka man in interview with Swedwatch*
In order to ensure “no harm” to communities and their forest livelihoods, the report called for tropical logging companies to conduct human rights and environmental due diligence, where care should be taken to ensure broad-based community consultation, and for importers and buyers of tropical timber to use their leverage to ensure that suppliers conduct and transparently disclose environmental and human rights due diligence.

While conducting research, Swedwatch learned that the logging companies in focus for the study – Wijma (the Netherlands) and Rougier (France) – had exited their concessions and sold their assets to companies without certification commitments.

**Reception and going forward**

Wijma and Rougier chose not to respond to Swedwatch’s findings. FSC stated that the report “rightly cites several studies that have found that FSC-certified forestry operations can mitigate negative impacts on forests and safeguard biodiversity […] Nonetheless, we also consider and listen carefully to the testimony of researchers that have pointed otherwise, and we have begun to address some of the issues that pertain to the impact of logging operations in tropical countries, such as Cameroon, with the adoption of a working group in the Congo Basin that is seeking solutions on how to monitor and maintain areas of Intact Forest Landscapes and other high conservation values inside FSC-certified concessions.”.

In line with efforts to ensure local ownership of results, the report was translated into French and distributed to stakeholders such as APIFED, one of CED’s local partners, for further distribution to representatives from Baka, one of the indigenous groups interviewed and portrayed in the report. Baka’s traditional livelihood, based on forest hunting and gathering, was adversely affected by the logging operations. Prior to Swedwatch’s report, researchers and CSOs had criticised Halcyon Agri for the severe impacts its operations have had on forests, biodiversity, dispossession of community land and human rights including those of indigenous Baka people.

After the release of the report, Corrie MacColl, Halcyon Agri’s business unit responsible for the Sudcam plantation, stated it was “deeply committed to establishing a benchmark business model capable of concurrently providing rural development, ecological conservation and adequate shareholder returns” and that it welcomes “a constructive and collaborative working relationship with Swedwatch as we endeavour to demonstrate that this model can and will work.”

In late 2019, Corrie MacColl said in a new statement that it intended to collaborate with APIFED to launch a community engagement programme in Cameroon, that would target the area surrounding Corrie MacColl’s Sudcam plantation and directly engage with all Baka and Bantu communities. “Over 30 local communities will be consulted in a programme intended to allow effective and transparent communications between the plantation and local communities, amplifying local voices and developing a framework that incorporates local concerns”, the statement said, adding that the programme would run until February 2020, “leading to a preliminary report and analysis, which in turn will form the group’s action plan to address any communal grievances moving forward.”

Swedwatch’s member organisation SSNC has used the report as a tool in the organisation’s dialogue with different certification bodies that relate to tropical timber. The SSNC also shared the report with peer organisations working to promote environmental sustainability, where it has provided input to for instance the ongoing certification debate and its disputed contribution to sustainable development. According to the SSNC, the report has played an important role as a tool to raise awareness and promote increased implementation of and adherence to international standards including UNGPs in both formal and informal dialogue meetings relating to certification and logging.
Going forward
Swedwatch in 2019 reviewed its overall work related to the forestry sector, including how actors such as investors, companies and public procurement agencies can contribute toward assessing and mitigating associated impacts and risks systematically. Building on its participatory approach to designing research methodology, Swedwatch is also reviewing how it can optimise methodology to capture perspectives of environmental human rights defenders in high-risk sectors such as forestry. Swedwatch will continue to conduct participatory research on critical natural resource and supply chain issues and examine key BHRE concerns especially focusing on vulnerable groups including women, children and indigenous peoples. Swedwatch’s research will continue to place EHRDs at the centre of research design and implementation.

With regards to situation in Cameroon, Swedwatch will also continue to follow new developments in coordination with SSNC and local partners in Cameroon to see whether Halcyon Agri and Sudam as duty-bearers will pursue their obligations, as described in the statement from Corrie MacColl.

Contributions to the 2030 Agenda
Forests are at the core of the 2030 Agenda for Sustainable Development, with 1.6 billion people worldwide depending on forests for their livelihood, many of them living in the Global South. Highlighting the importance of healthy, diverse forest ecosystems supports the achievement of many of the SDGs including SDG 15 aiming to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. Since forests play a major role in sequestering carbon from the atmosphere and thus mitigating climate change, pinpointing unsustainable business practices relating to deforestation and logging is also in support of SDG 13 on Climate action including Target 13.2 Integrate climate change measures into national policies, strategies and planning and Target 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning. Strengthening the role of environmental rights defenders are particularly critical in achieving Target 13.3. Furthermore, sustainable management and use of forests contribute towards improvement of livelihood in forest-dependent communities and help achieve SDG 1 to End poverty and SDG 2 Zero hunger. Attention to impacts on vulnerable groups including indigenous groups and women further contributes towards achievement of SDG 5 on Gender equality and SDG 8 and 12, relating to Decent work and economic growth, and Responsible consumption and production.
Human rights and environmental risks in ICT supply chains

ICT products generally contain a large quantity of different minerals. Within the EU-wide project Make ICT Fair, funded by the EU DEAR Programme and co-funded by Sida, Swedwatch investigates human rights and environmental risks in global mineral supply chains. Although a vital component in all ICT products, copper has not been highlighted to any mentionable degree regarding impacts from mining of ICT minerals.

With the aim to address this gap, Swedwatch published the report Copper with a cost — Human rights and environmental risks in the ICT mineral supply chains, presenting findings from research on community impacts associated with copper mining in Zambia, including water-contamination and resettlement of communities following the establishment of a new copper mine. The report, published in May 2019, was co-launched together with a 10-minute documentary with the aim to raise awareness and enable active citizenship and push business actors to improve human rights due diligence in mineral supply chains. These ambitions both support Swedwatch’s long-term objectives as well as specific objectives in the Make ICT Fair campaign.

Research conducted both by Swedwatch and other Make ICT Fair project partners has highlighted the low transparency and traceability of mineral supply chains as a key area in which the ICT sector needs to improve its practices in order to mitigate human rights and environmental impacts.

Issue description

Smartphones are the dominant consumer electronics product on the global market and contains approximately 75 different elements including many metals. Extraction of minerals is associated with risks of impacts on the environment and human rights. While companies within the ICT sector have taken steps to address risks associated with so-called conflict minerals; tin, tantalum, tungsten and gold, and to an emerging degree cobalt, the address of salient human rights risks connected to the extraction of other minerals present in global ICT supply chains, such as copper, has fallen short. As Zambia is one of the largest producers of copper in the world and holds the largest copper reserve in Africa, it is highly likely that Zambian copper is prevalent in global ICT supply chains.

Due in part to weak public institutions and government oversight, low enforcement of laws, high poverty rates and widespread corruption, Zambia should be considered a high-risk context for mineral extraction regarding human rights and the environment. As foreign direct investments in land-use projects such as mining have increased, so has the displacement of communities dependent on land for their livelihood — often without adequate consultation and compensation. Mining in the country has also been associated with environmental pollution of water, soil and air.

Research and findings

As part of the research process, Swedwatch visited two large-scale copper-mining areas in Zambia together with civil society representatives and a local researcher who also carried out initial research. Visits were made to the Kalumbila district in Zambia’s North-Western Province, where the newly established Sentinel mine is located, and Chingola, which hosts the Nchanga mine in the Copperbelt
Province. Interviews were conducted with affected rights holders and stakeholders including representatives of local and national civil society organisations and government representatives.

Swedwatch’s research found that in the district of Chingola, Konkola Copper Mines (KCM) mining operations had polluted waterways used by local communities for drinking, fishing, cooking and irrigating crops. Findings also suggested that farmers from a nearby community had lost their livelihoods when KCM deposited mine waste on their farmland, polluting soil and water which impacted crop yields.

“Since 2012, we have really been suffering. We cannot pay for school or for our kids. Our children are just home. We do not have enough money. We have no land where we can grow. We cannot pay for accommodation, electricity and water bills. We are stranded. I used to have good grades in school, but I cannot afford to study.”

Young man from Chingola, interviewed by Swedwatch

Due to loss of livelihoods, community members experienced impacts on food security and were unable to send children to school when income levels decreased. Findings indicate that KCM’s mining operations had also caused impacts on the right to water, which in turn impacted on the enjoyment of other human rights. In Swedwatch’s second case study in the Kalumbila district, research found that the establishment of the Sentinel copper mine – owned by a subsidiary to First Quantum Minerals Limited (FQM) – led to the resettlement of community members. Swedwatch’s findings indicated that although FQM had provided compensation and community programmes, the company had not sufficiently managed to restore community members’ livelihoods. There were also indications that social networks and norms were impacted negatively, and that in-migration led to over-enrolment in schools.

In addition to the field-study, Swedwatch carried out interviews with ICT-company Intel, the sector initiative Responsible Mineral Initiative (RMI) and Impact, a Geneva-based think-tank. Based on interviews and desk-research, Swedwatch found strong indications that the ICT sector has in general focused its efforts on responsible sourcing of selected minerals, mainly conflict minerals - cobalt, lithium and mica. Findings underline the need for the ICT sector to increase its actions in addressing risks associated with copper extraction, and for ICT companies to establish effective human rights due diligence processes that include high-risk minerals such as copper. They should also engage with rights holders in mining communities to prevent and mitigate risks and impacts.

Reception and going forward

As part of an EU-wide project, the report and film were widely disseminated throughout the EU, mainly through social media channels of the project’s partner organisations, including People & Planet, the UK’s largest student network campaigning on human rights and the environment; Belgium-based CATAPA, German network ICLEI and the University of Edinburgh. The report was also highlighted by Business and Human Rights Resource Center and in Swedish media. Furthermore, in April 2019, Swedwatch presented preliminary findings from the research in a panel at the Mobile Social Congress in Barcelona.
Following the report, Swedwatch initiated talks with Diakonia and Extractives Industry Transparency Alliance (EITA) in Zambia to identify opportunities to carry out a training on business and human rights, mining and the UNGPs as both parties have expressed that there is a significant demand and need for such a training. Possibilities to arrange a workshop in the first half of 2020 are being explored.

Findings of research were also presented to representatives from Diakonia offices and partner organisations from Zambia, Peru, Nicaragua, Honduras and the Latin American regional office, further supporting the use of findings outside the specific context of the case study. Findings were also disseminated during a workshop with Forum Syd member organisations in the Global South. Awareness raising activities included workshops at schools, reaching over 400 students in Sweden. In addition, 74 public procurers, public sustainability managers and company representatives were reached through public procurement seminars arranged by Swedwatch in Stockholm, Luleå and Malmö.

Findings from the report were also included in a policy brief for Members of the European Parliament, disseminated at a Make ICT Fair breakfast at the EU Parliament in October 2019. As a result, three MEPs decided to form a “Friends of Make ICT Fair working group” to explore possibilities to enhance social criteria in ICT procurement within the European Parliament and other activities related to the topic (see also Make ICT fair - improving rights holders affected by the ICT supply chains).

FQM responded to report findings in a written statement and showed interest in continued dialogue. In January 2020, FQM stated that new deeper boreholes and additional water sources had been set up, providing more and cleaner water in the resettlement areas and that other community investments continued, such through the establishment of a health clinic. Local sources confirmed that improved and enhanced water infrastructure had indeed been installed, but that change has been slow in other areas, including in regard to job creation and dialogue as consultation with community members had stalled.

In Chingola, the situation has become more volatile as the Zambian government has threatened to put the mining company KCM under liquidation for not fulfilling its license obligations, such as failing to pay suppliers and not complying with environmental standards. If KCM were to be liquidated, there is a risk that claims for compensation by communities who have been adversely affected by the mining operations will not be provided. Swedwatch will pursue its ongoing dialogue with local stakeholders and continue monitoring the developments.

In 2019, Swedwatch also produced an educational material on risks and impacts in ICT supply chains, targeting young consumers. The material is partly based on the report and will be disseminated to schools in Sweden and used in awareness raising activities in 2020 and onwards.

Other engagements on natural resource management

During the year, Swedwatch engaged in various fora and dialogues on other issues relating to natural resource management. Upon request, Swedwatch provided input regarding minerals supply chains to the Swedish Agency for Growth Policy Analysis which conducts analysis for economic development and is commissioned by the Government to assess the possibilities to enhance the transparency in mineral supply chains entering Sweden. Input was provided to the draft assessment of a report on how to enhance sustainability within the mineral trade. Apart from ensuring a stricter alignment to the SDGs, Swedwatch contributed with recommendations directed to the Swedish Government. 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. The final report was presented in April 2019.

Swedwatch also took part in a roundtable meeting arranged by Finnish MEP Heidi Hautala, Chair of the European Parliament’s Responsible Business Conduct Working Group. The meeting addressed EU public procurement, responsible business conduct and the Sustainable Development Goals and gathered key government and public procurement actors, business and experts, labour and also civil society representatives to outline a new policy agenda and priorities for the EU on public procurement. Swedwatch presented findings from the report Copper with a Cost and highlighted the need for mandatory human rights due diligence legislation and more efficient EU legislation on responsible mineral sourcing. Swedwatch will continue to stay in dialogue with MEPs and the Working Group and will provide input to policy development and other initiatives.

Related activities promoting sustainable natural resource management

Swedwatch is engaged in numerous activities and collaborations relating to natural resource management. For example, through its membership in OECD Watch, Swedwatch has contributed with evidence-based information on gender-related human rights impacts in the agricultural sector in relation to OECD’s development of guidance material for the agricultural sector. The input was partly based on Swedwatch’s study on water-related impacts, including on women and children, in large-scale production of vegetables in the Peruvian Ica valley.

At Sida’s Civil Society Days, Coop and Diakonia presented its collaboration with Swedwatch on the right to water and discussed how events such as Swedwatch’s and Diakonia’s launch of the report To the last drop in Peru can strengthen civil society which was also recognised by Sweden’s (former) Ambassador for Sustainable Business Jakob Kiefer.

Swedwatch attended the fourth session of the United Nations Environment Assembly in Nairobi, Kenya. During the event, Swedwatch met with the UN Special Rapporteur on Business and Human Rights and the UN Special Rapporteur on the implications for human rights of the environmentally sound management and disposal of hazardous substances and wastes, as well as with international media and representatives from the private sector, who both encouraged Swedwatch to submit research findings and ideas for collaboration in relation to BHRE. Swedwatch also visited the Swedish Embassy to discuss opportunities to increase attention towards business, human rights and the environment in the Kenyan context, particularly in relation to the recently adopted Kenyan National Action Plan on Business and Human Rights. The discussion with the Embassy was followed up in November 2019 when Swedwatch returned to Kenya to conduct a training.

In discussions on the development of an Environmental Pact, arranged by the Swedish Ministry of Foreign Affairs, Swedwatch highlighted the need to identify common denominators and gaps between guidelines concerning Environmental Protection and the UN Guiding Principles on Business and Human Rights, and how to use the lessons learned from the process of developing the UNGPs.

Swedwatch also wrote an op-ed signed by Swedwatch, Amnesty International Sweden, Amnesty International Norway and Dutch NGO Pax, urging large shareholders in oil company Lundin Petroleum to exert leverage towards the company to make it adhere to the UNGPs and to appoint an independent investigation reviewing the extent of Lundin’s human rights impacts in regards to its operations in South Sudan in 1997-2003. The op-ed was published in Swedish daily Svenska Dagbladet on the day of Lundin’s Annual General Meeting in Stockholm, in which Amnesty and Pax participated through shareholder activism.
Contributions to the 2030 Agenda

Actions taken by mining companies regarding respect for local communities’ right to livelihood, food security and access to clean water is vital to the achievement of the SDGs, not least SDG 1, which aims to end poverty everywhere, and SDG 2, which aims to end hunger, achieve food security and improve nutrition, to and promote sustainable agriculture. Sustainable water management contributes to SDG 6, which addresses improved water quality by reducing pollution, eliminating dumping, and minimising the release of hazardous chemicals and materials. By increasing awareness among the general public as well as public procurers and legislators on the unsustainable extraction of copper and its impacts on water, livelihoods and access to food and health, the project provides evidence and enables several stakeholders to improve their human rights due diligence processes regarding ICT mineral supply chains. This can be done through enhanced EU legislation, the use of consumer power and -pressure targeting companies, as well as improved purchasing standards among actors sourcing or extracting minerals. Subsequently, if human right due diligence improves in mineral supply chains, it will support the achievement of SDG 1, SDG 2, SDG 6 and SDG 12: Sustainable production and consumption.

Conflict minerals and diamond mining in the Democratic Republic of the Congo

In 2019, Swedwatch continued to monitor and engage in activities related to a project highlighting human rights risks in the diamond supply chain. For example, findings from the report *Childhood Lost - Diamond mining in the Democratic Republic of the Congo and weaknesses of the Kimberley Process* outlined company responsibilities in relation to the rights of children in the diamond supply chain and scrutinised the leading certification available for diamonds, the Kimberley Process (KP). The 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, a critique echoed in Swedwatch’s report. Through the project, Swedwatch has contributed to raising awareness on the issue among both public and business actors and the general public.

The diamond industry is represented in the KP by the World Diamond Council (WDC), an umbrella group for the world’s largest diamond producers, jewellers and exchanges. Despite two and a half years of KP reform processing, no substantial discussions on proposals regarding the KP’s scope, nor on mechanisms to enable it to address diamond-related violence impartially, emerged in 2019. However, in early 2019, the WDC issued two statements acknowledging serious human rights concerns in the sector; statements that represent the diamond industry’s strongest critique yet of the KP. The WDC recognised KP’s failure to break links between diamonds and human rights abuses and highlighted the need for the industry to act towards more responsible diamond sourcing practices. Importantly, the WDC urged reform of the KP to cover a broader range of human rights abuses than it currently does. This is in line with Swedwatch’s main recommendations to the KP. The WDC’s statements may be a sign that the diamond sector, after many years of engagement by civil society organisations including Swedwatch, is taking a step in the right direction.

As part of Swedwatch’s ongoing engagement on the issue and monitoring of developments in the diamond sector, Swedwatch signed a joint letter in April 2019 with peer NGOs to the jewellery industry lobby group Responsible Jewellery Council (RJC) and provided input following the adoption
of its new Code of Practices. The letter, titled *Civil society call to tackle abuses, conflict, and lack of transparency in diamond supply chains*, outlined concerns relating to the new Code as well as with the certification process.

One of the jewellery companies included in Swedwatch’s report was at the time of publication not part of any initiatives related to business audits in relation to diamonds or ethical diamond trade. In early 2019 however, the company joined the World Jewellery Confederation (CIBJO), which represents the interests of organisations and companies that earn their livelihoods from jewellery, gemstones and precious metals. Although the CIBJO’s corporate responsibility initiatives are not considered sufficiently ambitious by many civil society groups working on the extractives industry, this may nonetheless increase awareness of the challenges within the diamond trade. The company’s CEO has also informed Swedwatch that it recently signed a contract with a new diamond supplier claiming to adhere to the UNGPs, KP requirements as well as all applicable laws. Swedwatch will continue the dialogue with the company in order to assess the quality of the measures the company has taken.

In June 2019, Swedwatch was invited as a keynote speaker at a round table about conflict minerals organised by The Association of Swedish Engineering Industries, titled *Guidance for Responsible Sourcing of Minerals from Conflict-Affected and High-Risk Areas into EU regulation*, an employers’ organisation that assist 4,000 engineering companies in labour law and industry issues. Swedwatch outlined pressing environmental and human rights concerns that remain for the mining sector to 15 of Sweden’s largest engineering companies, as well as to representatives from the Ministry of Foreign Affairs and government agency Geological Survey of Sweden. Swedwatch also provided recommendations to the Swedish Minister of Commerce and the EU Commission who attended the roundtable. The recommendations focused on legislation on mandatory human rights due diligence and the integration of the OCED Due Diligence Guidance for Responsible Sourcing of Minerals from Conflict-Affected and High-Risk Areas into EU regulation. Following the event, several attendees expressed that the presentation had served as an eye-opener.

**Contributions to the 2030 Agenda**

Swedwatch’s work in relation to the diamond sector has not only focused on child labour in the sector in the DR Congo, but also in regard to general human rights violations related to the trade in other problematic diamond mining regions, particularly Sub-Saharan Africa. The efforts aim to contribute to SDG targets 1.2 *By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions*, 5.1 *End all forms of discrimination against all women and girls everywhere*, 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*, 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 [...] and by 2025 end child labour in all its forms*, and 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.*

Swedwatch has worked to contribute to the SDGs by identifying and engaging in dialogue with targeted stakeholders on the sector’s impacts on children, young adults, and women and girls, particularly in DR Congo. Swedwatch has prioritised economically vulnerable communities from diamond mining regions at centre of its research and analysis. Findings have also been at the
forefront in Swedwatch’s recommendations to companies and governments and remain at the core of the dialogues that Swedwatch engages with in relation to the project, which will continue in 2020. As an example, Swedwatch is exploring the possibility to arrange a round table in Sweden in 2020 with relevant actors with the aim to increase the understanding of the urgency of the matter and what they, as companies and government actors, should do to address the challenges.
Supporting environmental human rights defenders

Environmental human rights defenders (EHRDs) are key to ensuring environmental security and holding business actors accountable in cases of business-related adverse impacts. Given the importance of their work, Swedwatch aims to contribute to a development in which businesses respect and support their right to work without fear of retaliation, through raising awareness on the deteriorating situation for EHRDs generally, and on the risks facing EHRDs active in high-risk sectors in particular.

Protection of human rights defenders is increasingly recognised as central to the implementation of the UNGPs, particularly in relation to the process of conducting HRDD. Meaningful stakeholder consultation during the process of identifying and addressing impacts is a key component of that process. Company action in support of defenders is also a powerful way to enable defenders to continue their work - such actions can serve as protection for the defender and help balance the often unjust power dynamics between business and civil society in the local context. It may also serve as an incentive for governments to increase efforts to fight corruption and impunity.

Swedwatch also works to empower EHRDs to help promote companies’ accountability through capacity building, and to provide EHRDs or CSAs representing their interest with opportunities to partake in multi-stakeholder dialogues and in decision-making processes. In 2019, Swedwatch continued to engage on the issue, including by arranging workshops in Kenya, Liberia and Sierra Leone, through company engagement and through the launch of a report conducted with all Swedwatch’s member organisations.

Promoting increased corporate action to respect defenders

Human rights and environmental defenders are increasingly defamed, harassed and killed for defending labour rights or opposing commercial projects such as mines, dams or plantations related to powerful economic and political interests. In December 2019, Swedwatch published the report *Defenders at risk – attacks on human rights and environmental defenders and the responsibility of business* highlighting the alarming situation for defenders working on business-related issues, and the urgent need for companies to address the issue. The report was launched at a seminar to which defenders from South Africa and the Philippines were invited.

The report was conducted in cooperation with all of Swedwatch’s member organisations. All experience increasing threats to defenders in their respective networks across Africa, Asia and Latin America. The report was supported by the UN Special Rapporteur on the Situation of Human Rights defenders who wrote the preamble for the report.

“It is high time all actors, States, companies, investors in particular, understand that defenders are not the enemy but indispensable allies that will help create a better and safer future for everyone. With its concrete recommendations, this report helps “walk the talk” and opens many avenues to ensure human rights defenders operate in safe and enabling environments.”

Michel Forst, UN Special Rapporteur
**Issue description**

The situation faced by human rights and environmental defenders has gone from alarming to catastrophic. In 2019, 304 defenders in 31 countries were targeted and killed for their work according to data collected by Front Line Defenders. While these figures represent attacks on a wide range of defenders, those who work to protect rights that are adversely impacted by business misconduct are among those most at risk.

Both states and business actors are vital in addressing this risk and in moving towards a systematic protection of, and respect for, defenders as a cornerstone of any democratic society.

This includes the protection of fundamental rights to the freedoms of expression, association and peaceful assembly. Today, defenders around the world pay a high price when this responsibility is not adequately recognised. Since 2015, more than 2,000 business-related legal and physical attacks on EHRDs have been reported, targeting defenders such as indigenous leaders, labour rights- and environmental defenders, small-scale farmers and women defenders. Over 200 killings of defenders working on corporate responsibility or related issues occurred only between 2018 and 2019.\(^1\)

Companies can be linked to attacks against defenders through suppliers, customers or other business partners, and business-related attacks can occur in many sectors and countries. However, attacks on those who oppose company activities are particularly common in the food and agriculture, extractives, renewable energy, and apparel and footwear sectors. These sectors, with the addition of the ICT sector with its challenges regarding surveillance, were therefore the focus of the report.

**Research and findings**

The report is based on a survey with 22 European companies operating in high-risk sectors and on interviews with defenders working on corporate responsibility or related issues in Liberia, Bangladesh, Colombia, The Philippines, Guatemala, South Africa, Thailand, Peru and Azerbaijan. Most of the defenders consulted are part of Swedwatch’s or its member organisations’ networks. In recognition of the security landscape for defenders, a thorough risk assessment was done in all of the cases before the report was published.

The testimonies by the defenders provided evidence of grave and systematic oppression of critical voices and pointed to some common ways in which companies put defenders in danger, for example by contributing to existing tensions and exacerbating local conflict dynamics, or by cooperating with state-owned companies in countries where governments target defenders.

The report also found that although the issue has begun to find its way onto many companies’ sustainability agendas, corporate engagement with defenders remains too low. Therefore, the report points out a set of recommended steps that companies should take to ensure that they do not undermine the rights of defenders. Most importantly, they need to identify and address risks to defenders in their value chains and consult with defenders as part of their human rights due diligence processes. They should also include a zero-tolerance principle to any kind of involvement in attacks against defenders in policies and contracts with business partners.

The report also underlines the role of states in addressing business-related attacks on defenders and the need for legislation to ensure that companies respect defenders throughout their value chains.

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Reception and going forward

The report was launched at a seminar at Medelhavsmuseet in Stockholm on December 12 2019 with around 90 participants including Swedish company representatives, civil society actors, journalists and government authorities. Two defenders were invited to share their experiences in the panel together with representatives from telecom company Ericsson and food importer Martin & Seversa. Swedish Member of Parliament Asa Eriksson (S) was invited to give the Swedish Government’s view on the issues raised and on recent calls for mandatory human rights due diligence from an increasing number of CSOs and also companies.

In the seminar, South African defender Nonhle Mbuthuma outlined her community’s decades-long struggle against a mining company in Pondoland in the country’s Eastern Cape province, which has brought the community into conflict with the government. Defender Ryan Mendoza was forced to leave the Philippines because of his work with indigenous peoples. Both guests highlighted the importance of getting access to platforms such as the seminar to increase awareness on their situation and to exchange experiences and strategies. At the day of the launch, the report was also published and shared in media and in social media by the member organisations and several local partners. The report and its findings have also been shared with the UN Special Rapporteur on Human Rights Defenders, the 38 companies in the report and other relevant stakeholders in Swedwatch’s network.

“Companies have a big role to play. My experience was very negative – profit was prioritised over people. As human rights defenders we were followed. We could not speak freely. We were not in a free space.”

Human Rights Defender Ryan Mendoza

In parallel with the release of the report, Swedwatch engaged in dialogue with businesses actors on the issue, including with British food company Tesco, mining company Rio Tinto and business association Amfori BSCI. Amfori reached out to Swedwatch for input on defenders and the development of a new due diligence guidance for members, following Swedwatch’s work on the case of defender Jorge Acosta from Ecuador (see below). The engagement of Swedish food companies in Acosta’s case was also highlighted as a positive example in Swedwatch’s report Defenders at risk.

As part of the research process for the report, Swedwatch engaged in dialogue with the UN Special Rapporteur on the situation of Human Rights Defenders on the need for clearer guidance and recommendations to companies. Swedwatch also connected the Special Rapporteur with local partners in Peru and provided information on the situation for defenders in the Ica valley.

Going forward, the report will be widely used by Swedwatch in company and other stakeholder dialogues. There are also plans to produce a short version of the report, to make it easier to distribute and communicate key messages and recommendations. The report will also be translated into Spanish and distributed in the network of Swedwatch’s member and partner organisations; Green Advocates, Liberia and Silnorf, Sierra Leone, intends to use the report in their work to establish a regional network for human rights defenders in West Africa, and present it in a regional event within the network in April 2020. Furthermore, the Spanish version of the report will be used by Church of Sweden in Colombia in their stakeholder dialogues on the current situation of human
right defenders in the country and the role of business actors. Furthermore, Solidarity Sweden-Latin America plans to invite one of the defenders in the report to speak at several seminars in Sweden about the situation for human rights defenders in Guatemala.

In 2020, Swedwatch intends to present the report at the regional gathering of OECD Watch in Argentina, where local partners Codehica, Peru, and Astac, Ecuador will exchange experiences and strategies with each other and other similar organisations within OECD Watch’s network.

**Company support for the freedom of expression – the case of Jorge Acosta**

Agribusiness has surpassed the mining sector as the most dangerous sector for EHRDs globally, with Latin America being the worst continent in terms of number of threats and attacks against defenders. In Ecuador, Jorge Acosta, coordinator of the banana workers’ union ASTAC (Asociación Sindical de Trabajadores Agrícolas y Campesinos) which organises around 1,500 banana workers across the country, is a well-renowned human rights defender who has worked for over ten years to address labour rights, health and safety issues and environmental impacts in the banana sector. Acosta is also the President of the Ecuadorian Consultative Council for the Free Trade Agreement (FTA) with the EU, a dialogue mechanism between civil society and various Ecuadorian government bodies, established to ensure a correct implementation of the FTA.

In April 2019, Acosta was notified that an official complaint was presented to the Ecuadorian Attorney General by a private individual accusing Acosta of “creating economic panic”, a crime chargeable with five to seven years in prison according to Article 307 of the Ecuadorian penal code. The Article was recently criticised by the UN Special Rapporteur on the promotion and protection of the right to freedom of opinion and expression, stating it has permitted abusive prosecution of media, journalists, and individual citizens and undermined the ways in which free expression serves to hold public officials accountable.

According to the complaint, Acosta had spread false information in order to hurt the economy of the country and in favour of competitors. The accusations came shortly after Acosta had published complaints to the European Commission, stating that Ecuador was in breach of the part of the FTA with EU concerning respect for basic labour rights. Complaints included the persistence of informal working relationships, exploitation of workers and undue deductions from workers’ salaries and highlighted negative impacts on the health of workers exposed to agrochemical products. The issues raised by ASTAC were confirmed by the Ecuadorian Ombudsman in May 2019.

In May 2019, Swedwatch invited Acosta to Stockholm for a meeting with importing companies, after which the companies published a joint letter of support for Acosta directed to suppliers, business and the Government of Ecuador, making clear their position on the issue - that “human rights defenders like Acosta play a tremendously important role in contexts where respect for human rights cannot be taken for granted and that sourcing companies have an interest in that defenders such as Jorge can speak freely and without fear of retaliation about challenges in the supply chains”.

In collaboration with Business and Human Rights Resource Center (BHRRC), Swedwatch also reached out to Swedish and international food companies purchasing bananas from Ecuador, urging them to make public their position regarding defenders’ rights and on the specific case to suppliers and Ecuadorian authorities, in line with the UNHRC resolution and the UN Declaration on Human Rights Defenders. While many companies chose not to answer, statements from both Swedish companies and U.S. based Dole were posted on BHRRC’s website.
The accusation against Jorge Acosta is a threat to freedom of expression and association and exemplifies a global tendency to try to quiet defenders through lawsuits, known as SLAPPs - strategic lawsuits against public participation. Swedwatch will continue to raise awareness and promote action to increase respect for EHRDs, both through highlighting individual cases such as the case of Jorge Acosta, and on the systematic challenges facing EHRDs globally.

Swedwatch’s work with Jorge Acosta has led to number of new measures undertaken by the Swedish companies scrutinised and contributed to positive steps in the wider sector. A new initiative was launched by companies purchasing bananas and ASTAC has gotten public support from ILO and participated in dialogues around breeches of the EU FTA. Swedwatch’s has contributed to linking the organisation with OECD Watch and Business and Human Rights Resource Centre and creating attention around the case has likely contributed to a large number of articles written about the case in various international newspapers. The support to Jorge Acosta by Swedish companies was also highlighted as a positive example in Swedwatch’s report Defenders at Risk.

Other Swedwatch engagements on EHRDs

Swedwatch has also highlighted the situation for EHRD’s in various forums and dialogue meetings during 2019. For example, Swedwatch raised the importance of protecting environmental human rights defenders working on business-related issues, and the importance of responsible exit plans for divestments, at the annual stakeholder consultation of the Ethical Council of the AP-funds.

In May 2019, Swedwatch met with and published an interview with Joaquim Correa de Souza Belo, chairman of Brazilian labour union Conselho Nacional Das Populacoes Extrativistas (CNS). CNS organises 120,000 people who in cooperatives make their livelihoods from the Amazon. Due to the ongoing degradation and exploitation of the rain forest, the cooperative is increasingly marginalised and de Souza has received many serious threats due to his work to claim their rights.

On World Water Day, Swedwatch arranged a seminar with SIWI, Amnesty International Sweden and the Swedish Society for Nature Conservation on water-related impacts on indigenous peoples, and a seminar on water and human rights impacts on indigenous communities in global value chains, providing cases from the mining sector and from large-scale agriculture. The seminar particularly highlighted the role of women EHRDs and was attended by about 100 people from different sectors.

Training and consulting with EHRDs in post-conflict countries

Swedwatch conducts trainings and workshops for companies, investors, public authorities, students and stakeholders in the Global South. Following increased requests by the latter, Swedwatch has 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 for EHRDs.

Business and human rights: Enhancing capacity on research and reporting. Freetown, Sierra Leone.

In May 2019, Swedwatch conducted the three-day training Business and human rights: Enhancing capacity on research and reporting in Freetown, Sierra Leone in which 27 EHRDs, representatives from civil society organisations Green Advocates (Liberia) and SiLNoRF (Sierra Leone) and staff and commissioners of the National Human Rights Institutions (NHRI) of Sierra Leone and Liberia participated. The workshop aimed to provide participants with an opportunity to exchange experiences of human rights risks in land investments in post-conflict settings, with the overarching
purpose of contributing to the empowerment of EHRDs and business-affected communities in their engagement with companies and international investors. As is the case in many natural resource dependent post-conflict countries, business actors play an important role in sustaining peace in both Liberia and Sierra Leone.

Green Advocates and SiLNoRF, operating in countries undergoing peacebuilding processes, are well-renowned for the support they provide to communities affected by business operations in sectors such as mining, agribusiness, renewable energy and logging. Issues raised during the training included company breaches of land rights and concession agreements; insufficient inclusion in decision-making processes; lack of governmental oversight and company accountability; shrinking civic space and increased vulnerability of already vulnerable groups including women and children.

The CSOs and NHRI of both countries each arranged sessions in which they shared experiences from working with BHRE issues. Several group work sessions enabled participants to exchange on successful engagement strategies with companies and governments and to identify opportunities for future collaboration. Swedwatch shared information on how to apply international norms on business and human rights, how to use research to hold companies accountable and how to communicate with defenders at risk using safe methods. Swedwatch also headed a discussion on the role of business in peacebuilding processes and requested participants to elaborate a set of recommendations which Swedwatch will convey to UN agencies, including the UN Peacebuilding Commission in New York and the UN Forum on Business and Human Rights in Geneva.

Namati, a network of legal experts with local presence in Sierra Leone, was also invited to provide training on how to use applicable national and international laws to increase community resilience during relocation and compensation processes.

The response from participants was very positive. Participants particularly appreciated the chance to meet with colleagues from neighbouring countries to analyse differences and similarities in their respective contexts and to meet with NHRI. Swedwatch has been requested to provide additional trainings and capacity building activities as these offer opportunities for research, dialogue and cooperation going forward.

**Enhancing the capacity of civil society on business and human rights. Training in Nairobi, Kenya.**

In October and November 2019, Swedwatch supported East African partners working with communities affected by mining and agribusiness in their work to hold business actors accountable. Two capacity building workshops on BHRE were arranged, providing participants with theoretical knowledge of corporate responsibility and practical tools on how to monitor human rights risks linked to business operations in the EastAfrican context.

The workshops combined an overview of international frameworks governing business, environment and human rights with discussions on how to safely and effectively monitor and report on companies’ negative impacts as well as advocating for change. In total, 48 representatives from over 20 community-based organisations from Kenya, Tanzania, Uganda, Burundi, the DRC, South Sudan and Zimbabwe participated. Representatives from Kenya’s National Commission on Human Rights were also present. Many participants described the security risks, threats and attacks that they face when supporting communities affected by mining, energy and agribusiness investments.

The first workshop was arranged in Nanyuki and co-organised with Impact, a Kenyan civil society organisation supporting indigenous peoples. The second workshop was held in Nairobi with
FECCLEAHA (Fellowship of Christian Councils and Churches in the Great Lakes and Horn of Africa), a regional partner of Swedwatch’s member organisation ACT Church of Sweden.

From the evaluation, it was clear that the trainings were valuable to the participants. One CSO representative from the DRC said the training was particularly useful as regards conducting interviews, human rights impact assessment and research risks assessments. Participants also said they valued the opportunity for open discussion, peer to peer learning and experience sharing. Many participants requested Swedwatch to have more trainings at country level in Eastern Africa, as well 'training of the trainers' with the community-based organisations in Northern Kenya.

**Business, Human Rights, Environment and Sustaining Peace**

As part of Swedwatch’s work related to peacebuilding in Sierra Leone and Liberia, in which consultations with EHRDs has been a central aspect, Swedwatch published a policy brief bringing together learning from Swedwatch’s previous work to explore the nexus between sustaining peace and human rights violations in the context of business operations in the two countries.

In 2018 and 2019, several exchange workshops were held in Liberia and Sierra Leone (see above) on the issue of business-related human rights impacts in conflict affected settings. The experiences and outcomes of those conversations with local civil society, national human rights institutions and affected community members, as well as ongoing conversations with local partners over the course of the year were put together in the Policy brief *Business, Human Rights, Environment and Sustaining Peace – Experiences from Liberia and Sierra Leone*.

The paper argues that the governments of Liberia and Sierra Leone have prioritised a rapid expansion of foreign direct investment and economic growth, mainly through attracting multinational enterprises with natural resource concessions and large-scale land exploitation without ensuring due diligence regarding human rights and environment. Much of the investments are made in sectors that leave large human rights and environmental footprints, such as extractives and agro-industrial business, with little accountability for environmental or social costs. Meanwhile, current peace and reconciliation efforts in Liberia and Sierra Leone fail to adequately address the environmental, social and human rights impacts of business operations, or consult with civil society actors. To attain sustained peace in the region, natural resource management and the responsibilities of business actors must be integrated in these efforts. Findings from research, dialogue and workshops presented in the paper indicate a need for clear business, human rights and environment components in UN strategies for peacebuilding and sustaining peace.

The policy paper was launched on 25 November 2019 to coincide with the 2019 UN Forum on Business and Human Rights. Awareness of the issue was raised by distributing 150 copies of the policy paper to UN member states, business representatives, and CSOs during the event. Swedwatch arranged for its local partner Green Advocates to present during three panel discussions, two during the UN Forum on Business and Human Rights; “Addressing business related human rights impacts in conflict and post-conflict contexts to build sustainable peace” and “Regulating businesses in contexts of conflicts and occupation – what more is needed?” and one during the Annual Meeting of the
Network on Business, Conflict and Human Rights, “The role of business and conflict-affected settings in Liberia and Colombia”.

The results of the policy paper are expected to contribute to the development of guidance for both states and businesses on the role of business in conflict and post-conflict settings currently being developed by the UN Working Group on Business and Human Rights. The UN Working Group’s project on business in conflict and post-conflict contexts aims to clarify the practical steps that companies, investors and states should take to implement the UNGPs in conflict and post-conflict contexts. It also aims to restate implications of international human rights and humanitarian law in this context as well as unpack options for state and business policy and practice that have been underexplored to date. The Working Group seeks to develop evidence-based guidance, taking into account both emerging good practices and existing gaps and challenges. The Working Group’s recommendations will be presented in a report to the UN General Assembly in October 2020.

Local partners Green Advocates in Liberia and Silnorf in Sierra Leone were, as a result of Swedwatch’s project, invited to share their experiences and input to the development of the UN guidance during a consultation held by the UN Working Group on Business and Human Rights in Cote d’Ivoire in February 2020, thereby further increasing their capacity. In order to ensure that women’s and girl’s rights were an integrated part of the discussions, Swedwatch also arranged for the participation of a Liberian representative from the Natural Resource Women Platform. Furthermore, by facilitating connections between Green Advocates and the Human Rights Defenders Network of Sierra Leone throughout the project, Green Advocates of Liberia were invited to act as a focal point in the establishment of Liberian HRD Network.

The Working Group expressed its gratitude to Swedwatch for the timely publication of the policy paper, noting that it had helped inform both the selection of issues and participants in the Cote d’Ivoire regional consultation and the development of the Working Group report and guidance.

Additional activities in 2020 will include participation in the consultation UN Peacebuilding and Sustaining Peace: What’s next for the UN Peacebuilding Architecture? held at the UN headquarters in Geneva, and continued dialogue with the Swedish Mission to the UN and other strategic partners with the aim to increase the understanding about why and how BHRE should become an integrated perspective in peace negotiations and peacebuilding strategies.

**Contributions to the 2030 Agenda**

Without the valuable contribution of defenders, global challenges such as climate change, conflict and rising inequalities, captured in the Sustainable Development Goals, will remain unsolved. Swedwatch’s work to highlight the role of business in relation to EHRDs is developed in response to the increased threats and attacks against defenders working to highlight business-related issues globally, and to counteract the global trend of shrinking civic space. It also aims to raise awareness among companies and state actors on the situation for defenders in different contexts, and to advocate for increased measures to protect and respect the work of defenders by those stakeholders. It further seeks to empower defenders through increasing their awareness of businesses’ responsibilities to consult with defenders, and through learning and exchanging experiences with peers.

Increased adherence by companies to established guidelines on business and human rights in this context, and the empowerment of EHRDs through capacity building and exchange activities, is in support of several SDGs, most notably **SDG 1 End poverty in all its forms everywhere** and **SDG 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, in particular Target 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels.

Swedwatch’s work to highlight the role of companies in post-conflict settings and in peace-building processes, by multiplying voices of community members and CSOs, and by providing a platform for dialogue between NHRIs, CSOs and community members, are also relevant to SDG 16 and Target 16.7. Furthermore, by reducing the likelihood of a relapse into conflict by integrating a business and human rights with a peacebuilding approach, the project supports the achievement of Target 16.2 to significantly reduce all forms of violence and related death rates everywhere. By including women in workshops and consultations, and by multiplying their voices in the Policy Brief on peacebuilding and related outreach activities, the project supports the participation of women in decision-making processes and public life and thus directly supports Target 5.5; ensuring women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life. By empowering local communities with the knowledge of international human rights standards and avenues of complaints procedures available to them, the project supports the achievement of SDG 10, in particular Target 10.3 of ensuring equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.
Provider-customer responsibility in high-risk areas

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 fallen short among providers in actualising leverage and influence. In a project reviewing responsibility-dynamics within this relationship, Swedwatch investigated measures taken by providers of mining equipment to respect human rights and the environment. Swedwatch chose to focus on Myanmar and South Africa, where mineral extraction comes at a high social and environmental cost, often borne by poor and marginalised sections of society. Providers of mining equipment who have been present in South Africa for many years can use their influence to help ensure the respect of human rights. Myanmar, 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 project aims to raise awareness and contribute to affect change regarding the role of business in promoting peaceful and inclusive societies. If providers of machinery that may severely impact the environment and human rights use their leverage over customers to address human rights risks, positive impacts on the environment and for rights holders can be extensive.

The work relating to provider-customer relations is one example of how Swedwatch works to create change within sectors and across systems, as opposed to individual business actors. Approaching a wide range of actors operating in the same industry has a greater potential to affect long-lasting change, particularly as Swedwatch’s recommendations to all actors within a specific sector are normative as they will often promote compliance with internationally recognised norms and standards on company responsibility such as the UNGPs.

As Swedwatch’s project shows, mining operations often exacerbate existing environmental and human rights challenges 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. By exercising leverage on the buyers of their products, these actors have an opportunity to influence their downstream supply chains and 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.
Human rights impacts from jade mining in Myanmar (2018)

In June 2018, Swedwatch published research findings in 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 Act Church of Sweden.

The report highlighted the need for companies and governments to increase efforts in contributing to advancing the SDGs. Above all, the examination of armed conflict and jade extraction in Myanmar stresses the need for efforts towards fulfilling SDG 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 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. The mining projects in Kachin state have long been subject to protests from local communities because of their negative impacts on human rights and the environment.

Research and findings
Swedwatch visited one jade and one copper mining area in Kachin state and Sagaing region. A total of 40 interviews were conducted with community members, mine workers, CSOs, academic researchers, jade traders, community-based leaders, church leaders, medical staff and a senior UN official. The interviews took place in Myitkyina (Kachin state), Mandalay, Monywa (Sagaing region) and Yangon. Additional expert interviews were conducted in Bangkok, Thailand.

The research found that unsustainable mining practices have 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.

“None of the jade mining companies take responsibility for the impacts or conduct anything in line with a risk analysis or due diligence. Foreign machine companies should be aware of this fact and recognise that their machines end up destroying our lands and our lives.”

Community leader from Hpakant, interviewed by Swedwatch
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 not 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 machinery 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.

In order to maintain the pressure on the companies involved, Swedwatch reinitiated dialogue with the companies included in the report, as well as with affected communities and defenders from Kachin state. The research will be published in a follow-up report in 2020 (see below).

Key developments, January – December 2019

The project has contributed to increased attention among companies and actors such as the OECD, the UN Special Rapporteur on Myanmar, Sida, Swedish ministries and Embassies on the issue of responsibilities in provider-customer relations. However, over the year, the human rights situation in Kachin deteriorated further. Over one hundred persons were reportedly killed in landslides in the jade mines, and the fighting between the Myanmar military and ethnic armed groups continues. The severe situation in the mines received continued international media coverage, for example by The Guardian, which interviewed Swedwatch staff for its article “Lethal landslips and drug addiction: Myanmar’s toxic jade trade” published in February 2019.

In April 2019, the annual OECD Forum on Responsible Mineral Supply Chains was held in Paris. More than 1,000 representatives of governments, companies, UN agencies and civil society gathered to discuss challenges related to specific minerals such as diamonds, cobalt, and the four conflict minerals tin, tantalum, tungsten and gold (3TG). Swedwatch was part of the official programme and hosted a panel on the responsibilities of companies that provide equipment to problematic mining operations in conflict-affected contexts, titled Selling mining machinery on high-risk markets – the need for downstream due diligence to avoid complicity in human rights violations. In the seminar, Swedwatch presented the work done regarding Myanmar and South Africa and discussed, together with experts from the OECD and the Business and Human Rights Resource Centre, what companies can and should do if their products are found to be used in a way that risk undermining human rights and impacting negatively on the environment. The panel also discussed the role of home governments. Swedwatch raised the positive example of the Swedish Export Credits Guarantee Board which requires companies to conduct a due diligence for human rights and the environment in order to receive export credit support. The panel concluded with two key recommendations to governments: include clear guidance on downstream due diligence for human rights and the environment in National Action Plans on Business on Human Rights and consider mandatory human rights due diligence legislation.
In April 2019, Swedwatch was invited to the Folke Bernadotte Academy, the Swedish government agency for peace, security and development, to present its research on Myanmar. Apart from the report, the presentation covered links between natural resources, mainly mining, and armed conflict, and illicit groups and mining in Colombia upon request of FBA's Colombia team which also attended the lecture. According to the attendants, the presentation was an “eye-opener” for the agency to explore business as a perspective within its work. Swedwatch was invited a second time to present, this time with a focus on the impacts of mining and natural resource extraction on women and girls.

In August 2019, the UN International Fact-Finding Mission on Myanmar presented a report on the worsening human rights situation in the country. Part of the mission’s findings relate to two corporations holding jade mining licences in Kachin state that are owned by high ranking military officers. According to the UN report, the companies have been linked to serious human rights violations. The UN report echoed Swedwatch research on human rights risks linked to jade mining, calling for companies to conduct heightened HRDD when doing business in the country. Swedwatch highlighted this important development on its digital platforms, underscoring the need for increased awareness about responsibilities within downstream business relationships.

Act Church of Sweden states it has used Swedwatch findings as a catalyst for discussions on business and human rights with a range of new actors in Myanmar, and that the report has also strengthened its own focus on business and human rights in the country. The report has also been used in dialogue locally in Myanmar and with the European Parliament. During a visit to Brussels to meet with EU actors, Act Church of Sweden shared the report with a range of actors, including the European Commission’s Department for International Cooperation and Development (DG DEVCO), as well with the French, German, Polish, Finnish and Swedish Permanent Representations to the EU. Act Church of Sweden also initiated a dialogue with Business Sweden in Bangkok, which will continue in 2020. Swedwatch and Act Church of Sweden will intensify their outreach to relevant actors once the follow-up report is published in 2020.

**Going forward**

Swedwatch has reinitiated dialogue with the three companies in the report to follow up developments and consider what actions, if any, have been taken since being made aware of Swedwatch’s findings and recommendations. Findings will be published in a follow-up briefing in 2020. As part of this research, Swedwatch engaged in dialogue with different stakeholders, including a local women’s organisation providing information on the situation for women and children in the jade mining area. The briefing will focus on the linkages between corporate responsibility in contexts of armed conflict and reiterate the call for enhanced human rights due diligence when doing business in Myanmar and in similar high-risk contexts, with the overarching goal of increasing awareness among and contribute to increased responsibility by business actors in this regard. In the case of Myanmar’s jade mining area, which overlaps with the “world’s longest running armed conflict”, efforts to meet SDG 16 on promoting peaceful and inclusive societies for sustainable development and facilitating access to justice for all is acutely needed. The briefing aims to highlight this need and will also cover the outcomes of the company dialogues and local interviews.

**Contributions to the 2030 Agenda**

Swedwatch has worked to contribute to several SDGs through the project, by continuously highlighting environmental impacts in the mining areas, particularly impacts on women and girls, migrant workers, and economically vulnerable communities, and by pinpointing the ways in which business activities contribute to
the ongoing armed conflict in Kachin state. Findings from such research and analysis have been at the forefront of Swedwatch’s recommendations to companies and governments and continue to be at centre of the dialogues that Swedwatch engages with in relation to the project.

Swedwatch’s work in relation to the project aims to contribute to SDG 5, in particular target 5.1 End all forms of discrimination against all women and girls everywhere, 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, and SDG 8 including 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. Furthermore it supports SDG 15, in particular target 15.3 By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world and 16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all.

Community rights risks in South Africa’s platinum belt
Swedwatch has also continued to monitor developments relating to its project regarding human rights impacts from platinum mining in South Africa as depicted in 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. The report followed up on research presented in the 2013 report Problematic Platinum made in cooperation with Afrikagrupperna and Act Church of Sweden.

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 extracted 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. 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 organisation based in Johannesburg. 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 in 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 the worsening of the situation. Already high unemployment levels had risen due to a steady influx of migrant workers.
Community members claimed to have been evicted from their land while others experienced health problems due to air-pollution and water-contamination.

*Our land has been taken and our community is being enclosed by mining shafts. If we just let this happen, what do we say to our children and grandchildren. What will happen to them if we just keep quiet?*

— Community member in interview with Swedwatch.

Worker blockades and protests directed at the mines also put communities at risk of violence. 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 found little evidence that sufficient efforts had been made by companies to manage these human rights risks.

**Key developments, January - December 2019:**

Since the report was launched, there have been significant developments in South Africa regarding the rights of communities affected by platinum mining. Many of these developments are a result of a ruling in the South African Constitutional Court stating that mining companies cannot evict occupants from the land that they want to mine even if they have made a deal with the area’s traditional leaders. The implications of this ruling are expected to be far-reaching and is already being used by CSOs arguing that traditional leaders do not have the right to make deals on behalf of whole communities. This development is in part a result of continuous attention on the issue by both international organisations including Swedwatch and of local CSOs such as Bench Marks Foundation.

On the ground in the platinum belt, there are some discouragingly several negative trends. Lonmin, one of the South African mining companies investigated in the report, was recently purchased by a competitor which decided to suspend activities in several shafts – causing approximately 5,500 workers to lose their jobs with expected negative impacts on nearby communities.

Some of the most severe ongoing issues are connected to an open cast mine that has recently relocated a community from a piece of land that, according to Bench Marks Foundation, is an Iron Age archaeological heritage site which should be protected from mining. Furthermore, the land is said to belong to a community that has not been consulted about the expansion of mining activities. Other adjacent communities have complained about the deteriorating water quality in the area. After these complaints, the water was tested but according to Bench Marks Foundation the communities have not been provided with the results of these tests.

**Going forward**

Due to contextual factors in the South African mining sector and the fact that human rights in the provider-customer relationship is still a rather new issue, change is slow. During 2020, Swedwatch will release a thematic report that focuses specifically on human rights responsibilities in provider-customer relationships. In this project, South Africa’s platinum industry will serve as one of three case studies, the others being jade mining in Myanmar and hydro power in Colombia.

The project will provide an overview of sector-wide developments relating to human rights responsibilities in the provider-customer relationship as well as identify gaps and opportunities for stakeholders who provide equipment to companies operating in high-risk contexts, specifically the extractives and energy sectors. Swedwatch is currently also reviewing how similar research and analysis can be applied to other sectors, including agribusiness and infrastructure development.
**Hidroituango in Antioquia - human rights and environmental impacts**

Swedwatch has also continued to monitor human rights and environmental impacts associated with the construction of Colombia’s largest hydroelectric power project Hidroituango in Antioquia, to which Swedish companies Scania and Atlas Copco have provided machinery and personnel. The human rights and environmental impacts related to the construction were first raised by Swedwatch in the 2014 report *Drowned Rights, Floating Responsibilities*. Dialogue with the Swedish companies has been ongoing since then, leading to clear improvements in the companies’ policies and routines as providers to projects in high-risk areas.

Following the deteriorating situation for the human rights defenders in the Hidroituango project area, Swedwatch has raised the companies’ role and responsibility in safeguarding civic space and ensuring that human rights defenders in the area are protected. In May 2019, Swedwatch helped Diakonia and Act Church of Sweden co-arrange a roundtable together with a representative from Colombian movement Rios Vivos and Scania and Atlas Copco, to update the companies on current human rights risks related to the construction of the hydropower project, in particular as regards threats and attacks against human rights defenders including members of Rios Vivos who have opposed the project. This was a follow-up meeting after the first dialogue meeting between the companies and Ríos Vivos arranged by Swedwatch in 2018.

In 2019, a defender from Ríos Vivos was interviewed for the report *Defenders at Risk*, providing further attention and visibility to the case which according to members of Ríos Vivos is the most effective strategy to mitigate risks of attacks. In a meeting with the Ministry of Foreign Affairs and the Ministry of Commerce in November 2019, Swedwatch encouraged the Swedish Government to act as a member of the Interamerican Development Bank (IADB) financing the project. This has also been called for by several other European CSOs and in late 2019 the conflict resolution mechanism of the Interamerican Development Bank publicly announced that they would open an investigation of the Hidroituango case.

Going into 2020, Swedwatch will continue the dialogue with the companies involved as part of its comparative project on provider-customer responsibilities and will explore the possibilities to increase the participation of defenders from the impacted areas within this dialogue.

**Contributions to the 2030 Agenda**

The South African platinum mining sector is a clear example of how rights holders in the Global South are adversely affected by unsustainable business activities. A key purpose of the project was to increase awareness among providers of mining equipment on how communities in the South African platinum belt are affected by the operations of their customers, and to encourage them to ensure respect for human rights in operations where their products are being used. Another purpose was to raise awareness among other private actors and public actors on the need for companies to identify environment and human rights risks in high-risk areas - and to consult with vulnerable groups. Key recommendations put forward to these targeted stakeholders in dialogue and awareness raising activities was that selling companies should 1) *use their leverage to encourage customers to address adverse human rights impacts* and 2) *ensure that affected rights holders are informed of, and have access to, an effective and meaningful grievance mechanism*. This should be done by encouraging customers in the mining sector to ensure that their mechanisms are well-advertised and trusted in the communities.

Recommendations to the government of South Africa included 1) *ensure that mining companies fulfil*...
the terms of their Social and Labour Plans and 2) pursue protection of human rights that may be impacted as a result of platinum mining.

Increased adherence by companies to established guidelines on business and human rights in this context supports several SDGs, most notably SDG 1 End poverty in all its forms everywhere and SDG 16, Peace, Justice and Strong institutions, in particular through the project’s focus on how rights holders, for the purpose of platinum mining, were relocated without consultation or compensation. After many years of highlighting the issues, developments have been made in the area in line with Swedwatch’s recommendations. This includes mining communities being increasingly consulted and compensated – a contribution towards decreased poverty and increased transparency. Highlighting the need to ensure that affected communities enjoy more of its benefits, including job creation, supports SDG 2, Zero hunger and SDG 8, Decent work. The focus on how mining operations affect women is in support of SDG 5 to Achieve gender equality and empower all women and girls. A central component of the project is also to make community members in the Platinum belt increasingly included in decisions on mining operations affecting them. Thus, in dialogue with both Swedish and South African companies, Swedwatch has voiced rights holders’ experiences and perspectives and in two report launches for the report. Besides arranging a seminar at the Alternative Mining Indaba in Cape Town, Swedwatch held a local launch in Marikana, one of the communities where research was done for the report, in which representatives from different communities affected by mining participated. This is in support of SDG 16, in particular Target 16.7; Ensure responsive, inclusive, participatory and representative decision-making at all levels.
Agribusiness and land investments: community impacts

Large-scale land projects imply a wide range of human rights and environmental risks for local communities, particularly in high-risk contexts such as areas with widespread poverty, water scarcity or in post-conflict settings. Simultaneously, global efforts to tackle climate change have spurred an increase in global investments in renewable energy and water efficiency techniques. Although companies and investors diligently assess financial risks associated with potential project challenges, many do not sufficiently address human rights risks related to impacts on natural resources such as land, water and air.

Human rights, water and environmental impacts in Peru’s agribusiness sector

The United Nations has recognised water as a human right. Still, over 650 million people lack access to clean drinking water. Furthermore, 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. 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 SDGs, particularly SDG 6 aimed at ensuring access to clean water and sanitation for all.

As part of a project investigating water scarcity and food supply chain management, Swedwatch in collaboration with member organisation Diakonia 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

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. While a rise in demand has boosted economic growth and job creation in the country’s agro-export sector, 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.

The UN Development Programme (UNDP) has warned that climate change is threatening efforts to reduce poverty in Peru, since the country’s economy is largely dependent on business activities that entail a high risk of adverse impacts on the environment and contribute to climate change.

Research and findings

In April 2018, Swedwatch visited ten communities in the Ica region with the Peruvian organisation CODEHICA. The field study included interviews with affected rights holders and workers in both rural and urban communities and a wide range of other local stakeholders. Findings showed that 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 had made the soil drier and the weather more unpredictable, impacting food security.

“All the agro-export companies that exist in the Ica valley use groundwater, despite knowing that water is becoming scarcer every day. There are districts that have only one hour of water a day. I want this to be known, because these companies are filling up their pockets with money but unfortunately the benefits are only for them. If no solution is proposed, the lack of water will get even more critical in a few years.”

Asparagus worker and resident of Ica, interviewed by Swedwatch

While water-related impacts were particularly severe, the report also showed that the agro-export sector adversely impacted 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 or alone at home, and lack of living wages contributed to health-related problems and poor nutrition among children of farm workers. Women and children were particularly impacted by the lack of water and sanitation in the informal urban settings where many of the workers live.

The report further scrutinised the responsibility of buyers of agricultural products from Peru and the compliance with international guidelines by seven Swedish companies. 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, in particular with regards to water-related human rights risks.

Key developments, January – December 2019

In order to follow up on the performance of the companies reviewed as part of research, a round table meeting was arranged by Swedwatch and Diakonia in February 2019 with relevant companies and Sweden’s then-Ambassador for Sustainable Business.

A local launch of a Spanish version of the report and stakeholder discussion was arranged by CODEHICA, Swedwatch and Diakonia in Ica, Peru, in March 2019. During the event, Swedwatch presented the report’s main findings to stakeholders including community members, civil society organisations, local authorities, exporters and buyers (including Axfod, Coop, Greenfood and Peruvian producer Agricola Chapi), Stockholm International Water Institute (SIWI) and the Swedish and Dutch Embassies in Peru. The Swedish companies also participated in a three-day field visit in which they met with female workers, labour unions, affected communities, EHRDs, local authorities and suppliers.

According to CODEHICA, the launch and following discussion was the first time that Peruvian companies were willing to attend a meeting organised by civil society. Providing local stakeholders with the opportunity to raise concerns with authorities and companies are in line with Swedwatch’s efforts to include a rights holders’ perspective in relevant dialogue forums and can be an effective tool to empower local communities. At the launch, company representatives emphasised that water scarcity and associated human rights risks needed to be urgently addressed. This was in line with Swedwatch’s call on buyers to use their leverage towards suppliers and other key stakeholders. Producing company Agricola Chapi responded that water usage was an urgent issue that the company would be focusing more on.
Several additional outcomes have been recorded. CODEHICA states it is now invited to events and discussions that it was earlier excluded from – providing momentum to the organisation’s efforts to create a permanent forum for dialogue on business-related impacts regarding access to water in the Ica Valley. However, alongside these positive developments, CODEHICA continues to face repression from other actors with interests in the sector. Swedwatch will continue to monitor developments to specifically related to CODEHICA’s civic space. Swedwatch research findings were also central to the formation of a new national civil society platform in Peru on business, environment and human rights. The platform has since it was founded engaged in dialogue with government representatives regarding the creation of a National Action Plan on Business and Human Rights in the country.

Several companies claim to have taken steps to address findings in the report. Everfresh states it has made water management a priority issue. Coop states it has raised the issue in discussions with Peruvian suppliers and initiated discussions on a project together with another Swedish NGO on how to improve access to water and sanitation for local communities. Axfood states that following the report, the company has met with Peru’s Ministry of Foreign Affairs and national water authority, calling for increased engagement from the Peruvian Government and business sector.

Greenfood states that employees will spend more time travelling to producing countries, to better understand complex sustainability challenges. The company has engaged in dialogue with suppliers of asparagus from Ica, encouraging them to take an active role in joint efforts to address the issues. Furthermore, Greenfood has included a new clause in contracts that gives suppliers a responsibility to inform Greenfood of any production-related conflict. The company will use the case of asparagus from Peru in trainings for staff, to ensure that employees have the capacity to identify a wide range of potential negative impacts during audits. British food retail chain Tesco contacted Swedwatch as the company wanted to gain a better understanding of the human rights risks related to agricultural products from the Ica valley.

Based on recommendations from the Swedish Embassy in Peru, the International Trade Center reached out for input from Swedwatch on the development of a sustainability guidance tool for local producers in Peru aiming to export to Europe. This support will possibly continue during 2020.

In August 2019, Swedwatch participated at the World Water Week in Stockholm, presenting report findings, recommendations and outcomes to companies and investors. SIWI and Alliance for Water Stewardship also participated in the seminar. According to SIWI, the organisation has noted an increased interest among Swedish and international food companies in understanding and addressing water and human rights impacts from fruit- and vegetables production in the Ica valley. SIWI states that the report has worked as a catalyst for new initiatives within its cluster group with Swedish companies, and that SIWI has continued the dialogue with the companies included in the report on how to address the water-related issues. After its dialogue with Tesco, the company has joined the discussion with the ambition to lead a joint project with the Swedish companies.

During the Almedalen Week (30 June – 7 July 2019), Diakonia and Swedwatch arranged a seminar highlighting the case of water shortage in Peru due to agribusiness and unsustainable use of water, in an event discussing the need for mandatory human rights due diligence by companies in high-risk settings. Swedwatch introduced the seminar with a presentation on findings in the report to the audience and to the panel, represented by members of the Swedish Parliament, the Head of Sustainability at Coop and Diakonia. Over several days, Diakonia and Swedwatch also hosted a photo exhibition with pictures from the Ica Valley and a screening of Diakonia’s associated film.

Going forward
Going forward, Swedwatch will continue to address the right to water in several different contexts, including relating to water management in agricultural supply chains, for example in an ongoing project with SIWI, Diakonia and CODEHICA. Swedwatch will also explore water related impacts from land investments and explore how to build on local partnerships on the issue. One relevant platform is a cluster group being set up by SIWI, which includes Swedish, and possibly other European companies, to identify solutions and opportunities for joint action on business-related environment and human rights challenges related to water management.

Human rights and environmental defenders are often fighting for water sources and face threats and attacks as a result. Swedwatch continues to raise this linkage in dialogues, reports and capacity building projects with local partners. Possibly this will also be included in a briefing paper for investors.

**Contributions to the 2030 Agenda**

Work and activities within the project were conducted to contribute to the fulfilment of the 2030 Agenda, in particular **SDG 6: Ensure availability and sustainable management of water and sanitation for all** by raising awareness about health, economic and gender impacts of lack of access to clean water for urban and rural communities in the Ica Valley, and in global agricultural supply chains at large. Swedwatch has raised these issues with several stakeholders, encouraging both Peruvian authorities and suppliers as well as Swedish and international companies to address water and human rights risks in cooperation. Engagement with key targeted stakeholders in the project also contributed to **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.** An example is increased leverage from international buyers on producers in Ica to ensure water-efficiency, and increased interest from companies such as Axfood and Nature’s Pride to apply more stringent standards such as the AWS International Water Stewardship Standard.

Contributions to **SDG 6** include **Target 6.8; Support and strengthen the participation of local communities in improving water and sanitation management**, by facilitating an inclusive dialogue on water management in Ica and by the establishment of a permanent water forum by Swedwatch’s local partner CODEHICA, financed by Diakonia. The local launch and the establishment of the forum is an important step towards a more inclusive stakeholder dialogue which has not existed in Ica before. It also contributed to **SDG 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 16.10; **Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements** and **Target 17.17; Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.**

Contributions to **SDG 8**: **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** was done through highlighting the lack of labour rights for workers in the agro-export sector, harassment against union members and the situation for female workers, especially migrants. These issues have also been highlighted by the buying companies in their dialogue with suppliers and national authorities in Peru, in part following their opportunity to meet with female workers and union representatives during their field visit.
In addition, the project has contributed to **SDG 12: Ensure sustainable consumption and production patterns**. In particular, the report, which has been widely distributed and increased awareness through for example media attention, has contributed to **Target 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature**. Human rights impacts linked to large-scale production of vegetables in arid regions have also been included as an example used in Swedwatch’s educational material.

**Community Rights: Protecting rights holders with responsible investments**

The 2017 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. For businesses operating in high-risk contexts like post-conflict Sierra Leone, the thorough identification and address of human rights risks is critical. The increase in land-related investments during the past ten years have led to conflicts between companies and communities in many parts of the world, also in Sierra Leone, and the situation for EHRDs questioning these investments is deteriorating.

The report complements Swedwatch’s earlier work on environment and human rights challenges in Sierra Leone and Liberia, including briefing paper *Human rights impacts of the exit of Swedish investors from Buchanan Renewables Fuel in Liberia, Cut and Run (2013)* on exit-related challenges in Liberia, and *No Land, No Power (2013)* investigating impacts by large-scale land investment in Sierra Leone.

**Issue description**

Human rights challenges when land-related projects stall is a highly relevant issue in Sierra Leone and Liberia. The brutal civil wars in the countries that ended in 2002/2003 were fueled by competition over, and revenues generated from, the extraction of natural resources, primarily diamonds and timber.

Sierra Leone has made efforts to promote large-scale agriculture projects as part of a drive to diversify the economy and make it less dependent on the mining sector. However, large-scale land-related projects, whether mining or agriculture, often entail similar human rights and environmental challenges. When such projects stall, impacts tend to worsen. In order to illustrate the need for exit strategies among international investors in all large-scale land-related projects, this report uses the experiences of the Addax Bioenergy project in Sierra Leone. When it started in 2011, it represented the biggest agricultural investment ever made in Sierra Leone and sought to become a model for sustainable agricultural investments in Africa.

**Research and findings**

In the research for the report, Swedwatch visited seven communities in the Addax Bioenergy project area and conducted a total of ten focus group interviews, with 6–10 participants in each, mainly women. Women are crucial to household food security and produce a large proportion of the food in Sierra Leone. They are more likely to be disadvantaged by land investments since they generally lack access to land and are less likely to be employed. Findings were triangulated with interviews with public authorities, CSOs and experts on food security.
The aim of the Addax Bioenergy project was to produce ethanol from sugarcane for the European market, provide electricity to the national power grid and create over 3,000 jobs in a remote area where 95 percent of the households depend on subsistence farming. The project was supposed to become a golden standard for sustainable investments in agriculture and was initially owned by oil and gas company Addax & Oryx Group and partly funded by several European Development Finance Institutions (DFIs) including Swedish Swedfund and Dutch FMO.

Already in 2015, the DFIs exited the project citing financial challenges and as a consequence, the project was drastically downscaled. A majority of the employees lost their jobs and decreased access to natural resources due to the project meant there was little to fall back on. The ebola outbreak in Sierra Leone in 2014 and 2015 further exacerbated the dire situation that the project stall inflicted on local communities. The impacts of the stall – and the need for responsible exit strategies in land-based investments – were highlighted in the 2017 Swedwatch report “No Business, No Rights.”

The Addax project resumed in 2016 and is today owned by British-Chinese company Sunbird Bioenergy, financial advisory firm Faber Capital and a consortium of investors, according to information on Sunbird Bioenergy’s website. Sunbird Bioenergy is registered in Mauritius and develops bioenergy projects also in Zambia and Zimbabwe.

In order to increase the capacity for civil society actors 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.

Key developments, January – December 2019

The Addax Bioenergy case has continued to pose challenges to communities in Sierra Leone. In April 2019, Swedwatch was notified that Tonka community, one of the communities located closest to the site, were informed that 300 residents would be relocated despite the fact that the project was meant to avoid the relocation of communities. Sierra Leone’s Environmental Protection Agency states that the main reason for the relocation plans is environmental: due to its proximity to the factory, water sources in Tonka community have been contaminated and the air polluted by ethanol residue. It also poses an evident danger in the case of a fire. The relocation of Tonka community and the associated human rights risks were highlighted by Swedwatch after dialogue with local CSO SilNoRF, in an article published in March 2019. The issues were also raised by Swedwatch in dialogue with EPA and project owner Sunbird Bioenergy.

Following the dialogue with Swedwatch, Sunbird Bioenergy shared the relocation plans at a multi-stakeholder meeting in March 2019 where the community was informed that the relocation would likely start in 2020, and that it would be conducted in accordance with local laws and international standards. Speaking on behalf of Tonka community, SilNoRF stressed that the community members felt they were left with two equally bad options; they cannot stay due to the pollution and the closeness to the factory, while a relocation entails a number of risks such as losing access to land. Furthermore, the area that the community will be relocated from holds important religious sites. In recent years, several communities in Sierra Leone have reported adverse human rights impacts in relocation processes. Swedwatch has asked Sunbird for more details but had not received any reply at the time of writing.

The conclusions and recommendations developed during Swedwatch’s project on stalled company operations in Sierra Leone and Liberia have been used in continued dialogue with Swedish DFI Swedfund and the European DFIs that are members of the Association for European Development
Finance Institutions (EDFI). In 2018, Swedwatch initiated and sent a joint letter together with the UN Special Rapporteur on the Right to Food and 14 other CSOs to EDFI and its 16 members, as many projects in which EDFI members invest are land-based and located in high-risk areas. The letter called for improvements in the guidelines and practices of EDFI members in regards to human rights issues, including exit strategies, and urged EDFI and its members to improve transparency and dialogue with civil society in home and host countries and to ensure that all voices including those of environmental human rights defenders are included in stakeholder dialogues. In 2019, Swedwatch continued its dialogue with Swedfund and EDFI. According to Swedfund, human rights issues are now given a higher priority among EDFI members, in part due to this dialogue. Following the joint letter, EDFI updated its guidelines based on UNGPs in May 2018. ACT Alliance, that also signed the letter after dialogue with Swedwatch, has also used the joint recommendations to EDFI in dialogue with the European Investment Bank (EIB).

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. Furthermore, by focusing on renewable energy projects such as wind, hydropower and bioenergy projects which are most associated with high risk of adverse human rights and environmental impacts, Swedwatch will support efforts toward a just transition that will ultimately decrease the vulnerability of people living in poverty, promote sustainable energy systems and ensure sustainable consumption and production patterns.

**Contributions to the 2030 Agenda**

Swedwatch’s work to highlight responsible land investments in high-risk contexts is part of the organisation’s efforts to support the fulfilment of the 2030 Agenda. In associated dialogue meetings and awareness raising activities towards key stakeholders, Swedwatch has continuously raised the report’s main findings and recommendations in order to contribute to positive change for rights holders. Apart from recommendations to investors to ensure that responsible exit strategies are part of investments, Swedwatch has encouraged Swedfund and FMO to 1) undertake extensive assessments of impacts of the Addax project during the project scale-down with a particular focus on food security, local livelihoods and impacts on vulnerable groups, including women and children and 2) Bring the discussion on land-related investments and exits to EDFI in order to address the dilemmas that might occur and to give guidance to other EDFI members. Recommendations to Sunbird Bioenergy, the new majority shareholder of Addax Bioenergy included 1) Immediately address the negative impacts on access to clean drinking water, in cooperation with relevant authorities.

In its dialogue with Sunbird Bioenergy and local authorities such as the EPA in Sierra Leone, Swedwatch has raised the importance of safeguarding community rights to land and livelihood in the relocation of communities and highlighted specific issues of concern for the local community. The dialogue also led to the multi-stakeholder meeting by the company and EPA to inform the local community about the relocation plans and process. These activities have all contributed to SDG 1 End poverty in all its forms everywhere, in particular Target 1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance. The stakeholder forum and the engagement with EPA has also supported SDG 16 as it contributed to
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Community-Based Monitoring (CBM)

As part of Swedwatch efforts to contribute to the empowerment of rights holders, Swedwatch initiated an exciting and innovative pilot in 2019 using Community-Based Monitoring, a methodology that helps communities strategically make use of collected data, and advises them on how to carry out change projects and engage with companies, and which also strengthens Swedwatch’s research portfolio through the provision of empirical data. The approach seeks to enable the use of methods based on natural science to measure business’ impacts on water, air and human health, and enable communities to use results in dialogue with companies and public authorities. The design of CBM in general increases the involvement of, and cooperation with, project partner organisations and involved partnership with actors who have expertise on scientific methods for sampling and analysis. Swedwatch approach is also to facilitate capacity building by training local communities to increase their knowledge of how to conduct monitoring independently.

The Liberia CBM project pilot

In line with Swedwatch plan for 2019, a pilot CBM project was identified that would allow Swedwatch to evaluate the approach, its usefulness and decide on steps going forward. Based on identified added value and feasibility, a project in Liberia was prioritised. The background of the project stretches back to 2012 when Swedwatch, together with Dutch research organisation SOMO and Green Advocates conducted research regarding operations by the American rubber company Firestone in Liberia, investigating the impacts on local communities from the rubber extraction and processing by Firestone.

Research findings showed that communities were concerned about loss of livelihood and land rights issues. After increased engagement with Liberian civil society organisations in 2019, it became clear that the situation in several communities located adjacent to the processing plants remained problematic; according to local residents pollution of the nearby Farmington River has affected the quantity of water available for daily use and is causing severe air pollution in form of strong odour.

In order to scientifically assess these claims and compare them to Firestone’s own Environmental Impact Assessment which was conducted in 2008, Swedwatch contracted Source International to measure air and water pollution in the area. Swedwatch attended the first phase of the project entailed a seven-day scoping mission to Monrovia, Liberia in November 2019. Thirteen communities along the Farmington river were visited, facilitated by Swedwatch’s long-term local partner Green Advocates. On-site preliminary water and air pollution tests as well as community meetings were conducted. Initial results pointed to organic pollution in river and during the visit, a very strong odour stemming from the Firestone factory burning rubber was noticed, making adjacent villages uninhabitable. Further tests will have to be conducted to back up this anecdotal observation with scientific data.

In the second project phase, scheduled for March 2020, water samples and odour measurements will be taken in previously visited communities along the Farmington river. This phase aims to assess potential evidence of links between the operations of the factory and the pollution of air and water experienced by river communities. To this end, an analysis of the drinking water in six communities and an analysis of the odour caused by burning rubber will be conducted. Capacity trainings for community members will also be conducted, focusing on the use of measurement instruments and the analysis of resulting data.
Swedwatch will assess the outcomes of the project in April 2020 and decide on next steps. Swedwatch will also, together project partners, assess the possibilities of using CBM in other areas in the region, where communities can benefit from a scientific approach to increase their leverage in relation to companies whose operations impact local communities. Going forward, Swedwatch will also explore the possibilities of using the CBM approach as a tool to actively increase space for defenders, particularly in high-risk and in conflict affected areas.
Decent work: social dialogue and non-standard employment

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 that produce 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.

Below is a description of projects that seeks to address 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.

Workers and buyers on social dialogue in the Bangladeshi garment sector (2018)

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 2018 Swedwatch launched a report within a project exploring 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.

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 representatives of 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 employers, 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 by 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.

**Key developments January – December**

In 2019, it was reported that workers were repressed when protesting the country’s minimum wage level. Factories producing for western brands fired around 11,600 workers without legal justification and put them on blacklists, and at least 65 workers were arrested and subjected to baseless criminal charges, according to Workers Rights Consortium (WRC).

In the summer of 2019, the High Court of Bangladesh decided that the activities carried out by the Bangladesh Accord on Building and Fire Safety would be taken over by the Bangladeshi Government. However, labour unions, civil society organisations and brands - including several of those included in Swedwatch’s report, expressed their support for the Accord being led by an independent entity, since the government’s ability to handle the inspections have been widely questioned.

Two promising developments can however be noted. In April 2019, Rubana Huq, Managing Director of the large garment company Mohammadi Group, was elected the first female president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), stating she will prioritise increased transparency in the sector and support local factories in price negotiations with brands. Moreover, the Bangladeshi Government in May 2019 issued guidelines for subcontracting in the RMG sector, aiming to implement the National Tripartite Plan of Action on Fire Safety and Structural Integrity and ensuring transparency and accountability in the subcontracting business.

In June 2019, Fair Action invited Babul Akter, president of Bangladesh Garments’ and Industrial Workers’ Federation (BGIWF) to Stockholm. Swedwatch supported Fair Action in its planning and in arranging a round table with company representatives, trade unions and employers’ associations. Babul Akter updated the participants on the developments in Bangladesh, and on solutions and possible ways forward. Despite the developments in the sector, the brands expressed that the prices they pay for Bangladeshi products are steadily increasing. Furthermore, company KappAhl reported that the number of collective bargaining agreements among their suppliers in Bangladesh had increased to three compared to one when *Power of the Voice* was released in May 2018.

In late 2019, Swedwatch presented developments in the garment sector in Bangladesh in a panel at the World Cultural Museum in Gothenburg, organised by Swedish Institute for International Affairs.

**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 raise awareness on the subjects and to challenge companies’ current practices concerning addressing freedom of association and collective bargaining in their supply chains. Swedwatch is also exploring options of arranging an event with Bangladeshi and European actors to discuss challenges in the RMG-sector in spring 2020.
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 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, a project 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 and serves already as an important market for multinational industrial companies and one of Sweden’s largest Asian trading partners. 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.

**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 contracts and other forms of casual labour. The debate on working conditions for non-permanent workers is widespread in the country. In 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 labour usually work on par with 33 permanent staff 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**
When conducting research for the project publication, Swedwatch performed interviews with local management representatives, union representatives and workers with different forms of employment in Bangalore 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’s findings 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. Swedwatch’s recommendations included ensuring consultation with workers and the address of human rights risks within companies’ human rights due diligence in accordance with the UNGPs. Furthermore, state actors were recommended to contribute to the fulfilment of SDG 8 through identifying and addressing challenges specific to non-standard employment.

**Key developments, January – December 2019**
In dialogue with Swedwatch, Volvo Group claimed that the report has increased awareness in the company’s business areas about the external perspectives on non-standard employment. The company asserts it has taken several actions to ensure compliance by suppliers who provide Volvo with contract workers and outsourced services; local audit processes have been strengthened and
the company is training suppliers in the Volvo Code of Conduct and statutory compliance requirements, to build their capacity.

On the day of the launch, Swedwatch presented findings of the report to officials at the Swedish Embassy in India and explored possible possibilities of co-arranging a round table with companies, rights holders and other relevant stakeholders in India. In March 2019, Swedwatch visited the Swedish Embassy in Delhi for a meeting with its representatives and the Swedish Chamber of Commerce India to present the report and discuss possible future cooperation.

Swedwatch has raised the issue of labour rights in many years. Following Swedwatch’s work to highlight labour rights risks, including risks facing migrant workers in sectors such as tourism, global hotel chain Hilton notified Swedwatch in 2018 that it was using findings from Swedwatch’s research to address risks of modern slavery in its operations in Europe, the Middle East and Africa (EMEA). This included 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 on the risks of modern slavery in labour outsourcing in EMEA that is in part based on the Swedwatch’s report Shattered dreams. The training would be mandatory for Hilton employees such as general managers, human resources directors, procurement leads and finance directors in EMEA. As the training received praise from other actors in the hotel sector Hilton stated in 2019 it has decided to make the training public on the International Tourism Partnership (ITP) website.

Going forward

Swedwatch will continue to monitor issues facing workers in precarious employment, both as regards manufacturing and productions, and work to strengthen workers’ conditions. Swedwatch will review to what extent it may contribute to ensuring that workers are aware of their labour rights, including grievance mechanisms and procedures.

Contributions to the 2030 Agenda: Freedom of association and collective bargaining in South Asia’s manufacturing sector

The projects aim to enhance the respect for, and application of, the enabling rights of freedom of association and collective bargaining, particularly among companies active in the Indian and Bangladeshi markets. Strengthening this type of culture in global labour markets is one of the International Labour Organization’s (ILO) core focuses. By highlighting the need for action towards violated labour rights in this regard, in particular through dialogue with business actors and awareness-raising activities, Swedwatch aimed to increase contributions by companies in particular regarding resources and adherence to relevant international guidelines and standards – an important means of fulfilling SDG 8 on Decent work, productive employment and inclusive economic growth, especially 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. Since the garment industry in Bangladesh is dominated by a female workforce, Swedwatch’s focus on increasing worker representation in the sector contributes to Goal 5; Achieve gender equality and empower all women and girls. Functional worker representation is important in limiting sexual violence against female employees in the sector, and so contributes to 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.
Public procurement: positively influencing suppliers with social criteria

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. Swedwatch has continued its work to increase awareness among public procurers on the risks inherent in global supply chains and to push public sector actors take positive steps to identify and address risks in this regard, in particular as part of the EU-wide Make ICT Fair project targeting public procurers in EU institutions and EU member countries.

Social criteria in public procurement (2016)

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 SDG 12, specifically in target 12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

Swedwatch has worked for several years to highlighting the efficacy of public procurers as agents for change. In 2016, the report Agents for Change - How public procurers can influence labour conditions in global supply chains was published, providing case studies from Brazil, Pakistan and Thailand illustrating positive contributions possible when including social criteria in public procurement.

The issue of social criteria in public procurement is of utmost importance as human rights impacts are closely connected to public sector 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. 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 SDGs.

In 2019, Swedwatch continued and initiated work on projects relating to fair supply chains and public procurement. For instance, a project investigating environmental and human rights impacts from unsustainable production and waste management in the pharmaceutical supply chain was initiated, an issue that is highly relevant to both consumers, business actors and public procurers. The project is a collaboration with the SSNC and will be ongoing over the course of 2020. During 2019, Swedwatch participated in several events highlighting global health risks and community impacts relating to the issue, particularly as regards to access to clean water. For example, Swedwatch was
part of two panels during the Almedalen week together with business representatives and experts on water and waste management. Both seminars aimed to raise awareness on the issues were also valuable opportunities to connect and engage in dialogue with relevant stakeholders. In November 2019, Swedwatch co-arranged and participated in a seminar at the Forum for Human Rights in Linköping together with Stockholm International Water Institute, on antimicrobial resistance and impacts on human rights, with representatives from the industry, public procurers and civil society.

In response to UNDP’s call for input in relation to its revision of its “Social and Environmental Standards”, Swedwatch submitted comments encouraging the UNDP to actively integrate a business and human rights perspective across its programming to ensure that UNDP activities that directly or indirectly involve private and state-owned business actors are aligned with the UN Guiding Principles on Business and, when applicable, the Human Rights and the OECD Guidelines for Multinational Enterprises. Swedwatch proposed adjustments the standards related to gender equality and women’s empowerment, and regarding public procurement.

Due to Swedwatch’s work highlighting child labour and lack of transparency in the tobacco industry, Swedwatch was interviewed for a feature story published in May 2019 about the issue in The Geographical, the academic journal of the British Royal Geographical Society.

Swedwatch also provided lectures at Riksbanken and Region Halland, targeting public procurers and civil servants working with sustainable development and the 2030 Agenda.

**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 organisations across Europe working together on the campaign. The project runs between 2017 and 2020 and includes research, trainings, awareness-raising activities in Sweden and Europe. The overall objective is to awareness-raise and mobilise EU citizens, and to encourage decision-makers and public procurers to take steps that can improve the rights of workers and communities in the ICT industry. The project is mainly funded by the EU and 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. Findings were presented in the report *Copper with a Cost*, launched in May 2019 (see also Human rights and environmental risks in ICT supply chains).

In February 2019, Swedwatch presented preliminary research findings from Zambia at a well-attended panel-seminar at the Mobile Social Congress, an annual conference carried out in parallel to the World Mobile Congress, both taking place in Barcelona. In May 2019, Swedwatch launched the report and associated film which was widely disseminated through the Make ICT Fair partner consortium networks and social media outlets. Swedwatch has developed school material based on
the report Copper with a cost, as well as other reports, which will be launched in 2020 in Sweden. The material targets young consumers and aims to increase awareness on ICT supply chain risks and corporate responsibility.

As part of Make ICT Fair, Swedwatch carried out three seminars on social criteria in public procurement of ICT and on human rights risks in ICT supply chains. The seminars reached 74 public procurers, sustainability strategist and suppliers at Swedish municipal, regional and national level. Swedwatch received overwhelmingly positive feedback after the seminars, and according to evaluations, participants found the information useful and provided new knowledge. Swedwatch also enhanced awareness on ICT production by carrying out the workshop *Finns det schyssta mobiltelefoner?* (“Do fair phones exist?”), reaching 409 students.

As lead partner, Swedwatch has been supporting partners within the Make ICT Fair project, answering questions, providing advice and developing strategies to overcome challenges, as well as maintaining a dialogue with the European Commission. The annual report for Make ICT Fair showed good progress and expectations are that all outputs and outcomes will be met.

In October 2019, Swedwatch co-arranged a breakfast for Members of the European Parliament, which resulted in three MEPs deciding to form a “friends of Make ICT Fair” working group to explore possibilities to enhance social criteria in ICT procurement within the European Parliament and engage in other activities on the issue. This activity has created new connections with MEPs which potentially can be involved in the campaign, contribute to the development of new resolutions and communications to the European Commission and support the overall objective of Make ICT Fair.

In order for the European Commission to assess Make ICT Fair outcomes and reach of targets, the project was subjected to a ROM (Results Oriented Monitoring) Review in 2019. The review included interviews with project coordinators as well as with stakeholders and representatives of target groups, including procurement officers. The reviewers concluded in their report that the project was “relevant to the target groups” and had a “reasonable intervention logic”. Outputs were deemed to be of high quality and delivered according to plan, with few exceptions. In addition, the review concluded that the project was designed in a way that helps partners acquire lasting capacities, and that there is a good chance that changes made within target groups will persist over time. Some challenges were also identified, including delays in projects outputs. Following the review, Swedwatch together with project partner Südwind went through the recommendations of improvements and communicated how they would be addressed to the European Commission. The report was also shared with Swedwatch’s co-funder for the project, Sida.

The annual reports for Make ICT Fair show that the project has been effective and over-achieved outreach targets, sensitising over 230 million citizens on human rights and labour rights impacts in ICT production. It has also actively engaged with citizens through street actions, seminars and workshops. Moving into the final project year, partners are assessing how to capture and continue building on outputs delivered, in order to build momentum and sustainability after the project lifetime.

**Going forward**

Swedwatch will continue its work to promote sustainable public procurement practices among national and international public sector actors. The area is increasingly recognised as a powerful tool that can generate fairer supply chains around the world and alleviate poverty. Swedwatch is considering conducting a follow-up report to *Agents for change*, as this is publication has been
largely used and referred to in discussions on the use of social criteria in public procurement both by Swedwatch and other stakeholders, both in Sweden and abroad.

Make ICT Fair – contributions to the 2030 Agenda
By raising issues around the interdependencies and ethics of ICT industry, Make ICT Fair aims to increase EU citizen knowledge of EU development cooperation within the context of the SDGs and to raise awareness and understanding among EU citizens and decision makers about the interdependencies between the Global South and Europe. It further aims to mobilise EU citizens, decision makers and ICT procurers in the EU public sector to improve workers and communities’ rights and conditions in the ICT industry. Work and activities are thus in support of SDG 1 by reducing poverty, through working towards a better share of profits for workers and communities in an industry infamous for low wages and for contributing to destabilising conflicts. Is also supports SDG 5 on Gender equality by increasing the number of public sector contracts requiring adherence to gender rights. It will also increase monitoring and enforcement of such standards further down the supply chain. It also supports the achievement of SDG 8 by promoting Decent work and targeting child and forced labour in public sector supply chains and Multilateral Development Bank (MDB) investments and SDG 9, by promoting inclusive and sustainable industrialisation in one of the world’s largest industries. It furthermore aims to contribute to SDG 10 on Reduced inequalities by using public and MDB leverage to require equal opportunity and reduce discriminatory policies and practices in the electronics supply chains, and to SDG 12 by promoting public procurement and corporate policies that are sustainable, particularly in the mining stage of the electronics supply chain – hence in particular Target 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities. Through its wide distribution and contributions to increased awareness the campaign has also contributed to Target 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.

Young consumers
Consumers have significant potential to influence business behaviour and to change consumption patterns in a sustainable direction. In their roles as consumers, future decision-makers and business leaders, Swedwatch regards young people as an important targeted stakeholder in the work to create positive changes in behaviour for the benefit of rights holders globally. Over recent years, Swedwatch has increased engagement in regard to this group, for example through providing advice to savings-holders, the production of innovative youth-friendly educational material, and the promotion of active citizenship through the Make ICT Fair campaign.
Increasing young consumers’ knowledge on business, human rights and environment

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 SDG 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 entitled Vad kostar din tröja? (How much for your hoodie?) and a teacher’s guide, targets young consumers and includes cases on how the textiles, electronics, food and travel industries may impact negatively on human rights and the environment. In a pedagogic but youth-tailored manner, it presents risks and impacts along the supply chains of different types of goods and services and explains the responsibility of companies in this regard. 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. During spring 2019, over 25,000 copies of the publication had been ordered by teachers at schools all around Sweden, potentially reaching far more students. A further 2,000 copies were 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. The publication, accompanied by 12 workshop exercises, has also been downloaded from Swedwatch’s and the SSNC’s websites. An evaluation made by Swedwatch and the main distributor, Utbudet, showed that the material has worked “well” or “really well”, that students’ knowledge of corporate responsibility for human rights had increased, and that it has had a positive impact on the students’ consumer patterns. As more actors have shown interest in the magazine, Swedwatch had the educational material translated into English during spring 2019, increasing the potential to reach wider audiences abroad.

Swedwatch also continued the work to engage with young consumers in other ways. For example, Swedwatch has met with the Swedish Environment Agency on several occasions to explore the possibilities of future collaboration, particularly regarding sustainable consumption among young audiences, as well as and human rights in the mining sector. The dialogue identified strong possibilities of concrete areas for collaboration starting in 2020.

The Swedish CSO Föreningen för Utvecklingsfrågor, which offers a range of lectures about sustainable development and global issues for its young members, invited Swedwatch to give lectures about conflict minerals, with particular focus on problematic minerals that lead to conflict around the world. The presentation particularly highlighted how women and girls are impacted by the mining sector. The presentation was filmed and had 60 views by May 2019.

In response to requests from university students at Master programmes in Sweden and Denmark, Swedwatch provided expert comments regarding sustainable finance and conflict minerals.
Swedwatch also provided a lecture for 64 master level students at the Sustainable Development, Environmental Science and Engineering departments at KTH Royal Institute of Technology in Stockholm on the roles and responsibilities of businesses, private and public actors in protecting and respecting human rights in their global operations. In an evaluation, students stated that the lecture had provided them with basic knowledge on how to assess or investigate human rights and environmental concerns within the global supply chain, and how this relates to the SDGs.
4. Lessons Learned & Going forward

Through harvesting and implementing lessons learned, and by continuous analysis of operating environment and internal mechanisms, Swedwatch has ensured its strategic direction, its long-term focus, rights-based and systemic approach, its international outreach and its collaboration with communities and civil society actors in the Global South.

While most are based on an ongoing internal analysis including from M&E workshops, some are based on the findings and recommendations from the external evaluations of Swedwatch’s 2015-2019 programme and the ROM Review of the Make ICT Fair project. Central to efforts are contributions to the achievement of the SDGs in the context of Swedwatch three long-term objectives; Responsible and equitable management and use of natural resources, Sustainable and fair global supply chains, and Empowered rights holders and expanded civic space.

Swedwatch’s work going forward will focus on issues pertinent to the three geographical areas and on several current and emerging challenges and trends. Based on the analysis of Swedwatch’s operating environment, special attention will continue to be placed on businesses active in emerging and high-risk markets as well as on issues regarding 1) Environmental human rights defenders and just transition aspects, 2) The roles and responsibilities of economic actors in peacebuilding and sustainable peace, 3) Public procurement, particularly focusing on the ICT sector, 4) Provider-customer relationships, 5) Toxins, health and the right to clean water, and 6) The responsibility of financial actors. All of these are areas where the challenges within the field of business, human rights and environment are extensive, and where Swedwatch’s method and strategies can contribute to sustainable change. Swedwatch will further review its efforts as regards SMEs.

Although many of Swedwatch lessons learned have already become integral in the organisations’s work, the following are prioritised areas going forward in order to help ensure organisational sustainability and maximised achievement of goals. This will ensure that Swedwatch’s efforts toward sustainable development are based on the realities and priorities of rights holders and people living in poverty.

Human rights based and participatory approach

Swedwatch’s efforts to more actively integrate the perspectives of rights holders during the 2015-2019 programme have proven successful. Swedwatch staff have in turn benefitted from the exchange opportunities with local stakeholders and strengthened their own expertise and ability to contribute toward change. In 2019, Swedwatch placed significant efforts to streamlining a participatory approach across its work and project plans, including through providing opportunities for civil society actors could connect with business and public actors. Together with member organisations, Swedwatch is set to increase the involvement of partner organisations in project planning and execution.

Swedwatch creates opportunities for dialogue and engagement across targeted stakeholder groups, for example by arranging round tables and other types of forums. Bringing targeted stakeholder groups closer to each other has proven successful in many Swedwatch’s projects and has contributed to creating positive change for rights holders. This is especially the case following participatory research, sub-regional workshops, and pre-discussion training on BHRE tools, norms, and standards. Swedwatch has steadily increased such activities and will continue to do so based on need and demand.
One example of multi-stakeholder dialogue events conducted over the period is the launch seminar of the report *To the last drop* in Peru, connecting workers, CSAs, business actors and authorities to discuss solutions to the water scarcity in the area. Swedwatch also invited EHRDs from Liberia to participate in panels at the 2019 UN Forum on Business and Human Rights, and for EHRDs (EHRDs) from South Africa and the Philippines to engage with Swedish companies. In the Swedish Ministry of Foreign Affair’s (MFA) annual dialogue on trade politics, the MFA underlined the importance of Swedwatch’s work in establishing dialogues between CSAs, companies and government authorities and in showing the benefits and opportunities of such dialogues.

Also, as the empowerment of EHRDs, rights holders and civil society actors representing their interest is at the core of Swedwatch’s work, Swedwatch has significantly increased its efforts to design and implement projects more explicitly and directly involve rights holders. This has included through the participatory co-design of research projects, arranging workshops and facilitating capacity building and exchange activities, with particular focus on EHRDs. Two such activities conducted in 2019 were Swedwatch’s sub-regional trainings and consultation sessions for CSAs and EHRDs from Liberia and Sierra Leone, and from several East African countries. Findings from the consultations, specifically as regards the perspectives of defenders, were included in Swedwatch’s 2019 Policy brief on business, human rights and environment in peacebuilding.

Also, adopting long-term perspectives and engagements increases the likelihood of sustainable results. Swedwatch has therefore increasingly remained committed to following issues and maintaining relationships over time. This was also highlighted in PwC’s evaluation; “By implementing a more long-term perspective and putting more focus on rights holders and the poverty perspective, as well as by looking at international companies, rather than limiting to Swedish companies, the organisation can contribute to an international dialogue on business, human rights and the environment and, as such, have a greater potential to influence.” Long-term perspectives include engaging and building long-term relationships with targeted stakeholders, including business, public and civil society actors. Examples of relations that Swedwatch continuously engages with include Peruvian CSO Codehica, South African Bench Marks Foundation, Liberian CSO Green Advocates and Silnorf (Sierra Leone).

Systematic approach

By increasingly working with comparative cases, Swedwatch has realised the organisation’s aim to make its research findings relevant for entire sectors, increasing the potential for reach and impact in Sweden and internationally. Examples of comparative studies includes new research and planning of activities that complement Swedwatch’s previous studies on company responsibility in provider-customer relations and business-related community risks stemming from large agribusiness projects.

Swedwatch’s long-term and increased focus on specific targeted stakeholders yields results. For example, Swedwatch work with public procurement processes in Sweden and abroad has culminated in concrete results for rights holders and highlighted the potential for creating fairer labour conditions for workers worldwide. In 2019, Swedwatch continued to reach out to public procurers in Sweden and abroad, not least as part of the Make ICT Fair campaign where public procurers are one of the key targeted stakeholders. Swedwatch has, due to demand, increased the provision of expertise on public procurement outside of Sweden.

Another lesson learned related to the issue of sustainability is that results related to Swedwatch projects achieved at policy level have the potential to affect long-term change. Swedwatch is increasingly working to influence relevant policy processes, both through existing collaborations and partnerships, and by more strategically connecting to policy level processes and discussions at
relevant venues. In joint M&E workshops, Swedwatch and its member organisations have also raised the potential benefits of conducting more joint advocacy work, including with partner organisations and allies on a European level, in order to increase momentum and the potential to affect change in policy decisions.

**Continued strategic operationalisation**

As the integration of Swedwatch strategy into Secretariat operations has yielded results, this will be built on over the course of 2020, complemented by strategy-reviews to ensure that lessons learned are captured and changes in the operating environment considered.

Swedwatch will prioritise the systematisation of its theory of change toward its long-term goals. Policies adopted at the end of 2019 that were designed to help bolster the organisation and its strategy will be streamlined, integrated into structural changes and complemented by Secretariat-level guidelines and procedures. This will include, for example, Secretariat-level risk management guidelines, research and analysis tools, and a review of its planning mechanisms to ensure that findings from consultations with rights holders and civil society actors are the starting points for the identification of common denominators and gaps. In so doing, rights-based, participatory and systematic approaches will be prioritised together with the strengthening of cross-cutting issues of climate and environment, conflict, genders and multidimensional poverty perspectives.

Swedwatch’s strategy, support from Sida’s help desks (for environment and gender equality), and findings from three third-party external evaluations (PwC DAC Review, 2020 evaluation of internal systems and controls, and an EU ROM review) will, together with Swedwatch PMEL processes, be captured and integrated into internal tools, including Swedwatch methodology handbook and PMEL manual. This will help ensure that Swedwatch’s efforts toward sustainable development are based on the realities and priorities of rights holders and people living in poverty.

Swedwatch currently has several projects in the pipeline that relate specifically to ensuring the engagement of companies in high-risk sectors on the issue of risks to defenders, including women.

**International focus, partnerships and networks**

Over recent years, Swedwatch has made strong efforts to raise its international focus and profile. This has resulted in a wider reach of its research findings - and in new dialogue and engagement opportunities. Swedwatch includes non-Swedish companies in research in order to widen scope and currently publishes all material in primarily English. As PwC highlighted in its evaluation, “the shift in language makes Swedwatch reports and projects accessible to a larger audience, which could increase Swedwatch chances of reaching future impact.” Swedwatch has increasingly also translated material into local languages, in order reach more rights holders with research findings. Examples from 2019 includes translating Swedwatch’s educational material into English, the report *Undercutting rights* into French and the report *To the last drop* into Spanish. Examples of increased international engagements includes Swedwatch’s ECOSOC consultative status and UNEA accreditation.

These are areas that Swedwatch will continue to strengthen going forward. Swedwatch will also continue its review of its partnerships and networks in order to ensure that these are aligned with its strategy and to ensure that Swedwatch contributes effectively to multi-stakeholder initiatives.

**Organisational sustainability**
Swedwatch has changed and grown significantly since its start in 2003 but has maintained the same governance structure – one that no longer accurately reflects the needs and changes of the organisation and its goals. Swedwatch has therefore commenced a review of its governance and decision-making mechanisms, in order to ensure the effective implementation of Swedwatch’s strategy and progress toward goals, while also ensuring a favourable work environment for its staff. This review will continue over the first six months of 2020 and will help ensure that Swedwatch is fully able to meet increasing demands and changing landscapes. This process will be strengthened by supporting documentation following a review of steering documents and processes, that will help ensure oversight and sustainability.

Swedwatch has worked intensely over recent years to ensure sustainability and to secure new funding streams and in 2019 finalised the recruitment a staff member responsible for fundraising and development. Swedwatch has placed considerable efforts to secure funding from new donors. This work will be one of several priority areas going forward and will build on the newly adopted fundraising strategy.