



**Safeguarding
Human Rights
and Environment
in Business**

2021

HIGHLIGHTS

**»»AFTER YEARS OF
CALLS FROM GLOBAL CIVIL
SOCIETY, SWEDWATCH IN
SEPTEMBER CELEBRATED
THE UN RECOGNITION
OF THE RIGHT
TO A HEALTHY
ENVIRONMENT.««**

The right to a healthy environment

LOOKING BACK AT 2021, the Covid-19 pandemic continued to hold the world in a tight grip. Many states seized the opportunity to further shrink civic space and to roll back environmental commitments. Millions of workers lost their jobs, and numerous reports testified of already poor working conditions deteriorating across global supply chains.



For Swedwatch, highlighting the responsibility of companies to act in alignment with recognized frameworks on business and human rights became even more important – and to amplify the voices of affected workers, rights holders and communities.

BUT 2021 ALSO SAW some positive developments. After years of calls from global civil society, Swedwatch in October celebrated the UN recognition of the right to a healthy environment, acknowledging the damage inflicted by climate change and environmental destruction on human rights. Looking into the future, Swedwatch aims to contribute to ensure that the resolution becomes a catalyst for change, including in the business community.

MORE ON HOW SWEDWATCH worked to increase the responsibility of business in respecting human rights and the environment is found in this annual highlight, as well as some snapshots of future engagements.

Alice Blondel
Director, Swedwatch



Through their supply chains and operations, companies can positively or negatively impact everything from working conditions to physical security and the rights of women. PHOTO ALAMY

FINANCE, MEMBERS AND PARTNERSHIPS

Our operations are financed through grants, membership fees and external commissions. Swedwatch receives funding from The Swedish International Development Cooperation Agency and other institutional donors as well as foundations.

Swedwatch actively collaborates with its member organisations, including their networks of civil society organisations in the

Global South. In 2021, Swedwatch welcomed Swedish development cooperation organisation We Effect as our seventh member.

»We Effect's work reaches out to 3,7 million people across the globe, through close to 200 partner organisations. This allows for greater impact of Swedwatch's work in countries where we operate together.«

/Anna Tibblin, Secretary General of We Effect

WHO WE ARE

Since 2003, Swedwatch has worked to promote responsible business practices and to empower rightsholders, by highlighting how people and the planet are impacted by unsustainable business activities.

Based in Sweden, Swedwatch is one of few organisations in the Nordics that focuses solely on affecting change within the area of business, human rights and the environment. Unique for Swedwatch is the combination of our three intervention strategies:

Research and investigations, that form the basis of our evidence-based advocacy work, **dialogue and engagement** with different stakeholders, and **capacity building and exchange**.

Our work is guided by a participatory approach, with the perspectives of rights holders at the centre and where people adversely affected by business operations can take an active part in research, stakeholder dialogue and capacity building activities.

Goals

All our work is carried out in pursuit of three long term goals:

- Responsible and equitable management and use of natural resources.
- Sustainable and fair global supply chains.
- Empowered rights holders and expanded civic space.

CROSSCUTTING ISSUES

Three perspectives - climate, gender and conflict sensitivity - are mainstreamed throughout Swedwatch's work and research.



RESEARCH AND INVESTIGATIONS



DIALOGUE AND ENGAGEMENT



CAPACITY BUILDING AND EXCHANGE



PARTNERS AND NETWORKS

Partnerships with civil society organisations in countries and regions where Swedwatch operates ensure a local perspective, where people affected by business operations can take an active part in our projects, while engagement in international networks is a way to connect our local work with the global level.

Examples of local partnerships

LIBERIA: Green Advocates, Liberia's first and only public interest environmental law and human rights organisation.

EAST AFRICA: Fellowship of Christian Councils and Churches in the Great Lakes and the Horn of Africa (Fecclaha, a platform where members can share perspectives on issues of common concern, like peacebuilding and conflict transformation.

ECUADOR: Asociación Sindical de Trabajadores Agrícolas y Campesinos (ASTAC), a union striving for better labour conditions, fair wages and the right to health for workers at banana plantations.

BANGLADESH: University of Dhaka, Department of Law, Professor Sarwar, expert in environmental law.

THE PHILIPPINES: Ecumenical Institute for Labor Education and Research (EILER), educating workers on the basic principles of trade unionism.

Examples of international networks

OECD WATCH, a global network of civil society organisations, holding corporations and governments accountable using the OECD Guidelines for Multinational Enterprises.

THE EUROPEAN COALITION FOR CORPORATE JUSTICE (ECCJ), a coalition of civil society organisations in Europe advocating for accountability, transparency and justice for people affected by corporate abuse.

A SNAPSHOT OF ACTIVITIES AND RESULTS 2021 (SEE NEXT PAGE!)

Goal 1: Responsible use of natural resources

A growing number of companies are adopting increasingly sustainable business models. But change is too slow to respond to the climate crisis and the rapid depletion of natural resources, and its impacts on people and communities. Industries scrutinized by Swedwatch in 2021 included processing of natural rubber and manufacturing of pharmaceuticals.

ADVOCATING FOR RESPONSIBLE RUBBER PROCESSING

In 2019 and 2020, Swedwatch investigated claims that a rubber processing plant owned by Firestone Liberia contaminated water and air, severely affecting surrounding communities. Research was conducted in cooperation with Source International, experts in environmental sampling and analysis, and the Liberian CSO Green Advocates.

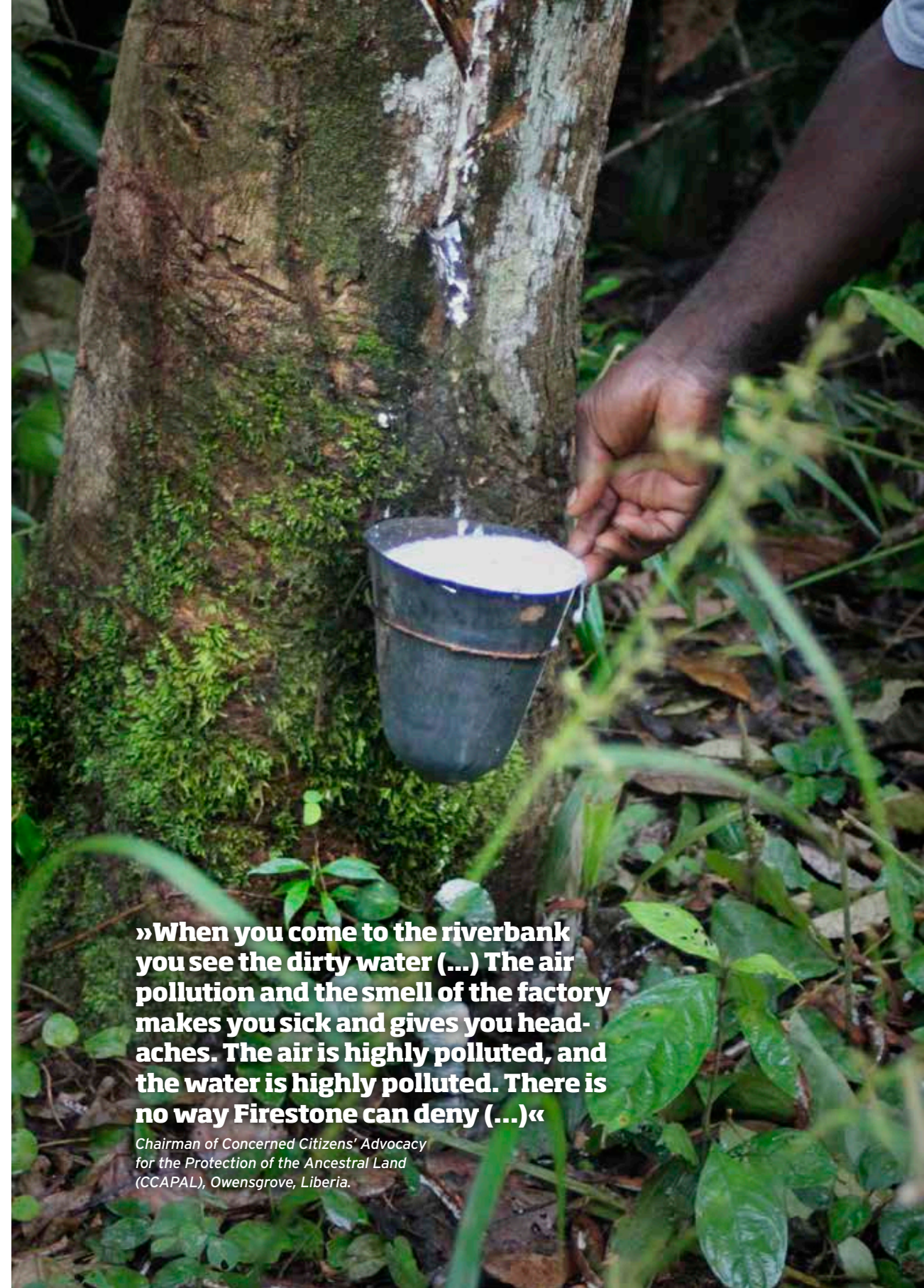
The findings, including high concentrations of heavy metals, were presented in a webinar attended by representatives from states organi-

sations, business and civil society. Speakers included representatives from the local project partners and the Natural Resource Women Platform Liberia, as well as the UN Special Rapporteur on Human Rights and the Environment. Furthermore, Swedwatch engaged with Swedish investors in the parent company of Firestone Liberia, Bridgestone America.



SNAPSHOT OF RESULTS:

- Scientific evidence of the pollution.
- Responsible investment advisor and service provider ISS ESG taking up company engagement with Bridgestone America.
- Affected communities submitting an official complaint to the UN regarding the operations of Firestone Liberia.



»When you come to the riverbank you see the dirty water (...) The air pollution and the smell of the factory makes you sick and gives you headaches. The air is highly polluted, and the water is highly polluted. There is no way Firestone can deny (...)<«

Chairman of Concerned Citizens' Advocacy for the Protection of the Ancestral Land (CCAPAL), Owensgrove, Liberia.



Two men loading a coal lorry in South Africa, where around 120,000 persons are employed in the industry. PHOTO LENA GRANEFELT

Cartoon-based materials in local languages were used in the trainings.



A JUST TRANSITION TO A LOW-EMISSION ECONOMY

For several years, Swedwatch has advocated for the much needed shift of financial flows towards clean energy, while also highlighting the importance of a just transition. Work in 2021 included joining forces with other non-governmental organizations ahead of COP26 to advance governments' commitments to support a just transition and phase out international public finance for fossil fuels.

On a national level, following up on our 2020 report *Up in Smoke* on how Swedish

export credits have contributed to expand the South African coal industry, a policy brief was published detailing arguments for a complete phase out of fossil fuels from Swedish export credits.

The recommendations were discussed in a roundtable with researchers, stakeholders from the Swedish export credit agencies, the Ministry of Foreign Affairs and trade unions. In line with the recommendations, the export credit agencies have updated their sustainability policies to exclude export support to certain fossil fuels projects.

Enabling a just transition

Climate transition literature supports the notion that transitions adopting a rights-based approach, considering the impacts of the transition on vulnerable communities and workers, are more likely to succeed and can prevent harm to the environment and human rights. Taking into account adverse impacts of climate mitigation should not however be an excuse for delaying climate policy action.

ENVIRONMENTAL PEACEBUILDING: THE VITAL ROLE OF BUSINESS

The vital role of business in fuelling conflict – or sustaining peace – is often overlooked in peacebuilding efforts. This worrying gap is an issue that Swedwatch has long pushed to close, and activities continued in 2021. Leading up to the International Conference on Environmental Peacebuilding, Swedwatch contributed with input to a White Paper highlighting the importance of human rights- and conflict-sensitive approaches to business activities in peacebuilding efforts.

Furthermore, Swedwatch and local partners Green Advocates International and Sierra Leone Network on the Right to Food, initiated a project in the post-conflict settings of Liberia and Sierra Leone, to provide training on business impacts and human rights to women defenders in communities affected by business operations and large-scale land concessions. The project was funded by the Folke Bernadotte Academy and the UN Environment Programme.

CALLING FOR INCREASED TRANSPARENCY IN THE PRODUCTION OF MEDICINES

In the absence of an industry-wide standard on pharmaceutical discharge from manufacturing, and a large share of the global generic medicine produced in countries with weaker regulations like India, the impacts of pharmaceutical effluent on human health remains largely neglected.

Building on our 2020 report, *The Health Paradox*, Swedwatch engaged in policy advocacy on the EU's general pharmaceutical legislation

through a policy paper calling for increased transparency of supply chain and environmental information. As part of outreach, Swedwatch also guest lectured at universities and co-hosted a webinar on the topic.



Goal 2: Sustainable and fair global supply chains

Global supply chains can boost economic and social development, but often lack transparency and effective processes to address human rights- and environmental impacts. During the year Swedwatch highlighted dangerous conditions for female ICT-workers, engaged in sustainable procurement practices, and more.

IMPROVED CONDITIONS FOR ELECTRONIC WORKERS

Building on previous work on human rights risks in the supply chains of electronic devices, including the 2020 report *Toxic Tech*, Swedwatch launched a publication showing how female ICT workers in the Philippines suffer severe health impacts from being exposed to hazardous chemicals – and fear dismissal if they speak out. Research revealed considerable gaps in the human rights risk assessments of major global electronic brands sourcing from the Philippines, including absence of a gender perspective.

Based on the findings, Swedwatch called on ICT companies to conduct gender-sensitive human rights due diligence and urged public procurers to include social criteria in their sourcing of electronic devices. Furthermore, a health and safety training on workers' rights was initiated in cooperation with the Filipino organisation Ecumenical Institute for Labour Education and Research.



SNAPSHOT OF RESULTS:

- Samsung claims to have improved its internal processes to monitor and address workers' exposure to hazardous chemicals.

- The Clean Electronics Production Network launched its program *Towards Zero Exposure*, with Swedwatch acting as an NGO advisor, in which Apple, Dell and HP commit to protecting workers from exposure to hazardous chemical manufacturing.

PARTNERING UP FOR FAIR ICT

As a leading partner of the EU-wide campaign *Make ICT Fair*, mainly financed by the EU, Swedwatch has, over the past years, investigated and raised awareness on how people and the environment are affected by electronics manufacturing.



»As a single mom, I am so scared of the chemicals. I have to be able to take care of my child.«

Electronic worker, interviewed in the report »Toxic Tech«.



Surgical instruments, here produced in a small workshops in Pakistan, is one of many common goods procured by public authorities.

PHOTO: VILHELM STOKSTAD

The webinar format enabled Swedish procurers to engage directly with local representatives.

THE POWER OF SUSTAINABLE PROCUREMENT PRACTICES

By using their leverage as large buyers, public procurers have a huge potential to protect the rights of workers by purchasing products that have been manufactured in a sustainable manner. With the aim to discuss challenges and opportunities on how to address human rights risks in global supply chains, Swedwatch and the Swedish National Agency for Public Procurement co-arranged a webinar series building on Swedwatch's research.

The webinars covered manufacturing of consum-

er electronics, textiles and pharmaceuticals and attracted around 200 participants in total. To facilitate dialogue between buyers and rights holders, the panels included local spokespersons.

During the year, Swedwatch also engaged extensively with policy makers on relevant policy changes around procure-

ment, including the Swedish government's memorandum proposing climate considerations to become mandatory. While welcoming a legal reform, Swedwatch advocates for the need to strengthen human rights considerations in public procurement, and to clarify follow-up mechanisms and sanctions in the regulation.

»Most factories are ununionized and there is a lack of awareness among workers about their legal entitlements. Buyers need to strengthen their policies.«

Babul Akhter, General Secretary of Bangladesh Garment and Industrial Workers Federation, webinar panellist.

»I loved the multidisciplinary approach from Swedwatch. The training introduced me to international guidelines on human rights and environment related to business, which will be greatly beneficial for my career as a textile engineer.«

University student attending the pilot training.

ENGAGING IN DEVELOPMENT ON REGULATORY FRAMEWORKS

Over the last years, Swedwatch has contributed to important developments on regulatory frameworks, including the EU Corporate Sustainability Due Diligence Directive proposal on making it mandatory for businesses to identify and address human rights and environmental impacts along their value chains.

A legislation is welcomed, but in an open letter to EU President Von der Leyen and through other advocacy work, Swedwatch in a broad coalition of civil society organisations, raised strong concerns about the ambition and delay of the law. Thus, the coming years will be critical to ensure that the law creates a shift towards fairer and more transparent supply chains.

BRIDGING THE KNOWLEDGE GAP ON BUSINESS AND HUMAN RIGHTS

During the 2021 UN-South Asia Forum on Business and Human Rights, many participants highlighted the need for capacity building on the UN Guiding Principles on Business and Human Rights (UNGPs), particularly for youth. Against this backdrop, Swedwatch developed a pilot training together with the University of Dhaka.

The training provided insights in how to monitor and put pressure on businesses to adhere to national and international regulations on human rights and the environment. In 2022 and onwards, Swedwatch will explore opportunities to partner with local organisations and replicate similar trainings in South East Asia and elsewhere.

THE LEVERAGE OF YOUNG CONSUMERS

To engage and raise awareness among young consumers on human rights risks associated with consumption, Swedwatch has previously developed educational material including cases from the textiles-, electronics-, foods- and travel industries. The material, which consists of a magazine and a teacher's guide, has now been updated and made available on-line.

The content has been disseminated via leading Swedish web portals for educational material and reached more than 20,000 students throughout the year.



Goal 3. Empowered rights holders and expanded civic space

Threats to civic freedoms are on the rise globally. The Covid-19 pandemic further exacerbated the situation in many countries as governments took measures to limit freedom of movement and assembly. During 2021, Swedwatch continued to highlight the grave situation facing human rights and environmental defenders and urged companies and investors to step up efforts to respect and consult defenders in their operations.

POLICY DIALOGUE IN SUPPORT OF DEFENDERS

Policy dialogue is an important part of Swedwatch's work to address systemic issues impacting defenders. In 2021, coordinating the dialogue between the Swedish government and civil society organisations on Sweden's support to multinational development banks, Swedwatch took the opportunity to highlight risks of large investment projects being pushed through without consultation with communities or civil society actors.

As part of the OECD Watch network, in which we in 2021 joined the steering committee, Swedwatch provided input on several OECD

policies including the guidelines for multinational enterprises, while contributing with capacity building of civil society organisations and defenders on how to use the guidelines to hold companies to account.

227

land and environmental defenders were murdered in 2020 – the highest number ever recorded. Source: Last Line of Defence, Global Witness report 2021



Swedwatch continues to engage with and monitor the situation for the many defenders portrayed in the 2019 report *Defenders at Risk*.

TRAININGS IN RESEARCH AND ADVOCACY

Swedwatch works to build capacity on business and human rights among different stakeholders, not least human rights and environmental defenders. In 2021, Swedwatch and Act Church of Sweden hosted a series of online trainings for East African partner organisation Fecclaha and its members, using actual cases to conduct stakeholder mappings, environmental impact assessments and advocacy strategy plans.

»We used stakeholder mapping to find ways forward in a case where a community has been displaced due to a mining project and identified the district government as a potential ally.«

Christian Council (UJCC).

FACILITATING ACCESS TO INTERNATIONAL FORAS

Enabling access to international arenas and opportunities for business dialogue is another fundamental part of Swedwatch's work to support defenders.

During the year, the Business and Human Rights Resource Centre, business

association Amfori and Swedwatch hosted webinars on the responsibility of business in addressing risks to defenders. Speakers included labour rights activists, members of the European Parliament and business representatives.



THINGS IN FOCUS GOING FORWARD

1. BINDING REGULATIONS TO END CORPORATE IMPUNITY

The 2021 European Commission proposal on a directive for corporate sustainability due diligence was a milestone in the battle to end corporate impunity. Swedwatch will continue to actively advocate for the directive to include strong commitments on human rights and the environment, in direct dialogue with state actors and through various networks.

2. STRUCTURAL CHALLENGES FACING MIGRANT WORKERS

Migrant workers employed in global supply chains are at risk of severe forms of exploitation. Having highlighted these challenges over many years, Swedwatch will remain devoted to putting the spotlight on the responsibilities of all business actors to identify and address challenges facing migrant workers across the globe.

3. ENVIRONMENTAL PEACEBUILDING: THE ROLE OF COMPANIES

Tensions created by economic activities are often linked to the exploitation of natural resources, and if unaddressed, business operations can trigger severe conflicts. In 2022 and onward, Swedwatch's efforts for a wider recognition of the vital role of business in environmental peacebuilding will be highly relevant.

COVER PHOTO: Illegal cutting of forest. Photo iStock.

Where the photographer's name has not been given, the images are free or have been taken by Swedwatch's staff.

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YUMONGI TSO TSOI
A woman who has lost her home to flooding in Cambodia



FOR BUSINESS, WHO RIGHTS?
A woman who has lost her home to flooding in Cambodia



FUEL FOR CONFLICT
A woman who has lost her home to flooding in Cambodia



WISDOM & POLITICS
A woman who has lost her home to flooding in Cambodia



ENGLANDS LYST
A woman who has lost her home to flooding in Cambodia



**BLIY FER DITA SVILDR
DOK GLIMPAK**
A woman who has lost her home to flooding in Cambodia



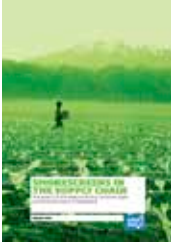
UNDRERUTTING NARHTS
A woman who has lost her home to flooding in Cambodia



SAKHTS FOR CHANGE
A woman who has lost her home to flooding in Cambodia



FOR FROM REALITY
A woman who has lost her home to flooding in Cambodia



**ENHANCED DRINKS IN
THE SUFFICIENT CHAIRS**
A woman who has lost her home to flooding in Cambodia



**SMÅR POKVS
PÅ HÅRDELIGE
KÄTTORSTEN**
A woman who has lost her home to flooding in Cambodia



**SMITT I DET
KÄTTORSTEN**
A woman who has lost her home to flooding in Cambodia



MORS LILLA OLLE II
A woman who has lost her home to flooding in Cambodia



TOP IN SPONS
A woman who has lost her home to flooding in Cambodia



POWER OF THE VOICE
A woman who has lost her home to flooding in Cambodia



**HISRA DOLA
MIRDS HÅRDELIGE**
A woman who has lost her home to flooding in Cambodia



SAKHTS FOR CHANGE
A woman who has lost her home to flooding in Cambodia



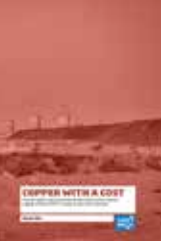
**TRAPPED IN
THE NETS OF
THE WORLD**
A woman who has lost her home to flooding in Cambodia



**SMITT I DET
KÄTTORSTEN**
A woman who has lost her home to flooding in Cambodia



**HISRA DOLA
MIRDS HÅRDELIGE**
A woman who has lost her home to flooding in Cambodia



COPIED WITH A COST
A woman who has lost her home to flooding in Cambodia



WOMEN THAT FAIR ALLIANCE
A woman who has lost her home to flooding in Cambodia



**HISRA DOLA
MIRDS HÅRDELIGE**
A woman who has lost her home to flooding in Cambodia



**VIET DU VED DIN
MIDDAG AT
TILL PRUVKOSTY**
A woman who has lost her home to flooding in Cambodia



**DANSON VOK
DANSON VITTEN**
A woman who has lost her home to flooding in Cambodia



**SMITT I DET
KÄTTORSTEN**
A woman who has lost her home to flooding in Cambodia



**DYRARE KAFFE AN
DRA**
A woman who has lost her home to flooding in Cambodia



CARRYING THE COSTS
A woman who has lost her home to flooding in Cambodia



**BEIR CULTIVY
TILL SANDY**
A woman who has lost her home to flooding in Cambodia



**MARHTS KÄTTORSTEN
KÄTTORSTEN**
A woman who has lost her home to flooding in Cambodia



**ENHANCED DRINKS IN
THE SUFFICIENT CHAIRS**
A woman who has lost her home to flooding in Cambodia



**SMITT I DET
KÄTTORSTEN**
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KÄTTORSTEN**
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**DYRARE KAFFE AN
DRA**
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CARRYING THE COSTS
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A LOST REVOLUTION?
A woman who has lost her home to flooding in Cambodia



**SMITT I DET
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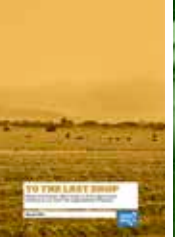
**SMITT I DET
KÄTTORSTEN**
A woman who has lost her home to flooding in Cambodia



**SMITT I DET
KÄTTORSTEN**
A woman who has lost her home to flooding in Cambodia



MORS LILLA OLLE III
A woman who has lost her home to flooding in Cambodia



TO THE LAST DROP
A woman who has lost her home to flooding in Cambodia



**SMITT I DET
KÄTTORSTEN**
A woman who has lost her home to flooding in Cambodia