

Human Rights Watch and its Activities in Support of the Voluntary Principles on Security and Human Rights Annual Member Update Report 2023

A. Commitment to the Voluntary Principles on Security and Human Rights

Human Rights Watch is a founding member of the Voluntary Principles on Security and Human Rights (VPSHR), and participated in the negotiation and development of the principles in 1999. In November 2012, when the Voluntary Principles transitioned to a new governance structure, we became a member of the Voluntary Principles Association, which oversees the financial and administrative needs of the Voluntary Principles Initiative (VPI), the structure that promotes implementation of the principles by companies, governments and nongovernmental organizations. Since then, we have met with companies, governments, and multilateral agencies to promote and deepen implementation of the Voluntary Principles. More details of our work can be found below. All of our public reports and statements related to corporate accountability and human rights can be found on our website at: https://www.hrw.org/topic/economic-justice-and-rights/corporate-accountability.

B. Procedures

Human Rights Watch engages with the Voluntary Principles in three main ways: we document and monitor issues relevant to the VPs; we emphasize the VPs' importance in advocacy meetings with both governments and multilateral organizations; and we promote the VPs through our regular and ongoing engagement with companies.

C. Promotion of the Voluntary Principles

Mandatory Human Rights Due Diligence

In 2023, Human Rights Watch continued advocacy on the European Union's draft Corporate Sustainability Due Diligence Directive, <u>calling</u> for an expansion in scope of the companies covered by the legislation and the inclusion of responsible purchasing and responsible disengagement requirements, as well as mechanisms allowing for companies to be held liable in court.¹ Upon the law's passage in May 2024, Human Rights Watch <u>welcomed</u> the adoption as groundbreaking and examined its strengths and weaknesses, <u>outlining</u> ways to make it more robust in the years to

¹ "EU: Disappointing Draft on Corporate Due Diligence," Human Rights Watch press release, February 28, 2022, https://www.hrw.org/news/2022/02/28/eu-disappointing-draft-corporate-due-diligence

come. In 2022, Human Rights Watch also <u>advocated</u> for EU battery supply chain regulations to cover a more expansive list of raw materials.²

Human Rights Watch has also continued its work on audits and certifications, including as they relate to the mining and extractives sectors. Our past work, including in gold and aluminum supply chains, has documented the serious weaknesses of certification and due diligence schemes, including industry-dominated governance, weak standards, auditors' lack of independence and conflicts of interest, and lack of transparency in audit process and results. As a result, mines, refineries, and other facilities have received certifications despite their involvement in human rights abuses, and have used certifications to try to launder or greenwash their company's reputation. In 2023, we published <u>new findings</u> on certification of Swiss gold refinery that had sourced from an abusive mine until 2018.

Our work on due diligence schemes pushes back against over reliance on certification by regulators and companies while advocating for the strongest possible audits as one tool that companies can use to conduct oversight over their suppliers. Our research highlights the limitations of existing schemes, including greenwashing and industry-capture, and advocates for companies to conduct their own human rights and environmental due diligence, and for certification standards to have participatory governance, transparency, and accountability. We are board members of the Initiative for Responsible Mining Assurance, whose governance structure includes equal roles for civil society, communities, and workers, has detailed human rights standards and a robust verification process.

Guinea

Over the past several years, Human Rights Watch has conducted research on Guinea's mining and hydropower sector, including recommending in a <u>2018 report</u> that Guinea adopt and implement the Voluntary Principles. In our January 2020 submission to the Committee on Economic, Social, and Cultural Rights on Guinea, Human Rights Watch also recommended that the Committee call upon the government of Guinea to adopt and fully implement the standards of the Voluntary Principles.³

In 2021, Human Rights Watch published a <u>report</u> describing the global impact of aluminum production, including a detailed case study from Guinea, and pushing for car companies to source aluminum more responsibly and increase pressure on their suppliers to respect human rights. Prior to and following publication of the report, we have engaged with car companies sourcing aluminum from Guinea, which we encouraged to map their supply chains, evaluate the human rights risks associated with bauxite mining, and communicate to mining companies active in Guinea the need for respect for strong human rights, environmental and social standards. Our engagement with Guinea's mining industry is ongoing, including a <u>call</u> for authorities to ensure respect for rights in the massive Simandou iron ore mine project that poses risks to local communities' land, water, and environment.

² "European Union: Rules for Batteries Should Cover Bauxite, Copper, Iron," Human Rights Watch news release, April 28, 2022, https://www.hrw.org/news/2022/04/28/european-union-rules-batteries-should-cover-bauxite-copper-iron#

³ Human Rights Watch Submission to the Committee on Economic, Social, and Cultural Rights on Guinea, 67th Session, January 14, 2020, https://www.hrw.org/news/2020/01/14/submission-committee-economic-social-and-cultural-rights-guinea.

Myanmar

In response to the February 1, 2021 military coup and ensuing atrocities, Human Rights Watch initiated a campaign calling on governments, including the United States and European Union member states, to impose targeted economic sanctions on the Myanmar junta's oil and gas revenue streams.⁴

Human Rights Watch documented how natural gas projects in Myanmar generate over US\$1 billion in foreign revenue for the junta annually, its single largest source of foreign currency revenue.⁵ The money is transmitted to the Myanmar Oil and Gas Enterprise (MOGE) and other military-controlled bank accounts in foreign countries in the form of fees, taxes, royalties, and revenues from the export of natural gas. We have also conducted research and advocacy on the ties between Thailand's PTT and military-linked companies.⁶

Human Rights Watch engaged the investors of energy companies, including TotalEnergies, PTT and its subsidiary PTTEP, Chevron, and POSCO, which were involved in business operations in Myanmar that benefit the junta. In written communications and meetings, we urged investors to use their influence as major shareholders to call on the oil companies' leadership to support measures that would stop payments which are enabling the junta's ongoing human rights violations, in line with the UN Guiding Principles on Business and Human Rights.⁷

In December 2022, Norges Bank—the largest sovereign wealth fund in the world—announced that it would divest from PTT, citing the company's complicity in generating revenues that help fund the Myanmar armed forces' abuses. A week after the decision, PTT announced it was suspending a joint venture Human Rights Watch had <u>reported on</u> that was overseeing the construction of a fuel terminal on land seized from farmers.

In January 2022, TotalEnergies and Chevron announced plans to leave Myanmar, which went into effect in <u>July 2022</u> and April 2024, respectively. The companies' shares were divided proportionally among PTTEP and MOGE, with natural gas revenue to the junta continuing. Human Rights Watch engaged the two companies to discuss their exits and urge that they withdraw by means which avoid benefitting the junta.⁸

https://www.hrw.org/news/2021/05/25/myanmar-thai-state-owned-company-funds-junta.

⁴ "Myanmar: Sanction Generals and Military-Owned Companies," Human Rights Watch news release, February 18, 2021,

https://www.hrw.org/news/2021/02/18/myanmar-sanction-generals-and-military-owned-companies.

⁵ "Myanmar: Chevron, Total Suspend Some Payments to Junta," Human Rights Watch news release, May 28, 2021,

https://www.hrw.org/news/2021/05/28/myanmar-chevron-total-suspend-some-payments-junta.

⁶ "Myanmar: Thai State-Owned Company Funds Junta," Human Rights Watch news release, May 25, 2021,

⁷ Letter from Human Rights Watch to Institutional Shareholders Re: Energy Companies in Myanmar and Abuses by the Military Junta, November 19, 2021, https://www.hrw.org/news/2021/11/19/letter-human-rights-watch-institutional-shareholders.

⁸ "Myanmar: Urgent Action Needed to Block Foreign Revenue," Human Rights Watch news release, January 25, 2022,

https://www.hrw.org/news/2022/01/25/myanmar-urgent-action-needed-block-foreign-revenue.

In February 2022, the EU imposed new sanctions on Myanmar, including on MOGE, which partners with international energy companies in the oil and gas sector.⁹ The US followed suit in sanctioning MOGE in October 2023. Human Rights Watch <u>called</u> for the measures to be effectively enforced and coordinated.

Zambia

Human Rights Watch conducted advocacy for remediation of the former Kabwe lead and zinc mine, an extremely toxic legacy affecting the health rights of around 200,000 people, and particularly harming children. In July 2023, and in coordination with a coalition of other Zambian and international civil society organizations, we published an <u>informational video and accompanying call</u> for Zambia's government to stop delaying action to clean up the lead contamination in the city. In March 2024, we published a <u>joint civil society statement</u> expressing concern about the delays with regards to government commitments to clean up Kabwe.

More recent developments:

- President announces creation of an interministerial committee here: <u>https://www.facebook.com/story.php?id=100066659241624&story_fbid=7589199796733</u> 03
- Minister of Green Economy commits to make "Green City" Kabwe (2023), National Green Growth Strategy to restore mine wastelands (April 2024)
- UN CRC calls for remediation of Kabwe mine in its Concluding Observations (2022)
- HRW makes submission to African Committee of Experts on the Rights and the Welfare of the Child <u>https://www.hrw.org/news/2024/04/05/zambia-submission-african-committeeexperts-rights-and-welfare-child</u>
- HRW makes submission to UN SR on Toxics <u>https://www.hrw.org/news/2024/03/29/submission-human-rights-watch-un-special-rapporteur-toxics-marcos-orellana</u>

⁹ "Myanmar: EU Needs to Enforce New Sanctions on Junta," Human Rights Watch news release, February 24, 2022, https://www.hrw.org/news/2022/02/24/myanmar-eu-needs-enforce-new-sanctions-junta.