



Human Rights Training Tool

Develop a better understanding of the corporate responsibility to respect **human rights** relevant for the oil and gas industry.

Develop a better understanding of key **human rights** issues relevant for the oil and gas industry.

Reinforce [INSERT COMPANY NAME] expectations and requirements related to **human rights**.

Be familiar with resources to help manage potential **human rights** issues.

Part 1: Basics on Human Rights

- What are Human Rights?
- Who is responsible for protecting human rights?
- What are the business reasons for respecting human rights?
- What is the expectation of our company regarding human rights?

Part 2: Key Human Rights Issues for the Oil and Gas Industry

- Employee / Labour Relations
- Provision of Security to Protect People and Assets
- Community Engagement
- Supplier Engagement

Part 2: Key Labour Issues for the Oil and Gas Industry

- Labour Issues
- Supply Chain Focus
- Labour Issues Dilemmas for Discussion





Part 1

Basics on Human Rights

Human rights are generally defined as basic standards of treatment to which all people are entitled, regardless of nationality, gender, race, economic status or religion.

Who is responsible for protecting human rights?



Governments have the primary duty to protect and ensure the fulfilment of human rights.

Governments have the ability to implement and enforce local laws that protect human rights.

Companies have a responsibility to respect human rights.

Complying with applicable laws and regulations.

Having a due diligence process in place to manage potential human rights issues and impacts from company operations – either directly or indirectly through involvement with third parties (e.g. suppliers).

Governments and companies should provide access to remedies.

Governments should provide effective and appropriate judicial (e.g. courts) and non-judicial mechanisms for stakeholders to access remedies related to business and human rights-related harm.

It is recommended that companies provide stakeholders (e.g. communities) access to channels to raise human rights-related grievances related to company operations and remedies.

What are the business reasons for respecting human rights?

Protects people and assets.

Prevents disruptions to business operations.

Contributes to stable operating environments.

Maintains positive relationships with the government, communities, and other key stakeholders.

Recruitment and retention of employees.

Enhances company reputation.



[INSERT COMPANY NAME] expectations regarding human rights



Insert high level company expectations

Potential Examples:

- Human Rights policy
- CSR policy
- Human Rights statement
- Company 'code of conduct'





Part 2

Key Human Rights Issues for the Oil and Gas Industry

Companies are expected to treat all workers with respect and dignity and promote diversity in the workplace.

Company policies and practices should (i) adhere to all applicable domestic laws; and (ii) are generally expected to be consistent with the International Labour Organization's (ILO) Core Labour Conventions, in particular:

- Freedom of association and the right to collective bargaining
- Elimination of forced and compulsory labour
- Abolition of child labour
- Elimination of discrimination in the workplace
- Promotion of healthy and safe working conditions for employees

[INSERT COMPANY NAME] expectations regarding Employees and Labour Relations



**Insert company human resource or labour relations policies or
guidelines**

2. Provision of Security



Companies are expected to provide security to protect personnel and assets in a manner that respects human rights of staff and community members.

The issues focus on respect for civil and political rights, such as freedom from arbitrary arrest and detention, cruel, inhumane or degrading treatment.

Company policies and practices are generally expected to be consistent with international principles, such as United Nations Use of Force Guidelines or the Voluntary Principles on Security and Human Rights, particularly:

- Contracting private security
- Engaging with public security
- Conducting assessment of potential risks and issues associated with the provision of security
- Appropriate training and support (non-lethal) provided to security providers

[INSERT COMPANY NAME] expectations regarding Provision of Security



**Insert description of company policies or guidelines on security provision.
[Note: your legal team should be consulted before examples are used.
Documentation might be confidential or privileged.]**

Potential Examples:

- Contractual provisions with private security firm
- Assessment of potential risks associated with the provision of security
- Incorporation of security and human rights expectations into project documents
- Building internal awareness on managing security in a manner that respects human rights
- Training security providers
- Building relationships with security providers
- Engaging with local communities about security arrangements
- Monitoring of security arrangements
- Establishing and maintaining a process of reporting alleged human rights issues by security providers
- Monitoring the transfer and use of equipment provided by the company

3. Community Engagement



Potential community human rights issues include impacts on water quality and access, land access, livelihoods, employment, vulnerable groups, and preservation of cultural heritage.

Companies may mitigate issues by:

engaging in **meaningful consultation** with communities and fostering ongoing two-way communication about project impacts and benefits to achieve durable solutions.

proactively building relationships, goodwill and trust with communities and other key stakeholders where they operate, throughout the lifecycle of a project.

Integrating company processes that identify, mitigate, and track potential impacts and human rights issues throughout the lifecycle of a project into project planning.

Company resources may also contribute to social and economic development in the communities where they operate to support the fulfilment of human rights (e.g. helping improve access to basic human needs and livelihood opportunities).

[INSERT COMPANY NAME] expectations regarding Community Engagement



Insert description of company policies or guidelines on community engagement, impact management, and issues management.

[Note: your legal team should be consulted before examples are used. Documentation might be confidential or privileged.]

Potential Examples:

- Stakeholder engagement process
- Project impact assessment process (e.g. Environmental, Social, Health Impact Assessments or ESHIA)
- Human Rights impact assessment tool or process.
- Involuntary resettlement procedures
- Engagement with vulnerable groups (e.g. indigenous peoples)
- Social investment programs

Oil and Gas projects may come into contact with Indigenous Peoples, who hold specific rights under international law and in many national legislative contexts.

Potential human rights issues may also include the rights of minorities, right to self determination, and right to a cultural life.

Companies will want to consider these specific rights when engaging with Indigenous Peoples and informing them about potential impacts, benefits, and plans. Companies are advised to engage in meaningful consultation to mitigate issues.

Issues to consider include:

- Effective consultation
- Historical land attachments and rights to the lands traditionally occupied
- Land use, management and conservation of natural resources
- Resettlement
- Distinct spiritual values and cultural, religious, economic and political practices

Projects that require access to acreage may trigger a resettlement of communities.

Resettlement takes place if homes, shelters, or sources of income within a community (e.g. fishing or farming) are located on land or in marine areas needed for project development and operations.

Potential human rights issues may include the right to a standard of living and to own property.

Companies may mitigate issues by:

Using informed decision-making where practicable in project planning on resettlement:

- Avoid the need for resettlement or reduce the scope of resettlement required
- Replace land with land
- Replace assets with assets
- Provide monetary compensation if above is not practicable

Engaging in meaningful consultation communities are properly informed about potential impacts, benefits, and plans

Developing ongoing monitoring for mitigation measures

4. Supplier Engagement



Potential supplier human rights issues may include worker rights such as freedom of association, collective bargaining, forced and compulsory labour, child labour, discrimination in the workplace, working conditions (e.g., health and safety), and impacts on local communities.

Companies may mitigate issues by:

- Encouraging suppliers to treat their employees, and to interact with communities, in a manner that respects human rights.
- Requiring in company policies and practices that key suppliers adhere to all applicable domestic laws
- Encouraging suppliers to be consistent with ILO core labour principles

Opportunities to engage with suppliers may include:

- Supplier meetings and forums
- Contracting
- Company's supplier engagement or management process (e.g. bidding, pre-qualification, contracting, training).

[INSERT COMPANY NAME] expectations regarding Supplier Engagement



Insert description of company policies or guidelines on supplier engagement.

[Note: your legal team should be consulted before examples are used. Documentation might be confidential or privileged.]

Potential Examples:

- Contractual provisions with key suppliers
- Due diligence processes
- Training and other capacity building programs
- Communications materials

IPIECA – www.ipieca.org

Indigenous Peoples and the oil and gas industry: context, issues and emerging good practice

Guide to successful, sustainable social investment for the oil and gas industry

Voluntary Principles on Security and Human Rights: Implementation Guidance Tool

A guide to social impact assessment in the oil and gas industry

External

Voluntary Principles on Security and Human Rights

<http://voluntaryprinciples.org>

International Finance Corporation (IFC) Performance Standards

http://www1.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/publications/publications_handbook_pps

United Nations Guiding Principles on Business and Human Rights

<http://www.ohchr.org/documents/issues/business/A.HRC.17.31.pdf>

International Labour Organization Core Labour Standards

<http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/lang-en/index.htm>

Insert company resources

[Note: your legal team should be consulted before examples are used. Documentation might be confidential or privileged.]

Potential Examples:

- Links to supporting Policies
- Links to supporting Guidelines
- Links to Operational Procedures
- Names of personnel with role and responsibility (e.g. Head of Security, Human Resources advisor, Human Rights advisor, Social Performance advisor)

- **What are Human Rights?**
- **How should companies demonstrate respect for human rights?**
- **What are the business reasons for respecting human rights?**
- **What are the key human rights issues for our industry?**
- **What are the expectations of our company regarding human rights?**





Part 3

Introduction: Key Labour Issues for the Oil and Gas Industry

International Labour Organization (ILO) – Declaration on Fundamental Principles and Rights at Work

- Freedom of association and the right to collective bargaining
- Effective abolition of child labour
- Elimination of all forms of forced labour, including human trafficking
- Elimination of discrimination in respect of employment and occupation

- **Minimize business disruptions caused by poor labour practices:** working with suppliers to improve their labour practices reduces the risk of poor quality or disruptions to operations
- **Recruitment and retention:** respecting the labour rights of employees boosts recruitment of suppliers' labour forces and improves staff retention – all of which benefit a company's overall operations and saves money
- **Reputational:** Supplier behaviour reflects directly on a company – either positively or negatively. Many companies have publically committed to respecting human rights in their supply chain

What is Freedom of Association and Right to Collective Bargaining?



“Everyone has the right to form and join trade unions for the protection of his interest.”

- Universal Declaration on Human Rights, Art. 23(4)

Freedom of association is the ***“key element in ensuring respect for other fundamental rights at work”***

- International Labour Organization

Freedom of Association and Collective Bargaining: Key Elements



- Freedom of association and right to collective bargaining refers to **the right of workers to establish, join and administer organizations on their own to represent their occupational interests**
- Suppliers should recognize and respect the **right of employees to form labour unions and bargain collectively**, where such rights are recognized by local law
- Suppliers can respect this right by **not interfering in the internal affairs** of these organizations, inappropriately influencing their decisions, or discriminating against workers who are engaged in such activities

Freedom of Association and Collective Bargaining: Key Elements (cont.)



- Workers and employers have the **right to establish and join organizations** of their own choosing without previous authorization. They should be allowed to organize freely and not be liable to be dissolved or suspended by administrative authority
- The Company should allow worker organizations and their representatives to function independently, with reasonable access to the information, resources, and facilities necessary to carry out their functions. Measures should be taken to **allow workers a forum for discussing terms of employment, and for filing and correcting grievances**
- Workers union federations and confederations should be allowed to **affiliate with international organizations** of workers and employers

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to freedom of association and collective bargaining

Freedom of Association and Collective Bargaining: Key Elements (cont.)



Company practices that demonstrate respect for freedom of association and collective bargaining may include:

- A policy recognizing freedom of association and the formation of workers' organizations for collective bargaining purposes
- Management does not retaliate against employees for participating in union activities
- Management engages in collective bargaining and holds regular consultations with workers' representatives concerning issues such as working conditions, remuneration, dispute resolution, and other matters of mutual concern
- Workers should receive adequate protection against acts of anti-union discrimination, including conditions of employment prohibiting membership in a union, or dismissal of a worker because of union membership or participation in union activities

What is Child Labour?

“The right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child’s education, or to be harmful to the child’s health or physical, mental, spiritual, moral, or social development.”

Convention on the Rights of the Child (1989), Art. 32



What is Child Labour?

- Refers to work undertaken by children **under the age of 15** that may damage health and development and that interferes with their opportunity to attend compulsory school
- Children **between the ages of 13 and 15** may be engaged in light work, that is, certain types of work that is not harmful and does not interfere with schooling
- Children **under the age of 18** should not be engaged in hazardous or high-risk work



- Suppliers should not hire underage workers in violation of domestic laws or international standards.
- The worst forms of child labour as defined by Article 3 of ILO Convention No. 182:
 - **All forms of slavery or practices similar to slavery**, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict
 - The **use, procuring, or offering of a child for prostitution**, for the production of pornography or for pornographic performances
 - The **use, procuring, or offering of a child for illicit activities**, in particular for the production and trafficking of drugs as defined in the relevant international treaties
 - Work which, by its nature or the circumstances in which it is carried out, is likely to **harm health, safety and morals of children**

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to child labour.

Company practices that demonstrate good practice on child labour issues may include:

- Adhere to minimum age provisions of national labour laws and regulations and, where national law is insufficient, take account of international standards
- Use adequate and verifiable mechanisms for age verification upon recruitment
- Maintain accurate and up-to-date records of all employees
- When children below the legal working age are found in the workplace, take measures to remove them from work and to the extent possible, help the child removed from workplace and his/her family to access adequate services and viable alternatives
- Exercise influence on subcontractors, suppliers and other business partners to combat child labour
- Consider ways to build the capacity of business partners to combat child labour, such as the provision of training and incentives
- Fix the wage level for the adult employees so that they can support their families without depending on children's earning

What is Forced Labour?

“Forced labour is all work or service that is extracted from any person under the menace of any penalty and for which said person has not offered voluntarily”

International Labour Organization



Keeping someone in forced labour by threatening them with:

- Imprisonment or physical confinement
- Deportation
- Dismissal from current employment, exclusion from future employment, shift to even worse working conditions
- Loss of social status, exclusion from community and social life
- Deprivation of food, shelter, or other necessities



Lack of consent to work:

- Retaining the **identity cards, passports, and other important personal documents** of employees
- Hiring workers into bonded labour relationships involving **salary advances or loans**
- **Withholding wages** in an attempt to coerce additional labour from employees, or demanding money deposits
- **Restricting the ability of employees to move around** and leave the workplace and housing facilities, above and beyond “reasonable” restrictions

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to forced labour.

What is Human Trafficking?



- **Human trafficking occurs both across borders and within a country**

Kinds of trafficking:

- **Trafficking for forced labour** occurs when the movement of people for the purpose of forced labour and services usually involves an agent or recruiter, a transporter, and a final employer who will derive a profit from the exploitation of the trafficked person
- **Trafficking for forced sexual exploitation** includes the trafficking of women and girls for involuntary work in the sex industry – including near business sites where traffickers can benefit from the demand for sexual services by contractor employees

Act (What is done):

- Recruitment, transportation, transfer, harbouring or receipt of persons

Means (How it is done):

- Threat or use of force, coercion, abduction, fraud, deception, abuse of power or vulnerability, or giving payments or benefits to a person in control of the victim

Purpose (Why it is done):

- For the purpose of exploitation, which includes exploiting the prostitution of others, sexual exploitation, forced labour, slavery or similar practices and the removal of organs

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to human trafficking.

Forced Labour and Human Trafficking: Key Elements (cont.)



Company practices that demonstrate good practice on forced labour issues may include:

- Ensure that workers always have **free access to their documentation**, including passports, identity papers and travel documents
- Have a **clear and transparent company policy**, setting out the measures taken to prevent forced labour and trafficking. Clarify that the policy applies to all enterprises involved in a company's product and supply chains
- **Monitor carefully the agencies that provide contract labour**, especially across borders, blacklisting those known to have withheld documents of workers to prevent them freely leaving if they so choose

What is Elimination of Discrimination in Respect of Employment and Occupation?



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

- Universal Declaration on Human Rights, Art. 2.



What is Elimination of Discrimination in Respect of Employment and Occupation?



- **Direct discrimination** occurs whenever a company policy, practice or procedure specifically targets a particular group of people because of a distinguishing personal characteristic, and treats that group worse than others
- **Indirect discrimination** occurs when the result of the practical application of a company policy, procedure or practice negatively impacts a particular individual or group of people, even if the content of the policies, procedures or practices appear neutral

Elimination of Discrimination in Respect of Employment and Occupation: Key Elements



- Discrimination in employment and occupation means **treating people differently and less favorably** because of characteristics that are not related to their qualifications for the job, or the requirements and their performance of the job.
- According to ILO Convention No. 111, these characteristics include:
 - Race
 - Color
 - Sex
 - Religion
 - Political opinion
 - National extraction or social origin
 - Other grounds specified by national law

Work with Human Resources and local legal counsel to provide examples of compliance with local laws related to elimination of discrimination with regard to employment and occupation.

Elimination of Discrimination in Respect of Employment and Occupation: Key Elements (cont.)



Company practices that demonstrate respect for elimination of discrimination may include:

- Conduct an assessment to determine if discrimination is taking place within the enterprise
- Set up an enterprise policy establishing clear procedures on non-discrimination and equal opportunities; and communicate it both internally and externally
- Provide training at all levels of the organisation, in particular for those involved in recruitment and selection, as well as supervisors and managers, to help raise awareness and encourage people to take action against discrimination
- Support on-going sensitization campaigns to combat stereotypes

Elimination of Discrimination in Respect of Employment and Occupation: Key Elements (cont.)



Company practices that demonstrate respect for elimination of discrimination may include (continued):

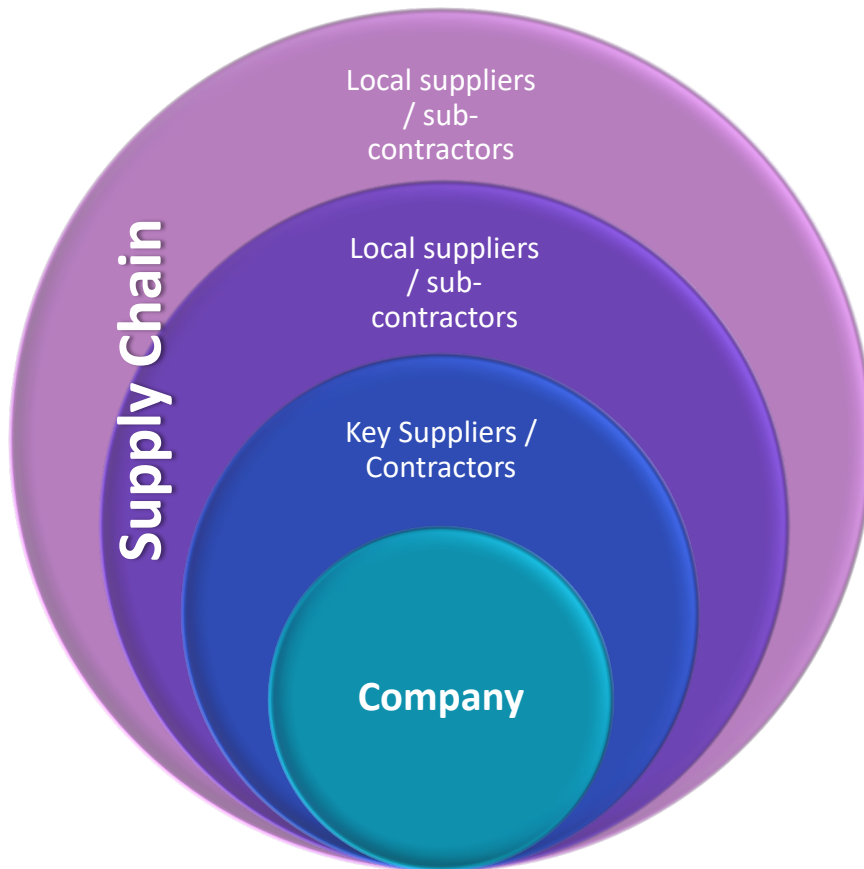
- Modify work organization and distribution of tasks as necessary to avoid negative effects on the treatment and advancement of particular groups of workers. This includes measures to allow workers to balance work and family responsibilities.
- Ensure equal opportunity for skills development
- Address complaints, handle appeals and provide recourse to employees in cases where discrimination is identified





Part 4

Supply Chain Focus: Key labour Issues for the Oil and Gas Industry



- Local suppliers and contractors may have poor general labour practices towards employees, including discrimination based on gender, ethnicity or disability, no written contracts, poor health and safety standards, excessive hours, poor accommodation, and/or lack of sanitation or privacy
- Local suppliers and contractors may also knowingly or unknowingly use child labour, forced labour, and/or trafficked persons in the workforce
- In some countries there can be prevailing social attitudes (e.g. degree of tolerance) toward poor labour practice or these forms of labour
- These forms of labour can pose a reputational risk to a company, and in some cases wrongly accuse a company of complicity, e.g. 'we condone the use of forced labour'
- Local issues can get magnified globally through NGO campaigns, mobile technologies and social media

- Supplier engagement guidance provides supply chain and procurement practitioners with a tool to **engage with key suppliers on human rights commitments**, including labour rights. It is a way to build internal awareness and capability among key suppliers.
- **Engagement** can include:
 - Annual supplier letters
 - Supplier forums
 - Orientations and Pre-job meetings
 - Contract requirements
 - Audits
 - Field visits
 - Training

Engagements should reflect local and contract-specific labour issues and regulatory requirements. Each supplier is responsible for managing those expectations within its group, including subcontractors

- Suppliers should recognize and respect the right of employees **to form labour unions and bargain collectively** where such rights are recognized by local law. Measures should be taken to allow workers to have a forum for discussing terms of employment and for filing and correcting grievances
- Suppliers' hiring practices and policies, employment conditions and benefits and general operating practices should be **non-discriminatory** and based on objective criteria such as the nature of the work tasks and the skills, experience, and qualifications of the workers
- Suppliers should not participate in or benefit from any form of **forced labour**. Forced labour may include bonded labour, debt bondage, forced prison labour, slavery, servitude or human trafficking. Suppliers should not hire **underage workers** in violation of domestic laws or international standards

[INSERT COMPANY NAME] expectations regarding Supplier Engagement



Insert description of company policies or guidelines on supplier engagement.

[Note: your legal team should be consulted before examples are used. Documentation might be confidential or privileged.]



Part 5

Labour Issue Dilemmas for Discussion

[INSERT COMPANY NAME] is operating in a country where law prohibits full recognition of the right to freedom of association.

- What can be done to influence and support suppliers/contractors in meeting international labour standards to the fullest extent permitted under national law?

What can be done to influence and support suppliers/contractors in meeting international labour standards to the fullest extent permitted under national law?

Teaching/discussion points

- The company can use its leverage to discuss with the supplier why it is important and beneficial to respect the rights of workers to organise to the extent permitted
- If trade unions are not allowed under national law, collective bargaining can be undertaken by any appointed representative that is genuinely representative of workers and their interests
- Worth noting the alignment of business practice with the UNGPs. Guiding Principle 19 explains:

“If the business enterprise has leverage to prevent or mitigate the adverse impact, it should exercise it. And if it lacks leverage there may be ways for the enterprise to increase it. Leverage may be increased by, for example, offering capacity-building or other incentives to the related entity, or collaborating with other actors. There are situations in which the enterprise lacks the leverage to prevent or mitigate adverse impacts and is unable to increase its leverage. Here, the enterprise should consider ending the relationship, taking into account credible assessments of potential adverse human rights impacts of doing so. Where the relationship is “crucial” to the enterprise, ending it raises further challenges.”

[INSERT COMPANY NAME] is using contracted labour in the construction phase of an operation. Many of the workers are immigrants.

- How would you assess the potential risk?

How would you assess the potential risk?

Teaching/discussion points

It is important for companies to engage with suppliers to support their respect for human rights, including on freedom of association and collective bargaining, prohibition of underage workers, prohibition of recruitment, use and practices of forced labour, prohibition of discrimination in hiring practices and working conditions (e.g. health and safety). Where there are potentially higher risk of these labour issues, such as with migrant work forces, there are existing company tools and processes that may help to assess risk:

- Compliance reviews with national laws and regulations
- Periodic review of feedback from supplier engagement sessions and forums
- Periodic audits of suppliers
- Pre-qualification supplier screening processes
- Periodic review of compliance with requirements in supplier contracts

IPIECA

Indigenous Peoples and the oil and gas industry: context, issues and emerging good practice

Guide to successful, sustainable social investment for the oil and gas industry

Voluntary Principles on Security and Human Rights: Implementation Guidance Tool

A guide to social impact assessment in the oil and gas industry

www.ipieca.org

External

- Voluntary Principles on Security and Human Rights
<http://voluntaryprinciples.org>
- International Finance Corporation (IFC) Performance Standards
http://www1.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/publications/publications_handbook_pps
- United Nations Guiding Principles on Business and Human Rights
<http://www.ohchr.org/documents/issues/business/A.HRC.17.31.pdf>
- International Labour Organization Core Labour Standards
<http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/lang-en/index.htm>
- International Labour Organization “Helpdesk for Business, the one-stop shop for company managers and workers on how to better align business operations with international labour standards and build good industrial relations”
<http://www.ilo.org/empent/areas/business-helpdesk/lang-en/index.htm>

