

NomoGaia

*Corporate collaboration for  
human rights protection*



# Annual Report 2008



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# Nomogaia

## Letter from the Founder



2008 was a difficult year to found a nonprofit organization, particularly one engaged in work with the mining industry. Months after our incorporation the global economy crashed, halting mining projects, eliminating credit, and pulling several mining companies into bankruptcy, not to mention significantly restricting availability of funds for new startup nonprofits.

Despite these difficulties, Nomogaia thrived. Interest in human rights impacts grew, and we were poised to fill the corporate need to understand human rights.

Operating on the generous financial and in-kind contributions of our supporters Nomogaia created the world's first-ever publicly available methodology

for Human Rights Impact Assessment (HRIA). This accomplishment poised us to begin conducting assessments on corporations, and our first HRIA, located in Indonesia, was in review stages at the end of the year. We also secured two additional HRIA projects, in Tanzania and Malawi.

With the completion of three HRIAs slated for late fiscal-2009 and additional corporate human rights work on the horizon, we are sincerely looking forward to the work we have ahead of us next year. In addition to conducting HRIAs and honing our methodology, we have also been asked to present at the World Bank's Extractive Industries Week. This exposure poises us to become the leading organization both conducting HRIAs and providing valuable information on how, when, where, and why to conduct them.

Our first year has been an exciting education on the necessity and value of a coherent corporate policy for foreseeing and addressing impacts on human rights. We are grateful for all the support we have had to date, and we plan to show our supporters the impacts *we* have on human rights next year as our Methodology is employed.

Thank you very much,

Mark Wielga

Founding Director, Nomogaia



# Nomogaia

## Nomogaia's Background

Incorporated in February of 2008, the Nomogaia Foundation was created at a moment when human rights and corporate social responsibility were acquiring new meanings. "Business" had come to include considerations of human rights and social well-being.

Corporations began willingly joining human rights initiatives. Some four thousand companies signed on to the United Nations' Global Compact. The Business Leaders for International Human Rights group (BLIHR), led by 13 multinational corporations, created its own guide for integrating human rights into business management.

Still other initiatives developed within specific industries: the finance sector created the Equator Principles; the retail industry developed the Ethical Trading Initiative; the extractive industry developed the Voluntary Principles for security and human rights and the Kimberley Process for tracking diamonds. These are just a few of the dozens of initiatives that sprung up.

The new responsibilities became the subject of innumerable discussions, but transparent implementation was lacking. Nomogaia was positioned to change that.

Capitalizing on our broad mandate, Nomogaia researched PR scandals and environmental protests. We examined legal, extra-legal, and voluntary mechanisms for human rights protection. We spent months in the field, meeting the people most impacted by corporations and turned to the concrete experiences corporations were having on the ground to define the terms and boundaries of corporate social responsibility (CSR) and human rights.

Experience revealed that collaborative approaches and exhaustive research can only beget rights protections when paired with a concrete means for assessment. So we have made it our work to develop such an assessment tool, communicate with company representatives, voiceless "rightsholders," consultants, community leaders, and NGOs, and issue recommendations for respecting rights according to a tried and effective system.





# Nomogaia

## A Year in Review

### ***Mission Statement:***

The **Nomogaia Foundation** is a nonprofit research and policy organization dedicated to providing greater clarity in the definition of human rights, to fostering greater awareness by corporations of their responsibilities in this field, and to securing greater protection of rights for people around the world who have been touched by increasingly globalized industries.

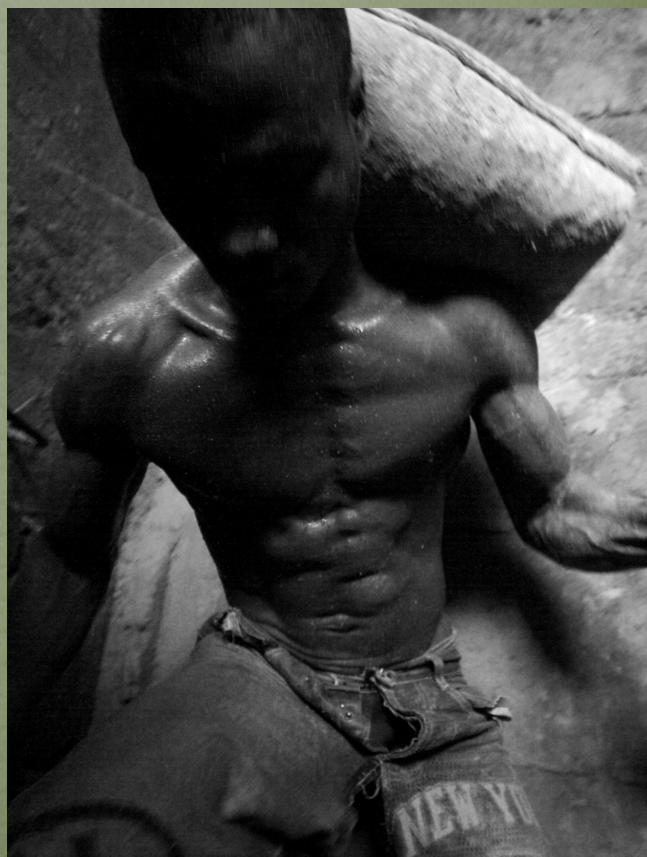
It is Nomogaia's belief that the most efficient and effective way of advancing corporate responsibility for human rights begins with Human Rights Impact Assessment. Without knowing the impacts they are likely to have on human rights, corporations cannot effectively manage and mitigate human rights risks.

Establishing Human Rights Impact Assessments as an integral part of corporate growth in developing countries is a three step process:

- Illustrating that the methodology for HRIA is usable and effective
- Promoting HRIAs among governments, investors and corporations
- Building networks to support the process

To this end, Nomogaia raised \$9,000 in cash donations in its first year and has:

- Composed a methodology, which has been reviewed and lauded by experts.
- Conducted the first-ever entirely public, full-form HRIA, which was located at a gold/silver mine in Indonesia
- Conducted field-work in Sierra Leone and Ghana on mines and communities
- Secured a speaking role at the World Bank's Extractive Industries week
- Cultivated relationships in relevant fields and industries to advance our work, including
  - Health experts in toxicology, epidemiology and psychology
  - Corporate managers and executives
  - Leaders in the investment industry, most notably at the IFC and World Bank





# Nomogaia

## The Methodology

Perhaps Nomogaia's greatest accomplishment in 2008 was the completion of a draft methodology for Human Rights Impact Assessment. This document, the only public one of its kind, cleared the way for the work we carried out throughout the year and the plans we have for



**Nomogaia Foundation**  
A Global Human Rights Initiative

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### **HRIA**

is a process for systematically identifying, predicting and responding to the potential human rights impacts of a business operation. By design, it compliments a Company's other impact assessment and due diligence processes, guided by a Company's own core values and commitments, and framed by key international human rights principles and conventions. It is also rooted in the realities of the particular Project by incorporating the context within which it will operate from the outset, and by engaging directly with those peoples whose rights may be at risk.

### *Before Nomogaia's Involvement*

In June of 2008, the UN's Special Representative on Human Rights and Business, Prof. John Ruggie, presented the Human Rights Council with a framework for delegating human rights responsibilities between governments and companies. The framework bridged divides between NGOs and corporations that some had thought irreconcilable. Under Ruggie's framework, governments retain the responsibility to protect, promote and fulfill human rights; corporations are charged with proactively "respecting" human rights.

That "respect" had not been defined, but it was recognized that companies could not "respect" rights without knowing which would be impacted by a project. For this, the UN Special Representative recommended Human Rights Impact Assessments of varying scale and scope, depending on the nature and context of a project. "While these assessments can be linked with other processes like risk assessments or environmental and social impact assessments," he noted, "they should include explicit references to internationally recognized human rights." This is the crux of the HRIA; it enables a company to see a project through a human rights lens.

We understand that companies are not familiar with the human rights vantage point, so we have developed a straightforward methodology to examine the elements of a capital project that could directly harm or improve the status of human rights listed in international rights declarations.



# Nomogaia

## The Nuiguyu HRIA



In late 2008 Nomogaia conducted a Human Rights Impact Assessment on a gold and silver mine under construction in Indonesia. The demography and setting of the project site presented particular complications for project proponents (namely, the mining company) that could best be pinpointed and addressed through a human rights lens.

The assessment was still in the review and comment phase at the end of the year, so outcomes are not yet available – those are anticipated in 2009, assuming the project goes into production as scheduled.

Conducting the HRIA enabled assessors to make modifications to the methodological process while deepening their understanding of the complexities inherent in developing a capital Project in a region unaccustomed to large-scale extractives and populated by fearful communities with an activist

spirit. Rights issues presented themselves where science indicated that no issues existed, illustrating the significance of perception in human rights concerns.

A version of this HRIA is available on Nomogaia's website at the following URL: [http://www.nomogaia.org/HRIA/Entries/2009/1/22\\_The\\_Nuiguyo\\_Project\\_-\\_HRIA\\_Sample.html](http://www.nomogaia.org/HRIA/Entries/2009/1/22_The_Nuiguyo_Project_-_HRIA_Sample.html)





# Nomogaia

## Sierra Leone – Rutile Field Research

Prior to Nomogaia's HRIA Methodology, efforts to assess the impacts of companies on human rights lacked a fundamental element: fieldwork. Publicly available assessment tools used third-party anecdotes and case studies, composing whole guides without ever entering mine sites.

Nomogaia felt compelled to begin the process of HRIA on the ground, and Sierra Leone presented an ideal context country. The corporate responsibility to respect human rights becomes explicit when the government cannot fulfill its responsibility to protect those rights. Few nations exhibit this so starkly as Sierra Leone, where rights are poorly understood and abysmally protected.

In the spring of 2008 Nomogaia staff visited Sierra Leone and began tracking the development of foreign investment and human rights protections, particularly

in the south, where the nation's largest mining company operates.

The company has found it impossible to eliminate negative rights impacts and has instead adopted a piecemeal plan for keeping local governments content and communities peaceful.

Our research presented instances where this system failed to stave off criticisms and complaints, some of them well-founded. As we continue monitoring the country and company we will update our website and issue reports on our findings.





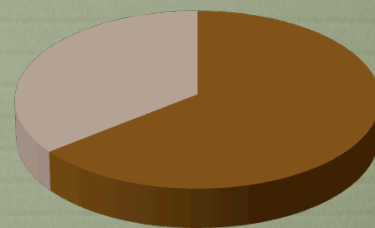
# Nomogaia

## Financials

### Statement of Revenues 1/1 - 12/31/08

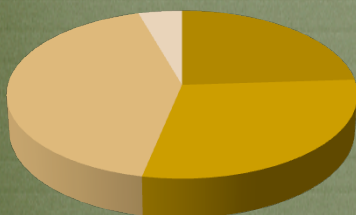
<u>Revenue</u>	
Individual Cash Contributions	\$9,000
In-kind Donations – including office space, consulting, counsel, equipment	<u>\$17,360</u>
<b>Total Revenues</b>	<b>\$26,360</b>
Other Assets	0
Cost of Goods Sold	0
<b>Total Assets</b>	<b>\$26,360</b>

### Revenues



■ Individual Contributions  
■ In-Kind Donations

### Expenditures



■ Projects  
■ Administrative  
■ Personnel  
■ Research

### Statement of Expenditures and financial condition 1/1 - 12/31/08

	Cash	In Kind
Projects	\$5673.54	
Research	60	1000
Personnel		10,000
Administrative	<u>\$630</u>	<u>6,300</u>
<b>Total Expenditures</b>	<b>\$6363.54</b>	<b>17,360</b>
<b>Net Assets</b>	<b>\$26,360</b>	
<b>Net Liabilities</b>	<b>\$0</b>	

*A detailed breakdown of income, expenses, and assets is available through Nomogaia's IRS form 990*



Nomogaia

## Board of Directors

◆ Mark Wielga

◆ Elizabeth Wise

◆ Mark Hughes

## Collaborators



*The Nomogaia Foundation*

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Nomogaia is a 501(c)3 non profit organization. EIN# 33-1203791