



NOMOGAIA

GUIDING BUSINESS IN HUMAN RIGHTS



ANNUAL REPORT 2016



NOMOGAIA



TABLE OF CONTENTS

LETTER FROM THE EXECUTIVE DIRECTOR	3
ABOUT NOMOGAIA	4
THE STATE, BUSINESS & HUMAN RIGHTS	6
HUMAN RIGHTS & FINANCIAL INSTITUTIONS	7
BUSINESS, HUMAN RIGHTS & CHILDREN	8
MONITORING	9
PUBLISHING	10
FEATURED PROJECTS	11
FINANCIALS	13



NOMOGAIA

LETTER FROM THE EXECUTIVE DIRECTOR



Green Chair Stories, 2016

Dear NomoGaia supporters,

The business and human rights field experienced both developments and setbacks in 2016.

Here in the US, November was marked both by the launch of a National Action Plan on business and human rights and by statements from Washington indicating intentions to reduce government influence on human rights issues abroad.

In Europe, investment and development banks have adopted human rights standards and begun investigating the human rights implications of their project loans and equity investments. Transparency laws and anti-trafficking regulations have increased pressure on companies to know and show certain human rights impacts.

But the anti-global, populist and nationalist movements apparent in political changes in the US, UK and beyond are clear indicators that business and human rights has not effectively advocated for itself.

NomoGaia has attempted to fight the protectionist and isolationist trends with data and research. We have oriented our findings towards key players in the globalization space: multinational companies with vast supply chains, and international financial institutions with broad reach. We continued to partner with governments, companies, universities and intergovernmental organizations to amplify our voice and advance our work helping companies respect rights.

We remain deeply grateful for your support, and we continue to be committed to providing actionable tools to advance the business and human rights movement.

Kendyl Salcito
Executive Director, NomoGaia



NOMOGAIA

Mission Statement:

NomoGaia is a nonprofit (501(c)(3)) research and policy organization advancing the



Green Chair Stories, 2016



NOMOGAIA

NOMOGAIA'S BACKGROUND

NomoGaia has been developing, testing and publishing corporate human rights tools and field reports since 2008. At the outset our aim was to find workable solutions to human rights problems associated with corporate infrastructure development.

The urgency of this mandate was compounded in 2011 with the United Nations Human Rights Council's unanimous endorsement of *Guiding Principles for Business and Human Rights*, which required companies to begin conducting "human rights due diligence" to verify and demonstrate that their operations respect human rights.

Defining the terms and boundaries of "human rights due diligence" has proven a long-term task. Collaborative approaches and relentless inquiry have effectively protected rights only when paired with a concrete means for assessment. We have made it our work to develop such assessment tools, applicable in diverse industries and contexts.

This has entailed communicating extensively with company representatives, unrepresented "rightsholders," consultants, community leaders, NGOs, industry groups, governments and international bodies.

Our aim continues to be to produce the most effective, implementable tools available to companies, investors, governments and civil society members endeavoring to ensure that business respects human rights across the globe.



NOMOGAIA

THE UNITED STATES GOVERNMENT'S NATIONAL ACTION PLAN FOR RESPONSIBLE BUSINESS CONDUCT

Throughout 2015 NomoGaia participated in a series of meetings with the US Government and other stakeholders in the development of a 2016 “National Action Plan’ (NAP) on business and human rights.

The NAP was launched in December 2016, through the Department of State. It is available online here: <https://www.state.gov/e/eb/eppd/csr/naprbc/265706.htm>

It consolidates existing legislation that holds US corporations to high standards of conduct into a single document, helping companies to recognize the relationship between their legal responsibilities to respect human rights and their duties under their own corporate governance structures, many of which include human rights policies.

“This NAP is not an end unto itself, but one more step we can take to ensure we all work together to achieve inclusive growth.”

~ Sec. John Kerry





NOMOGAIA

HUMAN RIGHTS RISK ASSESSMENT – A NIMBLE APPROACH TO EARLY-STAGE DUE DILIGENCE



2016 was our third year piloting and refining a Human Rights Risk Assessment. Our efforts yielded a “Business Person’s Guide to Human Rights Risk Assessment,” which has been live on our website at www.nomogaia.org/tools since October 2016. Early in 2017 we will publish a full methodology for HRRAs, included within a “Practitioner’s Guide to Human Rights Risk Assessment.”

These guides provide insight into both how HRRAs are conducted, and how they should be vetted by companies for adequacy.

They are grounded in real-world experiences, including case studies and examples from NomoGaia’s expanding collection of existing HRRAs, which have now been conducted or commenced in Belize, the Dominican Republic, Jordan, Liberia, Myanmar, and Uganda.



NOMOGAIA

HUMAN RIGHTS RISK ASSESSMENT – THE SUGAR SUPPLY CHAIN

Coke alone uses roughly 10 million tons of sugar per year – more than 5% of the sugar that is produced globally. Some of that sugar comes from individual farming families scattered across the globe.

Before sugar reaches clients like soda companies, candy companies and rum producers, it must be harvested, transported, milled, refined, and shipped. Middle men take a cut from every step of that production chain, leaving very little income for farm workers.

This was apparent firsthand in our early-state HRRAs pilots in the cane fields of Belize and the Dominican Republic.

Mill owners are increasingly concerned with worker welfare and socially and environmentally responsible operations. However, they do not always have direct control over the cane cutters who use their mills to process their harvests. As a result, sugar processors are caught between purchasers demanding sustainable sugar and farmers operating under their own ethical standards.

Child labor is prevalent in the cane fields of Belize, and Haitian labor is prevalent in the cane fields of the Dominican Republic. HRRAs swiftly identify labor and welfare risks to these workers. The challenge is identifying solutions.





NOMOGAIA

HUMAN RIGHTS RISK ASSESSMENT – THE PALM OIL SUPPLY CHAIN

Palm oil is in roughly 50% of consumer products, from shampoo and dish soap to peanut butter and granola bars. Most palm oil comes from Malaysia and Indonesia, but as demand expands, so does palm oil's footprint. Sub-Saharan Africa has the right climate for palm oil and recent years have seen major plantation expansions across West Africa.

In Liberia, three foreign companies have set up operations. NomoGaia conducted an HRRR on one, the Equatorial Palm Oil (EPO) Company's Palm Bay Estate. EPO boasts membership in the leading responsible palm oil association, but it is yet to receive certification.

NomoGaia's HRRR found major human rights risks associated with working conditions, housing conditions and labor outsourcing through subcontractors.





NOMOGAIA

HUMAN RIGHTS RISK MONITORING: WORLD BANK THATON POWER PLANT - MYANMAR

BACKGROUND: NomoGaia's Human Rights Risk Assessment of a World Bank plan to refurbish an aging power plant in Myanmar (Burma) was conducted in 2015.

Our HRRRA found that, in its technical components, the loan was sensible, strategic and important for Myanmar's development.

In its implementation, it posed major human rights risks.

Ethnic Burmese workers supplied power to a grid dominated by ethnic Burmese institutions, while the ethnic minority Karen were literally left in the dark. The precariously managed plant posed major health, safety and environmental risks itself.

Operations had contaminated soils directly below the plant and, likely, downstream from the plant, where farmers grow rice and other subsistence crops.

MONITOR: Although we have not returned to Myanmar, the World Bank reports that, in response to our work, the local communities surrounding the power plant have been provided with electricity, and an extensive environmental monitoring program has been initiated.

These are major points of progress that protect and promote human welfare.





NOMOGAIA

HUMAN RIGHTS RISK MONITORING DISI WATER PIPELINE - JORDAN

BACKGROUND: NomoGaia began researching the human rights impacts of the Disi water conveyance pipeline, carrying groundwater from the Saudi border 325km north to Amman, in 2011. Construction costs (\$1.1b) and operation costs are high, owing to fuel and infrastructure costs associated with pumping water such a great distance.

NomoGaia's HRRRA pilot found that construction impacts were manageable, while operations impacts are considerably more complex. Water quality and quantity challenges had not been reported by the Government of Jordan.

The Disi supply is not expected to last no more than 10 years, calling into question the economic legitimacy of such a costly project. Modified water and agriculture policy within the kingdom is widely recognized as a more appropriate solution to the shortage.

Disi water is also of poor quality, containing radionuclide levels far exceeding WHO standards and saline levels that have increased even in early years of Disi's operations. As a result, Disi water must be blended to be usable. It has therefore not resulted in the recharging of northern aquifers.

MONITOR: The project cannot be reversed, but managing quality is a possibility. The European Investment Bank has provided NomoGaia with ongoing monitoring data and is working to ensure water remains safe for users in Amman.





NOMOGAIA

OUTREACH AND COLLABORATION



HUMAN RIGHTS PRACTITIONER NETWORKS

American University’s center for human rights is coordinating a trans-disciplinary network of social and natural scientists, along with lawyers and business leaders to build on best practices for “human rights due diligence.” Across the Atlantic, the Danish Institute for Human Rights is coordinating something similar, aiming to consolidate existing “human rights due diligence” resources and experts. These two initiatives are in their infancy. They indicate a recognized need for expertise. That NomoGaia has been invited to coordinate both is meaningful.

CONFERENCES & PRESENTATIONS

NomoGaia continued to engage with key actors in the business and human rights space, presenting human rights due diligence work on three continents in 2016.

Our engagement with the World Bank has included ongoing discussions of the Thaton Power Plant in Myanmar. OECD engagement has occurred at the international and national levels, with ongoing dialog regarding the US-based National Contact Point.



DIRECT SUPPORT

When institutions reach out to NomoGaia for assistance, we work within our mandate to support their efforts to respect human rights. In 2016 the Dutch development bank, FMO, updated its sustainability policy and reached out to NomoGaia for support on a Human Rights Policy. Unicef has sought input on human rights due diligence in Cote d’Ivoire, and NomoGaia continues to engage with the Dutch Banking Sector on its human rights agreement.



NOMOGAIA

OUTREACH AND COLLABORATION: NOMOTECH

NOMODATA AND BANKRIGHT

NomoGaia invested in major collaborations in 2016 to make human rights due diligence accessible.

We launched [BankRight](#) in December. BankRight is a rapid-test web tool allowing banks to input the country name, project type and loan value to determine the level of risk inherent to an investment.

We also launched NomoData earlier in the year, a User-friendly replacement to our previous Excel-based cataloguing system.

Both tools are web-based, making them accessible on an array of devices, both in the field and from the desktop.



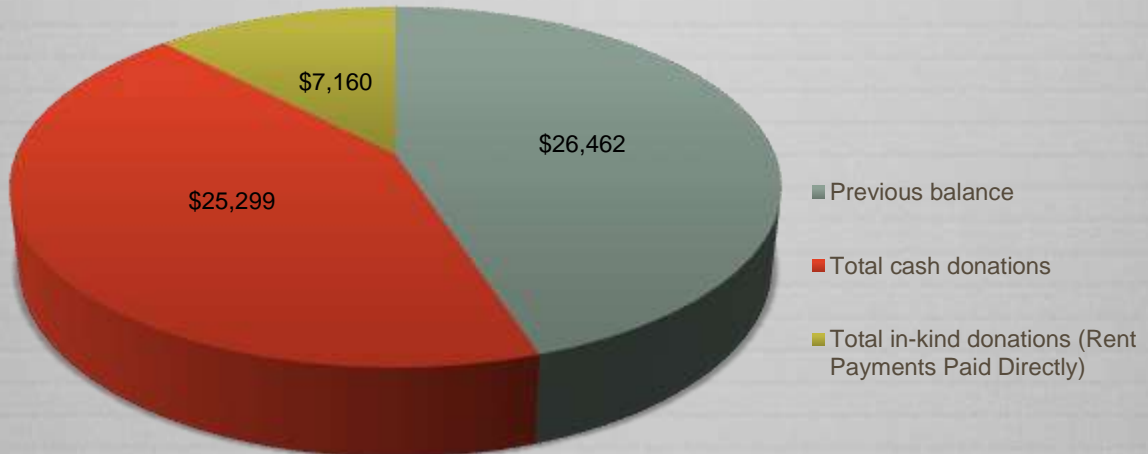


NOMOGAIA

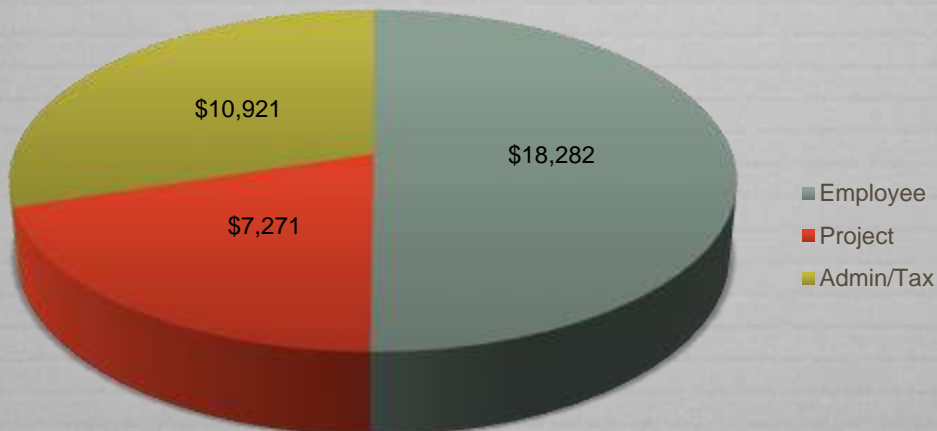
FINANCIALS

NomoGaia operates efficiently on a small budget. Expenditures for 2016 totaled under \$37,000. This is possible partly because experts generously donate their time and facilities to assist our work. These contributions are not fully reflected in our “in kind” donations, but we wish to acknowledge those who contribute to our work in meaningful but unquantifiable ways.

REVENUES



EXPENDITURES



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

THE BOARD

Mark Wielga

Elizabeth Wise

Mark Hughes



NOMOGAIA

1900 WAZEE ST. STE. 303

DENVER, CO 80202

NOMOGAIA.ORG

303.514.1522

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