



Procurement and Human Rights in the Sports Context

Sporting Chance White Paper 2.2
Version 1, January 2017



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Authorship note: The White Papers in this series represent the views of either co-authors, respective authors (where separate sections have been contributed), and in some cases, interviewees. For the avoidance of doubt, where individual authors are named, the views are their own and not those of their organisation. Where there are multiple contributors, the papers do not necessarily represent the views of each contributor and no consensus is implied.

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The Mega-Sporting Events Platform for Human Rights

The Mega-Sporting Events Platform for Human Rights (MSE Platform – www.megasportingevents.org) is an emerging multi-stakeholder coalition of international and intergovernmental organisations, governments, sports governing bodies, athletes, unions, sponsors, broadcasters, and civil society groups. Through dialogue and joint action our mission is to ensure all actors involved in staging an event fully embrace and operationalise their respective human rights duties and responsibilities throughout the MSE lifecycle. Chaired by Mary Robinson, the MSE Platform is facilitated by the Institute for Human Rights and Business (www.ihrb.org).

The Sporting Chance White Papers

This White Paper Series was originally developed to support the Sporting Chance Forum on Mega-Sporting Events and Human Rights, co-convened by the US Department of State, the Swiss Federal Department of Foreign Affairs, and IHRB in Washington D.C. on 13-14 October 2016. Comments were received at and following the Forum, and each White Paper has been updated to reflect those inputs.

A total of 11 White Papers have been produced, clustered into four themes referring to key stakeholder groups (see below). These White Papers aim to present the latest thinking, practice, and debate in relation to key human rights issues involved in the planning, construction, delivery, and legacy of MSEs. Each paper also considers the case for, and potential role of, an independent centre of expertise on MSEs and human rights.

Each White Paper has been published as “Version 1” and the MSE Platform would welcome comments, input, and expressions of support with regard to future iterations or research on each topic.

1. Sports Governing Bodies

- White Paper 1.1 Evaluating Human Rights Risks in the Sports Context
- White Paper 1.2 Sports Governing Bodies and Human Rights Due Diligence
- White Paper 1.3 Corruption and Human Rights in the Sports Context

2. Host Actors

- White Paper 2.1 Host Actors and Human Rights Due Diligence in the Sports Context
- White Paper 2.2 Procurement and Human Rights in the Sports Context
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3. Sponsors and Broadcasters

- White Paper 3.1 Sponsors and Human Rights in the Sports Context
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Executive Summary

This White Paper examines the human rights roles and responsibilities of host governments, organising committees and delivery partners, with respect to risk mitigation and remedy. Within this broad framework, authors were asked to specifically identify better ways to integrate human rights due diligence into procurement practices for mega-sporting events (MSEs).

This White Paper seeks to address this task by considering:

- The likely range of procurement activities across the MSE life-cycle and diversity of suppliers, including SMEs, as well as assessing the potential for leverage with suppliers and construction companies.
- Emerging good practice and the extent to which lessons have been learnt and/or could be transferable across events and between sporting traditions.
- Existing tools / models for improving human rights good practice and responsible business conduct that can be tailored to MSE delivery needs and different geographies.
- The need for leadership by sports governing bodies (SGB) to ensure leverage with suppliers over the long term.
- The scope for, and potential merits of, approved supplier lists.
- The linkage with and implications of human rights due diligence requirements being built into SGB tendering documents.

The White Paper concludes that human rights due diligence has a role to play in the commissioning and management of suppliers, contractors and other providers essential for the delivery of mega sporting events. It highlights a number of good practice examples, many of which have been shared and replicated by host organisations across MSEs. The adoption of a standard sourcing code (such as ETI's Base Code, or WFGSI's Model Code) against which to measure supplier performance is a good example of this. The application and effectiveness of supporting monitoring processes and grievance mechanisms, however, show a mixed picture of performance, especially in terms of satisfying broader stakeholder concerns. And although the embedding of human rights due diligence requirements into formal tendering procedures for events is being advanced, for example by FIFA, it has yet to become a reality.

It identifies six areas where an independent centre / entity could potentially assist organisers and sporting bodies, by:

1. Capturing, recording and sharing best practices across the sporting organisations and governments that play host to MSEs, or desire to bid for MSEs.
2. Developing an operational blue print, offering clarity about the respective roles and responsibilities of the organisations involved in the procurement of goods

and services for an MSE, and the due diligence processes, remedies and complaint mechanisms needed to protect rights at each stage in the MSE lifecycle.

3. Analysing and promoting applicable international standards, or acting as a standard-setter in its own right, to help drive greater consistency and better outcomes for stakeholders around MSEs.
4. Design of effective human rights based operational grievance mechanism for construction activities that address community concerns during land acquisition, as well as in the subsequent construction and operational stages of new venues or facilities. There are already tools and guidance available for large scale development projects that could be modified for this purpose.
5. Where appropriate, facilitating in the appointment of independent Ombudsmen or advisors to support grievance processes.
6. Developing annual indices to benchmark the adoption of human rights due diligence approaches and the reported performance of vendors and their suppliers in the lead-up to an event.

In seeking to promote the use of human rights due diligence in relation to MSE procurement, the paper also concludes that is important to define where the respective responsibilities lie between host governments, organising committees, and the SGB. Ideally for local communities, accountability must reside with the organising committee delivering the event, and the government backing it. Ultimately it is the organising committee that locally awards, and thereafter manages, the procurement contracts and service agreements that are essential for a successful event. In contrast, SGBs are best placed to act as enablers, encouraging the responsible behaviour of host governments and embedding human rights due diligence requirements into the contract terms for each event, and thereafter providing high-level oversight to track their on-the-ground delivery.

An independent centre / entity could play a very different role in each of these areas. Subject of course to the willingness and interest of the respective SGB, and the MSE host organisation, to tap into the available expertise and knowledge held by a centre / entity.

Event Procurement

A mega-sporting event can be characterised in different ways and what constitutes and falls with the scope of “procurement” depends on the nature, composition and scale of the event and the organisational structures in place for its delivery. For a host organising committee, procurement would normally comprise:

- the pre-selection and tendering of suppliers for essential works, goods and services
- the granting of local sponsorship and licences to companies to produce and sell a range of items carrying event logos and branding (a key source of event revenue)
- sponsorships that incorporate the delivery of free or in-kind goods or services (volunteer uniforms, transport fleets, etc.)

For international events, sponsors with worldwide marketing rights are likely to be part of the mix, but will have been appointed by the SGB without the direct involvement of the local event organising committee.

At a level below the event organising committee (or the host government if specific procurement responsibilities rest with the government) there will be the actual providers or suppliers with their own diverse range of capabilities and capacities, subcontracting arrangements and supply chains. These may include:

- Professional engineering and contractors who are commissioned to build sports venues and supporting infrastructure
- Promotional gifts, mascot suppliers and sporting merchandise
- Cleaning contractors
- Private security firms
- Catering companies and food and beverage providers
- Marketing and advertising agencies, PR firms, legal services

A typical large scale event could involve several hundred primary relationships and several thousand subordinate ones, spanning a range of industry types, with extensive links to local, as well as global supply chains.

The timeframes for engagement with suppliers may be long – upwards of 4 to 8 years for capital works, such as constructing a new sports venue or refurbishing existing ones – or short, with the award of specific contracts for services in the months leading up to an event. A notable exception is the 2022 FIFA World Cup, where 12 years has been allocated from award to delivery, due to the decision taken by FIFA for the Executive Committee to vote on contenders for the 2018 and 2022 events simultaneously in December 2010.

Emerging Practice Around Human Rights Due Diligence

2.1 The UN Guiding Principles on Business & Human Rights

In 2011, the United Nations Human Rights Council unanimously endorsed the UN Guiding Principles on Business and Human Rights (UN Guiding Principles). The UN Guiding Principles are now widely accepted as the authoritative global standard on preventing and addressing adverse impact on human rights from business activities, including impacts appearing in global supply chains.

The UN Guiding Principles comprise three pillars: the State duty to protect human rights against infringements of human rights by third parties, including business enterprises; the corporate responsibility to respect human rights; and access to effective remedy for victims of business-related human rights abuses. Human rights due diligence can best be described as risk management process designed to identify, prevent, mitigate and account for how a business enterprise continually addresses its adverse human rights impacts, thereby demonstrating its respect for human rights.

The topic of the human rights has also been debated by international sporting bodies, most notably the International Olympic Committee (IOC), the Commonwealth Games and, more recently, the application of the UN Guiding Principles has been considered by FIFA (the International Federation of Association Football). For some, this has led to the inclusion of new language in policy documents, to reflect the need to respect human rights, and for FIFA, the first steps in adopting human rights due diligences approaches.¹

¹ See for example, The IOC ban on discrimination on the grounds of sexual orientation and introduced provisions that would force contractors building venues and infrastructure to comply with minimum international labour standards. Its new host city contracts also require host cities to guarantee freedom of expression for the media during the period of the Games. However, it has faced criticism from The Sport and Rights Alliance – which includes Amnesty International, the International Trade Union Confederation and Transparency International among others – for omitting explicit references to human rights in the contracts for the 2026 bid. The coalition has called for an explicit commitment to human rights in the new contract that included “compliance with international human rights obligations, access to remedy, human rights due diligence and risk assessment”. Quoted in The Guardian, ‘IOC attacked by human rights groups over Olympics host city contract’, 25 September 2015

2.2 Vancouver Olympics 2010

The Vancouver Organising Committee's (VANOC) six corporate sustainability performance objectives included an explicit commitment "to care for our workforce, protect human rights and ensure health and safety."² VANOC's procurement and licensing activities included a 'Buy Smart' programme, by which it put in place a set of procedures and activities designed to ensure that sustainability, ethical considerations and Aboriginal participation were taken into consideration.

VANOC supplemented these efforts by introducing a Licensee Code of Conduct, modelled on sponsor Hudson Bay Company's code and other industry best practice. The VANOC Code of Conduct defined criteria for producing official merchandise. In response to stakeholder input, VANOC also introduced a Supplier Code of Conduct (2009) which regular suppliers were expected to review as part of the bidding and contracting process. VANOC said that between 2006-2010, 100% of its suppliers met Canadian human rights standards. Both codes were shared with the IOC and future Olympic hosts as part of the IOC's knowledge transfer process.³

2.3 London Olympics 2012

Background

The 2012 London Olympics serves as a useful example of the complexity of procurement and the measures adopted to manage its many parts.⁴

There were two main delivery bodies:

- The Olympic Delivery Authority (ODA) was accountable to Government, the Greater London Authority (GLA) and other stakeholders, responsible for developing and building new venues and infrastructure for the Games.⁵
- In parallel, the London Organising Committee of the Olympic and Paralympic Games (LOCOG) was as a private limited company, responsible for preparing and staging London 2012.

As a government-funded organisation, the ODA was also subject to EU procurement regulations, with specific guidelines on transparency, fairness and non-discrimination

² Available at: http://www.olympic.org/Documents/Games_Vancouver_2010/VANOC_Sustainability_Report-EN.pdf

³ Available at: <http://www.megasportingevents.org/#stakeholders>

⁴ This is elaborated further in the case study on 'Sustainable procurement - the London 2012 Olympic Games and Paralympic Games' which was authored by LOCOG's sustainability and procurement staff and published as part of the London 2012 Learning Legacy at <http://learninglegacy.independent.gov.uk/publications/sustainable-procurement-the-london-2012-olympic-games-an.php>

⁵ The Olympic Delivery Authority (ODA) was a non-departmental public body of the Department for Culture, Media and Sport, responsible for ensuring the delivery of venues, infrastructure and legacy for the 2012 Summer Olympic and Paralympic Games

for managing competition.⁶

The London 2012 procurement process made no direct reference to “human rights due diligence”,⁷ but it did define and seek to measure social and environmental performance, including ethical sourcing practices. And as part of the overall Games, the procurement process was the subject of independent assurance by a Sustainability Commission whose remit extended to tracking all stakeholder concerns, including human rights issues locally, and in global supply chains.⁸

Procurement for the 2012 London Olympics was built around an overarching policy that had a number of embedded “themes”:⁹

- delivering excellent, innovative and accessible design;
- creating the most sustainable games;
- providing access to new jobs and career opportunities; and
- ensuring health, safety and security for “a lasting physical, social and economic legacy”.

The ODA consolidated all of the above themes into a Procurement Policy.¹⁰ At the core of the Policy was the ODA’s “Balanced Scorecard”, which showed how the ODA’s priority themes would be applied to its procurements, in particular the construction sites. See Box 1, Appendix. In the lead-up to the 2012 Olympic Games the ODA procured over 2,000 contracts and projects of varying size and value. However, it is reported that the construction sector suppliers struggled to achieve the high standards set by the ODA and the Authority’s general performance management demands.¹¹

The other delivery body, LOCOG, produced a Sustainable Sourcing Code to provide a framework for the procurement of its products and services. Through the application of the Code, LOCOG challenged sponsors, suppliers and licensees to “adopt, or further develop, practices that were environmentally sound, socially responsible and ethical”.¹² The elements of the Code relevant to this discussion paper are summarised in Box 2, Appendix.

6 For more information on EU tendering rules see http://ec.europa.eu/growth/single-market/public-procurement/rules-implementation/index_en.htm Although the current procedures do not make reference to human rights or human rights due diligence explicitly, the EU has made recent efforts to simplify the procurement process, encourage SME participation and in its guidance has developed a cross-cutting ‘social clause’ based on respecting applicable environmental, social or labour law obligations under EU and national rules, collective agreements or international law. Member States and public authorities must ensure compliance with the obligations in force at the place where the work is carried out or the service is provided. See http://ec.europa.eu/growth/single-market/public-procurement/rules-implementation/index_en.htm

7 This may be in part due to the development of the associated procedures at that particular point in time. The concept of “human rights due diligence” was laid out as fundamental to the corporate responsibility to respect human rights in the 2008 “Protect, Respect, Remedy” Framework of the UN Special Representative on Business and Human Rights, but it was not “operationalized” into a set of Guiding Principles on Business and Human Rights until 2011.

8 The Commission for a Sustainable London 2012 was established in January 2007 as an independent body formed to monitor and assure the sustainability of the London 2012 Olympic and Paralympic Games. See <http://www.cslondon.org/about/>

9 Learning Legacy for London 2012, ODA Procurement Policy, October 2011 see <http://learninglegacy.independent.gov.uk/documents/pdfs/procurement-and-supply-chain-management/39-procurement-policy-pscm.pdf>

10 Op. Cit. Footnote 3

11 This led to the formation of the Supply Chain School www.supplychainschool.co.uk to upskill the sector to prepare it for higher standards in the future and to a cloud based solution www.sustainabilitytool.co.uk which is under consideration by GOLDOC.

12 *ibid*

The Procurement Process In Practice

LOCOG's procurement activity involved many hundreds of individual purchases from a wide range of suppliers and licensees in a relatively short and intensive time period. The build-up began in late 2009 and peaked in 2010-11. The scale and intensity of this activity meant that certain key areas had to be prioritised for full application of the Sustainable Sourcing Code.

The Code, for the most part, was applied via the tendering process. Prospective suppliers and licensees were advised to review the requirements of the Code and ensure that relevant areas of their business and supply chain were in compliance with its provisions. Following a preliminary due diligence process and the award of a contract, LOCOG undertook to monitor a supplier or licensee's practices to ensure they were being carried out as agreed in the tender process. LOCOG used a range of tools to achieve this, including Management Plans,¹³ the Supplier Ethical Data Exchange (Sedex),¹⁴ and independent audits.¹⁵

LOCOG also committed to develop a Complaint and Dispute Resolution Mechanism related to the application of its Sustainable Sourcing Code by commercial partners, particularly in relation to labour conditions at factories supplying sponsors, licensees and suppliers. LOCOG commissioned a specialist partner to devise the process, which was informed by the UN Guiding Principles on Business and Human Rights, and developed with the input of a cross-section of stakeholders.¹⁶ Uniquely, the Complaint Mechanism also investigated serious claims made by the media regarding supply chain issues. Despite these efforts, the complaint mechanism had very clear limitations, given the short timeframes it operated within and the limited ability to drive outcomes and a change in work practices at the supplier level.

2.4 Rio Olympics 2016

The Rio 2016 high-level commitment to human rights, while positive, is framed around the outdated concept of "sphere of influence" that is out of line with the UN Guiding Principles on Business and Human Rights. It states:

"Rio 2016 supports and respects the protection of internationally proclaimed human rights within its sphere of influence, following the guidelines of the Global Compact"

¹³ Plans laying out the steps a company must take to become aware of, prevent and address specific types of risks.

¹⁴ A not for profit membership organisation and collaborative platform for sharing ethical supply chain data.

¹⁵ An examination of a variety of records, accounts, transactions, practices and internal controls to track on-going developments.

¹⁶ As part of the Learning Legacy for the London 2012 a case study has been published, which describes the lessons to be drawn from the design of the complaint mechanism, its communication, and its operation, including mediation between parties and agreement on remediation. See <http://learninglegacy.independent.gov.uk/documents/pdfs/sustainability/cs-sustainable-sourcing-code-complaints-mechanism.pdf>

Initiative. It includes work in three different spheres, according to our level of control/influence".¹⁷

This limits Rio 2016's focus to impacts over which they may or may not have (or perceive to have) influence, rather than focusing on those impacts to which it has either caused, contributed to or been directly linked to, prioritising those most severe first.

Despite this, commentators familiar with London 2012 have indicated that the Rio 2016 Committee has set a clear, positive agenda, learning lessons from the London experience. For example, the Rio 2016 Organising Committee published the first version of its Sustainable Supply Chain Guide (the Guide) in July 2012.¹⁸ This integrated labour rights criteria from the outset, demanding that suppliers, sponsor and licensees ensure that the working conditions on manufacturing production sites "meet the minimum requirements set out in the Ethical Trading Initiative (ETI) Base Code." The Guide also makes it clear that it regards compliance with the ETI Base Code as a minimum standard.¹⁹ It urges Rio 2016 commercial partners to exceed this standard, and where national laws and the Base Code cover the same ground, to apply whichever of the two affords the greater rights protection.

The Sustainable Supply Chain Guide was updated to its 2nd version in 2014 with much more detail.²⁰ It includes reference to the Rio 2016 Committee's Declaration of Sustainable Conduct, which is attached to the standard Request for Proposal from potential suppliers. Upon completing, signing and returning this declaration to the Rio 2016 Committee, the supplier declares to be aware of the sustainability requirements of the Rio 2016 Games, and agrees to follow them.

Mirroring the approach followed in the London 2012 Olympics, the Rio 2016 Committee entered into a strategic partnership with leading responsible supply chain specialist Sedex to support its responsible sourcing strategy.²¹ The Sustainable Supply Chain Guide includes several auditing-related requirements across its sustainability criteria, namely:

- If requested by the Rio 2016 Committee, suppliers or licensees must conduct audits under the [Sedex] SMETA methodology along with one of the approved companies.²²
- If requested by the Rio 2016 Committee, the supplier must provide environmental,

17 See https://www.rio2016.com/transparencia/sites/default/files/rio_2016_sustainability_report_sept2014.pdf

18 See https://www.rio2016.com/sites/default/files/annex_4_-_sustainable_supply_chain_guide_english.pdf

19 See <http://www.ethicaltrade.org/resources/eti-base-code>

20 See <http://portaldesuprimentos.rio2016.com/wp-content/uploads/2013/02/Sustainable-Supply-Chain-Guide.pdf>

21 See <https://portaldesuprimentos.rio2016.com/en/2013/11/01/rio-2016-forms-partnership-with-sedex-global-to-deliver-sustainable-supply-chain/>

22 Under the agreement, where a risk around ethical hiring is identified, the Rio 2016 Committee will conduct audits according to the SMETA 4 pillars methodology (labor standards, health and safety, environment and trade ethics). The audit must be conducted prior to the signing of the contract and, in the case of any non-compliance, the company must submit a corrective action plan. All suppliers that must register in the Sedex Global and / or SMETA audit will be previously informed and will be assisted by the Rio 2016 Committee throughout the process. Suppliers are not allowed to switch factories/warehouses or sub-suppliers without prior approval, and prior audits completed in line with the SMETA methodology will be accepted in order to minimise suppliers' costs.

social, ethical and economic data.

- If requested by the Rio 2016, the company will monitor and disclose their performance at intervals to be jointly determined.
- The company is aware that, for some categories, the Rio 2016 Committee may request specific environmental performance indicators.
- The company ensures that sustainability communication be provided to all employees and subcontractors.

While not requiring public disclosure, Rio 2016's Guide specifies:

"Upon request, suppliers, sponsors and licensees must provide Rio 2016 with information required to consider the environmental, social, ethical and economic aspects related to locations, processes and labor practices, management or operation, or materials and inputs used in the production and distribution of goods or services."

Rio 2016 Sustainable Supply Chain Guide also includes a "Diversity Manifesto", and commitment to encouraging practices that expand the participation of micro and SMEs "from a wide range of segments and social groups" in its supply chain. This also expands on a concern raised during London 2012 that not enough emphasis was placed on using local suppliers.

The Rio 2016 Committee is currently putting in place a dispute mechanism process for Chinese and Brazilian suppliers.

Neither the Rio 2016 Organising Committee, nor the Public Olympic Authority (APO), has been subject to an independent assurance body like the Commission for Sustainable London 2012. As such, stakeholders have had to look to civil society, unions and others to monitor the effectiveness of the procurement strategy.

2.5 Tokyo Olympics 2020

In January 2016, following a period of consultation, the Tokyo Organising Committee of the Olympic and Paralympic Games (TOCOG) released a set of "Fundamental Principles for the Sustainable Sourcing Code".²³ It confirms that Tokyo 2020 requires all suppliers and licensees to supply products, services, etc. in full compliance with the Sourcing Code. The Fundamental Principles stipulate that suppliers must satisfy the following requirements:

"throughout all stages of production through to final distribution: free from discrimination and harassment based on race, nationality, religion, gender, sexual orientation, physical impairment, as well as free from illegal forced eviction and other rights violations."

23 See: <https://tokyo2020.jp/en/games/sustainability/data/sus-principles-EN.pdf>

Similarly, suppliers must ensure their labour practices and working conditions are “free from forced and/or child labour, with assured occupational safety and health, and protection of workers’ rights according to all relevant laws and regulations”.

Lastly, the Fundamental Principles stipulate that suppliers and licensees must avoid using raw materials that have an adverse impact on human rights, local residents’ lives, and social stability (for example, raw materials collected through forced labour, conflict minerals and illegally logged timber).

The Fundamental Principles are to serve as the foundation for the details of the eventual Sustainability Code, which at the time of writing had not yet been released.

2.6 FIFA

FIFA’s main structures and process have been described as follows:

“Broadly speaking, FIFA encompasses two related but distinct sets of global networks. One connects the day-to-day world of association football, including the confederations, national associations and, through them, clubs and associated entities and actors. The second pertains to FIFA’s international tournaments. Brand licensing, procurement and other functions are involved in both.”²⁴

In December 2015 FIFA asked Professor John Ruggie, author of the UN Guiding Principles, “to develop recommendations on what it means for FIFA to embed respect for human rights across its global operations.”²⁵ His report, published in April 2016, drew extensively on the UN Guiding Principles to frame his assessment, which resulted in 25 detailed recommendations for action. Those most relevant to the current paper are reproduced in Box 3, Appendix.

In February 2016, ahead of the release of Professor Ruggie’s report in April, FIFA revised its governing Statutes to include for the first time explicit reference to human rights. FIFA Statutes for many decades mainly dealt with rights regarding membership, voting, financial issues, broadcasting, marketing, copyright law, competitions and events. A dedicated article on human rights within the General Provisions section now reads: “FIFA is committed to respecting all internationally recognised human rights and shall strive to promote the protection of these rights.”²⁶ An existing article on non-discrimination was also expanded to explicitly include gender equality.

²⁴ John Ruggie “For the Game. For the World.” FIFA and Human Rights, 2016 at p.16. See <https://www.hks.harvard.edu/centers/mrcbg/programs/crri/research/reports/report68>

²⁵ Ibid., at p.4.

²⁶ Article 3, see: http://resources.fifa.com/mm/document/affederation/generic/02/78/29/07/fifastatutswen_neutral.pdf

As far as FIFA's relationships with confederations and member associations, Professor Ruggie notes in his report that beyond prohibitions against racism and discrimination, "little is known at this time about other possible human rights risks in FIFA's relationship with member associations".²⁷

As far as FIFA's second main area of activity described by Professor Ruggie, its international tournaments, FIFA has focused on areas of procurement and human rights for some time, demonstrating its willingness to set mandatory labour rights standards for companies with whom it does business. The World Federation of the Sporting Goods Industry (WFSGI) introduced the WFSGI Pledge for the FIFA Quality Programme for football manufacturers in 1997.²⁸ The scheme requires FIFA licensed brands to sign a pledge together with their suppliers, which has to be renewed yearly, confirming they are in compliance with the WFSGI Code of Conduct. When it began, the process was designed to combat child labour in Pakistan and India, but the WFSGI Code was updated in 2010, and now covers the core conventions of the International Labour Organisation (ILO), which set standards on child labour, forced labour, non-discrimination and freedom of association and collective bargaining rights.²⁹

FIFA licensees have to provide the WFSGI with an annual audit demonstrating their suppliers' full compliance with the Code. Significantly, the WFSGI Pledge is mandatory for the production of FIFA licensed footballs, meaning that the Pledge has to be confirmed before licensees can proceed to the technical test phase for producing footballs to the correct specification.

At the time of Professor Ruggie's review, FIFA also publicly committed to revising its tournament bidding processes to incorporate human rights for events occurring from 2026 onward. The process for revision was unveiled at FIFA's congress in Mexico City in May 2016, indicating questions around the introduction of human rights and environmental sustainability requirements for bidders would be answered by May 2017.³⁰

2.7 The Commonwealth Games

In 2013 the Glasgow 2014 Commonwealth Games Organising Committee published a Procurement Sustainability Policy.³¹ Among other things this requires suppliers, and sponsors who provide goods or services, to adhere to ILO Fundamental Conventions.

27 Ibid.

28 Available at: <http://www.wfsgi.org/committees/csr-committee/wfsgi-pledge-for-fifa>

29 See: <http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>

30 The process was reported to encompass four phases: The first will cover a 'strategy and consultation' period in which FIFA will consider a possible expansion of the World Cup field; a review of the organization's stance on joint bids by multiple countries; and the introduction of human rights and environmental and sustainability requirements for bidders. FIFA said it would resolve those questions by May 2017, but said in a statement that the decision on the number of teams, formats and eligibility of confederations to bid was expected by October. See Andrew Das, "FIFA Announces Bidding Process for 2026 World Cup", New York Times (10 May 2016) at: http://www.nytimes.com/2016/05/11/sports/soccer/fifa-announces-bidding-process-for-2026-world-cup.html?_r=2

31 See: https://d7k5k971lnxm.cloudfront.net/sites/default/files/documents/G2014-Procurement-Sustainability-Policy-FINAL-V2-070213_0.pdf

The Policy also spells out that:

“where [we procure goods and services from outside the UK] we require our suppliers to adhere to the terms of the Ethical Trading Initiative’s Base Code and, if relevant, the Code of Conduct of the World Federation of the Sporting Goods Industry as a minimum.”

The Policy also says that the Glasgow 2014 Organising Committee will pay a Living Wage and promote it through its supply chain.

The Glasgow 2014 Organising Committee published its “Approach to Human Rights” in December 2013,³² which drew heavily on the previously published Procurement Sustainability Policy.³³ Following the staging of the Glasgow 2014 Commonwealth Games, the Glasgow 2014 Organising Committee released its Post-Games Update.³⁴ This document provides a progress report on what was achieved in practice.

The Post-Games Update includes data on the percentage of principal suppliers who reported that they had adhered to the ETI Base Code, and paid a Living Wage. In line with its commitment to disclosure, the Glasgow 2014 Organising Committee additionally published the names and locations of all suppliers within its Licensing and Merchandising programme on the Glasgow 2014 website. Factory disclosure of this kind had been a final recommendation of the Commission for a Sustainable London 2012 in its closing report Making a Difference.³⁵

3 Gaps and Challenges

Failure to uphold and protect human rights, especially those of the most vulnerable groups in society, has been a common complaint levelled at MSE host countries, sporting bodies and event organisers. The impacts of these events have been catalogued, for example, by IHRB in their 2013 report: “Striving for Excellence: Mega-Sporting Events and Human Rights”.³⁶ Increasingly there has been a call for the sports bodies awarding events to use human rights due diligence to inform their selection and, once awarded, for the respective host country/city and organising committee to embrace HRDD and

32 See: <http://www.glasgow2014.com/document/approach-human-rights-december-2013>

33 See: <http://www.glasgow2014.com/procurement-sustainability-policy>

34 Glasgow 2014 Organising Committee, “Post Games Update” at: http://www.megasportingevents.org/pdf/2014-10-16-Glasgow-2014-Approach-to-Human-Rights_Post-Games-Update.pdf

35 Commission for a Sustainable London 2012, Making a Difference, March 2013. See <http://www.cslondon.org/publications//?category=1&did=109>

36 See: <https://www.ihrb.org/megasportingevents/resource-view/report-striving-for-excellence-mega-sporting-events-human-rights>

embed this into the delivery of the sporting event. The following examines the current gaps and practical challenges in doing so; wherever possible drawing on documented experience from actual or planned events.

3.1 Formulating Appropriate Tendering Procedures: Creating Leverage

Countries and cities bidding to host an MSE like the Olympics, FIFA World Cup or Commonwealth Games are usually elected 7 or 8 years before the event itself takes place. The bidding process normally starts a year or two beforehand, when the sport's governing body (e.g. the IOC or FIFA) publishes a detailed questionnaire, outlining the process and timeline. About one year later a handful of candidate nations / cities are selected. These are then given several months in which to submit a candidature file.

Each candidate host city or country prepares the candidature file, which is its blueprint for the event. It is accompanied by a large number of legally binding guarantee letters, including financial guarantees made by the host city or other relevant local or national government body. The commitments range from details about the facilities / village, transport, security and accommodation, as well as sports and venues, marketing and questions around sustainability.

At a minimum, the candidature file must comply with various requirements set by the sports governing body.³⁷ The host city or government very often has an opportunity to set the tone of its own bid.³⁸

In the process of drafting the bid and candidature file, the host city / government will often start informal conversations with potential national sponsors and licensees, and spell out the kinds of environmental, social or human rights criteria it is likely to put in place.³⁹ This is a critical point in the MSE lifecycle, especially if the candidate city / government wishes to tread new ground, for instance by placing human rights at the centre of its bid.⁴⁰

37 For example, in the case of the IOC's Candidature Procedure and Questionnaire, bid cities are expected to meet a number of sustainability criteria, including criteria to assess how potential suppliers adhere to any specific, named, national or international standards, including on labour standards. Olympic and Paralympic Candidate Cities are additionally required to offer guarantees that national and international accessibility standards will be fully integrated into the planning and construction phases of the event.

38 As part of the IOC's candidature file, for example, the 'bid committee' of the candidate city / government can indicate any special features not covered by the sports governing body questionnaire that it believes to be relevant. Notable for instance was the commitment by the London 2012 bid to open its efforts up to scrutiny by a sustainability watchdog.

39 Host authorities might for example start to indicate particular procurement criteria and sourcing standards with which they will expect suppliers to comply, such as the Ethical Trading Initiative (ETI) Base Code, the World Federation of the Sporting Goods Industry (WFSGI) [Code of Conduct](#), or the Fair Labor Association (FLA) [Workplace Code of Conduct](#).

40 This was the case, for example, in Norway's bid for Oslo to host the 2022 Winter Olympic and Paralympic Games. In March 2014, the Norwegian Olympic and Paralympic Committee and Confederation of Sports (the Norwegian National Olympic Committee - NOC) signed a formal agreement with four Norwegian Unions - the Norwegian Confederation of Trade Unions (LO), the Confederation of Unions for Professionals (Unio), the Confederation of Vocational Unions (YS), the Confederation of Unions for Academics (Akademikerne) - to put human rights at the heart of the 2022 Winter Olympics if Oslo's bid is successful. Similarly, during its bid for the 2010 Winter Olympics, the Vancouver Organising Committee (VANOC) committed to the participation of the First Nations, on whose shared traditional

In this respect, FIFA appears to be the sports organisation most advanced in the process, but the tender documents for the next round of bids for the 2026 World Cup have yet to be published.

3.2 Effectiveness of Safeguarding Measures

Concerns over ethical sourcing, and associated human rights issues in global supply chains, caused the most controversy during the London Olympics and was the subject of the most debate in Sustainability Commission's post-Olympic ('Beyond 2012') workshops.⁴¹ LOCOG had recognised the potential risks associated with these issues and had put in place a number of measures to mitigate them, including a sustainable sourcing code, independent complaints mechanism, tracking via the Sedex ethical database, compliance audits and evaluation procedures for sponsors.

Despite these safeguards, the following concerns were raised by stakeholders:⁴²

- The corporate ethical standards of some of the partners were challenged by NGOs. For example, undercover workers from the Playfair Alliance found significant transgressions of workers' rights in both of the Chinese factories they visited.⁴³ Although these transgressions were investigated, the work of the factory was substantially complete by the time the investigations were concluded.
- Not all commercial partners were willing to sign up to initiatives such as the sustainable sourcing code, preferring their own supply chain monitoring systems and alternatives to using Sedex.
- Not all commercial partners complied with LOCOG's requirement to have an audit before commencing manufacture, most notably for the metal supplied for the medals.⁴⁴
- The designation "sustainability partner" was a good concept but there was no real evidence of collaborative initiatives between LOCOG and the partners and the contribution of partners to the sustainability agenda was variable and in some cases partners without the label contributed significantly more.
- Building on the experience of the London Olympic Games, the Sustainability

ancestral land the event was held, and signed formal agreements with the four host First Nations. These agreements recognized the First Nations' title and provided for their involvement in all aspects of the Games, including planning, delivery and legacy. This led to IOC recognition of Aboriginal peoples as Games partners, a C\$59 million boost to Aboriginal business opportunities, and profiling Aboriginal culture and athletic success. Some tribes did however oppose two ski resorts built on their land over concerns about levels of tourism and real estate development.

41 Commission for a Sustainable London 2012, "Making a Difference", March 2013 p.41. See <http://www.cslondon.org/publications//?category=1&did=109>

42 *ibid*

43 See report <http://www.cslondon.org/2012/06/commission-statement-on-mining-supply-chain-for-london-2012-medals/>

44 See report <http://www.cslondon.org/2012/06/commission-statement-on-mining-supply-chain-for-london-2012-medals/>

Commission recommended “That the IOC and other sport governing bodies engage constructively with independent bodies to develop an ethical framework and a process of engagement with sponsors and a shared service to consistently and continuously address human rights in the supply chain.”⁴⁵

3.3 Time-bound Transactions

Organising committees formed to manage MSE’s are temporary organisations. They have a limited life-span and a defined role to deliver a single event within a relatively short time frame. As LOCOG highlighted in its post-event analysis of procurement activities, it faced “significant challenges, including sponsorship rights, the sheer diversity and volume of its supply chain, its inability to offer repeat business and, of course, time constraints.”⁴⁶

3.4 Separations of Duties

When bidding to host a mega sporting event government backing is vital. Normally it is the State which underwrites the cost of delivering such events and it is the national and/or a municipal government which plays host. The execution of the event is managed by an organising committee, in concert with the sponsoring sports body. Only governments are properly equipped to deliver the supporting infrastructure, logistics and transportation needs for such large-scale events, to offer the required security oversight and provide the necessary fast-track approvals.

In these circumstances it may be challenging to separate the boundaries between the State’s duty to protect rights, and offer remedies, as a host nation, and the fulfilment of an organising committee’s responsibility to respect rights, through the application of human rights due diligence.

3.5 Construction of Sporting Venues and Effective Due Diligence

The boundary of what constitutes construction for a sporting event, and what is required for enabling infrastructure or other urban planning requirements can, at times, be difficult to disaggregate. For example, the month long 2022 Qatar World Cup sits within the frame of a much larger and longer term national development plan.

45 Op cit. footnote 34.

46 Op cit. Note 1, at p.2

The development plan involves billions of dollars of investment to create numerous, self-contained, mega projects or “cities” with connecting infrastructure designed to promote growth and the economic diversification of the country as a whole.

Sports events may also act as a catalyst for, or accelerate, previously planned urban development and associated building works. Beyond sports and the provision of new or upgraded sporting facilities, these hosting of MSEs may offer a range of social goods. For example, the provision of community facilities, new public spaces, or the offer of low cost housing, post-event, or urban regeneration (perhaps achieved through land remediation), may be integral to a winning bid.

Often much is promised, but development and construction activities also come with associated costs for local communities. A consistent source of complaint in current and past Olympics, and World Cup events, has been the impact of land clearance and resettlement associated with the construction of sporting venues. This has resulted in so-called “forced evictions” characterised by a general lack of due process, limited community engagement and a general failure to achieve prior informed consent and adequate compensation for the affected individuals. These concerns surfaced with the Beijing Olympics, the Sochi Winter Olympics, and again at the recent Rio Summer Olympics.⁴⁷

Construction activities may also have a range of direct and indirect effects on human rights, as highlighted by recent campaigning by Amnesty International over working conditions for migrant labour building the Qatar World Cup stadia. Amnesty’s ongoing investigations have catalogued issues over worker safety, squalid and cramped accommodation, the build-up of debts due to the payment of large fees to recruiters in the migrants’ home countries, construction workers being deceived as to the pay or type of work on offer, delayed wage payment, employers confiscating workers’ passports and not issuing exit permits so they could not leave the country, and workers being threatened for complaining about their conditions.⁴⁸

Many of these issues are systemic to Qatar, where there is a high degree of reliance on migrant labour, restrictive employment practices (with the government’s worker sponsorship scheme coming under increased international scrutiny for its curbs on freedom of movement, resulting in situations of exploitation and forced labour⁴⁹) and weak enforcement of labour laws.

47 Reuters, ‘Olympics-Forced evictions dull Games spirit for some in Beijing’, September 2008 at <http://www.reuters.com/article/olympics-evictions-idUSPEK5747220080807>; The Huffington Post, ‘Sochi Olympics 2014: Construction And Forced Evictions Mark Olympic Showcase In Russia Despite’, 3 January 2013 at http://www.huffingtonpost.com/2012/11/04/sochi-olympics-2014_n_2070784.html; and The Guardian, ‘Forced evictions in Rio favela for 2016 Olympics trigger violent clashes’, 3 June 2015 at <https://www.theguardian.com/world/2015/jun/03/forced-evictions-vila-autodromo-rio-olympics-protests>

48 Amnesty International, “The Ugly Side of the Beautiful Game: Exploitation of Migrant Workers on a Qatar 2022 World Cup Site”, 30 March 2016 at <https://www.amnesty.org/en/documents/mde22/3548/2016/en/>

49 ILO, ‘Complaint concerning non-observance by Qatar of the Forced Labour Convention, 1930 (No. 29), and the Labour Inspection Convention, 1947 (No. 81), made by delegates to the 103rd Session (2014) of the International Labour Conference under article 26 of the ILO Constitution’, 17 March 2016. See ILO Governing Body, 326th Session at http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_459148.pdf

The Supreme Committee for Delivery and Legacy (SC) of the 2022 FIFA World Cup has established a Workers' Welfare Standards for all World Cup sites. These Standards are included in contracts awarded to companies working on World Cup sites. As Amnesty International notes, they "cover all of the main labour issues that have been documented as problems in Qatar, including ethical recruitment, timely payment of salaries, and a complete prohibition of forced labour. Many of these issues are also covered in Qatar's laws. In particular Qatari law prohibits retention of passports, delayed payment of wages and deceptive recruitment."⁵⁰ However, Amnesty has been critical of the Supreme Committee's approach, which it believes has placed too much emphasis on improving the quality of accommodation and on the activities of the main contractors, rather than their smaller sub-contractors, and that it has been too reliant on self-auditing mechanisms.

Amnesty has called on the construction companies to be more responsible for how they treat their own employees, but also "act with due diligence to ensure that companies they sub-contract to, do not abuse the rights of people working for them."⁵¹ They also believe "it is incumbent on FIFA to engage in a robust and ongoing process of human rights due diligence that addresses the specific risks and actual impacts on the rights of individuals."⁵²

The Supreme Committee has responded by commissioning the UK consultancy firm Impactt to act as an independent third party external monitor to further bolster the auditing and inspections process of the SC Workers' Welfare Standards, and to revise and update those Standards.⁵³

FIFA is also in the process of forming an independent oversight body, to review its human rights due diligence practices, and the human rights impacts of planned World Cup events, including Russia and Qatar.⁵⁴

3.6 Grievance and Complaint Mechanisms

LOCOG's complaints mechanism being viewed as an innovative step, developed as it was through broad stakeholder engagement, its implementation was open to criticism. It was reported that in many cases information about the complaints mechanism went no further than the merchandisers and never found its way to the individual manufacturers, or to their workforce. Although complaints were raised using this mechanism, the complaints were channelled almost exclusively through the international trade unions, canvassing their local trade union affiliates in Indonesia and the Philippines for relevant

50 Op cit. Footnote 41, p.5

51 Ibid, p. 8

52 Ibid, p.10

53 The Supreme Committee for Delivery and Legacy, 'Independent workers' welfare monitor appointed by the SC', <http://www.sc.qa/en/news/independent-workers-welfare-monitor-appointed-by-sc>

54 FIFA, 'FIFA President announces oversight body for workers' welfare', 22 April 2016 at <http://www.fifa.com/about-fifa/news/y=2016/m=4/news=fifa-president-announces-oversight-body-for-workers-welfare-2782174.html>

issues, or through Playfair's undercover investigations in China.

The adidas Group fully disclosed its product supply chain for London 2012, and published this in advance of the event, allowing a clear link to be established between worker rights complaints and specific sourcing locations. Other sponsors and merchandisers were encourage to adopt this disclosure practice, but not mandated by LOCOG. It was only following revelations of exploitative working conditions by Playfair that LOCOG agreed to:⁵⁵

- publicly disclose the names and locations of factories producing London 2012 goods, mainly in the UK and China
- provide educational materials about workplace rights for workers in these factories
- set up a complaints hotline for Chinese workers
- run a pilot training project on workplace rights
- work with Playfair 2012 and the IOC to ensure the lessons learned from London 2012 are built on in future Games

Despite this earlier call for full disclosure of suppliers, the 2016 Rio Olympics did not make this a mandatory requirement.

4 Potential Role for an Independent Centre

There has been a progressive realisation that the protection of human rights and the application of human rights due diligence has a role to play in the commissioning and management of suppliers, contractors and other providers essential for the delivery of mega sporting events. There are many good practices which can be cited and which have been shared and replicated by host organisations. Adoption of a standard sourcing code for instance, such as ETI's Base Code, or WFGSI's Model Code, is a good example of this. The application and effectiveness of supporting monitoring processes and grievance mechanisms, however, show a mixed picture of performance, in terms of satisfying stakeholder concerns. And the embedding of human rights due diligence requirements into formal tendering procedures for events has yet to become reality.

Beneficially, an Independent Centre could, among other things, assist organisers and sporting bodies by:

⁵⁵ Playfair, Fair Games? Human rights of workers in Olympic 2012 supplier factories, May 2012 at http://www.play-fair.org/media/wp-content/uploads/Workers-in-Olympic-supplier-factories_May-2012.pdf

1. Capturing, recording and sharing best practices across the sporting organisations and governments that play host to MSEs, or desire to bid for MSE's.
2. Developing an operational blue print, offering clarity about the respective roles and responsibilities of the organisations involved in the procurement of goods and services for a mega sporting event and the due diligence processes, remedies and complaint mechanisms, which are needed to protect rights at each stage in the MSE lifecycle.
3. Analysing and promoting applicable international standards, or acting as a standard-setter in its own right, to help drive greater consistency and better outcomes for stakeholders around MSEs. For example, there may be merit in promoting the general adoption of ISO 20400 Standard for Sustainable Procurement, which is due to be published in 2017. ISO 20400 incorporates concepts of due diligence drawn from the UN Guiding Principles and, more specifically, ISO 26000 "Guidance on Social Responsibility".⁵⁶ There is also an increasingly body of international guidance available on due diligence processes that may be relevant for use with respect to MSE procurement activities. Examples include the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas,⁵⁷ which is applicable for the sourcing of metals for medals and trophies; OECD-FAO Guidance for Responsible Agricultural Supply Chains⁵⁸ which may apply to the provision of food at events; and the OECD Due Diligence Guidance on Responsible Supply Chains in the Garment and Footwear Sector⁵⁹ related to the supply of uniforms and sportswear.
4. Design of effective human rights based operational grievance mechanism for construction activities that address community concerns during land acquisition, as well as in the subsequent construction and operational stages of new venues or facilities. There are already tools and guidance available for large scale development projects that could be modified for this purpose. See, for example, the World Bank Group's advisory on designing and implementing grievance mechanisms for development projects.⁶⁰
5. Where appropriate, facilitating in the appointment of independent Ombudsmen or advisors to support grievance processes.
6. Developing annual indices to benchmark the adoption of human rights due diligence approaches and the reported performance of vendors and their suppliers in the lead-up to an event.

56 The International Standards Organisation envisages that ISO20400 will "standardize guidelines and principles for all stakeholders working with internal and external purchasing processes – including contractors, suppliers, buyers, and local authorities – as part of an effort to demonstrate good practices for sustainable purchasing." See http://www.iso.org/iso/home/news_index/news_archive/news.htm?refid=Ref1873

57 See <http://www.oecd.org/corporate/mne/mining.htm>

58 See <http://mneguidelines.oecd.org/rbc-agriculture-supply-chains.htm>

59 See <http://mneguidelines.oecd.org/responsible-supply-chains-textile-garment-sector.htm>

60 The Office of the Compliance Advisor/Ombudsman for the International Finance Corporation (IFC) Multilateral Investment Guarantee Agency (MIGA) Members of the World Bank Group, "A Guide to Designing and Implementing Grievance Mechanisms for Development Projects". See <http://www.cao-ombudsman.org/howwework/advisor/documents/implemgrieveng.pdf>

In seeking to promote the use of human rights due diligence in relation to MSE procurement, it is important to define where the respective responsibilities lie between host governments, organising committees, and the Sports Governing Bodies. Ideally for local communities accountability must reside with the organising committee which delivers the event, and the government which is backing it. Ultimately it is the organising committee which locally awards, and thereafter manages, the procurement contracts and service agreements that are essential for a successful event. In contrast, SGBs are best placed to act as enablers, encouraging the responsible behaviour of host governments and embedding human rights due diligence requirements into the contract terms for each event, and thereafter providing high level oversight to track their on-the-ground delivery.

An independent centre could play a very different role in each of these areas. Subject of course to the willingness and interest of the respective SGB, and the MSE host organisation, to tap into the available expertise and knowledge held by a centre.

Appendix: Extracts

Box 1: ODA Balanced Scorecard

Companies bidding for contracts were given a scorecard developed specifically for the particular opportunity with weightings for each criterion adapted according to the nature of the contract. On top of cost and time the scorecard was broken down into five different themes that embody the ODA's corporate objectives. The three most relevant to human rights due diligence, included:

- **Safe and secure** - Health and safety, design, behaviour and culture; security of operations.
- **Equalities and inclusion** - Promoting equality and diversity; community engagement; inclusive design; supply chain management; employment, including skills, fair employment and wages.
- **Environment** - Environmental responsibility including waste management and energy use; ethical sourcing.

Box 2: London 2012 Sustainable Sourcing Code

- **Labour practices** - Suppliers and licensees will take appropriate steps to ensure that all locations used in the manufacture and supply of products/services to LOCOG meet the provisions of the Ethical Trading Initiative (ETI) Base Code, which should include consideration of local initiatives such as the London Living Wage where relevant. Where suppliers and licensees intend to use temporary/agency staff they should seek to ensure that any labour providers supplying such staff are members of the Recruitment and Employment Confederation (REC) and, if relevant, are licensed by the Gangmasters Licensing Authority.
- **Health and safety** - LOCOG is committed to creating and maintaining a positive health and safety culture which secures the commitment and participation of all its employees, volunteers, contractors, partners, suppliers and licensees. LOCOG recognises that this will be achieved not just by the committed leadership of the senior team but through the positive, energetic effort of everyone contributing to London 2012. Suppliers and licensees must comply with health and safety legislation, industry standards, and LOCOG policies. All suppliers of services will be required to be actively involved in working safely to mitigate health and safety risks and will report accidents and hazards to LOCOG. Unsafe work practices will not be tolerated by LOCOG. A suitable audit procedure will also be required for all suppliers of services.
- **Diversity and inclusion** - Diversity and inclusion were central to London's bid to host the Games and a key factor in our success. Our vision is to use the power of the Games to inspire change and to make London 2012 the most diverse and inclusive Games staged to date.

Box 3: Prof. Ruggie's Recommendations to FIFA

4.1 - FIFA should set explicit human rights requirements of Local Organising Committees in bidding documents for tournaments and provide guidance on them.

- Bidders may be unfamiliar with how negative human rights impacts can arise in connection with tournaments. If FIFA is going to evaluate bids based in part on how they address human rights risks, then it needs to explain to bidders what it will be looking for;
- FIFA's leverage with LOCs and its willingness to use it are particularly important for incorporating respect for human rights into the hosting and staging of tournaments. The requirements for the LOC should set out the basic policies and processes the LOC will need to have in place to manage human rights risks, and provide for adequate monitoring. They should indicate what the LOC in turn should expect of its business partners, and seek information on how the LOC will address human rights risks associated with tournaments;
- The Men's World Cup is the most complex of FIFA's tournaments with the greatest number of entities involved, most extensive construction and procurement, and the largest volume of resources. Other tournaments are less complex and FIFA may not have the same leverage. Nevertheless, the risk of severe impacts on people must be identified and addressed from the earliest stages.

4.4 - FIFA should build leverage into supply chain relationships from the earliest stage possible, in order to maximise its ability to prevent negative impacts on people.

- Setting the right terms in contracts is particularly important. FIFA should include provisions that are in line with internationally recognised human rights. It should utilise well-respected codes and principles on specific issues, such as the Ethical Trading Initiative's Base Code with regard to supply chain labour rights, and the Voluntary Principles on Security and Human Rights with regard to private security providers.

4.1 - FIFA should set explicit human rights requirements of Local Organising

6.3 - FIFA should review the expectations it sets of procurement and licensing suppliers as well as member associations with regard to their own processes to identify and address human rights-related complaints, and should promote and support improvements where needed.

- FIFA can use existing means such as contract provisions, audits of suppliers and its mentoring program with member associations to support improvements in their respective grievance handling processes;
- FIFA should use the effectiveness criteria in Principle 31 of the UNGPs as benchmarks for improvement.



Annex: Overview of the UN Guiding Principles on Business & Human Rights

The UN Guiding Principles on Business & Human Rights state that business should “respect” human rights, “avoid infringing on the human rights of others” and “address adverse human rights impacts with which they are involved. This responsibility “exists over and above compliance with national laws and regulations protecting human rights”.¹

Level of involvement and appropriate action

UN Guiding Principles 13 identifies three ways in which a company may be associated with a human rights issue: (1) by causing an adverse human rights impact; (2) by contributing to an adverse impact; or (2) being directly linked² to it. The actions that a company is expected to take will vary depending on which level of involvement applies (UN Guiding Principle 19).

Involvement	Appropriate Action
Causing an adverse human rights impact	A company may “cause” an adverse human rights impact “through their own activities” (UNGP 13). Such companies are expected to try to “avoid” causing that impact and “address such impacts when they occur” (UNGP 13). This requires: <ul style="list-style-type: none"> • “Taking the necessary steps to cease or prevent the impact” (UNGP 19) • “Provide for or cooperate in their remediation through legitimate processes” (UNGP 22)
Contributing to an adverse human rights impact	A company may “contribute to” an adverse human rights impact “through their own activities” (UNGP 13). Such companies are expected to try to “avoid” that contribution and “address such impacts when they occur” (UNGP 13). This requires:

¹ UN Guiding Principle 11, p13.

² The definition of “direct linkage” has proven difficult to apply in practice across a number of industries. The issue is discussed further in the context of the Broadcasting White Paper 3.2.

	<ul style="list-style-type: none"> • “Taking the necessary steps to cease or prevent its contribution” (UNGP 19) • “Using its leverage to mitigate any remaining impact to the greatest extent possible” (UNGP 19) • “Provide for or cooperate in their remediation through legitimate processes” (UNGP 22)
<p>Impacts directly linked to a company’s operations, products, or services by a business relationship</p>	<p>A company’s operations, products, or services may be directly linked to an impact by a business relationship (UNGP 13). Such companies are expected to seek to “prevent or mitigate” the impact, “even if they have not contributed to those impacts” (UNGP 13). This requires:</p> <ul style="list-style-type: none"> • Using or increasing its leverage over the entity at cause to seek to prevent or mitigate the impact (UNGP 19). • Where directly linked, the responsibility to respect human rights does not require that the enterprise itself provide for remediation, “though it may take a role in doing so” (UNGP 22). <p>UNGP 19 commentary explains that this situation “is more complex”. In order to determine the “appropriate action”, companies should consider:</p> <ul style="list-style-type: none"> • “[Its] leverage over the entity concerned”. • “How crucial the relationship is”. • “The severity of the abuse”. • “Whether terminating the relationship ... would have adverse human rights consequences”.

Meeting the Responsibility: Policies and Procedures

UN Guiding Principle 15 states that a company’s responsibility to respect human rights – whether involved through causing, contributing to, or being directly linked to an impact – should be met by having in place policies and processes, including:

- A **policy commitment** to meet their responsibility to respect human rights (elaborated on further in UN Guiding Principle 16);
- A **human rights due diligence** process to identify, prevent, mitigate and account for how they address their impacts on human rights (elaborated on further in UN Guiding Principles 17-21);
- Processes to enable the **remediation** of any adverse human rights impacts they cause or to which they contribute (elaborated on further in UN Guiding Principles 22 and 29-31).