

THE DANISH  
INSTITUTE FOR  
HUMAN RIGHTS

ENI ANGOLA –  
HUMAN RIGHTS  
ASSESSMENT

SUMMARY REPORT  
CABINDA NORTH

## **ENI ANGOLA –HUMAN RIGHTS ASSESSMENT SUMMARY REPORT CABINDA NORTH**

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## **ABBREVIATIONS**

CSOs	Civil Society Organisations
DIHR	Danish Institute for Human Rights
FAA	Angolan Armed Forces (Forças Armadas Angolanas)
HRA	Human Rights Assessment
HRIA	Human Rights Impact Assessment
HSE	Health, Safety and Environment
MPLA	Movimento Popular de Libertação de Angola
NGO	Non-Governmental Organisation
NHRI	National Human Rights Institution
VPSHR	Voluntary Principles on Security and Human Rights

# INTRODUCTION

In April 2018, Eni Angola, a subsidiary to Italy-based Eni, assumed operatorship and 48% of the rights to the Cabinda North block in Angola, Eni's first major on-shore operation in Angola. In Q2 2018, DIHR was invited by Eni Impreso and Eni Angola to conduct a Human Rights Assessment (HRA) of Cabinda North province.

This summary report includes the main observations and recommendations developed by the Danish Institute for Human Rights (DIHR) as part of the human rights assessment which included a mission to Angola to collect data through interviews with Eni Angola representatives and external stakeholders in December 2018.

The aim of publishing this summary report is to be able to share some of the findings and recommendations of the assessment with external stakeholders that kindly contributed by sharing information and perspectives in relation to the scope of the assessment. Such transparency is aligned with the human rights due diligence requirements Eni has committed to. Further, such disclosure serves as an accountability tool that will allow external stakeholders to engage with Eni as relevant, to ensure follow-up on the findings.

DIHR is Denmark's National Human Rights Institution (NHRI) and has a legal mandate to promote human rights internationally including by giving advice to private actors on respect for human rights. DIHR has a long history of providing advice to companies on how to ensure respect for human rights in their activities with reference to the DIHR [Corporate Engagement Principles](#).

DIHR has been supporting Eni in its implementation of human rights since 2008. More recently DIHR has assisted Eni in carrying out a Human Rights Impact Assessment (HRIA) and follow-up assessment in Myanmar, in doing a human rights impact scoping and assessment for Eni Mexico and a Human Rights Assessment for Eni Mozambique.

# ASSESSMENT SUMMARY

## ABOUT THE ASSESSMENT

The assessment in Cabinda Norte was carried out in two main phases: (1) initial desktop human rights risk scoping and research and (2) an in-country mission to collect primary data from relevant internal and external stakeholders.

The assessment team consisted of two DIHR senior advisors with expertise in conducting human rights assessments in the oil and gas sector, supported by a local consultant with extensive expertise working on human rights and the extractives sector in Angola.

In phase two, interviews were held with Eni Angola management representatives to gather information about their exploration activities, policies and practices in place and current and future contractors etc. In addition, the team met a dozen external stakeholders ranging from individual subject matter experts, including human rights experts, local NGOs, academics, to a number of government representatives. Stakeholders were selected based on their experience working on issues relevant to the scope of the assessment. During the meetings with external stakeholders no Eni representatives were present, in order to allow for open dialogue.

### About Cabinda North Block

Eni acquired the operatorship of the Cabinda North block from Sonangol P&P in April 2018.

The block has an area of 2.466 Sqkm and is located in the Cacongo and BucoZau municipalities of Cabinda province.

As of August 2019 Eni Angola is still in the exploratory phase focused on drilling one well: the potential success of exploration activities will determine the future strategy and whether or not the project will mature to the development and production stage.

The human rights assessment has several limitations. First, the assessment was an ex-ante assessment that was conducted before any of the exploratory activities had started. Many of the further developments, such as which contractors would be hired and the success of the exploratory drillings, were uncertain during the time of the assessment making it more challenging to identify actual human rights impacts associated with future activities. This is the reason why all the impacts identified in the assessment are potential and many of the recommendations developed have a preventive and exploratory nature.

Second, due to logistical constraints the assessment team was not able to visit the project area in Cabinda or engage directly with potentially affected rights-holders such as potential local workers and community members. A full human rights impact assessment (HRIA) should take the perspectives of these rights holders into consideration and therefore the assessors decided to not call this study an HRIA but rather an assessment of the human rights situation in Cabinda in the context of Eni's oil operations, namely a human rights assessment (HRA).

## **KEY OBSERVATIONS**

The HRA identified several attention points when it comes to ensuring that Eni's commitment to human rights is implemented in the Cabinda North Project. In sum, the following high-level attention points stand out.

### Human rights in the workplace

Eni's business model relies heavily on the use of contractors for implementation of activities. Such a setup makes it harder for Eni to control all elements of the conditions set out for workers that will be working in Cabinda North. Strong prevention and mitigation measures need to be in place to ensure that contractors and sub-contractors will not negatively impact on human rights of workers and communities when working for Eni. To make sure this is the case, extra efforts to regulate, train and monitor contractors and their sub-contractors are needed.

Historically, relatively weak workers' representation in the Angolan context has been a known issue highlighted by unions and NGOs. This context, linked with a high reliance on contractors and sub-contractors rather than directly hired staff makes it of utmost importance that Eni Angola ensures effective dialogue with workers and their representatives, as well as providing access to an effective grievance mechanism for its own and contracted workers, to ensure that the same standards are met by contractors.

### Human rights of local individuals and communities

Cabinda is home to the majority of Angolan oil reserves. Exploration and production has largely been off-shore, with Chevron as a major player in the region. Despite the richness in natural resources, Cabinda is considered one of Angola's poorest regions. Due to the sensitive operating environment of Cabinda and the lack of community involvement by Eni Angola in the region to date, several risks exist in relation to community impacts. These include impacts on access to information and remedy, livelihoods impacts, environment, land access and use and security.

As onshore exploration is a new business activity for Eni Angola, there is limited experience with the social and environmental impacts specific or of special relevance to on-shore exploration in Angola, which strengthens the need for community engagement. There are no people living on the land used for exploration. However, the distance between the nearest town / local community

Dinge and Eni's area of operation is below 5 kilometres. Further, although no communities are living on the land or have their plantations there, the land nearby is used for hunting, which can imply potential livelihoods impacts.

As Eni Angola has acquired operatorship from Sonangol, who has previously undertaken exploration activities in the same block, an important attention point for Eni Angola is to be aware of past experiences in the area related to Sonangol, including the expectations and perceptions they have instilled in the local communities. It is therefore recommended that community engagement and involvement need to be undertaken as soon as possible, in follow up to the HRA.

#### Human rights and security

The Cabinda North project area is located inside a military zone. Eni Angola will engage local private security and guard services to protect its personnel, assets and operations. At the same time, the company will have the support of the Governmental Security Agencies located in Cabinda, mainly the Angolan Armed Forces (FAA).

Due to the history of conflict in Cabinda, the presence of armed forces and the need for heightened security measures, extra attention should be paid to avoiding and addressing any human rights harms on security personnel, contracted and sub-contracted workers and community members. Training and monitoring in relation to the security set-up are therefore central activities to that effect.

Eni Angola has established a contract for provision of security and guard services with a local contractor. At the time of the assessment, the project was in its initial stage, when activities were not yet commenced on location. Therefore, at the time, the security contractor forces were not completely deployed and the 'respect for human rights and use of force training' of guards was not yet delivered.

#### Human rights in business relationships

Historically, corruption and low degrees of transparency have been associated with Angola including the oil and gas sector. Eni has strong commitments to prevent and combat corruption within the company, as well as in its business relationships. In accordance with EU regulation, Eni further reports publicly on its payments to governments. Such global standards and commitments need to be adequately implemented factoring in the inherent risks at the local level.

The 2017 election of MPLA leader João Lourenço has marked a new phase for Angola, where new signals are sent from government and a sense of hope and expectation is very visible in the society. In December 2018, President João Lourenço invited civil society organisations (CSOs), including those working directly on human rights and anti-corruption, to meet, share and discuss strategies.



The timing with the change in government and the ongoing reform of the oil and gas sector including the changes in Sonangol can represent a window of opportunity to work actively for a more sustainable, transparent and equitable oil and gas sector in Angola. On the basis of its strong commitments, Eni Angola is well-placed and should use its leverage to positively address some of the structural issues that continue to be a challenge in Angola, including in relation to revenue transparency and benefit sharing.

### **KEY RECOMMENDATIONS**

In order to enable Eni Angola to take relevant action to address the observations of this HRA, DIHR developed a total of 41 specific recommendations, supported by specific checklists where appropriate, and these were split in four categories:

1. Project specific recommendations for Eni Angola related to the exploration phase
2. Recommendations for Eni Headquarter
3. Long-term general recommendations for Eni Angola
4. Long-term recommendations for Eni Angola in the case exploration is successful and Eni moves to the development phase

A summary of key observations and recommendations is included in the table below.

	Observations	Recommendations for the exploration phase	Recommendations for potential development phase / for Eni Angola in general or for Eni Head quarter
Human rights in the workplace	<p>Potential impacts due to limited human rights due diligence on labour conditions of contractors and sub-contractors.</p> <p>Potential occupational health and safety impacts.</p> <p>Potential non-discrimination and right to work impacts.</p> <p>Potential impact on trade union rights, as Angola's ruling party dominates the labour movement and few labour unions exist.</p>	<p>Conduct minimum one social audit; Assess the existence and the quality of workplace grievance mechanisms of all contractors; Introduce a social performance clause in remaining tenders.</p> <p>Continuously monitor health and safety risks; Provide access to medical services to all onsite workers; Ensure that all workers are provided with adequate security measures.</p> <p>Ensure that contractors, in the process of hiring local persons during the contract period, adhere to the principles of transparency and non-discrimination and that clear criteria for positions are made public and persons are hired based on their</p>	<p>On the long term, if the exploration phase is successful, share information and raise awareness in the community regarding job vacancies. Assess skill levels of local community members in the project area to understand who can be employed. In particular, engage separately with youths to assess their skill level; If assessment is a success, provide basic training with NGOs; Raise awareness among contractors and other business partners on conflict of interest policies and procedures.</p> <p>Encourage a union or other form of workers' representation in Eni Angola and among contractors as possible.</p>

		experience and qualifications.	
Human rights of local individuals and communities	<p>Potential impacts due to limited to no engagement with local communities. Concerns involve impacts on inherited impacts, and impacts on livelihood, environment, land, security, etc.</p>	<p>Engage with communities near all sites of operation ASAP. It is suggested to as a minimum organize one meeting through the local administration office in Cabinda where community members are invited, and Eni Angola explains the activities and the fact that there is a focal point for questions/concerns; Appoint a community liaison officer to ensure ongoing community involvement; assess potential livelihood impacts e.g. due to impact on hunting communities</p>	<p>If the exploration phase is successful, invite local researchers and lands rights and local and community-based organizations to help understand the context better.</p> <p>If successful in exploration, conduct a full Human Rights Impact Assessment (HRIA).</p>
	<p>Potential impacts due to limited community involvement in social projects.</p>	<p>Ensure that civil works contractor that is in charge of refurbishment of the school has a person appointed that engages with the local community and can receive and address concerns/grievances that would be</p>	<p>Conduct thorough assessment of social projects proposed by government officials to make sure that they respond to real needs of local populations Identify implications of Eni's commitments on climate change to the subsidiary level and take local action.</p>

		escalated to Eni Angola.	
<b>Human rights and security</b>	<p>Potential impacts due to political situation in Cabinda under which human rights defenders are under threat.</p> <p>Potential impacts due to pervasiveness of security forces.</p>	<p>Ensure that security staff and government forces are trained on human rights and the use of force; Include the security contractor in internal social audits.</p> <p>Ensure that all safety signage including in relation to security aspects (except for confidential information) is clearly indicated inside the project perimeter, as well as outside the fence.</p>	<p>Consider implementing the Voluntary Principles on Security and Human Rights (VPSHR) and making this a requirement for security contractors.</p>
<b>Human rights in business relationships</b>	<p>Potential impacts due to high presence of corruption in Angola.</p> <p>Potential impacts due to limited information sharing and coordination with relevant business relationships.</p>	<p>Monitor contractors and other business partners for corruption risks.</p> <p>Share information on management of social and environmental risks associated with the project with partner companies.</p>	<p>Collaborate with peers on human rights and anti-corruption activities</p> <p>Communicate more pro-actively on payments to government in Angola; Develop positions on key developmental issues.</p> <p>Lead efforts to improve the multi-stakeholder dialogue and insight into the role of oil and gas in Angola.</p>

## **ENI IMPLEMENTATION AND FOLLOW-UP**

For project-specific recommendations for Eni Angola related to the exploration phase (type 1) as well as recommendations for Eni Headquarter (type 2), Eni Angola and Eni Spa have developed their own specific action plans. In these plans, timing and responsibilities have been identified and assigned to relevant functions at subsidiary (e.g. HSE, Human Resources, Sustainability, Exploration, Procurement, Security) and at Headquarter level, in order to answer to DIHR recommendations.

The activities agreed by the company and accompanying the exploration phase in order to prevent any potential harm to human rights of communities and individuals mainly aim to:

- Ensure contractors and subcontractors will not impact negatively on human rights of workers and communities, including by:
  - ensuring that contractors in the process of hiring local people adhere to the principles of transparency and non-discrimination;
  - ensuring that potential occupational health and safety impacts on workers are adequately prevented and /or mitigated through adequate monitoring;
  - ensuring that potential impacts on labour rights of workers on site are adequately prevented or mitigated including through adequate monitoring
- Start the engagement with local communities near the site of operations, especially through addressing concerns and potential impacts on livelihoods, environment, land and security;
- Ensure security operations management is aligned with respect for local individuals' human rights and
- Ensure prevention and management of potential impacts due to the high presence of corruption in the country.

The action plans were shared with DIHR for input prior to finalization.

Eni has confirmed that a progress report will be shared publicly in the beginning of 2020 also in order to gather further comments and suggestions. A contact point, whose contact details are provided here below, for further enquiries on these specific issues is available at Sustainability Dept. of ENI Angola. **Phone number (+244) 222 391 844, Extension 2204, email, nelson.macedo@eni.com.**

DIHR also included general recommendation for Eni Angola (type 3) and long -term project specific recommendations in the case exploration is successful and Eni moves to the development phase (type 4).

As for general recommendations, Eni Angola has stated that it is committed to further ensure respect of basic human rights principles and standards by its own

contractors, including those dedicated to security of the area, through supportive actions aimed at improving workers representation and at enhancing transparency, dialogue and multi-stakeholder collaboration on oil and gas and development issues. Such activities are relevant beyond the Cabinda North project and should be undertaken across Eni Angola's operations.

Regarding long term project specific recommendations, Eni has clarified that in case of successful exploration, the company will develop action plans in response to these recommendations. This will include further engaging with communities around the areas of operation, also through deepening the assessment of potential critical issues and interacting with affected stakeholders on that.

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