1.1 Why report on HRIA? ............................................. 3
1.2 Challenges when reporting on HRIA processes and findings .... 7
1.3 Content of a HRIA report ...................................... 8
1.4 Evaluation and continuous improvement ....................... 8

In this document you can find the Guidance text for Phase 5: Reporting and Evaluation.

What happens in Phase 5?

Communicating and reporting on HRIA processes and findings are critical components of the process. Through stakeholder engagement, communication about the HRIA will happen throughout the assessment. However, writing and publishing a final assessment report is also important. A detailed HRIA report that is available and accessible to rights-holders, duty-bearers and other relevant parties can foster dialogue and accountability by documenting the impacts that have been identified and the measures taken to address them.

If done carefully and acted upon, evaluation of the HRIA process, findings and outcomes can further contribute to continuous improvement in terms of improving company due diligence and human rights outcomes.

Key questions addressed in this section:

- Why is it important to publish a HRIA report?
- What are some of the common challenges when reporting on HRIA processes and findings, and how can these be addressed?
- What should be included in a HRIA report?
- How can evaluation of HRIA processes contribute to continuous improvement?

1.1 WHY REPORT ON HRIA?

Access to information is both a human right as well as a key process principle of a human rights-based approach. Communicating clearly to stakeholders about the process and findings of a HRIA, including through reporting, can be seen as an essential step towards securing a transparent and accountable process. Additionally, it is also a way of ensuring that rights-holders, duty-bearers and other relevant parties can meaningfully participate by providing input to the findings.

Communicating and reporting on human rights due diligence processes, including on human rights impacts, is expected by both the UN Guiding Principles as well as the OECD Guidelines for Multinational Enterprises (see Box 18, below). Communicating and reporting are essential for fostering the accountability of businesses for addressing their adverse human rights impacts. Furthermore, publishing of HRIA reports and associated impact management plans can be a
key way by which businesses can demonstrate that they ‘know and show’ that they are undertaking human rights due diligence and exercising respect for human rights. From a community, civil society and public interest perspective, a public HRIA report can be a basis for strengthening communities’ strategies in demanding corporate accountability, taking a facts- and evidence-based approach.¹

Reporting on HRIA processes and findings can also provide a platform for dialogue about the process and outcomes of the assessment, and foster relationship building between the different stakeholders involved.

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Box 18: Reporting about human rights impacts in the UN Guiding Principles and OECD Guidelines

The UN Guiding Principles on Business and Human Rights

According to the UN Guiding Principles: “In order to account for how they address their human rights impacts, business enterprises should be prepared to communicate this externally, particularly when concerns are raised by or on behalf of affected stakeholders. Business enterprises whose operations or operating context pose risks of severe human rights impacts should report formally on how they address them.”² The UN Guiding Principles also note that communications should always: “(a) Be of a form and frequency that reflects and enterprise’s human rights impacts and that are accessible to its intended audiences; (b) Provide information that is sufficient to evaluate the adequacy of an enterprise’s response to the particular human rights impact involved; (c) In turn not pose risks to affected stakeholders, personnel or to legitimate requirements of commercial confidentiality.”³

The OECD Guidelines for Multinational Enterprises

Section III of the OECD Guidelines set the expectation that enterprises “ensure that timely and accurate information is disclosed on all material matters regarding their activities, structure, financial situation, performance, ownership and governance”.⁴ The definition of ‘material’ information relevant for disclosure includes issues regarding workers and other stakeholders. In addition, enterprises are encouraged to communicate additional information

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² UN Guiding Principle 21.
³ Ibid.
Reporting and communicating on a HRIA process and outcomes can be undertaken in different ways, depending on the precise circumstances. “Communication can take a variety of forms, including in-person meetings, online dialogues, consultation with affected stakeholders, and formal public reports.”  

If possible, communicating about the HRIA process and findings should include a combination of dialogue and engagement based strategies, in particular involving rights-holders, as well as the publication of a HRIA report. Through this the company can demonstrate commitment to transparency and engagement, as well accountability.

A final impact assessment report should outline the impact assessment methodology and process, findings and mitigation measures, as well as a forward-looking plan for monitoring and evaluation. Up to now, there have been divergent views and approaches regarding HRIA reporting. Some argue for full disclosure at all times, whilst others argue that while HRIA is an emerging practice, and in human rights sensitive environments, it may be acceptable to work towards full disclosure on a continuous improvement basis. From a good practice perspective, the publication of a final HRIA report should be considered to be an integral component of any HRIA process. However, in cases where full disclosure would be harmful, for example, where it might cause risks to rights-holders or be counterproductive for engagement on human rights with business partners or the government, other alternatives to the publication of a full report may be considered. Such alternatives may include conducting meetings with stakeholders where findings are shared and/or publication of a summary report of key findings. Such alternatives should be considered to constitute interim measures only, while companies work towards full disclosure of HRIA processes.

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6 UN Guiding Principle 21 commentary.
and findings. In working towards disclosure of HRIA processes and findings, some companies have also published HRIA reports with aggregate data rather than country- and site-specific findings as an interim measure. Some examples of reporting on HRIA are provided in Box 19, below.

### Box 19: Examples of public reporting on HRIA

Reporting publicly on a HRIA process and findings can be important for demonstrating a commitment to transparency and accountability, as well as providing a platform for ongoing dialogue between the different stakeholders involved. The following are some examples of public reporting on HRIA:

- **Kuoni**, a Swiss tourism company, conducted two HRIs in 2012 and 2013, in Kenya and India respectively. Kuoni has published the reports of both impact assessments, which looked at human rights in general, with a specific focus on children’s rights.\(^8\)
- The Marlin Mine Human Rights Assessment report provides an overall assessment and status on Goldcorp’s due diligence standards including recommendations for the ongoing process. The Marlin Mine has applied a range of strategies and mechanisms to secure ongoing consultations with stakeholders, in particular the local community. Each of the priority issues were identified from the concerns raised through prior stakeholder consultations and address means of improvement for the specific areas.\(^9\)
- **Nestlé**, together with the Danish Institute for Human Rights, published a report describing the methodology that was applied for HRIs conducted in seven country operations since 2010, the aggregate findings of the HRIs, as well as a number of lessons learnt from the process. Nestlé has found that engaging in discussions with labour unions by sharing the HRIA report findings led to improved relations between the country operations and labour unions.\(^10\)
- The Mary River assessment consists of a number of assessments; the HRIA was conducted as a part of the overall assessment but in a stand-alone version. The Mary River HRIA is an ex-ante assessment, meaning that the HRIA was conducted prior to the construction approval. This enabled

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rights-holders and other stakeholders to engage throughout the process and provide input to the report prior to the establishment of the project.\textsuperscript{11}

1.2 CHALLENGES WHEN REPORTING ON HRIA PROCESSES AND FINDINGS

Reporting on human rights impacts and HRIA can pose a number of challenges for rights-holders, businesses, assessment teams and other stakeholders. For example, businesses may be hesitant to report on HRIA processes and findings in operating environments where such reporting may be perceived as critical of joint-venture partners or the host-country government. It is of utmost importance that any HRIA reporting does not pose risks to the rights-holders involved, for example, through the disclosure of sensitive information that could result in retaliation against participating rights-holders. Further challenges may be associated with ensuring real accessibility of the report to rights-holders, for example, addressing language, literacy, physical accessibility, and information complexity considerations. As HRIA is an emerging practice, businesses may also be hesitant to commit to full disclosure while methodologies and practices are developing. Finally, in determining the best means of communication and reporting, the timeframe in which a HRIA is conducted can also be identified as a challenge.

Clearly, these are real and important aspects to consider when advocating for the disclosure of HRIA reports. However, it is important to re-iterate that from a human rights perspective, transparency and accountability are critical aspects of a HRIA and reporting on the HRIA process and findings should therefore be considered to be an integral part of the assessment. This should also include careful consideration of how the HRIA findings should be published and communicated to rights-holders and other stakeholders, in order for them to be able to meaningfully utilise the HRIA report for ongoing dialogue, monitoring and evaluation.

The Reporting Practitioner Supplement outlines some examples of challenges and possible approaches relating to HRIA reporting in more detail.

1.3 CONTENT OF A HRIA REPORT

The introduction of an assessment report should outline the main purpose of the report in a clear manner, including a background explanation of the HRIA’s objectives, the funding source and the authors.

The methodology section should include a statement about the overall assessment design, i.e. which methods and approaches to community engagement were used, and how ethics were approached throughout the assessment, and so forth. These points could be presented through an overview of each of the process phases and their respective outputs, in which each phase clearly states the goals and tasks as well as the key findings. It is also important to include the limitations of the applied methodology and decisions made to narrow or broaden the scope of the assessment.\(^\text{12}\)

Key findings and actions should be reflected through a presentation either covering each of the human rights separately or in a thematic form such as ‘labour issues’, ‘women’s rights’ or ‘community impact’. Each section should clearly state the context of the impacts, their severity, the mitigation measures proposed, the timeline as well as who is responsible for implementing the mitigation measures.\(^\text{13}\)

The report should also include a description of the role of ongoing stakeholder engagement processes and grievance mechanism(s) as part of the impact management.\(^\text{14}\)

In the Reporting Practitioner Supplement a ‘reporting checklist’ is provided with some illustrative questions of what should be included in a HRIA report.

1.4 EVALUATION AND CONTINUOUS IMPROVEMENT

Undertaking a HRIA is to be recognised as a commitment to human rights, and as such, the process is not concluded with the publication of a final report. Human rights situations are dynamic, and it is therefore important that the assessment includes measures for evaluation and continuous improvement.\(^\text{15}\)


\(^\text{13}\) Ibid.

\(^\text{14}\) Ibid.

\(^\text{15}\) UN Guiding Principle 18 commentary.
The evaluation stage consists firstly of an assessment of the HRIA process itself. Where the objective of the evaluation is to identify and determine to what extent the HRIA has met the initial objectives. During this process, it is key to consider whether the actions to address the identified impacts (i.e. measures to prevent, mitigate and remediate impacts) have been duly implemented and are effective. The second stage of the HRIA evaluation process should be initiated after the publication of the final report, hereby considering unforeseen impacts and substantial changes made to the company’s policies and practices. This can take the form of assessment reports on the actual implementation of measures to address the impacts, where rights-holders as well as duty-bearers are consulted about the effectiveness and outcomes of the interventions.

Systematically monitoring and reporting back to affected rights-holders on the steps taken will encourage on-going follow-up reports as well as securing transparency throughout the life span of a project or operation. It also provides the opportunity of looking back at lessons learnt, thereby facilitating on-going improvement of HRIA processes.

It is important to ensure the continuous improvement of the company’s performance. The assessment team will, in most cases, only be involved until all initial issues have been addressed and suitable systems have been put in place to address them. To overcome potential claims of bias in an ex-post HRIA, the company might find it useful to seek verification from a suitable and qualified third party e.g. an external consultant or an organisation with a proven record of working on improving companies human rights due diligence processes.

Periodic review of the business project or activities will facilitate addressing any issues that may arise after the assessment. Periodic review conducted every three-five years, depending on the size and scope of the project, also serves the purpose of determining if the HRIA methodology used is up to date with current international good practice.

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18 Drawing on: Ibid.
A NOTE ON THIS ROAD-TESTING VERSION

As HRIA of business projects and activities is an emerging practice, this Road-testing version of the HRIA Guidance and Toolbox seeks to provide guidance to those working with HRIA, but also to contribute to a platform for dialogue about HRIA practice and standards in the business and human rights field. In this context, we welcome comments from stakeholders on the Guidance and Toolbox and on experiences with using it.

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