

# REPORT

## 2007 - 2009



# RAID

Rights & Accountability in Development

# About RAID

Founded in 1997, RAID's mission is to promote a rights-based approach to development. RAID works to advance corporate accountability, fair investment and good governance to ensure the human rights of people living in poverty are respected by the private sector, international financial institutions and governments.

In September 2003, RAID was incorporated as a private, not-for-profit company limited by guarantee.

## Board of Directors

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## Acknowledgements

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RAID is also grateful to its volunteers, Laura Ryhanen and Kate Robinson.

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Copies of RAID's latest accounts are available upon request.

# Highlights

- Increased governmental scrutiny of companies operating abroad

After several years of intensive campaigning by RAID, in 2007 the British and Dutch Governments introduced major reforms to the complaints mechanism of the OECD Guidelines for Multinational Enterprises. The changes are having positive repercussions on other OECD and non-OECD governments, some of whom have now adopted the UK model.

- Breakthrough decision from British Government on DAS Air

In 2008 the UK Government found British company DAS Air to have breached the human rights and supply chain provisions of the OECD Guidelines in its operations in Eastern DRC. RAID submitted the original complaint against DAS Air and has campaigned on this issue for the last four years. DAS Air is the first company blacklisted by the UN in 2002 to have been found in breach of the Guidelines by any OECD government. The decision puts pressure on other OECD governments to monitor companies engaged in trade with conflict zones.

- Renegotiation of the DRC's unfair mining contracts

RAID has kept pressure on the DRC government and mining companies to renegotiate the terms of contracts, to improve the return to the Congo and to meet social and environmental obligations. In 2008, following NGO lobbying, 61 contracts were posted on a DRC government website and the results and recommendations of the mining contract review commission were posted on the Ministry of Mines website. RAID's report *Economic Aspects of Key Mining Contracts in Katanga*, which exposed the inequitable rates of returns to mining companies, had a considerable influence on the Congolese government. RAID's economic analysis was later adopted by the Carter Center.

- The Kilwa Incident and Anvil Mining

The role of Anvil Mining in the Kilwa massacre (2004) has been placed under intense international scrutiny. In 2007 a Congolese military court acquitted all of the defendants, including Anvil Mining employees, of all charges related to the Kilwa incident. RAID responded with a chronology of the investigation and subsequent military trial *Kilwa: A Denial of Justice* (2007), produced jointly with Global Witness, ASADHO and ACIDH. The chronology documented the weaknesses in the trial proceedings and the systematic bias against the victims. The case tests the potential for the application of extra-territorial jurisdiction for international war crimes or crimes against humanity; it is shaping the interpretation of corporate complicity.

- Conduct of companies in conflict zones high on the international agenda

As a result of RAID's sustained work on companies operating in weak governance zones, the issue of curbing corporate misconduct in conflict areas has risen up the international agenda. Professor John Ruggie, the Special Representative of the UN Secretary-General on Business and Human Rights, has placed it in his list of priorities for his new 3-year mandate. The UK's Department for International Development (DFID) is to hold a seminar in December 2008 on the OECD Guidelines and its relation to human rights and fragile states. These developments represent real progress after years of campaigning by RAID and others.

## Collaborative work

- International Network on Economic, Social and Cultural Rights (ESCR-Net)

RAID has coordinated the Corporate Accountability Working Group of the network ever since its formation at ESCR-Net's Chiang Mai Conference in 2003. RAID continues to take a leading role in framing the wider NGO positions vis-à-vis developments at the UN on the business and human rights agenda. RAID has been asked to present the activities of the Working Group at the network's international strategy meeting in Nairobi in December 2008 and to draft a corporate accountability strategy paper for discussion with Southern groups. Patricia Feeney is the co-author of ESCR Net's Advocacy Guide on Business and Human Rights (BHR) in the United Nations (due September 2009).

- Amnesty International

During the past year RAID has trained staff and members of Amnesty International's International Secretariat on the human rights impacts of extractive industries. In August 2009, RAID conducted a scoping study into the situation of human rights and the mining sector in Katanga related to Amnesty's new 'Dignity' campaign.

## • Africa Advocacy Group

RAID has always recognized the importance of working with local NGOs and has taken seriously requests to help build their research and advocacy capacity. The production of advocacy tools for francophone African NGOs, such as *Comprendre les principes directeurs de l'OCDE* (Understanding the OECD Guidelines) and the 'corporate responsibility postcards' have been extremely well received. The booklet on the OECD Guidelines has been widely used in training workshops throughout Western and Central Africa by OECD Watch. ACIDH, for example, participated in training workshops that took place in Burkina Faso, Mali and Cameroon.

We have continued to work with local NGOs in Chad and Cameroon in the context of the Ford Foundation grant on global governance, international financial institutions and extractive industries.

The Open Society Initiative for Southern Africa (OSISA) and the Swedish Government provided funds to enable Emmanuel Umpula Nkumba, of the Congolese NGO Action contre l'impunité pour les droits humains, to undertake an intensive English language course and to work with RAID as an intern. He arrived in June 2008 and stayed until the end of November 2008. On his return home, Emmanuel participated in a conference in Nairobi organized by the International Network on Economic, Social and Cultural Rights. Emmanuel took part in NGO coordination meetings in London. He worked with RAID on the production of postcards, providing a text in Swahili. The postcards will be given to community leaders and local NGOs throughout Central and Southern Africa to help them defend their rights and negotiate with companies. Emmanuel also helped in preliminary research work on Chinese companies in Katanga. The corporate responsibility postcards have been tested in Katanga. OSISA is planning to send other Congolese NGO activists to the UK to undergo a similar language training and internship with RAID.

## Outreach and awareness

### RAID's Website

Numerous improvements have been made to the website over the past year, including setting up a related website, the RAID blog, and an online donations facility. Photos on the website and the RAID blog have introduced some variety, making RAID more accessible to the non-specialist. There is also now an entry on RAID in the popular online encyclopedia, Wikipedia. However, for practical reasons and to maintain credibility, RAID's web presence remains primarily targeted at specialists. In the near future RAID plans to adopt an administrator access system that will facilitate editing and updating the website on a regular basis.

### RAID Panel Event: 'Profits Before People?'

In April 2008 RAID hosted an evening at AIUK's Human Rights Centre in London, the purpose of which was to raise funds and profile. There was a screening of the 2005 Australian television documentary on the Kilwa Incident followed by a panel discussion on business and human rights, chaired by Mark Lawson (a BBC broadcaster) and featuring Lord Mance (a senior law lord), Jeremy Carver (Clifford Chance and Transparency International), Patricia Feeney and Joan Smith (journalist, writer and broadcaster). After the debate there was Finnish tango music from Uusikuu. The evening was filmed by BBC Newsnight, the leading British current affairs programme and in terms of raising profile and support the event was very successful.



### National and International Recognition

RAID's profile has continued to grow over the past year; its expertise on corporate accountability is now widely acknowledged. In 2008 RAID was asked to participate as a member of the steering group overseeing the preparation of the International Commission of Jurists' complicity project. RAID has also been invited by the UK government to comment on DFID's development cooperation activities in the Democratic Republic of the Congo.

### Grassroots Outreach

In 2008 RAID produced a series of postcards to raise awareness of corporate responsibility, with each card highlighting a principle from the OECD guidelines. The text appears in Swahili, French, English, Spanish and Mandarin Chinese and the illustrations are highly evocative. The cards have been well received in the UK and were distributed to Congolese communities by RAID researcher Samentha Goethals during her visit to Katanga in August 2008.

RAID is building awareness about human rights and business among university students through a series of talks and seminars.

Over the past year the Director has addressed students at Brookes University, Southampton University and the George Mason University, Summer Programme. RAID plans to extend such talks.

## Media Coverage

RAID has had wide media coverage and is frequently contacted by journalists for background briefings on the mining review in the DRC and the business and human rights agenda, including the OECD Guidelines for Multinational Enterprises. The organization has issued a number of press releases over the past year, many with other NGOs, which received widespread coverage. RAID either drafted or co-drafted these releases and RAID's Director was always listed as a contact person for journalists. The majority of the press releases have concerned the Kilwa Trial and Appeal or the DRC mining contracts review process, however the UK NCP's decision on the DAS Air OECD complaint also generated considerable interest, particularly in the Congolese media.

The Kilwa story was covered by the BBC's main current affairs programme, Newsnight, on 15th May 2008. Newsnight carried a report of about 15 minutes questioning the British Government's support for Anvil Mining. The programme included an interview with RAID's director and shots of RAID's April event.

RAID has had substantial radio coverage including interviews with Voice of America, BBC World Service, Radio France International and the Congolese-UN radio, Radio Okapi.

RAID's research has been extensively cited in the mainstream and specialist business press including The Observer, The Times, The Daily Telegraph and The Economist. News agencies Bloomberg, Reuters, AP and AFP often contact us for quotes.

## Current Research Priorities

### China in Africa

In 2007 RAID produced a briefing paper entitled Advice to Chinese Companies Operating in the Mining Sector in Africa in which some of the human rights issues that had confronted Chinese-owned mining companies and factories in Zambia and the Democratic Republic of the Congo (DRC) were analysed. This report was discussed with Chinese Government officials from the Ministry of Commerce and the China Institute of International Affairs and academics at the Chinese Academy of Social Sciences (CASS) in July 2008 when Patricia Feeny, RAID's Executive Director, visited Beijing. In September 2009 RAID is to publish a new report, Chinese Mining Companies in Katanga, the first report of its kind. It provides an insight into working conditions in Katanga in Chinese-run enterprises and synthesizes the views, experiences, concerns and recommendations of both Chinese and Congolese workers. The report is based on a survey carried out in 2008 by RAID into working conditions in Chinese private mining companies in Katanga Province. Further research was conducted in August 2009. The report provides evidence of widespread corporate misconduct and human rights abuse by Chinese companies operating in Katanga, which should prompt the Chinese and DRC governments to take urgent measures. The report's findings highlight the need to promote greater awareness of responsible corporate behaviour among Chinese companies operating abroad.



### Stock Exchange Rules and Corporate Misconduct

Not Cricket: London's Alternative Investment Market and the Central African Mining Company-CAMEC (autumn 2009) calls for a re-assessment of stock market rules and procedures, particularly those of the secondary markets like London's Alternative Investment Market (AIM). Most studies of the Congo's mining sector have tended to concentrate on compliance with Congolese law, this report looks at the issue from the other end of the telescope using CAMEC as a case study. In RAID's view compliance with domestic regulation and compliance with the rules of international markets are interdependent and equally valuable: mining operations should not only be examined in relation to Congolese law and regulation, but also from the perspective of market compliance. Well-regulated markets are essential not just for the protection of investors and the wider health of the global financial system but also for ensuring that the host country derives its share of any benefits that may accrue from the investment. The report includes recommendations about how to strengthen the regulatory regime.



## Access to Justice for Victims of Corporate Abuse

The International Commission of Jurists (ICJ) has commissioned RAID to produce a report on “Corporate abuse of human rights: Access to justice in the Democratic Republic of the Congo” as part of its global survey of access to justice for human rights violations involving corporations. The remit fits well with RAID’s on-going research into corporate abuse in the DRC. The report will be completed by end November 2009.

## Corporate Accountability, OECD Guidelines and the Ruggie Process

In 2007 after five years, RAID stood down from OECD Watch’s coordinating committee. In 2007 RAID wrote a number of OECD Watch publications: *The Model National Contact Point* (June 2007), a *Fact Sheet on the OECD Guidelines and Human Rights for the Socially Responsible Investment Community* (October 2007), and the *OECD Watch Newsletter* (November 2007). Whilst remaining part of the network, RAID has refocused its efforts onto the UK, where there have been some important changes as a result of our work with MPs (All Party Parliamentary Group on the Great Lakes) and the Joint Working Group under Lord Mance’s chairmanship. The government set up a Steering Board with four external members to oversee the work of the UK NCP. Patricia Feeney sits as the alternate member when the NGO representative, Richard Hermer Q.C. is unavailable. In November 2008, RAID produced a report called *Fit for Purpose* in association with the Trades Union Congress (TUC) and the Corporate Responsibility (CORE) Coalition (a grouping of over 100 of the UK’s largest NGOs), which reviewed the performance of the UK NCP since the introduction of the reforms. 700 copies were distributed to MPs in the government, civil servants, other relevant interested parties and journalists. RAID is also currently working with unions and NGOs in the USA to promote improvements to the structure and procedures of the US NCP for the OECD Guidelines.

RAID has maintained a close relationship with John Ruggie, Special Representative of the Secretary-General on Business and Human Rights (SRSG) and his team. RAID’s work has influenced Ruggie’s agenda as regards non-judicial grievance mechanisms and the challenges of doing business in weak governance or conflict zones.

# RAID's reports and publications 2007-2009

*Comprendre les Principes Directeurs de l'OECD* (2007) with ACIDH, OECD Watch and OSISA

*The Model National Contact Point for the OECD Guidelines* (for OECD Watch, June 2007)

*Advice to Chinese Companies in the Democratic Republic of the Congo and Zambia* (June 2007)

*Economic Aspects of Key Mining Contracts in Katanga* (April 2007, French version September 2007)

*Kilwa Trial: A Denial of Justice - A Chronology: October 2004 – July 2007* (July 2007) with Global Witness, ACIDH and ASADHO  
(also in French: *Le Procès de Kilwa: un Déni de Justice*)

*The Kilwa Appeal – A Travesty of Justice* (May 2008) with Global Witness, ACIDH and ASADHO

*Fit for Purpose? A review of the UK National Contact Point for the OECD Guidelines* (November 2008) with the TUC and The Corporate Responsibility (CORE) Coalition

*Chinese Mining Companies in Katanga, Democratic Republic of the Congo* (September 2009)

*'Not Cricket': London's Alternative Investment Market and the Central African Mining Company –CAMEC* (October 2009)

Thank you for your support



**RAID**

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