

Human Rights Due Diligence as a means for increased supply chain transparency

Key points that came up during discussion:

- The round table discussion set off with a short intro on how the City of Oslo is connected to the complex supply chains of ICT and low emission vehicles through our procurements, and which standard contract clauses the City of Oslo has related to human rights.
- Following this, there was a discussion based on a scenario. The scenario presented a situation where a civil society organization informed a public buyer about possible violations of labour rights in the city's supply chain of electrical buses.
- After reading the scenario the participants had a discussion centring around the following questions.
 - o Whether the city was linked to the factory?
 - o Whether the reported issues could constitute non-compliance with the city's supplier obligations regarding human rights?
 - o Whether allegations appeared to be credible? Any additional evidence needed to triangulate the information?
 - o What were the potential (ethical, legal, reputational) consequences of inaction for the following actors?
 - affected rightsholders
 - the city itself
 - the city's suppliers and business partners
 - o Whether the city's contractor had directly caused the alleged harm, contributed to it, or was it only linked to the harm?
 - o Whether relevant stakeholders had been meaningfully engaged in the identification of the issues?
 - o Which stakeholders should be engaged in the resolution of the identified issues?
- One key point in the discussion, was the explanation of differences between "cause", "contribute to" and be "directly linked" to adverse impact. This is explained in the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct:
 - o **Cause:** An enterprise "causes" an adverse impact if the enterprise's activities¹⁴ on their own are sufficient to result in the adverse impact.
 - o **Contribute:** An enterprise "contributes to" an impact if its activities, in combination with the activities of other entities cause the impact, or if the activities of the enterprise cause, facilitate or incentivise another

entity to cause an adverse impact. Contribution must be substantial, meaning that it does not include minor or trivial contributions.

- o **Directly linked:** “Linkage” is defined by the relationship between the adverse impact and the enterprise’s products, services or operations through another entity (i.e. business relationship). “Directly linked” is not defined by direct contractual relationships, for example “direct sourcing”.

- Towards the end of the hot topic table, the City of Oslo presented how we see there are possibilities for change, in particular when collaborating with other public buyers and as such increasing our leverage.
- The City of Oslo has a formal collaboration agreement with the central procurement body of Norway and the Hospital procurement trust, focusing on these issues:
 - o Joint ICT supplier dialogue meetings
 - o Joint follow-up meetings with brands and resellers. Considering doing joint office audits
- The city is also a member of Electronics Watch. This means we are joining forces with other buyers, bigger group, creates change. When the city some years ago started asking for traceability and transparency information, we hardly got any information about production sites, while now brands share a lot more detailed information than just a couple of years ago.