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- UK National Contact Point (https://www.gov.uk/government/organisations/uk-nationalcontact-point)

Decision Follow Up: Bahrain Institute for **Rights and Democracy (BIRD)** complaint to the UK NCP about **HPower Group Limited (HPG)**

Updated 8 December 2021

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This publication is available at https://www.gov.uk/government/publications/bird-complaint-to-ukncp-about-hpower-group-limited-hpg-company-a-and-company-b/follow-up-bahrain-institute-forrights-and-democracy-bird-complaint-to-the-uk-ncp-about-hpower-group-limited-hpg

1. Background

1.1 OECD Guidelines for Multinational Enterprises

The Guidelines are voluntary principles for responsible business conduct in areas including employment, human rights and the environment. As an OECD member government, the UK is required to maintain a National Contact Point (NCP) to promote the Guidelines and to consider complaints that multinational enterprises based in the UK, or operating there, have breached the Guidelines.

The UK NCP is based in the Department for International Trade (DIT). A Steering Board including members from business, trade unions and civil society has general oversight of the NCP.

1.2 Follow up to Final Statements by the UK NCP

Where a Final Statement includes recommendations, or where an agreement between parties provides for it, the UK NCP approaches parties at a specified date to request an update. The NCP then publishes a further statement reflecting the parties' responses and any further conclusions of the UK NCP.

1.3 UK NCP Final Statement

The UK NCP's Final Statement on the complaint from Bahrain Institute for Rights and Democracy (BIRD) to the UK NCP about HPower Group Limited (HPG) can be found on the UK NCP Statements Page. (https://www.gov.uk/government/publications/bird-complaint-to-uk-ncp-about-hpowergroup-limited-hpg-company-a-and-company-b/final-statement-bahrain-institute-for-rights-and-democracybird-complaint-to-the-uk-ncp-about-hpower-group-limited-hpg)

In the public statement from parties on the mediated outcome, it read: "As a result of the mediation process and the dialogue thereby established, HPower has committed to adopting a human rights policy which reflects the standards provided for by the Guidelines, without prejudice to whether the Guidelines apply to HPower given its small size. Accordingly, HPower takes this opportunity to reaffirm its commitment to respect internationally recognised human rights."

2. Response from the parties

The UK NCP contacted both parties by email on 11 June 2021 and invited both parties to provide updates on the commitment made during mediation.

2.1 Company

Following the correspondence of 11 June 2021 HPG provided the UK NCP with information about their newly adopted Statement on Human Rights as well as their plan to publish it online, how they would communicate this internally to their staff. Furthermore, HPG explained that their Chief Operating Officer would have day to day responsibility to address any issues and to act as an internal reporting line.

Following this, HPG updated the UK NCP that their Statement on Human Rights was published on their website. (https://hpower.co.uk/human-rights-statement/)

2.2 Complainant

Following the correspondence of 11 June 21 BIRD confirmed that they welcomed the development of HPG's Statement on Human Rights.

Regarding the statement BIRD raised some initial concerns about how this statement would be implemented, and how HPG planned to reflect it in their internal policies and procedures.

Following this, BIRD emailed further concerns regarding 1) how HPG has implemented the statement and whether this is reflected in internal procedures such as project planning, and 2) the content of the statement, that it is very short, and does not clearly explain due diligence in practice.

Due to these concerns, BIRD recommended that the policy should be revised and the UK NCP should delay the follow up statement until after the Royal Windsor Horse Show to so as to see the how HPG has used the statement in practice.

2.3 Further response from company to concerns raised by BIRD

In response HPG said they were disappointed by BIRD's request to revise the statement, and to delay the follow up statement.

HPG contend they have complied with the terms of agreement, agreed to at mediation.

3. UK NCP Conclusions

Paragraph 4 of the OECD Guidelines recommends that enterprises express their commitment to respect human rights through a statement of policy that adheres to 5 criteria. The UK NCP has verified below how HPG's new statement on human rights meets the criteria set out in the paragraph 4 of the OECD Guidelines.

The statement of policy on human rights should:

- be approved at the most senior level of the enterprise. The UK NCP notes that HPG's Chief Operating Officer has day to day responsibility to address any issues and to act as an internal reporting line of this document.
- be informed by relevant internal and/or external expertise. The UK NCP notes that the statement refers to meaningful stakeholder consultation.
- stipulate the enterprise's human rights expectations of personnel, business partners and other parties directly linked to its operations, products or services. The UK NCP notes that the statement does not make explicit reference to HPG's expectations of its personnel, business partners or parties, but the statement does make reference to the due diligence that HPG will undertake in order to understand, monitor, minimise and mitigate any potential human rights issues.
- be publicly available and communicated internally and externally to all personnel, business partners and other relevant parties. The UK NCP notes that HPG has published a Statement of commitment to respect human rights on their website.
- be reflected in operational policies and procedures necessary to embed it throughout the enterprise. The UK NCP notes that HPG is a small company, and they have confirmed that they have communicated the statement to ensure that their staff consider this in all of their

dealings.

The UK NCP also notes that this statement explicitly commits HPG to respect internationally recognised human rights and to conducting human rights due diligence as appropriate to the relative size, scale and context of our operations and influence.

The UK NCP also notes the Guidelines indicate that human rights due diligence should be proportionate to a company's size, the nature and context of its operations.

The UK NCP finds that the actions of the HPG are consistent with the principles and standards set out in the OECD Guidelines.

4. Wider relevance

The UK NCP reminds UK businesses that the OECD Guidelines state that all multinational enterprises regardless of their size, sector, operational context, ownership and structure, should respect human rights wherever they operate. They should carry out human rights due diligence appropriate to their size, the nature and context of operations and the severity of the risks of adverse human rights impacts.

More guidance on how to do this is provided in the OECD Guidelines on Due Diligence for Responsible Business Conduct.

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