



Follow-up of joint statement by Norconsult AS and the Norwegian Association for International Water Studies (FIVAS)

Following successful mediation conducted by Chair of the Norwegian NCP Ola Mestad, in which the parties agreed on a joint statement, the NCP concluded the complaint from the Association for International Water Studies (FIVAS) against Norconsult AS. The joint statement was agreed on 2 June 2015 and officially signed in Oslo on 23 June 2015.

Because the parties agreed on a mediated solution, the NCP did not make further examinations into the merits of the claim. The issues addressed in the complaint were related to Norconsult's role in hydropower projects in the Malaysian state of Sarawak.

In the final statement in the case, the NCP recommended that the parties continue the dialogue established during the mediation process, especially if issues should arise relating to the implementation of the joint statement. In the final statement, we stated that the NCP would invite both parties to a follow-up meeting as soon as a decision had been made concerning one of the central issues in the case, namely the construction of the Baram Dam, to give an update on the implementation of the joint statement. Construction of the Baram Dam has been shelved, however. The NCP thereby followed standard procedure and invited both parties to a follow-up meeting one year after the agreement.

Point i) of the joint statement (under 'Background') states that: 'Future contact between the parties shall be based on mutual trust and a clarification of facts.' The NCP notes that there are challenges relating to this point. The parties have exchanged emails, in which FIVAS has asked, among other things, for information from Norconsult about its compliance with the joint statement. Norconsult has also informed the NCP that it does not consider it expedient to continue the dialogue with the NCP about the group's activities in Malaysia or relating to the joint statement with FIVAS.

The NCP invited the parties to a follow-up meeting on 10 November 2016 for an update on how they have followed up the joint statement, especially points 1–6. The NCP asked Norconsult in particular to give an account of how the company has worked on incorporating the OECD Guidelines and human rights due diligence in its activities, as described in point 4.

Norconsult informed the NCP that they did not wish to attend a dialogue meeting at which FIVAS was present, and the NCP thereby invited the parties to separate meetings.

Norconsult has explained that the company has followed up the joint statement as follows:

As regards point 4 of the joint statement in particular, which states that, in addition to integrity due diligence, Norconsult will carry out human rights due diligence reviews in line with the OECD Guidelines, Norconsult informs the NCP that they have incorporated a number of key human rights issues in the group's procedure for prior assessments of contractual partners. Norconsult also informs the NCP that they have ethical guidelines and procedures in place that address the most important values, conditions and interests that the OECD Guidelines for Multinational Enterprises are intended to protect. In relation to the specific issues that were addressed during the mediation, Norconsult informs the NCP that they carry out prior assessments of projects

and contractual partners also with regard to human rights, and that they will continue to do so for all potential projects in Malaysia.

As regards point 6 of the joint statement, concerning the company's reporting on sustainability indicators based on the Global Reporting Initiative (GRI) and self-defined indicators, Norconsult informs the NCP that they have reported on a number of GRI indicators in the group's annual reports for both 2015 and 2016. This reporting and other indicators that were not reported in the annual report were also revised by an external auditor.