



WWF OECD COMPLAINT AGAINST SOCO INTERNATIONAL PLC

KEY FINDINGS AND RECOMMENTATIONS

WWF's complaint against Soco International PLC for alleged breaches of the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises is strictly embargoed until filing at 00:01 GMT 7 Oct 2013. Excerpts from the complaint found here are indicated with quotation marks.

For a copy of the complaint, park images or to schedule an expert interview, please contact Alona Rivord at arivord@wwfint.org or +41 79 959 1963. Additional information and resources are available at panda.org/virungainfo.

ALLEDGED BREACHES OF THE OECD GUIDELINES

WWF contends that British oil company Soco has breached the OECD guidelines in the course of its oil exploration activities in and around Virunga National Park, a World Heritage Site in Democratic Republic of the Congo (DRC). WWF today is filing a complaint with the UK government's OECD national contact point alleging the following:

- "Soco has failed to take due account of the need to protect the environment given DRC's commitments under the World Heritage Convention" (page 14), in violation of OECD's recommendation that international agreements and national laws be respected by multinational enterprises operating at home and abroad (Chapter VI, chapeau).
- "Soco has sought and/or accepted a contractual exemption that could unduly constrain the DRC government's ability to protect human rights and the environment in Virunga, and could be detrimental to the pursuit of sustainable development there" (page 18), in violation of OECD's recommendation that companies should not be exempt seek or accept exemptions from new laws or regulations meant to safeguard people's health and safety and to protect the environment (Chapter II, para. 5 & Chapter VI, chapeau).
- "Soco has failed to provide evidence it has conducted appropriate and systematic human rights due diligence" (page 20), in violation of UN and OECD recommendations on proper methods for assessing a corporation's potential impacts on people's rights particularly when operating in a conflict zone (Chapter IV, para. 5).
- "Soco has failed to provide the public with adequate, measurable, verifiable and timely information about the potential social and environmental impacts of its oil exploration activities and failed to provide relevant stakeholders with meaningful opportunities for their views to be taken into account in consultations that are free of intimidation" (page 24), in violation of OECD recommendations regarding community engagement and transparency of social and environmental impacts (Chapter VI, para. 2a & Chapter II, para. A.14.)

SOCO'S ACTIVITIES IN DRC

WWF has received disturbing reports about Soco's use of state security forces to promote its project. Some residents say they do not feel safe to express their views or concerns in an atmosphere of intimidation. Unlawful detentions and threats against personal security have been reported. Additionally, participants at Soco community meetings allegedly have been given alcoholic drinks and cash payments for their attendance.

In those meetings, Soco failed to disclose to residents the findings of a mitigation and rehabilitation plan that details the project's potential impacts on the environment, as well as on the health and economic wellbeing of community

members. The document, obtained by WWF and made public on pages 26-27 of the complaint, cautions of habitat loss, invasive species, poaching, pollution, diseases and loss of fishing jobs.

Soco has said on numerous occasions that its activities are limited to gathering seismic, magnetic and gravity data, and that it has no plans to drill, however evidence points to the contrary. The company's exploration permit authorizes up to two exploration wells, and its mitigation and rehabilitation plan describes the potential environmental impacts of installing drilling stations. WWF's requests for a copy of the 2011 plan were repeatedly ignored by Soco, but the organization as able to obtain it through confidential sources.

DRC law expressly prohibits drilling in protected areas like Virunga. It is also illegal under national law to pollute the park's waters, disturb wildlife, destroy plants or introduce alien species, all impacts described by Soco as being possible. The company is currently exploiting a legal loophole that allows for "scientific research".

The UNESCO World Heritage Committee has maintained since 2003 that oil and gas extraction in World Heritage Sites violates the spirit of the convention, to which DRC and UK are signatories. DRC has enshrined the World Heritage Convention in law through the country's constitution, which recognizes the supremacy of international treaty obligations over national legislation, which includes also presidential decrees.

WWF'S RECOMMENDATIONS

WWF contends that Soco's operations in and around Virunga National Park are in violation of the OECD Guidelines for Multinational Enterprises. In WWF's estimation, the only way for Soco to bring its behaviour into line with the corporate social responsibility standards outlined in the guidelines is for it to stop permanently all activities in the area.

Furthermore, the serious issues outlined in the complaint likely warrant examination by the company in relation to its other current overseas operations, and any future operations, to ensure it is complying with OECD guidelines globally. WWF urges Soco to:

- Publicly commit to stopping permanently all exploration and exploitation within Virunga, to respecting the park's current boundaries, and to staying out of all World Heritage Sites.
- Respect and observe governments' international commitments with regard to the environment and human rights;
- Conduct appropriate and systematic human rights due diligence for all existing and future projects in a manner that is consistent with OECD guidelines and the UN Guiding Principles on Business and Human Rights;
- Ensure contracts with host countries do not include freezing clauses that effectively exempt the company from any new laws or regulations aimed at strengthening protections for human rights, health and safety, and the environment;
- Provide stakeholders with meaningful opportunities for their views to be taken into account in consultations that are free from intimidation; and
- Provide the public with adequate, measurable, verifiable and timely information about the potential social and environmental impacts of its activities.

ABOUT OECD

The Organisation for Economic Co-operation and Development is an intergovernmental group of [34 member countries](#) that have joined together "to promote policies that will improve the economic and social wellbeing of people around the world," according to its [mission statement](#). OECD was established in 1961.

[The OECD Guidelines for Multinational Enterprises](#) are standards on corporate social responsibility agreed by OECD countries and an additional eleven non-OECD governments. The guidelines are recommendations from governments to corporations about how they should make positive contributions to economic, environmental and social progress worldwide. In total, 45 countries ascribe to the guidelines.

The guidelines apply to the activities of multinational enterprises based in, or operating in, adhering countries. They consist of principles for responsible business conduct in areas such as employment relations, human rights, environment, information disclosure and combating bribery. Businesses are expected to uphold internationally recognized standards, follow domestic laws, contribute to sustainable development, and at minimum do no harm. Enterprises are called to uphold good business practice regardless of whether governments are doing so.

According to the European Commission, the OECD guidelines are "the most comprehensive, internationally endorsed set of rules governing the activities of multinationals." Additionally, the United Nations Office of the High Commissioner for Human Rights has said "The OECD guidelines are currently the most widely applicable set of government-endorsed standards related to corporate responsibility and human rights."

ABOUT VIRUNGA NATIONAL PARK

Virunga National Park, located in eastern DRC, is Africa's oldest national park. Founded in 1925, the park was recognized by UNESCO for its outstanding natural value in 1979 and inscribed as World Heritage Site. Virunga is known for its wildlife-rich network of forests, savannas, rivers, lakes, marshlands, active and dormant volcanoes and permanent glaciers. The park has the highest level of biodiversity of any protected area in Africa. Over 3,000 species have been found in the area, hundreds of which live nowhere else. It is the only place in the world that is home to three types of endangered great apes: mountain gorillas, eastern lowland gorillas and eastern chimpanzees.

In 2007, 85 percent of Virunga National Park was allocated as oil concessions by DRC government. Concession holder Total SA of France announced in May 2013 that [the company would respect the current limits of the park](#). To date, Soco is the only company that has indicated that it will explore for oil within park boundaries. Soco's area of interest is the lowland savanna area around Lake Edward and the lake itself. UK-based Soco is traded on the London Stock Exchange and is a component of the FTSE 250 index.

In June of this year, the UNESCO World Heritage Committee [called for the cancellation of all Virunga oil permits](#) stating that oil and mining exploitation and exploration are incompatible with World Heritage status. The committee also urged governments to ensure that companies based in their territories do not damage World Heritage properties. The United Kingdom [Foreign and Commonwealth office says](#) "The UK continues to oppose oil exploration in the Virunga National Park, a World Heritage Site listed by UNESCO as being 'in danger'."

[A WWF report published in August 2013](#) found that [Virunga's potential annual value could reach US\\$1.1 billion](#) if developed sustainably, rather than being given over to potentially-damaging oil exploration. The park currently provides fish and freshwater to over 50,000 residents and could generate 45,000 permanent jobs through growth in the fishing, hydropower and ecotourism industries. WWF has received nearly 200,000 [signatures from supporters](#) who believe oil exploration in Virunga should be stopped.