

Perspectives and recommendations on extractive sector, just transition and human rights

Submission of Living Laudato Si' Philippines to the United Nations Special Rapporteur on human rights and the environment

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State duty to protect human rights

- 1. How can States better advance human rights-compatible energy transition laws and policies that ensure responsible business conduct in all aspects of energy transition efforts and programs (e.g., including, but not limited to, design, approval, financing, implementation, and reporting of energy transition programs)?**
 - States must ensure the proper and full implementation of laws and policies related to a just energy transition, from the planning to the monitoring phase. Failure to adequately enforce the rules and regulations, especially on mechanisms designed to uphold accountability and transparency on the conduct of the operations of involved businesses and the performance of duties by designated government agencies and units, increases the likelihood of the occurrence of human rights violations.
 - States must enact or strengthen national laws and frameworks that promote sustainable financing of programs and policies related to a just energy transition, while also enhancing accountability and transparency. A mandate for integrating ESG criteria into the operations of corporations, banks, investment firms, and other financial institutions is necessary to prevent destructive and/or harmful impacts and externalities that result in human rights violations. Such instruments must also contain specific guidelines, targets, timelines, and other key information that financing entities must follow in disclosing and reporting all impacts of projects and activities they funded, and their proposed interventions to address all occurring impacts.
 - States should establish a multisectoral committee that would ensure responsible business conduct in all aspects of a just energy transition, with a focus on monitoring the progress of implementing the UN Guiding Principles on Business and Human Rights by businesses, given that such a policy already exists. This committee must involve representation from the national human rights institution, energy-focused government officials, representatives from the private sector, and representatives from the civil society and academe to ensure an inclusive, fair, and just assessment of whether existing laws, policies, and programs are compatible with protecting human rights.

6. What are the gaps in the development and implementation of existing National Action Plans, legislation, and domestic, regional, or international frameworks (e.g., the Paris Agreement or climate change laws) on business and human rights, particularly in relation to the extractive sector, which if addressed will advance a just and human rights-based energy transition?

- In the Philippines, among the significant gaps in the implementation of environment-related laws and policies related to business and human rights are the poor coordination and implementation in laws and policies that could increase the likelihood of abuses, harassment, or violence hitting communities. For instance, an oil spill caused by the sinking of the oil tanker MT Princess Empress in February 2023 has already affected more than 137 thousand people, many of whom could no longer rely on fisheries and ecotourism for their livelihoods. Conflicting statements from different officials on details of the incident such as the ship's [construction and permits](#) have not only hindered the response to the disaster, but also points to the lack of proper interagency coordination and poor implementation of existing guidelines that have partly caused this incident.
- Another significant challenge is the lack of coherence and consistent implementation of current strategies and policies by governments regarding a just energy transition, which increases the vulnerability of populations to both climate change impacts to potential human rights violations. For instance, despite submitting the Nationally Determined Contribution (NDC) in April 2021, the Philippine government still has not released a comprehensive decarbonization strategy that is aligned with the self-determined greenhouse gas emissions reduction target of 75% from 2020-2030, relative to a business-as-usual scenario. This is compounded by the prioritization by the current Presidency of natural gas, a fossil fuel, as the primary fuel to substitute for coal. This would not only hinder the country's ability to properly mitigate climate change; it could also lead to a weaker energy system with burdens being unjustly shouldered by consumers. These directives could hinder numerous rights, including access to information, public participation, live in a healthy environment, and pursue development.

8. How can States harness the potential of energy transition to accomplish important policy objectives related to human rights, such as achieving local empowerment, gender equality, protection of the environment, mitigation of climate change and realizing the Sustainable Development Goals?

- States must adopt an inclusive, cross-sectoral approach to realizing a just energy transition within their respective jurisdictions. Meaningful participation of potentially impacted and vulnerable populations must be ensured through consultations, workshops, and other modes of engagement, especially at the local level. Strengthening multi-stakeholder partnerships and collaborations across different levels has to be anchored on the principles of equity, respect, and recognition of human rights, while accounting for the gender and intergenerational lens. This would allow for enhanced knowledge-sharing, increased

resource mobilization, and the identification of risks and opportunities for all stakeholders involved throughout the transition.

- States must have a comprehensive assessment of the impacts and trade-offs within the programs, projects, and activities within the just energy transition. Avoiding potential conflicts between pursuing energy-related goals and other development targets is key to preventing occurrences of human rights violations, such that persons will not be prohibited or hindered from exercising their rights related to pursuing a high quality of life. Thus, governments have the responsibility to design just energy transition pathways that account for potential impacts on food and water security, public health, livelihoods, and other facets of development.
- States must also empower their respective citizenry to become not just consumers, but become part of the decision-making processes related to energy transition and human rights. They must enable consumers (and prosumers) to become responsible and efficient users within current and future energy markets and systems. Educating citizens about the available options for energy use, benefits of self-sufficiency and greener energy options, spaces for participation in decision-making, and rights to be exercised related to this transition are also vital to maximizing the co-benefits of implementing a just energy transition relative to environmental protection, climate change mitigation, and attaining sustainable development.

Corporate responsibility to respect human rights

9. What roles should business enterprises in the extractive sector play to integrate human rights into ongoing energy transition plans and programs to address adverse human rights impacts? Please provide examples if possible.

- Businesses within the extractive sector must fully comply with the UN Guiding Principles on Business and Human Rights. The integration of these principles must be reflected throughout their value chains, from direct operations to investments and financing of activities of other entities. Compliance with international and national environmental and human rights guidelines must be fulfilled in every aspect of their operations, and account for the well-being of all individuals that may be affected by their activities.
- Businesses must directly engage with communities potentially impacted by their extractive operations in a way that recognizes and respects the rights of these stakeholders and do not threaten their safety and security. These engagements must be conducted on a regular basis, communicating to communities all updates, emerging threats, opportunities for cooperation, and progress in reducing risks caused by their activities. Through this approach, businesses would benefit through a reduction of potential legal, operational, regulatory, and reputational risks associated with environmentally-harmful operations and adverse impacts on human rights.

14. How could extractive sector associations, higher education institutions and other stakeholders promote awareness and encourage human rights-compatible business practices (e.g., addressing greenwashing and green scamming practices)?

- Extractive sector associations and higher education institutions (HEIs) should promote open data practices, which would help improve data management related to environment and human rights. Enhancing access to key information (i.e., environmental risks, vulnerability maps, financial disclosures) improves the overall reputation of businesses and allows for more co-beneficial partnerships with HEIs, local communities, and other stakeholders. Coordination mechanisms should also be established with national and local government units in knowledge-exchange and data-sharing that also avoid greenwashing and green scamming practices.
- Extractive sector associations, with the support of HEIs, must conduct regular consultations and dialogues with local stakeholders to present updates in their business practices. The outcomes of these activities must be included in the reports of extractive-sector businesses and inform current and future strategies in ensuring that their operations remain human rights-compatible. These should be conducted in a multistakeholder manner, with the inclusion of civil society organizations, partner businesses, local or national government representatives, and other sectoral representatives.

Access to remedy

17. Are you aware of any cases submitted to judicial and/or non-judicial instances (e.g., national human rights institutions, national contact points, mediation, etc.) regarding business-related human rights abuses in the extractive sector, particularly in the context of energy transition projects?

- After a petition was filed by a group of vulnerable community and civil society representatives, the Philippine Commission on Human Rights conducted a seven-year inquiry on the accountability of more than 40 carbon majors, which includes several extractive industries with stakes in fossil fuels, for alleged human rights violations triggered by their pollutive operations. The findings of this investigation are published in the [National Inquiry on Climate Change Report](#), released in May 2022, affirming that said corporations may be held liable. This report also provides recommendations for governments, national human rights institutions, businesses, civil society groups, and courts that could prove critical in both protecting and enabling the exercise of environmental human rights, and accelerating a just energy transition in different nations.

Good practices and other comments

20. What specific renewable energy policies, practices and safeguards should be adopted by States and business so that energy transition does not have adverse effects on human rights?

- States must enhance their respective NDCs towards the fulfillment of the goals of the Paris Agreement, aligned with the imperative of limiting global warming to 1.5°C above pre-

industrial temperatures. These enhancements must include a clear prioritization for recognizing, respecting, and protecting human rights of all stakeholders, especially the most vulnerable populations, that will be significantly affected by the resulting energy transition pathways and strategies that are essential for climate change mitigation and slowing down global warming. Within the NDCs and relevant national plans should be a list of measures and mechanisms that would allow implementing actors to realize such commitments.

- States must ensure that its existing policies related to renewable energy and the energy sector across all agencies and units are coherent and aligned with international frameworks (i.e., Paris Agreement) and national and local development targets. Policies for phasing out all fossil fuels, eliminating fossil fuel subsidies, building renewable energy (RE) facilities, making RE technologies more accessible and affordable for all consumers, and other relevant issues must be well-defined, with clear targets, timelines, and roles and responsibilities for all implementers to avoid loopholes and opportunities for undermining said policies; this would reduce, if not prevent human rights violations inflicted on affected laborers, communities near new power plants, and other directly-affected stakeholders.
- States need to implement an environmental impact assessment system that guarantees that the inputs and concerns of directly-impacted communities would be meaningfully integrated throughout the process. Assessment reports for RE projects must be publicized and communicated to all involved stakeholders, presenting the economic, environmental, social, and cultural risks, opportunities, costs, and benefits associated with such endeavors. Project proponents must also show the proper documentation that proves their respective capacities for avoiding irresponsible and harmful operations relative to communities and ecosystems, and compliance to international, national, and/or local environmental standards and guidelines.
- States and businesses must establish partnerships to increase investments in and better conduct educational, training, and capacity-building sessions to equip impacted workforces with the necessary knowledge, skills, opportunities, and attitudes to not be left behind in the just energy transition. These actors must lead in assessing the needs, gaps, and concerns of laborers in industries that would be fundamentally affected by the transformation of energy systems towards more ecologically-sustainable versions. These capacity-building sessions must account for local and gender-specific circumstances, and conducted on a regular basis.

Living Laudato Si' Philippines (LLS) is an interfaith movement initiated by Catholic laypeople calling on Philippine financial institutions to divest from coal-related operations and other environmentally harmful activities. Founded on the eve of the fifth anniversary of super-typhoon Yolanda's landfall in the Philippines, it also aims to empower citizens to adopt lifestyles and attitudes that lives up to the urgent need to take care of our common home. Its actions are anchored towards the goal to promote sustainable development and stop the climate crisis, environmental degradation, and social injustice through collective action between people from different sectors. LLS is inspired by Pope Francis's second encyclical *Laudato Si': On Care for Our Common Home*.