# Private Sector Engagement Due Diligence Checklist

This questionnaire is part of the due diligence process the Global Green Growth Institute (GGGI) undertakes in considering companies and other private sector organizations for potential partnerships. It is important to answer the questions as candidly as possible and to the best of the company’s or organization’s ability. Failure to disclose material information, or discovery that information disclosed herein is false or misleading, can lead to the unilateral termination of any resulting partnership. For ease of reference, the relevant company or other private sector organization applying for a partnership with GGGI will be referred to as “the Company” throughout this questionnaire.

**Content of this document:**

* Collate background information.
* Assess the Company Commitment to adherence to internationally recognized principles in the areas of human rights, labor, the environment and anti-corruption, particularly, the Ten Principles of the Global Compact and the Partnership Risks and Benefits:
  + Company’s engagements
  + Company’s commitment to ESG issues
  + Company’s track record

|  |
| --- |
| **Background Information** |

|  |  |
| --- | --- |
| **Company information** | |
| Name of the company: | [Full legal name] |
| Contact details of GGGI’s main contact(s) at the company: | [Contact details, website…] |
| Sector: | [Sector] |
| Company description / background: | [Description/background] |
| Controlling company and subsidiaries: | [Controlling company and subsidiaries] |

**Company’s Commitment to ESG and the Partnership Risks and Benefits**

|  |  |  |
| --- | --- | --- |
| **Company’s engagements** | | |
| Is the company a participant in the UN Global Compact? | **Yes** | No |
| If “yes” to the question above:   1. Is the company actively communicating its progress and level of reporting? See: [General Communication on Progress (COP)](http://www.unglobalcompact.org/COP/frequently_asked_questions.html#GenCOP) | **Yes** | No |
| Does the company have any sustainability-related certifications or reporting (e.g. ISO14001, SA8000, AA1000, OHSAS 18001, or GRI Principles)? Provide details in the comment box below. | **Yes** | No |
| Is the company included in any sustainability or ESG-related indices (e.g. FTSE4Good, Dow Jones Sustainability Indexes, etc.), or similar national/regional initiatives? Does the company abide by any voluntary sustainability or ethical principles or guidelines[[1]](#footnote-1)? List them in the comment box below. | **Yes** | No |
| Comments: [Comments] | | |

|  |  |  |
| --- | --- | --- |
| **Company’s commitment to ESG issues[[2]](#footnote-2)** | | |
| **Human rights:** | | |
| Does the company have a policy and a monitoring system that seeks to prevent or mitigate adverse human rights impacts, especially on the local communities, that are **directly linked to its operations**? [[3]](#footnote-3) | **Yes** | No |
| Does the policy and a monitoring system cover **occupational health and safety issues**, ensuring that workers are afforded safe, suitable and sanitary working conditions?[[4]](#footnote-4) | **Yes** | No |
| Does the policy and monitoring system cover land or property issues, i.e. does the company ensure that all affected owners and users of the land or property used by the company have been **adequately consulted and compensated**? | **Yes** | No |
| Does the policy and monitoring system cover the rights of **indigenous peoples**, and in particular the principles of self-determination and self-governance, the right to lands and natural resources, including issues of resettlement, and the right to free, prior and informed consent? | **Yes** | No |
| Does the policy and monitoring system cover the company’s **security arrangements**, i.e. whether or not they comply with international human rights principles for law enforcement and the use of force (e.g. have security personnel received adequate human rights training)?[[5]](#footnote-5) | **Yes** | No |
| Does the company have an appropriate **dispute resolution mechanism** that is in line with the human rights norms and principles? | **Yes** | No |
| Does the company have a policy and a monitoring system that seeks to prevent or mitigate adverse human rights impacts that are directly linked to products and services by its **business relationships** (business partners, entities in its value chain, other non-State or State entities)? | **Yes** | No |
| **Labor:** | | |
| Does the company have a policy and a monitoring system to ensure fair labor practices[[6]](#footnote-6) **at its operations**? | **Yes** | No |
| Does the policy and monitoring system adequately ensure **equal opportunity to all** employees and applicants regardless of ethnic origin, color, age, gender, sexual orientation, religion, marital status? | **Yes** | No |
| Does the company have a policy and a monitoring system that seeks to promote fair labor practices in its interactions with **suppliers and business partners**? | **Yes** | No |
| Does the policy and monitoring system ensure **freedom of association and the right to collective bargaining**? | **Yes** | No |
| Does the policy and monitoring system ensure the elimination of **forced or compulsory labor**? | **Yes** | No |
| Does the policy and monitoring system ensure the elimination of **child labor**? | **Yes** | No |
| **Environment:** | | |
| Does the company have a policy and a monitoring system to minimize environmental damage **at its operations**? | **Yes** | No |
| Does the company have a policy and a monitoring system which it applies to working with suppliers to improve environmental performance, extending responsibility down the **supply chain**? | **Yes** | No |
| Does the company have a policy and a monitoring system to reduce **emissions** (emissions to air, waste and effluents)? | **Yes** | No |
| Does the company have a policy and a monitoring system to ensure that **natural resources** are used in a sustainable manner? | **Yes** | No |
| Does the company take action to reduce **energy consumption**? | **Yes** | No |
| Does the company prevent, minimize and remedy significant impacts on **biodiversity**? | **Yes** | No |
| Does the company have **emergency procedures** in place to prevent and address industrial accidents affecting the environment and human health effectively? | **Yes** | No |
| **Good governance:** | | |
| Does the company have a policy and a monitoring system stating that it will not engage in corruption at any time or in any form in its interaction with suppliers, intermediaries, governments and business partners? | **Yes** | No |
| Comments: [Comments] | | |

|  |  |  |
| --- | --- | --- |
| **Company’s track record** | | |
| Please indicate if, within the past five years you, your organisation or any other person who has powers of representation, decision or control in the organisation been convicted anywhere in the world of any of the offences within the summary below | | |
| Participation in a criminal organization? | **Yes** | No |
| Corruption? | **Yes** | No |
| Fraud? | **Yes** | No |
| Money laundering? | **Yes** | No |
| Child labor and other forms of trafficking in human beings? | **Yes** | No |
| Breach of environmental obligations? | **Yes** | No |
| Breach of social obligations? | **Yes** | No |
| Breach of labor law obligations? | **Yes** | No |
| Guilty of grave professional misconduct? | **Yes** | No |
| If you have answered **yes** to any of the questions above, please provide further details. | | |

|  |  |
| --- | --- |
| **On Behalf of the Company**  Name and Title:  Date: | Signature |

1. Examples of voluntary sustainability or ethical principles include: e.g. Principles for Responsible Investment, Extractive Industries Transparency Initiative, Voluntary Principles on Security and Human Rights, Equator Principles. [↑](#footnote-ref-1)
2. The company does not have to have a positive answer to all these questions, especially SMEs and even larger domestically oriented companies may not have all the different policies and systems in place. [↑](#footnote-ref-2)
3. An example of a [framework specifically designed for human rights](http://www.unglobalcompact.org/docs/issues_doc/human_rights/Resources/HR_E_Framework_Poster_A2.pdf) [↑](#footnote-ref-3)
4. Useful resources can be found at [ILO website](http://www.ilo.org/safework/areasofwork/occupational-safety-and-health-management-systems/lang--en/index.htm) [↑](#footnote-ref-4)
5. Useful resources can be found at [Global Compact website](http://human-rights.unglobalcompact.org/resources/security_forces_and_human_rights) [↑](#footnote-ref-5)
6. International Labor Standards provide a framework for fair labor practices. The fundamental conventions include: [Freedom of Association and Protection of the Right to Organise Convention, 1948](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100_ILO_CODE:C087:NO); [Right to Organise and Collective Bargaining Convention, 1949](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100_ILO_CODE:C098:NO); [Forced Labour Convention, 1930](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100_ILO_CODE:C029:NO); [Minimum Age Convention, 1973 (No. 138)](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100_ILO_CODE:C138:NO); [Worst Forms of Child Labour Convention, 1999](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100_ILO_CODE:C182:NO); [Equal Remuneration Convention, 1951](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100_ILO_CODE:C100:NO); and [Discrimination (Employment and Occupation) Convention, 1958.](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100_ILO_CODE:C111:NO) ([ILO](http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm)) [↑](#footnote-ref-6)