



Business and Human Rights Latin America Forum, Sept 7-9 2020

Question #1

***What practical differences did you observe between HRIAs and ESIAs in your recent experience conducting a HRDD exercise?***

As a global company active in the energy sector, Eni carries out large extractive projects in countries with different legislations and requirements for business actors.

Impact Assessments to be carried out before starting any kind of operations are a crucial component of the permitting process, aimed at understanding the impacts of the projects on several perspectives. These perspectives range from environmental to health and social implications, directly and indirectly, linked to the project itself.

From our experience, most often countries' legislations require Environmental assessments while law requirements for a full ESHIA are not that widespread yet. This implies that health and social impacts may not be put on the table and considered from all the operators, which then must refer to their internal standards for doing more.

The standard for Eni is the performance of a full ESHIA for every project, according to internal guidelines which set the methodologies every subsidiary of Eni must follow. This approach already mirrors the choice of the company to adopt a form of due diligence higher than only looking at the national legislations. Besides, for those projects at higher human rights risk - identified by using a model for their prioritization under this lens -, Eni carries out full HRIA. The HRIA responds to the need of having rights holders' considerations at the heart of the analysis, collected through specific methodologies and human rights practitioners, in line with UNGPs' provisions which Eni is committed to.

In Mexico, we carried out three different exercises. We conducted an ESHIA, as part of our internal procedures, we conducted the Social Impact Assessment, which is a legal requirement, and, we conducted a Human Rights Impact Assessment. This last one was part of the due diligence process which the Eni's human rights management system requires in light of the level of human rights risks potentially associated to the Project Area 1, classified high according to the prioritization model mentioned above.

The main differences between an ESHIA and a HRIA, from our observation, lie - as I said - in the way impacts are identified. In the HRIA, rightsholders - directly or indirectly interested by the projects - are carefully identified well in advance and their views, together with their way of living and concerns regarding the project, are deepened with dedicated interviews as well as focus groups with vulnerable individuals and groups, such as children, women, minorities.

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Moreover, risks and impacts on human rights need to be treated in a holistic way. This because human rights of individual and communities should be considered as a whole, superimposing the social dimension with the environmental and health dimension. In the case of the ESHIA, environmental and social risks and impacts can be treated and managed in a separated way. Impacts identified in the HRIA are wider than those identified in the ESHIA and the SIA. The HRIA covers labor issues with contractors, human rights good practices within the goods and services supply chain and human rights and security activities related to operations

Concerning the practical differences among them, and talking about the experience we had, we can say that HESIA/SIA/HRIA were conducted at different times. While the ESHIA and the SIA were conducted at an early stage – without SIA we would not have obtained the permit to operate – the HRIA, which was conducted by the Danish Institute for Human Rights as Tulika has just said, was carried out when the Development Project was advanced. Consequently, when the HRIA took place, we already had familiarity with the context and communities located in our area of influence. More importantly, the people from communities already knew us and located us. This made it easier to approach them for carrying out of the HRIA interviews and focus groups, even because the HRIA exercise required to focus on their points of views, concerns and needs. At the end of the process, people from the communities approached us telling that HRIA was well perceived and they felt at the center, they felt taken into account. This was very important for us and from an engagement point of view, this has been a successful exercise.

In this moment we are collecting the feedback on the Human Rights Action Plan that we prepared to attend the recommendations of the HRIA. We are asking local stakeholders to provide their comments on the Action Plan, something that did not happen with the management plans resulted from the ESHIA and the SIA. In the case of the SIA, comments were just provided from a federal level as part of the permit process.