



2017



STAYING ON TRACK

THE WORLD FEDERATION OF THE SPORTING GOODS INDUSTRY AND HUMAN RIGHTS & SUSTAINABILITY AT INTERNATIONAL SPORTING EVENTS



INTRODUCTION

The World Federation of the Sporting Goods Industry (WFSGI) is the global authoritative body for the sporting goods industry. Our members include sporting goods brands, manufacturers, suppliers, retailers, national/regional federations, industry and trade associations and other sporting goods industry related businesses.

The WFSGI plays an important role as a resource for its members and as a platform for sharing best practice. We work to understand emerging and ongoing issues of relevance, assist our members to stay current with those developments, and advocate for appropriate laws and practices.

EXECUTIVE SUMMARY

International sporting events are valuable occasions for enjoying and celebrating human ability and promoting the core values of sport.

However, mounting awareness and scrutiny of the adverse impacts of sports events on human rights and the environment is increasingly attracting negative publicity, which in turn gives rise to reputational risks for members involved in staging such events in any capacity. In addition, the growing impact of environmental factors such as significant resource consumption may even threaten the viability of future events.

Integrating human rights and sustainability considerations is challenging due to the lack of a common definition of a sustainable or human rights oriented sporting event and the fact that events vary enormously in size and nature. Host countries, organisers and sponsors also face the challenges of working with stakeholders with whom they do not share common objectives and being unable to control all aspects of the events in which they are involved.

Nonetheless, we believe that all organisations that contribute to the staging of sporting events have a role to play in ensuring they are planned and delivered in a responsible way. We also believe that all contributors need to work together to put human rights and sustainability at the centre of these events. Moreover, while it is the large, high profile sporting events that currently attract the most publicity, we consider that the issues highlighted will become increasingly relevant to smaller events and that it is equally important for members involved in such events to adhere to good practice.

The purpose of this paper is to provide WFSGI members and others with an overview of key considerations for international sporting events, as well as some useful frameworks and initiatives. It also outlines our view of the challenges and benefits of taking a responsible approach to this issue, and to explain how we can support our members.

CONTEXT

Sporting events are about celebrating humanity and human ability, and should embody the core values of sport such as fair play, team spirit and excellence. But it is unfortunately the case that these events often give rise to negative human rights and sustainability impacts – impacts that have attracted an increasingly high profile in recent years.

While it is generally the ‘mega’ events, such as the Olympic Games, Commonwealth Games or the FIFA World Cup, that draw attention, the issues they highlight are relevant to the industry as a whole. It is important that members involved in events of any size – as an event organiser, sponsor, supplier or in any other capacity – understand the issues and fulfil their responsibilities. These issues occur across the entire sporting event value chain – in preparation and aftermath, as well as during the actual running of the event.

KEY HUMAN RIGHTS AND SUSTAINABILITY CONSIDERATIONS FOR INTERNATIONAL SPORTING EVENTS

PRE-EVENT

- Bidding process and selection of host city/country
- Selection of sponsors
- Construction of venues
- Local employment opportunities
- Community engagement
- Manufacture of products for the event
- Supply chain labour implications due to fluctuating production requirements before, during and after an event

DURING EVENT

- Employment
- Broadcasting
- Visitor transport
- Visitor behaviour, including sex tourism
- Discrimination against competitors or visitors
- Behaviour of security forces

POST-EVENT

- Delivering on legacy commitments
- Long-term benefits to host city/country
- Ongoing use of venues
- Access to effective remedy
- Ensuring learnings are handed over to the next sporting event

VOLUNTARY INITIATIVES

While there are no universal regulations pertaining to human rights or sustainability for sporting events, members may derive guidance from a range of initiatives and frameworks.

The **UN Guiding Principles on Business and Human Rights** (UNGPs) provide a global standard for the role of business in respect of human rights. Based on three pillars – protect, respect and remedy – the UNGPs can be used as tools by companies to guide performance, and as a benchmark by which stakeholders may hold companies to account. They include a provision that businesses should conduct due diligence by means of a human rights impact assessment.

ISO 20121 is an international standard to help organisations of all sizes to improve the sustainability of their event-related activities, products and services.

Some large sporting events now establish their own human rights standards and frameworks. The local organising committee for the **2014 Glasgow Commonwealth Games** was the first to publish a human rights policy for the event. Since then, the **International Olympic Committee (IOC)**, the **Commonwealth Games Federation**, **FIFA** and **Formula 1** have all made public commitments.

The **IOC** has also established the **Sustainability and Legacy Commission**, whose role is to review IOC sustainability strategy and policies, advise on priorities and risk management, and promote best practice. Specific recent events have also made sustainability commitments, most notably **LOCOG** (London Organising Committee of the Olympic and Paralympic Games) and **VANOC** (Vancouver Olympic Committee).

Looking ahead, **TOCOG** (Tokyo Organising Committee of the Olympic and Paralympic Games scheduled for 2020) has made explicit sustainability commitments in the ‘Tokyo 2020 High-Level Sustainability Plan’ and ‘Fundamental Principles for the Sustainable Sourcing Code’.

The Institute for Human Rights and Business (IHRB) – an international think tank whose mission is to make respect for human rights part of everyday business – has identified mega-sporting events as one of its focus areas. It is working with stakeholders through the Mega-Sporting Events Platform for Human Rights (www.megasportingevents.org) to advance the creation of an impartial centre for learning and accountability, aimed at bringing continuity to the planning, delivery and legacy of events and ensuring they promote human rights.

In October 2016 the IHRB introduced the Sporting Chance Principles on Mega-Sporting Events, which include a provision that human rights should be considered at every stage in the event lifecycle.

DRIVERS AND CHALLENGES

International sporting events provide a showcase for athletes' talent, dedication and pursuit of excellence. This demands that the events themselves epitomise excellence in the way they are run.

Sport exercises a powerful public influence, especially on young people. Large sporting events in particular are significant moments when the eyes of the world are on both the host city and country and the supporting brands, as well as the athletes themselves. This creates both a duty to exercise this power responsibly and an opportunity to positively influence the values and behaviours of viewers and athletes alike.

There is also an important reputational consideration for companies involved in sporting events. Scrutiny of the planning, delivery and legacy of sports events in terms of their impacts on people and the planet has increased markedly in recent years, with some of the most high profile events marred by negative publicity. Examples include reports of discrimination against the LGBT community in the run-up to the 2014 Winter Olympics in Sochi¹, of unfulfilled environmental commitments at the 2016 Rio Olympics² and of labour abuses related to preparations for the 2022 FIFA World Cup in Qatar³. Athletes, sponsors and – increasingly – consumers do not want to be associated with human rights abuses, and it is not inconceivable that negative publicity of this nature may lead to a decline in ticket sales.

There are also serious risks associated with sustainability issues, as environmental effects such as air pollution may lead to athletes taking legal action against the organisers or even withdrawing from events. Failing to address these and other issues jeopardises not only the reputation of the organisers and sponsors, but also the future of sports events.



Moreover, increased concern about human rights and sustainability issues has resulted in some of the larger events beginning to impose regulation around these topics. For example, the IOC published new host contract outlines in 2015, which include specific consideration for human rights and bribery and corruption, with other sporting events likely to follow this example.

CHALLENGES FOR OUR MEMBERS

Despite these compelling factors, companies involved in any aspect of staging sporting events face challenges in integrating human rights and sustainability considerations.

First, there is no common definition of a sustainable or human rights oriented sporting event, nor of any clear way of measuring these factors. With the exception of few 'mega' events, they are also relatively unregulated.

Indeed, introducing a standard means of measuring or regulating the human rights or sustainability of sporting events would be difficult since events vary enormously in size and nature. Host countries are also at very different stages with regard to their capacity to understand, manage and regulate these issues. In addition, any set of standards would need to be continually revised in line with increasing knowledge and expectations – making it difficult to compare, for example, the 2016 Olympics with its predecessor.

Host governments, organisers and sponsors also face the challenge of working in partnership with stakeholders with whom they do not share common objectives, values or standards. Moreover, trying to meet the differing – and sometimes conflicting – goals of organisers, sponsors, local communities and other stakeholders can hinder collective progress. Sponsors may even find it difficult to get support internally for sustainability or human rights based objectives due to different priorities.

There is also the challenge of not being able to control certain aspects of sports events – such as the behaviour of athletes or visitors – that may have a negative impact on the sustainability of the event or how it is perceived.

Manufacturers, meanwhile, face the specific difficulty of maintaining and upholding the human rights of workers in their factories in a context of changing production requirements before, during and after an event.

¹ <http://www.bbc.co.uk/news/world-europe-26043872>

² <https://news.mongabay.com/2016/07/rio-olympic-organizers-fail-to-meet-all-environmental-goals/>

³ <https://www.amnesty.org/en/latest/news/2016/03/abuse-of-world-cup-workers-exposed/>

WHAT WE THINK

As an industry, we need to acknowledge that few international sporting events take place without some negative human rights and sustainability impacts. We believe that the future success and viability of such events depends on our members and others taking significant steps to address this situation.

Planning and delivering sports events involves a range of stakeholders, which may include governments, sports bodies, organising committees, sponsors, suppliers, retailers, NGOs and others. We believe that all contributors have a responsibility to strive for excellence and to uphold the core values and principles of sport, and that all must work together to put human rights and sustainability at the centre.

To this end we support the work of the IHRB and the Mega-Sporting Events Platform for Human Rights to address the human rights challenges of running sports events and are pleased to endorse their 'Sporting Chance Principles', which were established in 2016 to promote and embed human rights considerations into the planning, delivery and legacy of sporting events. We also commend the use of the ISO 20121 standard, which specifies key principles of sustainable event management.

In addition, our members have different responsibilities and opportunities depending on the size and nature of their business. All have a duty to take account of the factors over which they have control. Indeed, the WFSGI Code of Conduct includes a number of provisions designed to protect the human rights of workers in their supply chains and to promote the integration of sustainability principles into business decisions and practices.

The main responsibility for manufacturers is to uphold the human rights of their workers by ensuring safe working conditions and providing their workers with fair compensation. They can also mitigate their environmental impacts by investing in renewable energy and new technology to improve efficiency.

Brands should have comprehensive supply chain due diligence practices in place and provide training to their suppliers to address workplace issues that may jeopardise workers' rights.

Larger members, or those with more experience, can support others through providing practical knowledge and learning. Those that have the opportunity to sponsor sporting events have a special responsibility to use their influence to effect positive change and promote high standards – at both the local and global level – as well as to support capacity building within national sporting federations.

SPORTING CHANCE PRINCIPLES ON HUMAN RIGHTS IN MEGA-SPORTING EVENTS

1. Bidding to host mega-sporting events is open to all.
2. All actors respect internationally recognized human rights and labor rights.
3. Mega-sporting events need to take account of human rights at every stage of their lifecycle.
4. Affected groups merit a voice in decision-making.
5. Access to remedy is available.
6. Lessons are captured and shared.
7. Stakeholder human rights capacity is strengthened.
8. Collective action is harnessed to realize human rights.

See further: www.megasportingevents.org

UNDERSTANDING THE BENEFITS

Taking these responsibilities seriously would represent support for the values of sport and make an important contribution to the staging of events that promote and respect human rights and do not damage the environment.

Such events would reflect well on all parties involved, enabling members to protect and enhance their own reputations and to position themselves as partners of choice for responsible events organisers. It would also preserve the reputation of the industry as a whole and improve the public perception of sporting events – preventing them from being blighted by negative publicity and, in the longer term, safeguarding the future viability of such events.

SUPPORTING OUR MEMBERS

As the representative body for the sporting goods industry, we are keen to support and assist our members to navigate this challenging topic. As well as information and advisory services to assist members with their reporting and other CR challenges, key areas of support that are specific to this topic are as follows:

- Offering members a space for mutual learning and collaboration with other industry bodies such as FIFA, IOC and other event organisers, as well as interest groups;
- Providing members with actual information regarding important developments around Mega-Sporting Events, including guidance materials.

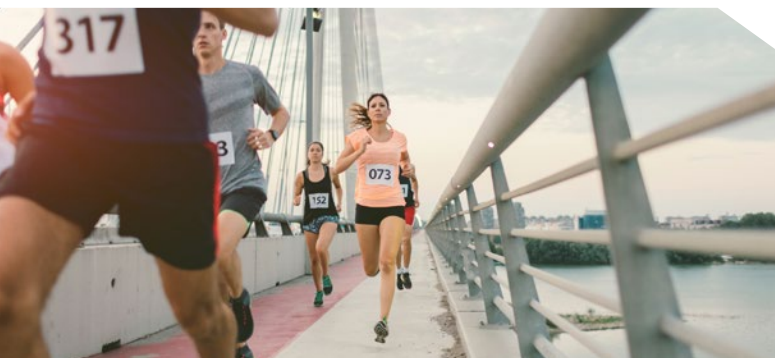
A further benefit of WFSGI membership is the support available from other members. The network offers the scope for smaller forums of member companies to support each other on reporting and other common challenges, and for larger organisations to mentor comparable smaller companies.

CASE STUDY: PREPARING FOR OLYMPIC SPONSORSHIP – ASICS

Japanese sporting goods company ASICS is looking forward to being a Gold Partner of the 2020 Tokyo Olympic Games – but being a key partner of a high profile event brings its challenges. ASICS recognises the need to be well prepared and to learn from the Rio Games.

IDENTIFYING THE RISKS

To this end, ASICS has devoted considerable attention to identifying the risks that could arise from its sponsorship of the 2020 Tokyo Olympic Games. Chief among them is that of failing to meet increasingly high standards of product safety. ASICS recognises that it has a duty to ensure its products are safe for consumers to use – and that failing to do so may give rise to legal risks and negative business impacts. As the only sporting goods partner of the Tokyo Olympics, a rigorous approach to product safety is critical in the lead-up to the Games.



ASICS has also identified supply chain challenges such as forced, child and migrant labour and workplace health and safety as potential risks that demand focused attention and effective management. The company takes seriously its responsibility to promote the human rights of workers in its supply chain, especially given the likelihood of fluctuating production requirements before, during and after the Games.

A related risk of which ASICS is acutely aware is the increase in scrutiny surrounding major sporting events and the brands associated with them. The concerns outlined above – as well as the legacy of major events for citizens of the host country – have gained a high profile in the run-up to recent and forthcoming events, including the 2016 Rio Olympic Games and the 2022 FIFA World Cup in Qatar. This is largely due to growing NGO influence,

including the Play Fair campaign that takes advantage of high profile sporting events to shine a spotlight on social and environmental concerns associated with the sponsor companies.

ADDRESSING THE CHALLENGES

To address these challenges and to aid its preparations for Tokyo, ASICS took a number of actions in advance of the 2016 Rio Olympic Games. These included strengthening its promotion of good chemical management by ensuring its suppliers comply with the company's RSL (Restricted Substances List) and by aligning its RSL with that of AFIRM.

ASICS also established a CSR and sustainability position statement outlining its approach to a range of social and environmental issues and some key metrics. It developed training materials to help retail staff understand ASICS' sustainability efforts and to know what actions they should take if a campaign was conducted outside their stores.

In addition, ASICS initiated closer dialogue with critical stakeholders such as NGOs, as well as with forums such as Better Work, the IHRB (Institute for Human Rights & Business) and ILO (International Labor Organization).

A key focus for the company is to continue to improve its own sustainability practice ahead of the Tokyo Olympics – and ongoing, effective collaboration with key stakeholders is central to this goal. This includes the company's suppliers, as ASICS steps up its efforts to ensure its suppliers are fully aware of their responsibilities to promote human rights and provide safe working conditions, as well as to monitor compliance and address violations.

REAPING THE BENEFITS

ASICS already counts a number of benefits from the actions it took in preparation for Rio. These include stronger relationships with stakeholders, improved engagement of employees – especially retail staff – with the company's CSR strategy and enhanced capacity to help their suppliers manage significant issues.

Through learning from past events and improving its ability to think ahead, the company is also better prepared for future challenges – a particularly critical factor in giving ASICS the confidence that it will be ready for its home Olympics in 2020.

ONGOING DEVELOPMENTS & NEXT STEPS

In the coming years we expect scrutiny of the human rights and sustainability impacts of all aspects of sporting events continue to increase – particularly of the most high profile events but increasingly of smaller events as well. We believe there is a risk that this public attention could result in fewer cities and countries being prepared to host events.

However, we expect to see a growing number of event organisers and sports federations make public commitments to uphold human rights and sustainability – along with mounting pressure to demonstrate how these commitments are put into practice.

We believe this provides a compelling basis for greater collaboration within the sporting industry to place human rights and sustainability at the centre of events planning and delivery. We await with interest the outcomes of the IHRB research into how to build and deliver sports events that truly showcase the best of humanity throughout their lifecycle.

SUMMARY AND CONCLUSION

The WFSGI provides a platform for sharing best practices and actively engages members in realising a CR vision grounded in shared values and principles. As an association, WFSGI is both a voice for the industry and a trusted advisor on CR and strategy issues for its members. We believe that members that take up and act on the advice and resources WFSGI offers will be the best positioned to respond and thrive in the face of emerging trends and evolving regulation over the coming years.

We appreciate the challenges of complexity, diversity and evolving context in which our members operate. However, we believe that companies must play their part in safeguarding the future of sporting events large and small by taking a responsible approach to the human rights and sustainability considerations that lie within their sphere of influence. We also believe that industry-wide collaboration will be a vital aspect of making progress on this issue.

As the voice of the industry, we will continue to monitor trends, build our understanding of emerging best practice and support our members to make progress in this important area.

FURTHER INFORMATION

UN Guiding Principles on Business & Human Rights

www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

ISO 20121 (for event sustainability)

www.iso20121.org

Glasgow 2014 Commonwealth Games - Approach to Human Rights document

www.glasgow2014.com/sites/default/files/documents/Glasgow%202014%20-%20approach%20to%20human%20rights%20-%20December%202013.pdf

IOC - Sustainability and Legacy Commission

www.olympic.org/sustainability-and-legacy-commission

TOCOG 2020 High-Level Sustainability Plan and Fundamental Principles for the Sustainable Sourcing Code
tokyo2020.jp/en/news/notice/20160129-01.html

Institute for Human Rights and Business article
www.ihrb.org/focus-areas/mega-sporting-events/commentary-ensure-mse-built-on-human-rights

IHRB Sporting Chance Principles on Mega-Sporting Events
<https://www.ihrb.org/megasportingevents/sporting-chance-principles>

IHRB Mega-Sporting Events website
www.megasportingevents.org/



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