



Update to Lawyers for Palestinian Human Rights' submission dated 30 December 2016 to the Office of the High Commissioner for Human Rights on business enterprises allegedly involved in the construction and growth of Israeli settlements under Human Rights Council Resolution 31/36



About Lawyers for Palestinian Human Rights (LPHR)

LPHR is a legal charity in the UK that works on projects to protect and promote Palestinian human rights. Our trustees include leading human rights lawyers Sir Geoffrey Bindman QC and Tessa Gregory.

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Update to LPHR's 30 December 2016 submission to OHCHR

1. LPHR submits this brief update to its submission of 30 December 2016 to report on a couple of notable developments that we believe would be useful for the OHCHR to take note of in respect of our submission. This update is to be read in association with our 30 December 2016 submission.
2. LPHR first wishes to note that, following the announcement by G4S plc, on 2 December 2016, that it had reached an agreement on the sale of G4S Israel to FIMI Opportunity Funds, the company announced on 28 June 2017:

“[H]aving received all necessary government and regulatory approvals, the sale of G4S Israel to FIMI has completed today in accordance with the sale agreement announcement of 2 December 2016.”

3. Despite the sale completion announcement by G4S, LPHR notes that complete clarity is yet to have been given by the company over the concerns raised in our 30 December 2016 submission as to whether or not they will have ongoing involvement in activities that have adverse human rights impacts in Israel and the occupied Palestinian territory.
4. In this regard, LPHR notes that by letter dated 8 March 2017, it wrote to G4S requesting answers to the following questions:
 - whether, after the completion of the sale of G4S Israel to FIMI, G4S will continue to provide any of the services that were the subject of LPHR's 2013 business and human rights complaint to the UK National Contact Point for the OECD Guidelines for Multinational Enterprises; and
 - whether G4S alerted FIMI Opportunity Funds to the UK NCP's findings of a breach of human rights obligations in relation to G4S' activities in Israel and the oPt.
5. G4S responded to our letter on 27 March 2017 through the Business and Human Rights Resource Centre with the following reply:

“The statement made by G4S on the agreement with FIMI (dated 02/12/16), set out clearly what business interests G4S would retain in Israel if the sale is approved – see below. This is the only business which would be retained by the company.

“G4S will retain a presence in Israel through ownership and continued investment in the flagship national police training centre in partnership with FIMI and Shikun & Binui, a major Israeli infrastructure and real estate group.”

We do not comment on specific commercial discussions with acquirers of businesses; however information regarding the NCP process is in the public domain and readily accessible by anyone.”



6. LPHR notes that G4S' reply does not fully clarify whether the Company will continue to be involved in the occupied Palestinian territory through its operations or business relationships. We submit this may be an issue that OHCHR might wish to explore directly with G4S in relation to its examination of our 30 December 2016 OHCHR submission.
7. LPHR further notes that G4S' reply relies on commercial confidentiality to not disclose whether FIMI Opportunity Funds were aware of the UK NCP's adverse human rights findings during sale negotiations. We asked this question to G4S due to our serious concerns over whether FIMI had carried out adequate pre-acquisition human rights due diligence, and whether it had given appropriate consideration to its own business and human rights responsibilities
8. In this regard, LPHR notes that FIMI Opportunity Funds has not provided a reply to our letter to them dated 8 March 2017 - submitted through the Business and Human Rights Resource Centre - which requested an answer to the following questions:
 - whether FIMI was already aware of the findings that G4S's activities in Israel and the oPt was in breach of human rights obligations; and
 - how FIMI will seek to address the human rights violations at Israeli prisons and detention centres, and at military checkpoints, including along the separation barrier that are linked to the services provided by G4S Israel?
9. It is a weighty concern of LPHR that FIMI Opportunity Funds has not replied to our letter submitted through the Business and Human Rights Resource Centre. We submit that in the absence of a response fully addressing the above questions, the position should be taken that FIMI Opportunity Funds is in breach of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through its acquisition of G4S Israel. We have particular concerns because, as FIMI is a private entity, its public disclosure requirements are far more limited than those of G4S and so FIMI's activities are substantially less transparent and exposed to public scrutiny. Correspondence therefore provides one of the only channels through which it is possible to obtain reassurance from FIMI that it is in compliance with international human rights provisions.
10. Finally, LPHR wishes to draw the OHCHR's attention to the UK Parliament Joint Committee on Human Rights' key recommendation in its recent [Human Rights and Business Report](#) (published in March 2017), that the UK Government should not award large public sector contracts, export credit, and other financial benefits to companies who have received negative final statements from the UK National Contact Point and who have not made effective and timely efforts to address any issues raised, a bracket that G4S clearly falls into. This development indicates the growing awareness and interest by UK parliamentarians in supporting the UN Guiding Principles and OECD Guidelines for Multinational Enterprises.