



ICRC

Ethical principles guiding ICRC's partnerships with the private sector

I. Purpose

The aim of these guidelines is to establish a transparent framework for relationships between companies and the International Committee of the Red Cross (ICRC) that involve support from the private sector to the ICRC (e.g. donation in cash or in kind, sponsoring, cause-related marketing, technical assistance). The term "Companies" encompasses private firms and their foundations, as well as state-owned enterprises.

As a matter of principle, a partnership shall strengthen -- but in no way undermine -- the capacity of the organisation to carry out its activities worldwide in accordance with its specific mandate and the principles of the International Red Cross and Red Crescent Movement (hereafter referred to as "the Movement").

II. ICRC's Private Sector Strategy

Since its inception in 1863, the International Committee of the Red Cross (ICRC) has traditionally dealt with States. After World War II, the ICRC engaged more and more with non state actors such as opposition groups and non governmental organisations. With the advent of globalization, the private sector is playing an increasingly prominent role in international relations. In many States affected by internal violence or armed conflict, governments have lost part of their prerogatives while some multinational corporations bear more and more influence on the parties to the conflict. The ICRC has adopted a comprehensive strategy to develop its relations with the private sector in a coherent and co-ordinated fashion with the chief aim to keep providing effective protection and assistance to war victims under these new circumstances. **The strategy focuses two main avenues:**

- First, the **promotion of humanitarian principles and humanitarian dialogue** with companies operating in conflict-prone areas. In this case, the ICRC seeks to establish relations with a company because it has a direct or indirect influence on the situation of war victims. The objective of the ICRC is then not to seek any material or financial support. Companies are thus approached irrespective of whether their policies and activities are consistent with the guidelines below, and **the guidelines below do not apply to relations with the private sector established under this first objective**, and do not expand on the rationale and modalities underlying such relations.
- The second avenue consists in **seeking support from the private sector** to enhance the ICRC's capacity to operate in an efficient manner, recognising that the expertise and financial capacity of the business community has a great potential to help the ICRC achieve its humanitarian objectives. **The guidelines below do apply only in the case of relations with firms established under this second avenue.** Partnerships shall be established with companies whose policies and activities are consistent with the guidelines below.

The ICRC believes in the benefit of a coherent and principled approach while engaging with the private sector. At the level of the Movement, coherence is also regarded as important objective, especially when dealing with partnerships having an international coverage, which may have direct or indirect consequences in conflict-prone countries. Experience shows that in a globalised world, information about partnerships flows instantly across borders and may impact both on public opinion and political leaders. Experience further reveals that multinational corporations do not make much distinction between the different components of the Movement: they are primarily interested in an association with the Red Cross/Red Crescent "brand".

III. Guiding Principles

The ICRC's selection criteria for corporate partners derive from three key sources:

1. the Movement's principles;
2. the Movement's Statutes;
3. the specific mandate of the ICRC.

1) *The Movement's principles*

Under the principle of *humanity*, the Movement's purpose is "to protect life and health and to ensure respect for the human being".

Impartiality dictates that the Movement makes "no discrimination as to nationality, race, religious beliefs, class or political opinion".

Independence requires that the ICRC "shall be able at all times to act in accordance with the principles of the Movement." Partnership modalities shall preserve the independence of the organisation.

Neutrality means that "in order to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of political, racial, religious or ideological nature."

Universality means that the International Movement of the Red Cross and Red Crescent is and operates worldwide.

Unity means that there can be only one national Red Cross or one Red Crescent Society in any one country, which must be open to all and carry on its humanitarian work throughout its territory.

The different components of the Movement are all *not-for-profit* organizations.

2) *The Movement's Statutes*

The Statutes of the Movement state in their preamble that the purpose of the Red Cross/Red Crescent is "... to protect life and health and ensure respect for the human being (in particular in times of armed conflict and other emergencies), ... to work for the prevention of disease and for the promotion of health and social welfare".

3) *The ICRC's mandate*

The ICRC's specific mandate is to promote international humanitarian law and to protect and assist war victims. The ICRC thus looks in particular at corporate conduct in war-prone areas and at corporate relations with host governments and local communities.

III.1 Ethical Criteria

The ICRC's ethical criteria for corporate partners are inspired by these three key sources. The decision to establish a relationship is guided by both negative and positive criteria. The decision is taken in three steps, in order of priority:

1. As a matter of absolute priority, the ICRC shall not accept any support from a company **if this may endanger the capacity of the organisation** to carry out its mandate in accordance with the principles above.
2. The ICRC shall seek or accept the support of companies only if their policies and activities do not fundamentally **contradict the guiding principles** above. This criteria addresses in particular the requirement contained in Article 23 of the Movement's Regulations on the Use of the Red Cross/Red Crescent Emblem, which stipulates that: "[a business partner] ... *must in no way be*

engaged in activities running counter to the Movement's objectives and Principles or which might be regarded by the public as controversial."

3. The ICRC further shall assess the potential impact of a partnership with a company on its **public image** and reputation.

Based on the above, the ethical criteria are the following:

- A. The ICRC does not seek nor accept support from companies involved in the direct manufacture or sale of **arms**, or having a majority stake in such companies.
- B. The ICRC does not seek nor accept support from companies involved in violations of **international humanitarian law**, based on the information available to the ICRC through its worldwide presence in conflict-prone areas.
- C. The ICRC does not seek nor accept support from companies which do not respect **internationally recognised human rights and fundamental labour standards**, including the Universal Declaration of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.
- D. The ICRC does not seek nor accept support from companies whose products are widely recognised as deleterious to **health**, or against which there are credible allegations of non-observance of widely recognised rules and regulations such as those elaborated under the World Health Organization (WHO).
- E. The ICRC further pays attention as to whether there are **major public controversies** tied to the products, policies or activities of a company, based on the reports and assessments provided by professional rating agencies and other information available from credible sources.

The ICRC encourages partnerships with companies that are committed to respecting and promoting the rights and standards above. The ICRC also favours partnerships with firms that adhere to basic principles of sustainable development and ecological management of environmental resources, as well as to those that actively supports sustainable development at the operational level.

IV. Information Sources

Globalisation is characterised by series of mergers, acquisitions and complex portfolio investment that make it impossible for the ICRC to assess the scope of activities and ethical behaviour of corporations. Therefore, the ICRC relies on at least two professional and specialized ethical rating agencies which shall be independent and not-for-profit organisations.

These rating agencies provide the ICRC with a detailed description of companies' activities and behaviour, such as the breakdown of sales by sector, social and environmental performance, relations with employees and host communities, transparency and disclosure policy, as well as issues relating to human rights principles. The ethical rating agencies further report on past and ongoing public controversies as well as on efforts by the company to resolve them.

When required, additional data is collected from relevant authoritative international bodies (e.g. WHO). In order to dispel any remaining doubt, the ICRC shall also raise issues directly with the company when establishing the dialogue leading to a potential partnership agreement.

V. Partnership modalities

The principle of independence requires that the arrangement modalities between the ICRC and a company does in no way lead to believe that the ICRC may endorse a company, its products, policies or services. The ICRC cannot grant formal "exclusivity" to any company in the framework of a partnership.

The ICRC "logo" is not a trademark, and is not registered as such nor is protected under trademark laws. The ICRC "logo" embodies the Red Cross emblem, which is protected under international law (Geneva Conventions). It is important to recall that the emblem is first and foremost an internationally recognised symbol of protection during armed conflicts. Each Movement component has a responsibility to help preserve the emblem's unique protective power. All agreements with companies must abide by the rules applying to the use of the ICRC "logo", as spelled out in the 1991 Movement's Regulations on the Use of the Emblem.

Corporate alliances where a company is permitted to use the ICRC name or "logo" must be put in writing, with the roles and responsibilities of each party clearly laid out. Such agreements shall contain a termination clause for both parties. The ICRC always reserves the right to withdraw from a partnership on very short notice upon evidence that a corporate partner does not fulfil the ethical criteria contained in section III anymore.

VI. Implementation

A "Corporate Partnership Cell" is established under the ICRC's Director General for the purpose of reviewing and implementing these guidelines. Decisions are taken based on an assessment of the consistency between a company's policies and practices and the criteria contained in section III. In exceptional cases where the "Corporate Partnership Cell" is unable to make a final recommendation, the issues will be brought to the ICRC's Assembly Council for final decision.

When dealing with long-term partnerships or in cases where there are new and major elements to be taken into account with regard to a corporate partner (e.g. merger or acquisition), there shall be reviews with the aim of assessing whether or not the corporate partners continue to meet with the above criteria, and whether a partnership shall be terminated.