

Warsaw, 5 September 2014

L.dz. 2324/2014

Mr Bob Langert
Vice President for Global Sustainability
McDonald's
2111 McDonald's Dr
Oak Brook
IL 60523, United States of America

Re: McDonalds' sponsorship of Baku 2015 European Games in the light of serious human rights concerns

In the light of the news on the sponsorship by McDonald's of the European Games scheduled for 2015, the signatories below would like to draw your attention to and express our great concern about the current human rights situation in Azerbaijan and your potential contribution to and complicity in the human rights violations taking place in that country.

In line with the Guiding Principles on Business and Human Rights, business enterprises have responsibility to respect human rights, also in their business relations, which requires them to:

- (a) Avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur; and
- (b) Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.

Enterprises are also required to 'know and show' how they meet this responsibility, and in order to enable this, are expected to have in place effective policies and processes appropriate to their size and circumstances, including processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute.

We understand McDonald's is engaged in the country both economically and culturally, and probably perceives its sponsorship agreement as an element of its corporate social responsibility dimension. However, given the potential negative human rights impacts that the activities covered by the sponsorship may have on the local community and on human rights defenders in Azerbaijan, we would like to query whether McDonald's has conducted a rigorous human rights due diligence process, including a thorough human rights impact assessment of its financial support for the organization of the Games (including construction of new sport and related facilities and infrastructure), before it entered into sponsorship agreement. In particular we would like to query whether McDonald's:

1. took into consideration the political situation in the country, particularly the long-lasting repression of civil society in the country and the wave of arrest of human rights defenders in July and August 2014?
2. analysed the impact of development of sports infrastructure on local communities, particularly bearing in mind the unlawful evictions in various Baku districts that have preceded this event e.g. for the Eurovision contest?
3. required the Games organizer to conduct and disclose the results of the human rights and environmental impact assessment of the new building/infrastructure projects?
4. required inclusion of a human rights clause that would enable McDonald's to terminate the sponsorship agreement if the organization of the Games gave rise to increased human rights violations?
5. has in place adequate policies, processes and grievance mechanisms to enable those negatively affected by the Games, in organization of which it is financially involved, to seek effective remedy and justice in case adverse human rights impacts occur?

We believe that a global company like McDonald's has the potential to exert important leverage over its business partners. In situations like this when it is making a significant financial contribution, it should use this leverage to require guarantees that sponsored activities and projects do not result in adverse human rights impacts. The Council of Europe, UN and European Union on many occasions expressed concern about the Azerbaijani regime repressive policies against human rights defenders and other voices critical of the authorities.

In recent weeks, a wave of repression has struck human rights defenders in Azerbaijan. On 14 July, Hasan Huseynli, the President of „Intelligent Citizen" Enlightenment Center Public Union acting in Ganja, was convicted to a prison term of 6 years. Hasan Huseynli is an education promoter, social activist, and community leader, who has had a huge positive impact on hundreds of young Azerbaijanis, encouraging them to study abroad and contribute to Azerbaijan's development with their knowledge and skills.

Then, Leyla Yunus and her husband Arif Yunus were put behind bars. They were involved in the protection of citizens suffering from massive expropriation in Baku and were promoting a peace process between Armenians and Azerbaijanis in Nagorno-Karabakh. On 2 August, Rasul Jafarov, a thirty-year-old human rights defender was detained. He was the mastermind of the 'Sing for Democracy' campaign organised during the Eurovision song contest held in Baku in 2012. He was engaged in counting political prisoners in Azerbaijan and fought to mobilise international organisations to react to the Azerbaijani government's human rights abuses. On 8 August, Intigam Aliyev, a well-known activist and a prominent lawyer, was arrested. He had won a dozen of cases against Azerbaijan before the European Court of Human Rights. His arrest has left a number of applicants to the Court without legal representation.

We believe the charges against these activists are spurious. Amnesty International concludes they have been imprisoned for peacefully exercising their right to freedom of expression and considers them Prisoners of Conscience. Other internationally renowned human rights organizations such as Human Rights Watch also consider the accusations of economic and tax offences (and in the case of Leyla and Arif Yunus also the charge of

treason) as pretexts for politically motivated arrests. On exactly the same grounds, prosecution proceedings have been opened against a much broader group of 21 non-governmental organisations. Accounts of activists and their organizations were frozen, and most of them have had to cease their human rights activity.

The recent crackdown is just another step in a long chain of assaults on democratic values. Anar Mammadli, the head of an independent think-tank monitoring elections, who dared to claim that the presidential elections held in the autumn of 2013 were unfair, was jailed a couple of months ago. Ilgar Mammadov, the head of the opposition party, was jailed over a year ago, and the European Court of Human Rights has already acknowledged him as a political prisoner adjudicating on the lawfulness of his pre-trial detention. Prominent journalists, such as Tofiq Yagublu, Sardar Alibeili, and Parviz Hashimli, are also part of this collection of people behind bars for publishing views critical of the government. These detentions must be considered a derivative of policies that the Government of Azerbaijan has been conducting for many years, preventing non-governmental organizations from registering their activity and the grants received from foreign funding.

The current repressions met also with condemnation of the UN Working Group on Business and Human Rights, who after the recent country visit to Azerbaijan in August 2014 expressed concern “that a number of prominent civil society actors were placed in pre-trial detention just before our visit and that human rights organizations face problems with accessing bank accounts and registering” and called “that the legitimate and peaceful activities of human rights defenders are not obstructed”, while also clearly stating that corporations have a role and responsibility in this regard¹.

In the light of these facts, we are wondering why McDonald’s chooses to promote Azerbaijan by providing financial support to the European Games. The Games are clearly presented by the government as a prestige project of the president himself, and we wonder how McDonald’s can justify unqualified support for the Games when this will inevitably be seen as support for Ilham Aliyev and his repressive policies.

We call on you to verify and reassess, taking into account the U.N. Guiding Principles on Business and Human Rights, to what extent your financial support for the European Olympic Games in Baku will white-wash human rights violations in Azerbaijan, and reconsider your sponsorship and the conditions attached to it. Despite the official statement of the Organizing Committee, which attempts to ignore the political situation in Azerbaijan and ongoing human rights repressions, we believe that the activists’ arrests, in particular that of Rasul Jafarov, are related to the organization of the games. The activist was planning to launch a new campaign “Sport for rights” during the 2015 European Games, engaging sportsmen and –women and sport teams to promote democratic values and draw the public attention to the degrading human rights situation in the country.

We do hope and believe that an honest and diligent assessment of the human rights situation in the country will lead you to reconsider the financial engagement in the European Games. As a very minimum, we call on you to unequivocally call for ending prosecution of persons who are critical towards the government, including of persons who on occasion of the Games want to campaign on behalf of human rights in Azerbaijan.

¹ <http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=14969&LangID=E>

We would also appreciate your response to our concerns and queries, which should be directed to beata.faracik@pihrb.org and d.bychawska@hfhr.org.pl. Please be advised that the letter and any response (or the fact of the lack thereof) will be made public on September 17th, 2014.

On behalf of all signatory organizations,



Beata Faracik
President of the Board
Polish Institute for Human Rights
and Business



Danuta Przywara
President of the Board
Helsinki Foundation
for Human Rights

LIST OF SIGNATORY ORGANIZATIONS

1. ARTICLE 19 (International) (United Kingdom)
2. Buy Responsibly Foundation (Poland)
3. Belarusian Helsinki Committee (Belarus)
4. Belarusian Human Rights House in exile (Lithuania)
5. Belgrade Centre for Human Rights (Serbia)
6. Caucasian Centre for Human Rights and Conflict Studies
7. Center for Civil Liberties (Ukraine)
8. CSR Watch Coalition Poland (Poland)
9. European Coalition for Corporate Justice
10. Fundacja im. Stefana Batorego (Poland)
11. Helsinki Citizens' Assembly – Vanadzor (Armenia)
12. Health and Human Rights Info (Norway)
13. Human Rights Centre (HRDIC) (Georgia)
14. Human Rights House Belgrade (Serbia)
15. Human Rights House Foundation (Norway)
16. Human Rights Information Center (Ukraine)
17. Human Rights Monitoring Institute (Lithuania)
18. Human Rights Movement “Bir Duino-Kyrgyzstan” (Kyrgyzstan)
19. Index on Censorship (United Kingdom)
20. International Service for Human Rights (Switzerland)
21. Kazakhstan International Bureau for Human Rights and Rule of Law (Kazakhstan)
22. KRF Public Alternative (Ukraine)
23. Małopolskie Towarzystwo Oświatowe (Poland)
24. Moscow Helsinki Group (Russian Federation)

25. Netherlands Helsinki Committee (The Netherlands)
26. Norwegian Helsinki Committee (Norway)
27. Office of Civil Freedoms (Tajikistan)
28. Polish Green Network (Poland)
29. Polish Society of Anti-Discrimination Law (Poland)
30. Public Information and Need of Knowledge NGO (Armenia)
31. Public Verdict Foundation (Russian Federation)
32. Sieć Obywatelska Watchdog Polska (Poland)
33. "Social Action Centre" NGO (Ukraine)
34. Stowarzyszenie Homo Faber (Poland)
35. The Institute for Reporter's Freedom and Safety (Azerbaijan)
36. Ukrainian Legal Aid Foundation (Ukraine)
37. Women Peacemakers Program (The Netherlands)
38. World Organisation Against Torture (OMCT) (Switzerland)
39. YUCOM Lawyers' Committee for Human Rights (Serbia)
40. Krzysztof Stanowski, President of Solidarity Fund PL (Poland)