



# SOMO

Centre for Research on Multinational Corporations





Laptops, PCs, games consoles and mobile telephones can be found in nearly every Western household. In order to meet rising demand for these products, electronics companies set high production targets. This pressure is translated into mandatory overtime, wages below the minimum living wage, no freedom of association and contact with toxic materials for factory workers in developing countries. Violations of labour rights and breaches of environmental standards also take place during the mining of raw materials and in the processing of electronic waste.

## Expertise

By conducting independent research, SOMO builds knowledge on companies and sustainability issues in the global economy. In order to disseminate this knowledge, SOMO coordinates networks such as OECD Watch, GoodElectronics and the MVO Platform. In addition, SOMO trains and advises civil society organisations in research and advocacy.

### SOMO has expertise in:

- Sectors and value chains: Energy and water, electronics, food and agriculture, extractives, garment, financial and the pharmaceutical sector.
- Corporate research: Generating tailor-made corporate profiles, investigating business-related controversies and monitoring corporate impacts.
- Corporate accountability: Corporate social responsibility (CSR), regulation, international

guidelines and standards, voluntary initiatives and codes of conduct.

- Economic reform: Tax justice, trade and investment, policy coherence and alternative socio-economic models.

### SOMO engages:

- Civil society organisations (e.g. development, consumer, human rights and environmental organisations and trade unions) in order to jointly build knowledge, develop skills and increase cooperation.
- Policymakers in international and local governments and intergovernmental organisations (e.g. the United Nations, the European Union and the OECD) in order to affect policy change.
- Multinational corporations and their directors and investors in order to advance corporate accountability and sustainable investment.



International and intergovernmental guidelines are being developed to influence the behaviour of multinational corporations with regard to human rights, labour rights, the environment and other CSR-related aspects.

For example, ethical guidelines in the pharmaceutical sector have been developed in order to protect vulnerable participants in medicine testing in developing countries from unethical practices by pharmaceutical companies. Improved monitoring of compliance with these guidelines is sorely needed.

## Impact

SOMO's research, network coordination, training and advice contribute to sustainable development.

### Highlights of the impact SOMO has had include:

- Electronics companies have acknowledged their responsibility for the mining of minerals in developing countries. This is thanks to pressure from the European makeITfair campaign, a project initiated by SOMO.
- The framework of international CSR standards has been strengthened through an update of the OECD Guidelines for Multinational Enterprises. Key in this process was OECD Watch, a global network of NGOs set up and hosted by SOMO.
- The need for improvements to regulations in the pharmaceutical industry has been put on the agenda at the EU level. SOMO joined forces with the Dutch NGO Wemos in this work aimed at increasing protection for patients involved in the testing of medicines in developing countries.
- The Dutch government's sustainability criteria have improved as a result of pressure from the MVO Platform, a network coordinated and hosted by SOMO.
- The Netherlands' position as a tax haven (and the problems this creates for developing countries) is now on the public agenda due to the work of Tax Justice Netherlands, of which SOMO is a founding member.
- For the first time ever, major tea producers have publicly acknowledged their responsibility for the abuses identified in the SOMO report *Sustainability Issues in the Tea Sector*. Several major tea producers now use sustainability certification schemes.
- SOMO's research on the energy sector and its collaboration with other NGOs such as Greenpeace has generated a political and public debate about the necessity and sustainability of new coal-fired power stations in the Netherlands. As a result, several planned coal-fired plants have had their construction delayed or been completely scrapped.



Avoidance and/or evasion of tax obligations is common practice among multinational corporations. This practice deprives governments of revenues and funding for basic public services. Tax avoidance also leads to unfair competition because large multinational corporations often find it easier to avoid paying taxes than smaller, national companies. In addition, corporate tax avoidance results in a shift of the tax burden away from corporate entities and onto workers and consumers, which can have an anti-development effect.

## Service

SOMO has extensive experience with screening companies in terms of their performance and impact on sustainable development. Civil society organisations, semi-public and public bodies and international organisations make use of SOMO's services. These organisations use the company information provided by SOMO to support their partnerships, campaigns, multi-stakeholder initiatives, dialogues, negotiations, investments, fundraising and other forms of relations with corporations. In addition to generating and disseminating knowledge about corporations, SOMO advises organisations on how to use and operationalise CSR codes and guidelines and corporate accountability regulations.

### Services provided by SOMO include:

- Quick Scan: Brief research into the policies and practices of a specific company.
- Company profiles: Deeper research into corporate structures, ownership relationships and CSR policies and practices of a company.
- Benchmark research: Comparative research on multiple companies in a specific sector.

- Value chain analysis: Research into the value chain of a specific product or service, often originating in a specific region or country.
- Research into controversial investments by corporations and private financial institutions.
- Expert input in the form of lectures, workshops and seminars.
- Training courses focusing on research skills and methods, campaign strategies and knowledge of CSR guidelines and instruments.
- Advice on setting up sustainability screening for companies in the area of CSR; the operationalisation of CSR codes and guidelines, including on a sectoral basis; the evaluation of CSR initiatives and certification systems; and sustainable procurement by national and local governments and other public sector bodies.

Extensive information on the services provided by SOMO is available on our website.

## SOMO's mission

SOMO strives toward global economic development that is sustainable and fair and toward the elimination of the structural causes of poverty, environmental problems, exploitation and inequality. Through research targeted at achieving sustainable change and strengthening cooperation, SOMO seeks to offer social organisations worldwide, especially those in developing countries, the opportunity to promote sustainable alternatives and to provide a counterweight to unsustainable strategies and practices of multinational corporations.

### About SOMO

SOMO is an independent, non-profit research and network organisation working on social, ecological and economic issues related to sustainable development. Since 1973, the organisation investigates multinational corporations and the consequences of their activities for people and the environment around the world.

ISO 26000 **Justice**

# **Sustainability** Human Rights

**Controversial Business Practices** Non-profit

**Labour Rights** Sustainable Investment **CSR**

**Global Compact Critics** **Electronics**

# **Corporate Research**

Knowledge **MVO Platform** Tea

**European Coalition for Corporate Justice**

Developing Countries

# **Sector and Supply Chains** Finance

Food & Agriculture **Extractives**

**GoodElectronics** Coalitie Eerlijke Handel

Trade & Investment Supermarkets

# **Combating Poverty**

Garment **Increase Cooperation**

**Tax Justice** Pharmaceutical Industry

**EU Financial Reforms** EPA's **makeITfair**

Network Red Puentes

# **Economic Reforms** Energy & Water

Publications **OECD Watch**

Coffee **World Trade Organisation** GATS

# **Multinational Corporations** Regulations

Social Dialogue **Capacity** Influencing Policy

Directives **Codes of Conduct**

# **Change**



**Centre for Research on  
Multinational Corporations**

**Sarphatistraat 30  
1018 GL Amsterdam  
The Netherlands  
Tel: + 31 (0)20 639 12 91  
Fax: + 31 (0)20 639 13 21  
E-mail: [info@somo.nl](mailto:info@somo.nl)  
[www.somo.nl](http://www.somo.nl)**