

# **Sustainability in Tokyo 2020 Olympic and Paralympic Games**

Report of the Sustainability & Sports Integrity Study Group

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We, the undersigned, Sustainability & Sports Integrity Study Group, are pleased to present our report to the Japan Sports Facilities Association (JSFA)

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## **Fundamental considerations of this Study Group**

In recent years stronger calls have been made for economic and social events to be “sustainable,” as seen, for example with the UN Global Compact and ISO 26000. The more global and larger-scale an activity is, the greater the demands for its preparation and operation to be undertaken with due care, so that it does not impose too excessive a burden on the natural and social environments – either as they occur, or in the future. Of the many criteria currently applicable for such events, “the environment,” “human rights,” and “labour” have become areas where sustainability is to be secured. When undertaking an event that affects the international community, people demand that its “quality and nature” and the “processes and channels for the production, distribution, etc.” of the goods and objects purchased as part of that event be managed within a framework of propriety – that is, that the activity be developed as an “ethical project.”

If we were to neglect these considerations when developing an event or project, it would not only impose an unnecessary burden on resources in the form of the natural environment and people’s labour rights. It would also evoke criticism from the community -, which would prompt stakeholders and sponsors to re-assess their commitment, which in an instant would plunge the whole enterprise into a major crisis.

All this is equally true in the delivery and operation of Olympic and Paralympic Games. Sustainability is treated by the IOC as an important general objective, and it was also stressed at the London 2012 Olympic and Paralympic Games (hereafter, the London 2012 Games). Going forward, in order to deliver an incident-free project by meeting responsibilities to the community and earning the trust of society, two points become relevant: 1) exercising a sensitivity involving empathy for other people’s standpoints and a sense of responsibility to communities in present and future generations; and 2) embracing public opinion which will open up paths to re-affirm the validity of the project or event, and seek to achieve diversity and accord. These issues are not just to remain talking points. In order for them to result in concrete action, setting up appropriate systems and structures will be required to achieve actual improvements in the relevant production and distribution processes, in a conscious and planned manner.

When it comes to examining any frameworks for securing sustainability for the Tokyo 2020 Olympic and Paralympic Games (hereafter, the Tokyo 2020 Games), “diversity and accord” and “harmony” are to be emphasized. What will be important is “working together to achieve improvements” for the future by means of constant “dialogue and discussion,” with each of the relevant parties involved fulfilling their personal requirements. Historically, certain Japanese merchants had a practice known as the “three beneficiaries,” reflecting their belief that their dealings should benefit three parties: themselves as the seller, the buyer, and the community. This traditional ethos has come to permeate Japanese business practice over centuries past. . As this expression demonstrates, in any given transaction a merchant has to consider not only the immediate parties involved in the transaction, but also more broadly the companies to which it is selling its products and the interests of the broader community. For this reason, the Study Group will investigate systems and rules that will allow values such as protection of the environment and human rights to be shared come to fruition primarily through forms of action such as consulting, research, drafting corrective action plans, and providing guidance. By these means we will achieve progress with the aims of “doing no harm” and “doing good.”

Finally, in view of trends in recent years in the field of sport, in addition to securing sustainability

we believe that ensuring the integrity of sport at the Tokyo 2020 Games will also be an important task. For this reason, given that there will be calls for initiatives to be taken to ensure that integrity, as well as for taking a quick and appropriate response to any such violations, we will also need to research and examine different initiatives and means for achieving integrity in sport.

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# **I Objectives of this Study Group**

## **I-1. Objectives**

- (1) Different goods and services are going to be used in the delivery and operation of the Tokyo 2020 Games. This Study Group's objective is to research necessary matters, such as criteria for "sustainable" sourcing, rules for consulting/training, providing guidance, implementing corrective action, and the prompt resolution of disputes, in order for those goods and services to be sourced in compliance with laws and due consideration and other responses in good faith with respect to issues such as the environment and human rights, in connection with the production and distribution processes for those goods and services.
- (2) Study the preparations and methods needed to actualize the integrity of sport at the Tokyo 2020 Games, so that appropriate action is taken quickly against any issue that may occur and that the Games are conducted cleanly and fairly, in addition to opposing all forms of discrimination, and controlling the occurrence of, for example, the wrongful manipulation of matches.

## **I-2. Primary approach to securing sustainability, and role of the Organizing Committee**

Companies and groups providing goods and services for the Tokyo 2020 Games will be required to fulfil their own respective corporate social responsibilities (CSR), in good faith, appropriate form, and to a reasonable degree.

For this reason, under the guidance of the IOC, and as the structure for "encouraging" such companies to fulfil their social responsibilities, the Tokyo Organising Committee of the Olympic and Paralympic Games (hereafter, the TOCOG) will establish the following within a procurement code: 1) rules pertaining to the environment and human rights that are to be adhered to; and 2) procedural rules for working to achieve a solution in the event of a violation or dispute (including rules that can set up appropriate systems and forums for conducting consulting, training, reviewing, evaluating, and redressing from a fair and neutral standpoint).

## **II Sustainability Themes for the Tokyo 2020 Games**

### **II -1. Public consultation on Sustainability Themes for the Tokyo 2020 Games**

To embed sustainability in the Tokyo 2020 Games, the Study Group opened our draft sustainability themes to the public as below;

- (1) Consultation Period: from Monday, March 31 to Friday, April 24, 2015 (Japan time)
- (2) Procedure to collect comments: Published the draft on a website both in Japanese and English, and requested to select three important Sustainability themes among eight, and provide comments on the selected three themes.
- (3) Draft “Sustainability Themes for the Tokyo Olympic and Paralympic Games in 2020” is;

#### **1. Creating Innovation through Science, Technology and Knowledge (Innovation)**

The Olympic and Paralympic Games are exciting events held once every four-years. Many people dream of taking part in the Games in order to explore and maximize their own potential. By utilizing this excitement as a source of innovation, we hope to promote sustainable living practice. Improving energy conservation, encouraging the use of renewable energy and a gradual transformation into a hydrogen fuel based society would minimize the environmental burden and augment a harmonious relationship with nature based on scientific/technological excellence. We aim to foster innovative technology and knowledge that promotes and drives sustainable development, because we believe this is the essential essence that breathes life into the Tokyo Olympic and Paralympic Games.

#### **2. Building a Disaster-Resilient and Safe Tokyo (Disaster, Resilience, Cybersecurity)**

Japan is blessed with a bounty of the four seasons, but at the same time natural disasters, like earthquakes (typified by the Great East Japan Earthquake), typhoons and torrential rain, can often cause a considerable degree of damage. In recent years we have also been threatened by misconduct in cyber space. Towards the Tokyo Olympic and Paralympic Games, a series of urban infrastructure renewal will be conducted based on a preventive-control management model assisted by state-of-the-art technology. We will demonstrate to the world a model of the sustainable future city by building highly sustainable urban infrastructure, resilient to natural disasters and safeguarding people’s life both on earth and in cyber space.

#### **3. Minimizing the Environmental Impact of the Games (Climate Change, Energy, Water, and Biodiversity)**

Since the Olympic and Paralympic Games are one of the largest world-class events, careful consideration should be given for how to minimize any potential negative impact to the global environment in terms of construction of permanent and temporary infrastructures, production and manufacturing of goods, and transportation of athletes/audiences/staff. Reducing GHG emissions through the effective use of energy and water would be one example of this. Driven by the Japanese *mottainai* spirit, we promote unique Japanese pro-environmental behaviour to the world, and strive to create a space that embodies and respects the water, plant and symbiosis

cycles, while redressing and refining a balance between our resource use and environmental potential all while respecting biodiversity.

#### **4. Accommodating a Super-Aging Society (Demographic Change)**

Japan is the world's fastest aging country. It is predicted that the aging population will reach 29.1% of the entire population in 2020<sup>1</sup>, while the labour force participation rate of those aged 65 and above is as high as 24.0% (male: 30.5%, female: 17.5%).<sup>2</sup> We take the Olympic and Paralympic Games as an opportunity to set a scenario to create an environment, where healthy, able-bodied senior citizens willing to work can fully leverage their experience and knowledge to contribute to society and the next generation. We believe this will serve as an advanced model for other countries which may also be facing issues associated with an aging population.

#### **5. Creating a Society that Lives and Works Together with Cultural and Religious Diversity, and Tackles Labour and Human Rights Issues (Diversity, Inclusion)**

Diversity in values and personalities is the source of new ideas and innovation. We aim that the Olympic and Paralympic Games respect diversity in gender, age, nationality, race, religion, creed, physical /or mental disability, place of birth, sexual orientation and values. This will encourage mutual learning and make dreams and hopes come true to all. Learning from previous Games which faced challenges with human rights and labour practices issues in the supply chain, including employment conditions for migrant workers and labour issues at local factories producing goods procured for the Games, we are committed to continue working on labour and human rights issues.

#### **6. Provision of Accessibility to Facilities, Infrastructure, Information and Services for All (Accessibility)**

All people, regardless of their physical abilities or age, is encouraged to participate in the Olympic and Paralympic Games. We promote barrier-free access to facilities, infrastructure and information, so that the spirit of Japanese *Omotenashi* spreads throughout to all the participants.

#### **7. Fostering Healthy Life through Sports (Health through Sports)**

Sport provides us with a great opportunity to learn respect for rules and sportsmanship with the underlying spirit of fairness and justice, as well as developing positive attitudes toward taking on challenges and collaborating with others. Also, incorporating exercise into everyday life helps people maintain not only physical health but also mental health. We take the Olympic and Paralympic Games as an opportunity to promote the virtuous cycle of competitive and community sports, while fostering an environment where people may find sport easily accessible for enhanced healthy living. Through education, participation and collaboration, we can catalyse

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<sup>1</sup> Cabinet Office. 2014 White Paper on Aging Society Chapter1. 2014. [http://www8.cao.go.jp/kourei/whitepaper/w-2014/zenbun/pdf/1s1s\\_1.pdf](http://www8.cao.go.jp/kourei/whitepaper/w-2014/zenbun/pdf/1s1s_1.pdf)

<sup>2</sup> ILO. LABORSTA Internet. [http://laborsta.ilo.org/applv8/data/EAPEP/eapep\\_E.html](http://laborsta.ilo.org/applv8/data/EAPEP/eapep_E.html) (2015.02.18)

behavioural change and raise awareness of sustainable lifestyle.

## 8. Accountability and Transparency for Stakeholders in Activities of the Tokyo Olympic and Paralympic Games (Accountability and Transparency)

Dialogues, discussions and information sharing with both domestic and international stakeholders are essential for successful Tokyo Olympic and Paralympic Games in 2020, for such interaction is a source of new initiatives and endeavours for a better tomorrow. Therefore, we emphasise the importance of dialogue, discussion, collaboration and cooperation with and among our stakeholders as well as ensuring transparency of information pertinent to the Games.

### II -2. Result of public comments

The result of public comments is shown below.

- (1) The number of respondents: 83 (the number of responses is 177) from Japan, UK, USA and Switzerland.
- (2) Type of organisations of respondents: Academics, industries, NGO/NPO involving in labour and human rights issues
- (3) Results of the public concern at each theme

Draft Sustainability Themes	EN	JP	Total	%
1. Creating Innovation through Science, Technology and Knowledge (Innovation)	1	11	12	7%
2. Building Disaster-Resilient and Safe Tokyo (Disaster, Resilience, Cybersecurity)	5	15	20	11%
3. Minimizing the Environmental Impact of the Games (Climate Change, Energy, Water, and Biodiversity)	10	17	27	15%
4. Accommodating a Super-Aging Society (Demographic Change)	0	9	9	5%
5. Creating a Society that Lives and Works Together with Cultural and Religious Diversity, and Tackles Labour and Human Rights Issues (Diversity, Inclusion)	16	27	43	24%
6. Provision of Accessibility to Facilities, Infrastructure, Information and Services for All (Accessibility)	4	26	30	17%
7. Fostering Healthy Life through Sports (Health through Sports)	1	8	9	5%
8. Accountability and Transparency for Stakeholders in Activities of the Tokyo Olympic and Paralympic Games (Accountability and Transparency)	11	16	27	15%
計	48	129	177	

(4) Number, and contents of comments received for each theme

**43 responses - Creating a Society that Lives and Works Together with Cultural and Religious Diversity, and Tackles Labour and Human Rights Issues (Diversity, Inclusion)**

Reason why this theme be emphasized

- Consideration of the human rights of foreigners and minorities is insufficient in Japan. By taking advantage of the occasion of the Tokyo Olympic and Paralympics Games, we hope to improve and develop infrastructure for “education and awareness” and “legal and government mechanisms” as compassionate infrastructures aimed at deepening the Japanese public appreciation and understanding of human rights of diverse populations.

Element to be added

- Initiatives to solve labour issues surrounding migrant workers (violation of human rights under poor working conditions)
- Guarantee of the rights of sexual minorities (LGBT) (Shibuya ward’s allowing same sex marriages, allowing visits to same sex partners when hospitalized)

**30 responses - Provision of Accessibility to Facilities, Infrastructure, Information and Services for All (Accessibility)**

Reason why this theme be emphasized

- To realize universality in both hardware and software aspects, we hope to enhance accessibility in various ways including barrier-free amenities.
- We hope to minimize any sense of discrimination among people by having each and every individual consciously cultivate feelings of compassion for others.

Element to be added

It is essential for Japan to emphasize and maintain “universality for achieving a diverse society” as a shared mindset in regard to women, people with disabilities, the elderly, and sexual minorities.

**27 responses - Minimizing the Environmental Impact of the Games (Climate Change, Energy, Water, and Biodiversity)**

Reason why this theme be emphasized

- Through demonstration during the Tokyo Olympic and Paralympic Games of initiatives in environmental excellence that minimize impact on the environment, we intend not only to enhance consumer awareness but also send out a message to the world about maximizing “environmental value.”

Element to be added

- Recycling facilities that inform the world of Japan’s unique recycling system which reflects an awareness of living in harmony with nature
- Development of facilities that can continue to be used after the Tokyo Olympic and Paralympic Games
- Realization of ongoing production and distribution of food supplies (from producer

to the consumer's table) of agricultural, livestock and marine products.

### **27 responses Accountability and Transparency for Stakeholders in Activities of the Tokyo Olympic and Paralympic Games (Accountability and Transparency)**

#### Reason why this theme be emphasized

- We hope to proactively provide information to communicate to globally that the Tokyo Olympic and Paralympic Games are making efforts in a wide range of initiatives in sustainability and to gain the world's confidence.

#### Element to be added

- Deepening mutual understanding through the sharing of information without bias or error in facts and engaging in dialogue with stakeholders in efforts to coexist in a world of diversity are approaches that will lead to solving problems
- Engagement with the stakeholders
- Emphasis on dialogue through a mechanism for complaint procedures

### **20 responses - Building Disaster-Resilient and Safe Tokyo (Disaster, Resilience, Cybersecurity)**

#### Reason why this theme be emphasized

- Bearing in mind lessons learned from the Great East Japan Earthquake, we consider safety measures based on the effective use of resources in the environment as being paramount. We hope to earn people's trust by sending a clear message to the world of the kinds of measures Japan will take in the event of a disaster.

#### Element to be added

- We wish to add the postscript that Tokyo, which aims to become a disaster-resilient city, has disaster protection functions as an ultramodern city in harmony with nature in Japan.
- Development of transportation networks aimed at securing evacuation routes
- Social infrastructure (securing of food, power sources, water, etc.)
- Holding of a polycentric-dependent Tokyo Olympic and Paralympic Games
- Mutually complementary management of operations for the reconstruction of the Tohoku region and for the Olympics

### **12 responses - Creating Innovation through Science, Technology and Knowledge (Innovation)**

#### Reason why this theme be emphasized

- Adopting "minimizing the impact on the environment" and "living in harmony with nature" as themes, we hope that the Tokyo Olympic and Paralympic Games will generate innovations in technology and knowledge for promoting sustainable development in ways that surpass those seen at the London Olympic and Paralympic Games, thus enhancing the value of Japan's existence in the world in through the post-game legacy.

#### Element to be added

- Industry, government and academia will join as partners in competing, cooperating, and supporting each other considering upon the whole society which include CSR and CSV's activities.

### **9 responses - Accommodating a Super-Aging Society (Demographic Change)**

#### Reason why this theme be emphasized

- Through the effective use of knowledge of the elderly, we hope to promote communication that transcends generations and realize a model city where men and women, both young and old, can live together in harmony.

#### Element to be added

- Establishment of a place that can serve as a venue for sharing knowledge of Japanese culture and history.

### **9 responses -Fostering Healthy Life through Sports (Health through Sports)**

#### Reason why this theme be emphasized

- We hope to convey to as many people as possible the exciting, uplifting feeling inspired by sports and impart life aspirations by encouraging people to maintain physical and psychological health.

## II -3. Observations

As described above, during the public consultation, albeit for a short span of consultation period and a limited way of communication, we received a lot of responses with enthusiastic comments, which showed their high degree of interest in the subject. These comments include “I recognized how important it is to understand the close relevance between Tokyo 2020 Games and Sustainability”, “I expect Tokyo receives the baton from London, and promote their Sustainability Games in a more advanced way.”

Among eight draft sustainability themes, the theme on diversity/labour and human rights was of the strongest interest of the public, then, the themes on “Accessibility”, “Minimising environmental impact” and “Accountability and transparency” followed. An additional point was suggested in the several comments such as “to tackle these issues with promoting the awareness of consumer and next generation is important”.

To realize the aim of Olympism to “promote a peaceful society concerned with the preservation of human dignity” in the Tokyo 2020 Games, we believe it is important to link this aim to the original values Japan has held since ancient times, and to realize these values in a concrete form in a way that will facilitate the participation of general public, and engender a personal awareness of the aim of the games in all people who come into contact with the games. When each and every person who comes into contact with the games becomes aware of the values of “tolerance and cooperation (cherishing harmony among people),” which are an integral part of the Japanese identity from ancient times, also enshrined in the Olympic movement, translates these values into behaviour, in the future each of those individuals who come to Japan with various values will have the wisdom to be able to deal with problems flexibly even when faced with problems recognized as global issues. This manner of addressing problems will eventually be recognized globally as Japanese “*omotenashi* (hospitality).” In other words, to provide “equal opportunities” to all people involved in the Tokyo 2020 Games, it will be important not only to establish legislation and change systems but also to awaken in each individual a self-motivated awareness as described above.

The original values Japan has such as “Coexistence and co-prosperity” for realizing a society that respects human rights (a win-win spirit as expressed in the traditional idea of “*sanpo-yoshi*,” or “Good for three parties<sup>3</sup>”), and “Harmony” to achieve a society with equal opportunities (generosity of spirit and cooperation as demonstrated in the traditional concept of “*Wa wo motte to-toshi to nasu*,” or cherish harmony among people) will be beneficial in realizing peace and the protection of human rights, which are enshrined in the Olympic Charter. Thus it is meaningful for Tokyo 2020 Games to utilize these original values and Japanese CSR activities and performance within the values for sustainable game operations to maximize its performance when Tokyo 2020 Games incorporates the idea of Sustainability Strategy and Policy, the Commission for a Sustainable London 2012 (CSL), which was established to provide independent assurance over the sustainability of the London 2012 programme and into legacy, and Complaint and Dispute Resolution Mechanisms (CDRM) as a Grievance Mechanism at London 2012 Games.

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<sup>3</sup> This is the family motto of “Omi Merchants” which is “Good for the seller, Good for the buyer, and Good for society”

Bearing in mind the results of public consultation, it is important for the Tokyo Organizing Committee of the Olympic and Paralympic Games to establish the Sustainable Operational Plan for Tokyo 2020 Games (Sustainable Policy and Strategy), and ensure the effectiveness of the Plan along with sustainable sourcing code, Olympic Games Impact Assessment (including Paralympic clause: the Olympic Games Impact) etc. Our observation on sustainable sourcing code is illustrated in the next chapter.

### **III Fundamental Approach to Sustainability in the Procurement Code**

#### **III -1.Fundamental approach**

In Japan there is a culture and custom of companies undertaking sustainability initiatives through their own company programs. Corporate sustainability initiatives in Japan are therefore diverse and varied, with many being conducted in forms and ways that reflect a company's particular line of business and local communities. The first task will be to harness the benefits of this current good work.

On the other hand, the implementation of the Tokyo 2020 Games also requires a system to comply with international standards and domestic laws, and for explaining that sustainability is being secured. While for the London 2012 Games action was taken in the form of a system of pre-registration, for the Tokyo 2020 Games, while drawing from London's example we have in mind a more flexible style, being based on international and national laws and standards, and involving multiple sets of benchmarks and different ways to apply them, so as to draw on the strengths of those diverse initiatives described earlier.

In view of this, in any investigation of the criteria and rules required for securing sustainability, for the Tokyo 2020 Games it will be desirable to examine and put in place appropriate benchmarks and rules for each of the following categories below, for example. This would also connect with "diversity and accord," one of the three visions for the Tokyo 2020 Games, and we think it would be an initiative that is also suitable for the cultures of Japan and Asia.

#### **a Compliance with international standards and domestic laws**

Those goods and services to be used in the delivery and operation of the Tokyo 2020 Games must be sourced from suppliers whose production and distribution processes across supply chains have complied not just with Japan's own domestic laws of course but also with international standards such as the ILO conventions and domestic laws where they operate, and appropriate and sincere considerations are given, in regard to environment, human rights and labour issues. Organisations which source their goods and services to the Games must deliver due diligence to identify the risks, such as human rights risks across their supply chains, ensure transparency, and remediate situations when any problems arise.

#### **b Making use of domestic and international third party certification regimes**

We recommend that basically any major domestic or international third party certification regime be used for goods to be used in the delivery and operation of the Tokyo 2020 Games. In particular for the production of goods that will have a major impact on the public's confidence in the Tokyo 2020 Games (for example Olympics-branded goods), for production processes with major consequences for any environmental or human rights issue, there must be a system in place whereby a Japanese or an international certification regime can be used to confirm in advance whether or not certification-compliant goods have been procured. If no third party certification regime can be used (for example where there is no suitable Japanese or international third party certification regime, or where to date a supplier has long done its own certification or it is thought that no appropriate certification is possible owing for example to the small scale of the production involved), what will be required in that event is the supplier's management of information necessary in order to ensure traceability, applying appropriate methods and management systems to

that end.

Certification bodies for example for seafood and other fish products:

- For wild-caught seafood: the Marine Stewardship Council (MSC), and Marine Eco-Label Japan (MEL Japan)
- For farmed seafood: the Aquaculture Stewardship Council (ASC), and Aquaculture Eco-Label AEL)

\*Seafood and fish products to be used for the Tokyo 2020 Olympics must be produced under appropriate stewardship in accordance with the *Code of Conduct for Responsible Fisheries* of the Food and Agriculture Organization of the United Nations (FAO). If that is difficult to achieve, products are to be sourced from any planned sustainable fishery project.

Certification bodies for example for forestry products:

- For an international certification body: the Forest Stewardship Council (FSC); for a European certification body: the Programme for the Endorsement of Forest Certification (PEFC); for a Japanese certification body: the Sustainable Green Ecosystem Council (SGEC); for a Malaysian certification body: the Malaysian Timber Certification Council (MTCC); etc.

\*With respect to the timber and paper to be used, its production under appropriate stewardship must have been certified by a third party organization (for example, where forestry certification has been obtained from the FSC, PEFC, or any other reliable certification body).

Certification bodies for example for agricultural products:

- For an international certification body: Good Agricultural Practices (GAP); for a Japanese certification body: Japan Good Agricultural Practice (JGAP); etc.

\*The agricultural products to be used must be safe, environmentally friendly, and managed appropriately from the perspectives of hygiene management, appropriate working environments, and compliance with laws and regulations (for example where they have been certified under a reputable international certification process such as GAP or JGAP).

**c Securing traceability**

Specifically in this regard, at the Tokyo 2020 Games, the TOCOG will manage the primary supplier, who will be responsible for managing information, including information on production/site location, from any secondary or further suppliers, and in the event that any issue is discovered or a dispute arises, the TOCOG will as necessary ask the primary supplier to supply the information, and disclose the information based on fair judgement and by due process taken by third party. Further information may be requested, if needed.

**d Imposing an obligation on suppliers to be audited by NGOs or NPOs**

It will be necessary to explain to the public that sustainability is being ensured in an appropriate manner, and from that perspective with respect to a.-c. above, the public will be seeking both the management and the appropriate supply and disclosure of related information. For this reason, the TOCOG is to recommend that primary suppliers impose an audit obligation on their own suppliers for goods and services relating to the Tokyo 2020 Games (that is, secondary and further suppliers), to the effect of “where a secondary and further supplier receives a request from an NGO or NPO to conduct an audit of any of

processes such as its production, sourcing of materials, or distribution, that secondary and further supplier is to determine its response after notifying and consulting with the primary supplier.” A primary supplier who has been notified in this manner by a secondary and further supplier is to notify the TOCOG, in order to provide instructions to the secondary and further suppliers on what response to take in accordance with the Committee’s instructions.

e **Guaranteeing rights substantially by a grievance mechanism**

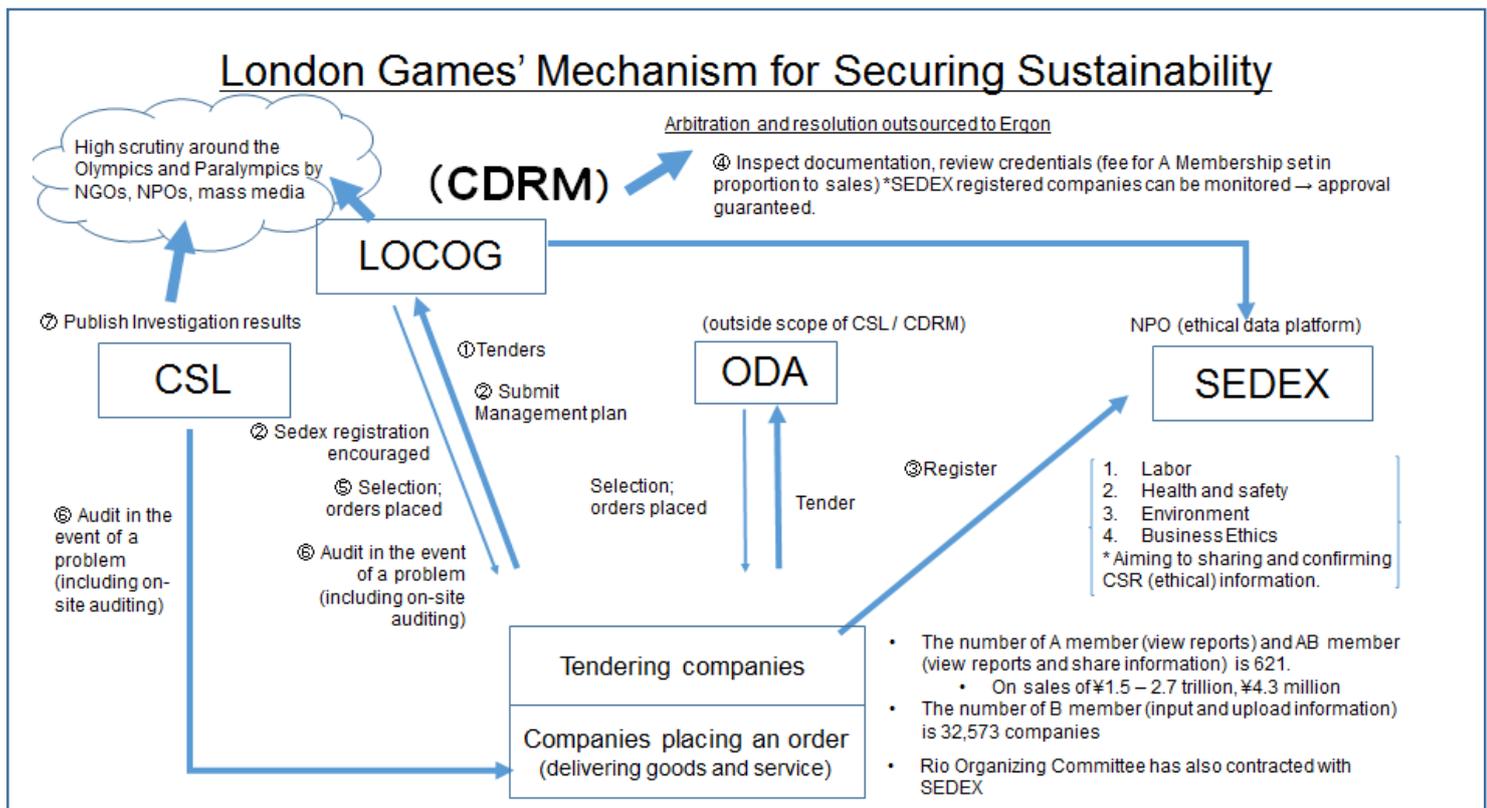
Foreign and migrant workers may be involved in the process of preparing for the Games such as in constructions of related buildings, and how their human rights and labour rights are well respected in their working environment may attract wider general concern. Their substantial rights should be guaranteed just as those guaranteed for Japanese workers. An effective grievance mechanism under which all workers related to the Games, regardless of nationalities, can raise their grievances about labour conditions without fear of reprisals, and ensures that those grievances are fairly addressed and remediation needed is established, must be in place in order to guarantee those rights.

\*Further details on the grievance mechanism will be explained in chapter V.

## IV The Experience of the London 2012 Games

### IV -1. The London 2012 Games' structures for securing sustainability (Main definitive features)

At the London Games, the Commission for a Sustainable London 2012 (hereafter, CSL) was established as a third party supervisory body independent of the London Olympic Organizing Committee (hereafter, LOCOG), five years before the Games opened to monitor their sustainability plan. At the same time the Complaint and Dispute Resolution Mechanism (hereafter, CDRM) was set up to handle the resolution and arbitration of complaints pertaining to sustainability reaching LOCOG (principally, the resolution and arbitration of complaints pertaining to labour practices and human rights issues in South-east Asia), and the bulk of the CDRM's operations were outsourced to a company called Ergon Associates Ltd. In addition, LOCOG's suppliers were encouraged to register on the database of SEDEX, which stands for the Supplier Ethical Data Exchange, a not for profit membership organisation. The London Games' progress in securing sustainability was therefore monitored by CSL on the basis of a sustainability plan, as well as by actively indicating initiatives through the London Games in an easy-to-understand manner. When any issue or problem arose with the plan or those arrangements, CSL would conduct a review and evaluate the situation, and if there was any further dispute or complaint, it would respond by means of the CDRM described in IV-3 below.



## IV -2. Commission for a Sustainable London 2012 (CSL)

The Olympic Delivery Authority (hereafter, ODA), LOCOG, the UK Government, the Greater London Authority's Transport for London (GLA-TFL), and its London Development Agency (GLA-LDA) contributed 30%, 30%, 20%, 10%, and 10% respectively to set up the CSL (capital: ¥1.13 billion). Its involvement began with the drafting stage of the sustainability plan, from where it went on to be responsible for cooperation, monitoring the plan's progress, issuing reports, and advising LOCOG and the ODA.

<u>Overview of Commission for a Sustainable London 2012 (CSL)</u>	
Duties	<ul style="list-style-type: none"> <li>● Concerning sustainability strategies               <ol style="list-style-type: none"> <li>1. Assistance with drafting plan, 2. Monitoring progress, 3. Issuing reports, 4. Advising LOCOG &amp; ODA (but no power to compel)</li> </ol> </li> <li>● Duty to report to the Mayor of London and the Minister responsible for the Olympic</li> </ul>
Funding & capital ownership	<ul style="list-style-type: none"> <li>● 2011 – 2012: £ 353,249 (around ¥52.9m)      2013 – 2014 £ 404,044 (around ¥60.6m)</li> <li>● ODA: 30% LOCOG: 30% UK Government: 20% GLA-TFL: 10% GLA-LDA: 10%</li> </ul>
Organizational structure	<ul style="list-style-type: none"> <li>● Chair (x1) (Shaun McCarthy)</li> <li>● Assurance Officers (x2), specialists (x2), assistant (x1)               <ul style="list-style-type: none"> <li>• Chair's compensation was £ 530.60/day (around ¥80,000/day), for a maximum of 130 days (equivalent to around ¥10 million annually)</li> <li>• Other members were not remunerated. While the Games were on (for 20 days), around an additional 12-14 volunteers were employed.</li> </ul> </li> </ul>
Topics	<ul style="list-style-type: none"> <li>● Shaun McCarthy's conclusions:               <ol style="list-style-type: none"> <li>1. On facilities: the legacy aspect of building and preparation did not go well. It had not been possible to gain the involvement of the post-Olympics managers of the facilities from an early stage.</li> <li>2. On ethics: Although LOCOG did monitor labor standards and supply chains, international standards were not reached. Play Fair (consisting of several NGO groups) investigated factories in China by sending in undercover investigators. The factories investigated were not compliant.</li> <li>3. On energy use: LOCOG had no advance plan in place, and wasteful electricity consumption occurred.</li> </ol> </li> </ul>

In June 2015 the TOCOG set up an Urban Planning and Sustainability Committee as one of its Action & Legacy Plan Commission. In addition, a sustainability discussion group (hereafter, the Sustainability DG) was established under the oversight of this Committee. The Sustainability DG, which will be managed under the aegis of the Sustainability FA, has been designated as a forum where senior academics from a variety of disciplines will come together to conduct expert discussions on the Tokyo 2020 Games' sustainability. This Sustainability DG corresponds to the Environment Experts Committee for the Tokyo 2020 Games, which Tokyo promised in its candidature file to the IOC to establish. Given that the Sustainability DG is similar in status to the London Games' CSL, we believe that from this point the Sustainability DG can be identified as the CSL for the Tokyo 2020 Games.

### **IV -3. Complaint and Dispute Resolution Mechanism as a Grievance Mechanism (CDRM)**

A complaint and dispute resolution mechanism (CDRM) is a process for responding to disputes and complaints concerning labour conditions at supplying sponsors, licensees, and/or in the factories of suppliers. Ergon Associates Ltd. was contracted by LOCOG to carry out this work. Impact, a labour standards consultant, provided support with designing the relevant systems. Sponsors, suppliers, licensees, sourcing staff, international labour unions, and citizen groups also played a role.

The CDRM dealt with labour practices, which encompassed both allegations in the media and complaints from labour unions, and individual employees regarding factory labour conditions in numerous countries.

(1) Scoresheet for CDRM business

- 11 complaints (8 from organizations, and 3 from individual employees.)  
Note) Number of workers covered by the complaints: 15,708
- It resolved 9 cases (two of which were outside its scope)
- The complaints arose in 3 countries (China, Philippines, and Indonesia)  
Note) There were 5 cases where no agreement was reached
- The above complaints involved 42 violations of standards
- Agreements between the parties were reached in 25 cases
- Corrective action was undertaken by third parties in 74 cases
- Arbitration by the CDRM was undertaken in 3 cases

(2) Staff numbers involved in these dispute resolution (DR) cases

- At Ergon Associates Ltd.: around 80 people
- At LOCOG: around 20 people  
Note) In addition, LOCOG also commissioned, Five independent investigations in factories in China, Detailed independent reviews of licensees' ethical trade management systems, Shadow investigation in Indonesia, including worker interviews at three factories, Multi-party mediation meeting in the Philippines involving provision of a mediator.

## **V Grievance Mechanisms**

### **V -1. Background of the necessity of setting up Grievance Mechanisms**

By formulating a plan, setting up the mechanisms for verifying and monitoring activities under that plan, putting in place a proper procurement code, and vetting the goods and services that are delivered, the TOCOG can have fairly good expectations of securing sustainability. Unfortunately, however, when globally sourcing goods and services, sometimes an inferior product or construction project will slip past the best of defences.

When such an event occurs, a system will be needed that allows the TOCOG to act and remedy the situation. While the very occurrence of such an event will of course be unfortunate, it will also represent an excellent opportunity to use the holding of the Games to put right any such practices, and to make things better than what they were. That is, the possibility is there for the improvement or remedy of such practices itself to become one of the legacies of the Olympic Games movement. At past games, there have been cases of serious human rights violations related to the games that faced global denunciation , which led for example to international leaders' decisions not to participate in opening ceremonies.

From this perspective, instead of remaining just a passive conduit in the DR process, the Tokyo 2020 Games could carry hopes that it will act as a body that pushes for corrective action or remedies, and surpass the London 2012 Games in advancing these agendas.

Given that such agenda efforts will also constitute a fundamental condition for maintaining and raising the value of the Games' brand and for supporting sponsors' campaigns, the TOCOG should adopt the courses of action required, in the form of, for example, the budget to support such mechanisms. Agenda projects were commissioned by LOCOG for the London Games also, and undertaken with its assistance.

Regarding wholly commercial acts in the form of sourcing and construction projects for the Olympics and Paralympics, the methods for achieving this mechanism are to be based in the relevant contracts to be signed, so that fair conduct can be encouraged on the basis of an accurate recognition of the situation, given that it is a goal to set up within the community a "forum and mechanism for fair and neutral review."

For this reason, it will be important to always imagine linkages with existing arbitration and adjudication processes, and to design a system where fair conduct is holistically encouraged.

### **V -2. Scope and functions to be covered by grievance mechanisms**

- (1) Issues to be covered: Environment, Human rights (Health and safety), Labour, Fair economic practices (Ethical conduct)
- (2) Products and value chain to be covered:
  - The goods and services to be used for the Tokyo 2020 Games, and their production and distribution processes.
  - Construction projects related to the Tokyo 2020 Games, and sourcing pertaining to those projects. (Furthermore, the sourcing principals and construction entities ought

to adopt regulations with the scenario in mind that they will apply to the TOCOG, the Tokyo Government, and the Japanese Government etc.)

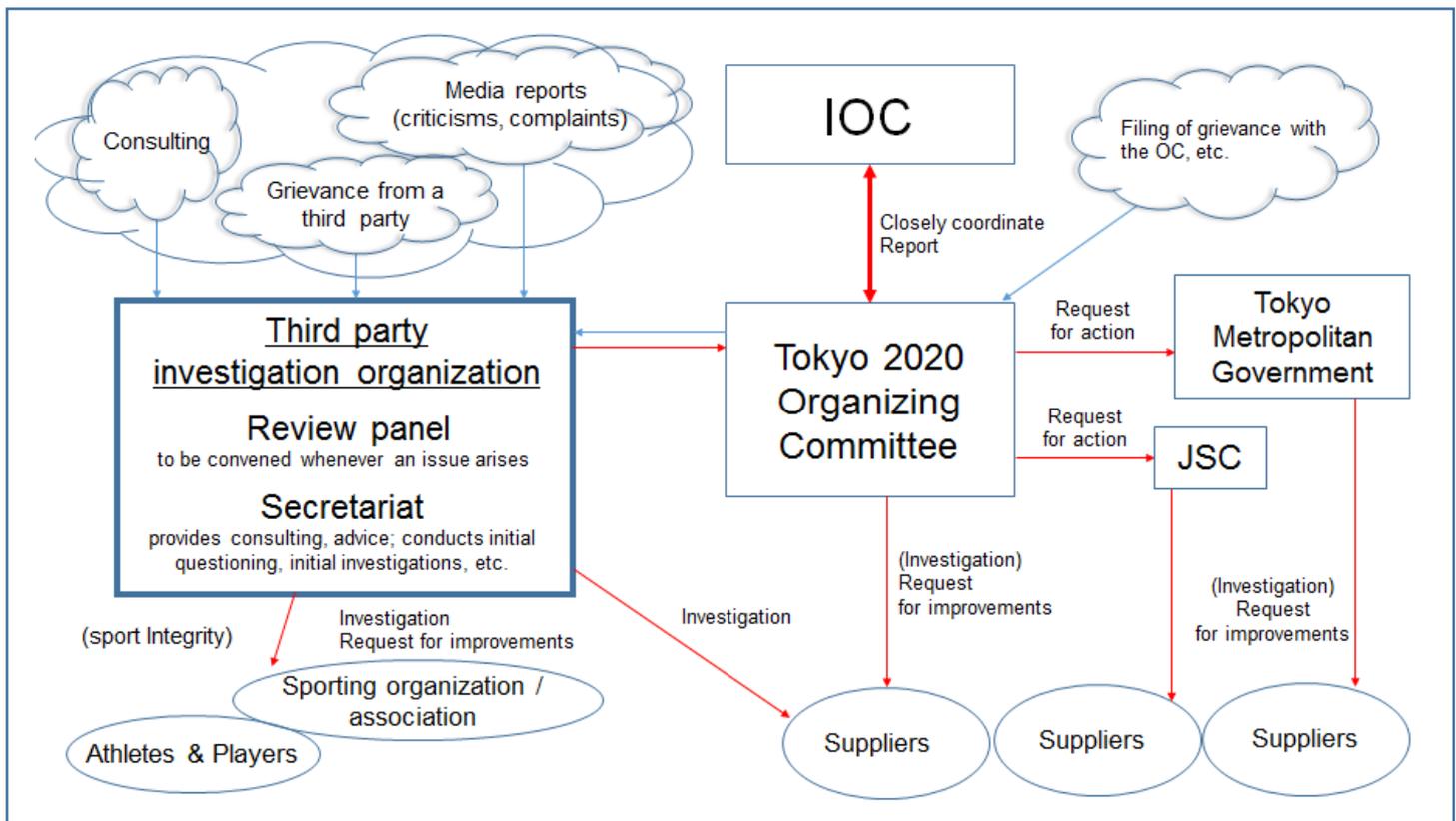
(3) Necessary functions

- a Regulations on the environment and human rights to be followed in sourcing  
So that goods and services are sourced where appropriate consideration has been given to the environment and human rights in comply with international standards and domestic laws, a so-called “Sustainable Sourcing Code” on sustainability in sourcing is to be put in place by stipulating regulations to be complied with concerning the environment and human rights etc. based on rules pertaining to demands for social responsibilities of corporations et. to date. This code will apply in the form of a new addition to current accounting tender procedures etc

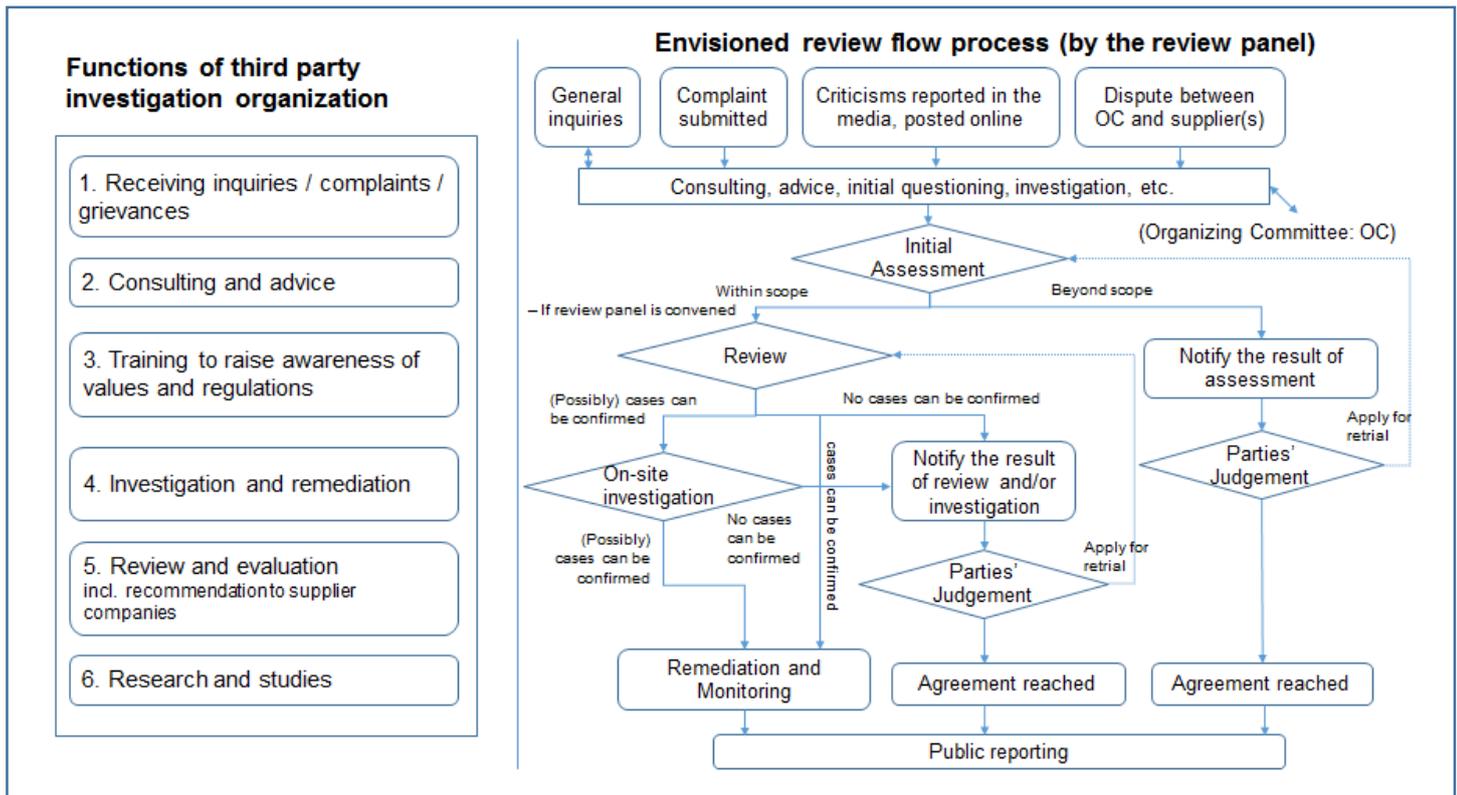
These regulations are to be stipulated by the TOCOG, and will indicate to companies and others the criteria they are to apply, and will encourage them to fulfil social responsibilities. When putting regulations in place, in addition to gathering information from companies, their industry associations and governments on initiatives they have taken to date, advice and assistance from NGOs and NPOs will also be needed. It is to also listen to the global views of NGOs and NPOs through those groups participating in the Study Group. (See Section II: Results of public comments.)

- b Regulations to encourage socially responsible conduct and to aim for redress  
It will be necessary to stipulate in the sustainable sourcing code in 1) above rules concerning conducting hearings, investigations, reviews, and making findings in the event of a dispute (that is, specific DR rules). Furthermore, given that the TOCOG will itself be the entity that placed the order for the sourced goods or services or construction project in question, it would be a good idea to contract the process to a third party body independent of the TOCOG that can conduct a fair, neutral and professional investigation and review (hereinafter, third party organization), and have the Committee make a finding in any specific case on the basis of that third party organization’s decision. The principal tasks involved in the process are as follows:
- Setting up a contact window where claims can be received
  - Providing consulting and advice
  - Providing training and public awareness
  - Conducting investigations, and providing guidance (asking relevant questions, conducting its own investigations of related entities and gathering information)
  - Conducting reviews and evaluations (giving recommendations to the relevant company, and/or giving recommendations to the sourcing entity)
  - Conducting research and studies

## Schematic guide to grievance mechanisms



### Third party investigation body's functions and envisioned process flow



\* The TOCOG makes a finding based on the results of the work of this investigation organization. The Committee is to also inform the finding and give guidance to related companies, the sourcing entity or the construction entity, and coordinate with the IOC and others.

## **VI Future issues for study**

In the months ahead, as well as put in place mechanisms including a sustainability plan, procurement code, CSL and so on while referring to London's experience as described above, so that these mechanisms function properly for the Tokyo 2020 Games, it will be important to study mechanisms that reflect new forms of corrective action and redress measures, incorporating initiatives by Tokyo and Japan and the CSR efforts of corporations etc. to date.

In advancing such initiatives, we believe it will be necessary to study the following points going forward.

### **1. Setting an obligation to get prior approval**

From the perspectives of the management of sustainability-related information and of the supply and disclosure of appropriate information, as described earlier it will be important to impose an obligation on suppliers to submit to auditing by an NGO or NPO.

In addition, so that an appropriate response can be taken if as a result of an audit a situation is discovered that is regarded as a problem, before starting any kind of actual dealings with a supplier, as well as seeking to secure the reliable management of the relevant supply chain and if needed getting the supplier to agree to inspection by the third party investigation organization by way of a contract or similar document with the supplier, it is also possible for a provision to be included imposing an obligation that the supplier will comply with the decision of the third party investigation organization or the decision of the TOCOG on the basis of the results of such an inspection.

### **2. Relationship with project managers**

Given that the Tokyo Metropolitan Government and the Japan Sport Council (JSC), the relevant project managers for the Tokyo 2020 Games, are separate and independent entities from the TOCOG, with respect to entities and rules to apply when sourcing goods and services for the Tokyo 2020 Games, we believe it will be necessary to take heed that similar treatment be extended to these in compliance with the criteria and rules of the TOCOG.

"From a similar perspective, the CDRM should be contracted out / outsourced to the third party investigation organization that the TOCOG has a contract with, or alternatively consideration needs to be given to using another third party investigation organization which is capable of handling similar projects and administrative duties. Even in the case of the latter event, however, coordinating with the IOC and any final decisions concerning sustainability will be undertaken by the TOCOG.

### **3. Securing the funds the third party investigation organisation will need to operate projects**

For the smooth implementation of projects and the sharing of appropriate information, one arrangement that we see as possible is collecting the necessary money from those companies with a connection to the sourcing of goods and services for the Tokyo 2020 Games. This collection could take a spectrum of forms, for example membership joining fees and annual membership fees, which would be used to pay for personnel expenses and the cost of training employees such as consultants.

At the same time, because the business of conducting investigations and reviews is not inexpensive, it will also be necessary to look at for example an arrangement where costs are claimed from the company that caused the relevant problem. (One arrangement to that end could be to specify this right in the company's contract, on top of the prior approval obligation described in 1. above.)

In addition, in order to prevent the third party investigation organization from receiving a flood of random and repeated claims, it will be necessary to examine the imposition of certain conditions. One such condition could be that from the outset the third party investigation organization is as a general rule to conduct its investigations and reviews on the basis of evidentiary documentation submitted by both a complainant and the entity that is the object of that complaint.

4. **Structure to support the grievance mechanisms**

There were comments in our discussion that in preparation to potential problems that question the ethics and perceptions of the Games' organizers as in past games, including those that are not necessarily related to sourcing, we need to establish a structure where a third party institution/organisation can gather comments from experts and make substantive recommendations based on their expertise for remediation.

5. **Handing information of suppliers**

There were comments in our discussion that Tokyo 2020 Organizing Committee should disclose all information they manage and received from primary suppliers, who are responsible for managing information of secondary and further suppliers.

The foregoing are the results of the examinations conducted by this Study Group, and we ask that the TOCOG also examine them fully. We very much hope to see the proper arrangements, such as a sustainable sourcing code and a grievance mechanism, established and running as early as possible.

The Study Group will continue to investigate and research matters pertaining to integrity of the games.

END

## ANNEX I

### **Members of the Sustainability & Sports Integrity Study Group:**

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