

Monitoring results baseline assessment 2024

Assessment helps RBC Agreement parties develop more focused due diligence support program

How to make the energy transition not just happen, but also in a sustainable way? By signing the [International Responsible Business Conduct Agreement for the Renewable Energy Sector \(IRBC REA\)](#), a total of now 53 international signatory companies, industry associations, governments, knowledge institutions and NGOs set out to work together. Their goal is to advance compliance with international standards for responsible business conduct.

The signatory companies in the renewable energy sector – wind and solar energy companies and their industry associations - have committed to carry out risk-based due diligence as prescribed by the [OECD Due Diligence Guidance for Responsible Business Conduct](#). To this end they have developed the [Renewable Energy Sector Due Diligence Assessment Framework](#) together. This Framework was used to carry out a baseline assessment of signatory companies for the first year of the Agreement. The results of this assessment, which will be repeated annually, show the due diligence maturity level of the companies at the start of the Agreement, existing gaps and challenges. With this analysis the parties can start to develop a collective due diligence support program. As each company now has gained insights on the gaps as well as their current strengths, they can both give as well as ask for targeted knowledge and learn from their peers.

Scoring on due diligence

The independent Secretariat of the Agreement has carried out their baseline assessment between March and July 2024. How do participating companies already implement the six due diligence steps outlined in the OECD Guidance? Where can parties support each other to improve their responsible business conduct? Based on their score in the assessment, participating companies were classified into following categories.

Category	Company's score in percentage of total achievable score
Leader	81-100%
Advanced	61-80%
Intermediate	41-60%
Improving	21-40%
Beginner	0-20%

Assessment process

The assessment consisted of three stages:

1. *Companies completed a maturity assessment questionnaire.*
Participating companies completed an online self-assessment due diligence questionnaire in March 2024. The answers to the questionnaire were subsequently assessed and validated by the Secretariat.
2. *Companies developed an individual due diligence action plan.*
Companies developed and shared their individual company due diligence action plan with the Secretariat.
3. *The Secretariat held an assessment interview with those in relevant positions within the companies.*
These conversations were held between the Secretariat and those responsible for relevant functions of the company (e.g. for sustainability, procurement, supply chain, management and etc.) and aimed to discuss the current due diligence process and assessment results of the given company and provide concrete advise for way forward.

Scores wind and solar sector

Based on the results of each of these stages, signatory companies were scored on the current status of their due diligence practices per step* as described in [the assessment framework](#). The individual scores of the companies are confidential. The table below shows the overall average total score as well as per step of the framework per sector:

Due Diligence	Final Score %	Step 1 Score %	Step 2 Score %	Step 3 Score %	Step 4 Score %	Step 5 Score %	Step 6 Score %
Wind sector	69%	78%	65 %	66%	67%	85%	57%
Solar sector	33%	40 %	38 %	35 %	25%	23%	17%

** Step 1: Embedment of RBC in policies; Step 2: Identify and assess adverse impacts; Step 3: Cease, prevent and mitigate adverse impact; Step 4: Track implementation and results; Step 5: Communicate how impacts are addressed; Step 6: Provide for or cooperate in remediation*

The assessment shows different results for wind and solar sector

The average baseline assessment score for wind sector companies was 69%. Out of the assessed companies in the wind sector, 0 scored as “Beginner”, 1 scored as “Improving”, 6 scored as “Intermediate”, 9 scored as “Advanced” and 6 scored as “Leader”.

The assessment showed that wind sector companies had a strong focus and well-developed policies and systems for issues such as occupational health and safety and for implementation of projects. The sector scored the highest with due diligence step 5 (communicating how impacts are addressed) and the lowest with due diligence step 6 (providing for or cooperating with remediation when appropriate).

The average baseline assessment score for solar sector companies was 33%. Out of the assessed companies in the solar sector, 4 scored as “Beginner”, 5 scored as “Improving”, 1 scored as “Intermediate”, 1 scored as “Advanced” and 1 scored as “Leader”.

The assessment showed that, except for some companies, many solar sector companies were still in the beginning of their due diligence journey and there was a large spread in their due diligence scores. The solar sector scored the highest with due diligence step 1 (embedding responsible business conduct into policies and management systems) and step 2 (identifying and assessing adverse impacts). Similarly with wind sector companies, solar sector companies also scored the lowest with due diligence step 6 (providing for or cooperating with remediation when appropriate).

The differences between wind and solar sector results is due to considerable differences in the supply chain architecture, size, due diligence experience and resources of the companies in the wind and solar sector, which makes it difficult to compare the two sectors. As such, the assessment shows that parties need to have a different approach towards wind and solar sector companies when providing due diligence support.

The way forward: Targeted knowledge sharing

Based on the baseline assessment round, the Secretariat has developed a gap analysis based on the collective outcome as well as collection of good practices from the sector. The latter compiles 54 human rights and environmental due diligence practices from wind and solar sector that can serve as inspiration for companies.

Monitoring gap analysis provides the parties with insight and information in order for them to develop collective due diligence support program. This program will consist of targeted knowledge sharing and peer learning sessions, preparation of different tools and organization of activities.

Action plans and next assessment in 2025

The participating companies have developed and shared action plans with the Secretariat in which they have indicated concrete steps that they will take to improve their due diligence practices. To ensure accountability and to measure progress, a next assessment round will take place during March-July of 2025. In this way being a part of the Agreement supports companies in the renewable energy sector to learn from each other and move forward together towards a shared standard of responsible business conduct.