Taking Action on HIV/AIDS, TB & Malaria Across the Supply Chain:
Oil and Gas Industry Dialogue
Houston 2009

WHAT'S INSIDE

- HIV/AIDS, TB & Malaria in the Oil and Gas Supply Chain
- Tools to Catalyze Action
- Next Steps
The Global Business Coalition on HIV/AIDS, Tuberculosis & Malaria (GBC), in partnership with Chevron and Booz & Company, convened a technical roundtable entitled Managing HIV/AIDS, TB and Malaria in the Upstream Supply Chain: Opportunities for Action, on March 31st, 2009 in Houston, Texas. The roundtable was the second meeting organized by GBC’s Oil and Gas Working Group, an organizational initiative to further explore and motivate business action in the industry’s vast supply chain by promoting dialogue, developing tools and resources and catalyzing collective action. Close to 60 participants attended, with representatives from Coalition member companies, oil and gas contractors, partner NGOs and multilateral agencies.

INDUSTRY ACTION ON HIV/AIDS, TB & MALARIA: INCREASING IMPACT VIA THE SUPPLY CHAIN

Oil and gas companies have often been at the vanguard of private sector engagement on these three diseases, creating and implementing world-class workplace and community programs as well as leading advocacy efforts both inside and outside the industry. Industries face disease-related risks based on the nature of their core business activities, where they operate, and the demographic profile of their employees. With the oil and gas sector, several factors can aggravate the risks of transmission, as detailed in Exhibit 1.

Exhibit 1: Factors Contributing to Increased HIV, TB and Malaria Risk in the Oil and Gas Industry

- **HIV/AIDS**
  - Operations in high prevalence countries
  - Employment of migrant workers who are separated from partners and families for extended periods of time
  - Significant income disparities between employees (with high disposable income) and others living in the surrounding community

- **TB**
  - Operations in high prevalence countries
  - Employees close living conditions can facilitate transmission
  - Frequent employee travel and migration can lead to interruption of treatment

- **Malaria**
  - Operations in high prevalence countries
  - Core business activities (e.g. pipeline construction) can contribute to an increase in mosquitoes (i.e. standing water pools, etc.)
  - Frequent employee travel and migration can lead to interruption of treatment

A 2008 GBC survey of business action on HIV/AIDS, assessing corporate activity in the areas of workplace, community, core competency and advocacy, revealed higher levels of engagement in the oil and gas sector than most other industries. Scoring 9.8 out of a possible 20 on GBC’s BPAS (Best Practice Action Standard) Index, the industry places well above the average among companies surveyed. [Figure 1].

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Despite these efforts, there are opportunities to increase action on HIV/AIDS and TB and malaria, particularly in the vast supply chain of the oil and gas industry where disease-related risks are equally, if not more, problematic. Contractors, suppliers and other indirect employees represent a large portion of the workforce exposed to the three diseases on project sites. In addition, the transient nature of contractual jobs makes access to healthcare and treatment completion particularly challenging. Company action in this area is still limited: the same GBC survey revealed that only 23 percent of oil and gas majors facilitate implementation of HIV programs in their supply chain. By addressing these issues, companies can build upon and extend their efforts to reach and protect employees, families and communities worldwide.

Source: The State of Business and HIV/AIDS, TB & Malaria (2008), GBC
Recognizing the industry’s potential to expand HIV/AIDS, TB & malaria control efforts, GBC convened its first technical roundtable on this issue in London in October 2008. Entitled *HIV/AIDS across the Oil & Gas Supply Chain: Opportunities for Engagement & Collaboration*, the event was held in collaboration with Royal Dutch Shell, IPIECA and Booz & Company, focused on HIV/AIDS in one specific link of the industry supply chain: large, upstream infrastructure projects that mobilize migrant workers and impact local communities.

Exhibit 2 highlights the outcomes and actionable next steps from the London meeting, including: (1) increased adoption of HIV/AIDS-specific contractual clauses (2) sharing of best practices and (3) convening of additional dialogues.

As a follow-up to the London meeting, the Houston roundtable advanced discussions on the upstream supply chain of the industry and provided guidance on TB and malaria as well. Through case study presentations from company program managers and epidemiological updates from clinical experts, participants deepened their understanding of disease-specific interventions. Breakout discussions focused on ways to leverage existing corporate tools and processes to increase engagement on the three diseases. Finally, attendees deliberated on the respective roles and responsibilities of majors, contractors and other stakeholders in developing supply chain-focused policies and programs. This report presents key findings from the roundtable, as well as next steps to further industry action in the immediate future.

**Exhibit 2: HIV/AIDS Across the Oil and Gas Supply Chain: Opportunities for Engagement and Collaboration: Next Steps from October 2008 Technical Roundtable**

- Facilitate a process through which companies agree on contractual language and/or other mechanisms to promote HIV/AIDS prevention and management on the part of both oil/gas majors and contractors via:
  - Sharing of recommended language (potentially with versions adapted to different operating environments and business conditions)
  - Identification of ‘good practices’ for contractors
- Facilitate program implementation via:
  - Development of an industry-specific toolkit of programmatic resources
  - Dissemination of tools via an on-line, interactive workspace/discussion board
  - Creating a database of implementing partners to connect companies
- Promote additional industry-specific dialogue to explore such issues as:
  - Ways to integrate/add TB and malaria programs onto existing HIV platforms
  - Regional/country strategies
  - Interventions targeting specific populations
In his introductory remarks, **Al Williams**, General Manager, Finance, noted that for Chevron, the business case for effective, strategic engagement to combat HIV/AIDS, TB & malaria is clear: it is a measure to protect one of the company’s greatest assets: employees and their families. Chevron’s commitment extends beyond the workforce, as the company also invests significantly in community engagement initiatives. Williams underscored the fact these programs are essential to the company’s ability to do business.

Corporate strategies for managing individual diseases vary significantly – with some companies placing *equal emphasis* on all three, others *prioritizing* one particular disease in response to their risk profile, and still others *integrating* the three into overall health and wellness programs.

**Dr. Richard Wilkins**, General Manager, Health and Medical Services, Chevron, discussed his company’s *integrated* approach to managing HIV/AIDS, TB and malaria within a broader public health framework. He noted both shared program components (e.g. situation analyses, knowledge, attitude and practice surveys, training of health professionals) as well as issue-, or disease-specific, components [Exhibit 3]. The focus of Chevron’s program varies from that of Royal Dutch Shell’s or ExxonMobil’s. These companies that have both established a definitive corporate focus on HIV/AIDS and malaria, respectively. A company’s chosen focus is the result of a number of important factors, including corporate strategic priorities, existing disease burden on the workforce and community, CSR choices, current stakeholder activity on the issue, and the potential for a company to make a real impact on fighting disease.

**Exhibit 3: Managing HIV/AIDS, TB & Malaria: Shared & Issue-Specific Components**

**Shared Program Components**
- Situation Analysis
- Knowledge, Attitudes, Beliefs and Practice Surveys
- Pre- and Post-training knowledge assessments
- Training and Guidelines for company health professionals
- Awareness and Prevention education for employees
- Partnerships
- Facilitate prompt and effective treatment

**Issue-Specific Components**
- **HIV/AIDS**
  - Corporate level, global HIV/AIDS policy addressing harassment, benefits, pre-employment HIV testing and treatment
  - Increase workforce access to VCT
- **Tuberculosis**
  - Increase early diagnosis and directly observed treatment (DOT)
  - Increase TB screening for HIV+ patients
- **Malaria**
  - Prevent malaria cases in the non- and semi-immune populations
  - Increased awareness and education on malaria prevention and treatment
  - Effective use of vector control tools for malaria prevention
PROGRAM PLANNING FOR HIV/AIDS, TB & MALARIA: ACTIVITIES

Highlighting best practice workplace HIV prevention and management activities for project construction sites [Exhibit 4], Shuma Panse, Manager, Knowledge, Evaluation, and Performance, GBC, noted that many activities can apply to community programs as well. Dr. Victor Karam, General Manager, Consolidated Contractors Company (CCC), drew attention to CCC’s key HIV/AIDS interventions, including: awareness and education programs, condom distribution, and management of occupational exposures to blood and/or body fluids via post-exposure HIV prophylaxis (PEP). Furthermore, the company requires its subcontractors to comply with HIV/AIDS management procedures, thereby showing leadership as both a contractor fighting HIV/AIDS as well as a client.

In an epidemiological and clinical overview of the TB epidemic, Dr. Mike Tolle, Pediatrician, Baylor Pediatric AIDS Initiative, stressed the importance of addressing HIV/ TB co-infection and the fact that “HIV and TB are inseparable”. Those who are HIV-positive have a hugely increased risk of developing active TB disease. TB is a frequent cause of death among AIDS patients.

Presenting Marathon Oil’s malaria eradication project on Bioko Island, Equatorial Guinea, epidemiologist Susan Rynard spoke of her company’s unprecedented effort to reduce disease burden through partnerships across government, business partners and academia. Not only has the malaria program yielded outstanding results (the total number of malaria cases in the project catchment area has dropped 85 percent), but it is an impressive example of business action expanding from ‘inside the fence’ (the workplace) to ‘outside the fence’ (the community).

“Linkages are important. One of the most common complaints from government physicians running the HIV clinic is the lack of linkage between corporate health and public sector programs.”

Dr. Michael Tolle, Baylor Pediatric AIDS Initiative

Exhibit 4: Workplace HIV Prevention & Management Activities Before, During and After Construction

- Baseline Health & Social Assessment
- Business Case on HIV
- HIV Policy Components
- Worksite Mapping to Enable HIV Response
- Site HIV Action Plan
- Health, Safety and Environment Induction on Local HIV Risk
  Toolbox Talk (Short HIV/STI education session integrated alongside other important topics)
- Recreational Activity Plan
- Prevention, Awareness and Education
  Materials (pamphlets, posters, playing cards, video)
  Awareness Sessions (slide pack, talking points)
  Peer Educator Training
  Condoms & Safe-Sex Promotion
  HIV/STI Testing
- Treatment and Care; Psychosocial Support
- Provisions to Monitor and Periodically Assess Program Results

Adapted from materials by Royal Dutch Shell
TOOLS AND PROCESSES TO CATALYZE ACTION

Knowledge of the key components of HIV, TB and malaria interventions is a critical success factor for company action on the three diseases, but this information alone is not sufficient. Existing corporate tools such as impact assessments, disease-specific contractual clauses and health, safety, environment (HSE) management processes are all examples of prescriptive measures that can be utilized to ensure that both the majors and the contractors involved in a project dedicate the resources and management attention required to develop and sustain effective disease mitigation efforts.

Health impact assessments (HIAs) occur early in the project phase and serve to identify potential disease risk. Key findings from the HIA feed into HSE clauses in contracts between suppliers and vendors. These contractual terms and conditions are then typically incorporated into management plans. Finally, audits guarantee compliance to the clause and the plan. This framework [Exhibit 5], presented by Dr. Faiyaz Bhojani, Manager, Royal Dutch Shell, guides his company’s supply chain HIV/AIDS response; it is common amongst other majors as well.

IMPACT ASSESSMENTS

Dr. Alison Stockton, Epidemiologist, Chevron, outlined the major steps in a health impact assessment, observing that, ideally, these must be done prospectively and integrated with other types of assessments that also consider the environmental and social effects of a project. This broader process known as ESHIA (Environmental, Social and Health Impact Assessments) is standard practice across Chevron and was the focus of Dr. Steve Frangos’, Regional Medical Manager, presentation. In addition to presenting the major steps in the ESHIA process, [Exhibit 6], he noted how ESHIA embodies and supports the company’s commitment to invest in communities.

Tania Barron, Consultant, Environmental Resources Management, presented a case-study highlighting the use of ESHIA during a natural gas development project in Piceance Basin, Western Colorado. Tania described the primary issues identified through the ESHIA process (e.g. influx of contractors/subcontractors into the community with associated health issues, including high alcohol and drug abuse) and actions undertaken to mitigate these problems (e.g. establishment of a ‘Worker Code of Conduct’ that includes zero tolerance for alcohol and drugs on the job).

“I’m amazed from the talks I’ve heard today on the consistency of messaging around doing risk assessment, identifying mitigation strategies, about seeing those through, about measurement and verification around what is going on in your practice as you work to mitigate these health risks.”

Dr. Steve Frangos, Chevron
Exhibit 6: How Impact Assessment Work

1. Define Project and its Zone of Influence
2. Conduct Baseline Research to Document Existing Conditions
3. Conduct Impact Assessment: Evaluate Overall Significance Potential Impacts
4. Produce Management Plan for potential impacts requiring mitigation/enhancement

Influence Project Design and Execution

Exhibit Courtesy of Chevron
CONTRACTUAL CLAUSES

In smaller breakout sessions, participants discussed the merits and effectiveness of applying contractual clauses to ensure that projects actively prevent and manage HIV/AIDS, TB & malaria. While there was consensus around the effectiveness of clauses, participants were divided in their views around the actual language to include in the clause. How much of the clause should be prescriptive (with a clear outline of expectations) and how much should be left for the contractor to determine, based on local need and company commitment? Company representatives shared both types of clauses. Ultimately, companies identified the need for a baseline understanding of the range and prevalence of existing contractual clause activity across the industry as a key next step for the Oil and Gas Working Group to undertake.

Although the group generally endorsed the inclusion of contractual clauses, a few major challenges were highlighted in the implementation process. General areas of concern include the contractor’s programmatic and technical capability to implement health programs and the time invested in managing the contractual relationship, including monitoring contractual performance. Contractors underscored the need for majors to budget additional financial resources to manage these programs. They also pushed for harmonization across the industry of contractual requirements for health programs. The group identified next steps to facilitate the use of clauses [Exhibit 7].

Exhibit 7: Using Contractual Clauses Effectively: Next Steps for GBC and Industry

1. Provide external resources (technical and programmatic) to support health program planning and implementation
2. Develop “minimum standards” or “good practice” guidelines for HIV/AIDS, TB and malaria programs
3. Develop audit tools and processes to monitor compliance
4. Include a financial provision in the contract to support the design and implementation of the program

HSE MANAGEMENT

Another key question was how companies can leverage existing HSE management and contractor management processes to tackle the three epidemics. What emerged from participant discussions was that this is an easy way to increase engagement on the diseases. To date only a minority of majors have included HIV/AIDS, TB and malaria as part of their “Fit for Duty” and HSE management processes for contractors. A number of steps were identified for industry and stakeholders to undertake in order to enable companies to facilitate the integration of the three diseases, including:
- Utilize best practice manuals on implementing HIV/AIDS, TB and malaria workplace programs
- Communicate expectations with a clear focus on goals and expected measurable outcome
- Detail specific requirements on prevention, treatment and awareness programs for each disease
- Develop management systems to monitor and evaluate programs
- Provide a list of external resources to contractors to develop and implement health programs
- Leverage existing partnerships and programs on employee workplace public education and prevention programs
COLLABORATION: THE WAY FORWARD

Increasing business action to control disease and maintain a healthy workforce in the upstream oil and gas supply chain requires collaboration and commitment from a variety of stakeholders. Majors, contractors, government and non-profits/NGOs all have important roles to play; potential areas of focus for each group, as identified by roundtable participants, are highlighted below.

**Majors: Leadership and Advocacy**

Major oil companies should demonstrate leadership through their own adoption of best practices and by encouraging/pushing their suppliers to act. While continuing to implement world-class programs for their own workers, they should share lessons learned with their suppliers and other business associates.

“Leadership outside of the corporate office – on the ground – of the senior most member is key.” Dr. Faiyaz Bhojani, Shell

“We [contractors] have the same vision as you do, we are just further behind and just don’t have the resources. So let’s leverage your expertise.” David Jones, Cameron

**Contractors: Critical Partners on the Ground**

Contractors should embrace their critical role in controlling the three diseases and actively identify ways to engage. They should develop partnerships with their clients, seeking guidance on program development from more experienced players. They can also encourage their own subcontractors to take action.

“It wasn’t that long ago that I had a contractor tell me that they were not going to do anything that was required or recommended. They thought public health was something our company and the government should do.”

Steve Frangos, Chevron

“As per CCC policy, all subcontractors must comply with CCC HSE Management System. HIV/AIDS Management Procedures, being part of the HSE-MS, are no exception to this rule.”

Victor Karam, General Manager, CCC
Non-profits/NGOs: Technical Expertise, Local Knowledge

NGOs are key allies, offering technical expertise in such areas as intervention design and evaluation methods as well as, in many cases, intimate knowledge of and relationships with local communities in project areas. Non-profits, NGOs, industry group and other civil society stakeholders should work together to align efforts with oil project players and support them as appropriate. Many NGOs based in oil-producing regions are willing to lend assistance at a fairly modest cost. Companies reported an overwhelming number of actors in this space and expressed a desire for collaboration and synergy. Non-profits should also increase their understanding of on-the-ground project realities experienced by industry and adapt interventions accordingly.

"There are many industry groups, some of which seem overlapping or duplicative. Developing a consolidative forum would be helpful.” Anonymous feedback

“Our project managers have a couple of things in mind: delivery and budget.” David Jones, Cameron

NEXT STEPS

It is clear that oil and gas industry players have an important role to play—as well as considerable benefit to gain—in mitigating the impacts of HIV/AIDS, TB and malaria in geographic locations where high-prevalence zones converge with exploration and production operations. The roundtable discussions covered central themes of disease prevention and management, program execution, tools to catalyze action, and the importance of collaboration across stakeholders.

Participants identified several specific next steps to undertake:
- Survey oil and gas companies to understand the contractual clauses and contractor health management approaches currently in use (baseline assessment)
- Create an online platform to share tools and resources for both majors and contractors
- Develop tools to measure compliance/performance of contractor health programs

GBC’s Oil and Gas Working Group will lead the above efforts together with other industry stakeholders, ensuring alignment with action items from the earlier London roundtable [Exhibit 2]. Through these events, GBC aims to provide an ongoing forum to meet the need for candid dialogue on supply chain engagement and to build momentum throughout the industry, paving the way for more assertive and proactive efforts to protect health, maximize productivity and demonstrate commitment to fight the most pressing global health threats of our era.
HOSTS GBC, BOOZ & COMPANY, AND CHEVRON WOULD LIKE TO THANK THE FOLLOWING PEOPLE FOR THEIR INVALUABLE CONTRIBUTIONS TO THE 2009 GBC OIL & GAS SUPPLY CHAIN TECHNICAL ROUNDTABLE:

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GBC’s Oil and Gas Industry Working Group:
GBC working groups bring together member companies and, frequently, their stakeholders for action planning on priority needs and opportunities in the drive to defeat HIV/AIDS, tuberculosis, and malaria. Through GBC-facilitated meetings and offline support, group members air various points of view, share knowledge and real-world experience, and collectively produce deeper solutions than any one organization could create in isolation. The groups are typically organized by industry and involve competitors who share common challenges and objectives with respect to global health.

The Oil & Gas Industry Working Group is active in defining an agenda and creating tools that will ensure that contractors are properly equipped and focused on working alongside oil and gas majors to facilitate prevention and treatment of HIV/AIDS, tuberculosis, and malaria. The Group also involves other key stakeholders to bring a full range of knowledge and experience into the planning, and to ensure coordination across the corporate and non-corporate sectors.

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More than 220 of the top companies in the world,
United with the public sector and
Taking front-line action on global health.