



OHCHR REGISTRY

10 SEP. 2021

**Sébastien Bazin**  
*Chairman & Chief Executive Officer*

Recipients : ..... *SPB* .....  
.....  
Enclosure : .....

Christophe PESCHOUX  
Officer-in-charge - Special Procedures Branch  
OHCHR  
Ref: AL OTH 1771 2021  
By Email: registry@ohchr.org  
Fax: + 41 22 917 9008

Issy-Les-Moulineaux,  
August 24<sup>th</sup> 2021

Dear Mr Peschoux

**Joint Communication from Special Procedures dated 26 March 2021**

We refer to your letter dated 26 March 2021 (the “Letter”).

The allegations in the Letter are concerning and Accor takes them seriously. Accor appreciates the opportunity you have given to us to address and to respond to these matters.

Accor has undertaken certain investigations into the allegations in the Letter. Accor has also engaged with the Indonesian Tourism Development Corporation (“ITDC”).

Accor sets out in this letter our response to the matters raised having regard to Accor’s role in the project known as the “Pullman Lombok Mandalika Beach Resort”. However Accor wishes to highlight that it has no legal interest or entitlement to the land on which the hotel is being constructed. As such Accor is of the view that it is not a participant in the matters the subject of these allegations.

**1. Accor and its Commitment to Human Rights**

Accor is a world-leading augmented hospitality group that offers unique and meaningful experiences in 5,000 hotels and residences across 110 countries. Accor has been operating in the hospitality industry for more than 50 years and has an unrivalled portfolio of brands, from luxury to economy, supported by one of the most attractive loyalty programs in the world.

Beyond accommodation, Accor enables new ways to live, work, and play, by blending food and beverage with nightlife, well-being and coworking. Accor also offers digital solutions that maximize distribution, optimize hotel operations and enhance customer experience.

82 rue Henri Farman, CS 20077, 92 445 Issy-les-Moulineaux Cedex – France  
T. +33 (0)1 45 38 18 53 - www.all.accor.com - www.accor.com

ACCOR SA, Société Anonyme au capital de 785 517 132 euros, Siège social : 82 rue Henri Farman, 92130 Issy-les-Moulineaux – France  
RCS Nanterre B 602 036 444 - TVA intracommunautaire FR 93 602 036 444



Accor is deeply committed to respecting human rights and sustainable value creation in the course of its business. Accor categorically states that it does not sanction human rights abuses in any of its projects.

Since 2003, Accor has been a signatory to the UN Global Compact which enjoins businesses to “*support and respect the protection of internationally proclaimed human rights*” and to “*make sure that they are not complicit in human rights abuses*”.

Accor reaffirms its commitment to these principles, which have guided Accor’s approach to business and its policies, guidelines and protocol across geographies and sectors.

In addition, Accor plays an active role in giving back to the planet and community through various initiatives and programs including the:

- (a) “Planet 21 – Acting Here” program; and
- (b) Accor Solidarity endowment fund, which give disadvantaged groups access to employment through professional training.

As set out below, Accor considers that it has taken reasonable steps to ensure that Accor did not permit any human rights abuses in connection with the “Pullman Lombok Mandalika Beach Resort”.

## **2. Accor in Indonesia**

Accor has been operating in Indonesia for 30 years. It has over 130 hotels under management in Indonesia and has supported thousands of jobs across the country.

Accor prides itself on a strong record of social responsibility in Indonesia. Accor continually works to protect human rights and support local community projects that provide opportunities to Indonesians.

One of Accor's signature CSR programmes in Indonesia is “A Trust for a Child” (“ATFAC”) which was founded in 2001 and is operated by a local trust “Yayasan Peduli Tunas Bangsa”. ATFAC is designed to help underprivileged children to get access to support after-school learning and sport and social activities. ATFAC owns two learning centers (Sanggar) - one in Cipinang, East Jakarta and one in Bedugul, Bali. These centres provide assistance to more than 100 children each year with after-school learning and other activities.



Some other examples include:

- (a) team members from the Novotel Lombok visited an orphanage school “Pondok Pesantren Nurul Ijtihad Lengser – Kuta” to share trainings on “ALLSAFE” and to donate 420 face masks and 50 litres of hand sanitizer (with dispensers);
- (b) providing “free of charge” meeting space for trainings provided by local charities or government organisations – in June 2021 Novotel Lombok provided meeting rooms for 6 days to allow Bumi Solah to provide trainings on waste management; and
- (c) collaboration with government initiatives in increasing competitiveness and the use of domestic products through empowering micro, small and medium enterprises in Accor branded hotels – including providing space in the hotels for market sales of local products.

With the increasing impact of COVID-19 across Southeast Asia, including in Indonesia, Accor has through its ALL Heartist Fund - a EURO 70 million fund devoted to helping corporate and hotel employees and individual partners affected by COVID-19 - provided life-changing assistance to more than 65,000 hotel team members across Southeast Asia. Southeast Asia accounts for approximately 70% of the grants made so far.

### 3. Accor’s Involvement in the Mandalika Project

Accor is involved in two projects in the Mandalika region:

- (a) the “Novotel Lombok Resort and Villas” which Accor has been under Accor’s management since July 1997; and
- (b) the project known as the “Pullman Lombok Mandalika Beach Resort” (the “**Hotel**”) - which is scheduled to complete construction and start operations in Q1 2022.

Accor understands that the allegations in the Letter relate to the Hotel and provides the following additional details in this regard.

Accor was appointed in December 2015 to provide certain services in relation to the Hotel under the:

- (i) Hotel Consultancy Services Agreement (the “**HCSA**”) between PT AAPC Indonesia (“**AAPC Indonesia**”) and ITDC; and
- (ii) Hotel Management Agreement (the “**HMA**”) under which AAPC Indonesia was engaged as the “Operator”.

Under both agreements, ITDC is described as the “Owner”.



AAPC Indonesia is a wholly-owned subsidiary of Accor.

In broad terms, AAPC Indonesia's role, prior to the completion of construction and the opening of the Hotel, is defined by the HCSA. As described by the HCSA, AAPC Indonesia's role was principally to provide services "*as a resource to supplement the professional expertise of the Owner's other Consultants particularly in respect of the functional design, the specification of performance objectives and the selection of and equipment best suited to meet hotel professional requirements and brand standards*".

Consistent with AAPC Indonesia's limited mandate, the HCSA expressly provides that:

- (A) AAPC Indonesia's principal obligation would be to provide comments, recommendations, and assistance to the Owner on feasibility studies and plans concerning the *budget* of the Hotel, the *functions* and *interior design* of the Hotel, and the equipment for the Hotel;
- (B) ITDC would separately engage its own contractors to carry out and implement the project including, among others, contractors for project and construction management, quantity surveying and cost management, land surveying, feasibility and constructability studies; and
- (C) AAPC Indonesia would have no relationship with, or responsibility for, ITDC's other contractors - nor would AAPC Indonesia communicate directly with ITDC's other contractors.

AAPC Indonesia does not have a role in connection with the acquisition of the site for the Hotel or any related construction activities.

As and from the opening of the Hotel (and after completion of construction), AAPC Indonesia's role is defined by the HMA under which AAPC Indonesia is appointed, as the "Operator", to provide services in relation to the operation and management of the Hotel.

As the Hotel is scheduled to open in Q1 2022, AAPC Indonesia has started discussions with ITDC regarding the pre-opening of the Hotel (including the appointment of a General Manager).

AAPC Indonesia expressly sought and obtained assurances from ITDC that ITDC:

- (I) was the owner of the land for the Hotel;
- (II) was not aware of any claim or litigation by any person which would affect the ability of ITDC to carry out its obligations under the HMA; and
- (III) would resolve any title or other issues which relate to the Hotel or the Land prior to the opening date of the Hotel.



#### 4. Accor's Follow-up and Observations on the Allegations

In view of Accor's limited involvement in the project, Accor is not in a position to directly verify the veracity of the allegations in the Letter.

Accor has since engaged with ITDC and requested information and documents that lend context to the allegations in the Letter.

Accor also separately undertook investigations into the allegations in the Letter. Accor:

- (a) engaged with certain stakeholders in Lombok and the Mandalika region; and
- (b) reviewed publicly available information and documents including publications from NGOs and think-tanks and the international media publications.

Accor took these steps because of the seriousness with which it regarded the allegations in the Letter and its desire to assess and implement any mitigation measures that may be necessary and appropriate in light of those allegations.

In the course of these efforts, Accor has not, to date, been able to verify any human rights violations in connection with the acquisition or construction of the Hotel site.

Accor understands from the information that it has received from ITDC and the various published communications to the UN OHCHR that:

- ***Meaningful and Effective Consultation.***

Since 2012, ITDC and/or other stakeholders have held regular meetings, interviews, and extensive consultations with the affected communities, village leaders, and local government, including in Kuta, Mertak, Sengkol, and Sukadana-Teruwai.

The communities affected by the project have been provided information about the project, the land acquisition, the resettlement processes and the procedures for lodging complaints.

Efforts have also been made to collect individual views and opinions of the affected persons.

We understand that ITDC and AIIB are renewing these efforts - including by implementing a new communications strategy, more comprehensive Grievance Redress Mechanisms, and holding regular meetings with village leaders.



- ***Compensation for Relocation.***

The land acquisition for the project was carried out in accordance with the applicable law and involved appropriate compensation for land, assets, relocation, certain costs, and loss of income.

Various resettlement and accommodation arrangements were also made.

Affected individuals who considered that the offered compensation was inadequate were provided legal and other avenues to express their objections and pursue claims, including with the help of free legal aid services.

Consistent with this, several residents filed claims with courts and Komnas HAM, most of which have been resolved.

We understand that ITDC has independently sought to re-verify land ownership in the affected area and address delays in payments of compensations. ITDC is also working to identify and compensate all remaining persons affected by the project and covered by the Resettlement Action Plan.

- ***Resettlement Arrangements and Support.***

To address resettlement issues, ITDC initially set up a Resettlement Action Plan and a Resettlement Planning Framework. Consistent with these documents, ITDC committed to restoring or improving the livelihoods of those living informally on the land owned by ITDC.

ITDC, along with other organisations, is coordinating the construction of permanent resettlement housing in Dusun Ngolang, which is about two kilometres from Mandalika. Until the permanent housing in Dusun Ngolang is completed (expected in mid-2022), ITDC has set up a temporary resettlement site. These temporary houses offer utilities including clean water and toilets. The site also has a mushala (a small mosque), street lighting and a community library.

Other support has been extended to resettlers as well, including technical assistance, transportation, various training programmes, education, health and nutrition assistance, as well as support in overcoming the Covid-19 pandemic.

- ***Preservation of Cultural and Religious Sites.***

ITDC has built a new publicly accessible and larger mosque to replace the mosque affected by the construction work in the area. This was done under religious edicts and in accordance with guidance and approval from the local communities.

We understand ITDC also prepared an Environmental and Social Management Framework which addresses, among other things, the management of cultural heritage.



- ***Access to Clean Water.***

The quality of the water at the temporary resettlement site is being tested on a weekly basis and complies with international standards.

As regards access to clean water more generally, ITDC has taken steps to enable processing of 18,000 m<sup>3</sup> of seawater per day into clean water in order to provide a source of clean water to the Mandalika region.

The government of Indonesia is building a drinking water supply system there.

- ***Safety, Security and Well-being of Residents.***

The Sasak Tribe Customary Council has confirmed that there has been no forced land grabbing, eviction, or forced relocation executed by the government of Indonesia, ITDC, or the police or security forces.

The government of Indonesia has also confirmed that there have been no threats, intimidation, and criminalisation of human rights defenders or members of the community in general, nor has evidence of coercion, direct use of force, or intimidation been found by the AIIB.

To address reported concerns, ITDC has, however, significantly reduced the presence of security forces in the Mandalika region and has implemented stricter policies regarding the use of security personnel, requiring that such use be approved in advance by senior appointment holders.

## **5. Accor's Continuing Commitment to Support Local Communities and Their Environment**

### ***Accor's commitment to management ethics, integrity and legal compliance.***

Accor is committed to conducting its business with management ethics, integrity, and in full compliance with its legal obligations, including the French Duty of Vigilance law of 27 March 2017.

Accor has:

- (a) implemented a vigilance plan to identify and present risks related to human rights and fundamental freedoms, health and safety as well as the environment, including:
  - (i) a comprehensive risk assessment;
  - (ii) appropriate policies as set forth in the Planet 21 Charter for suppliers;
  - (iii) Accor's Ethics and Corporate Social Responsibility Charter; and
- (b) adopted appropriate policies to manage these risks including:
  - (i) implementing processes to cover the risks; and
  - (ii) setting up a working group composed of representatives from the Procurement, Social Innovation, Legal, Sustainable Development and Risk Departments.



### ***Ethics and Corporate Social Responsibility Charter (the “Charter”).***

The Charter provides the framework for Accor’s approach to responsibility in terms of management ethics, integrity and legal compliance as well as Accor’s responsibilities to its employees, the society and the environment.

Accor contributes to the economic development of the communities in which its branded hotels are located through direct and indirect jobs and seeks to protect their cultural heritage and natural ecosystems.

Accor has pledged to:

- (a) encourage the recruitment of local hotel staff;
- (b) offer training programmes to develop the skills and employability of local employees who have not initially prepared for Accor’s jobs;
- (c) promote the culture, architectural heritage and cuisine of Accor’s host communities;
- (d) help in the fight against poverty through Accor’s business agreements, for example by offering fair trade products whenever possible;
- (e) encourage hotels to purchase and promote local products; and
- (f) support partnerships and ties with the local communities.

### ***Multi-stakeholder partnerships to Further Sustainability***

Accor is also committed to promoting local economies and culture and this is relevant in the current context.

For example, on 4 March 2021, Accor and Expedia Group have collaborated with the United Nations Educational, Scientific and Cultural Organization (UNESCO), to further extend the UNESCO Sustainable Tourism Pledge into 96 countries.

This strategic tripartite agreement will see 3,358 global Accor hotels jointly promote environmental sustainability and sustainable tourism worldwide. The UNESCO Sustainable Tourism Pledge promotes responsible practices, community resilience and heritage conservation, with the ultimate goal of changing the nature and impact of global tourism. Under the Pledge, parties commit to supporting the reduction and elimination of single-use plastics and promoting local economy and culture.

## **6. Accor’s Commitment to Mandalika**

Accor will continue to monitor the situation closely and focus on implementing measures to mitigate the impacts that the development of the Hotel may have on local communities.





Accor commits to ensure that a substantial majority of employees at the Hotel will be from the Lombok and surrounding area so that Accor can provide employment and training opportunities for the community.

This is consistent with Accor's operations at the Novotel Lombok where more than 90% of the employees are from Lombok or the immediately surrounding areas.

Accor supports and will continue to encourage and engage with ITDC on a regular basis to:

- (a) mitigate the impacts that the development may have on local communities; and
- (b) continue ITDCs' efforts to engage in meaningful consultation with local communities and provide appropriate compensation and relocation in accordance with legal requirements.

Accor also pledges to participate in appropriate local initiatives in Lombok to facilitate opportunities to mitigate human rights risks and ensure that the development of Lombok respects human rights and the rule of law.

Accor's commitment to addressing human rights issues is a central part of the Charter. Accor will continue to develop its existing efforts to prevent human rights abuses across its own operations and those of its partners.

\* \* \*

Accor is deeply committed to respecting and supporting the rights of people and communities affected by its operations and the Mandalika region is no exception.

Accor will continue to work with stakeholders to preserve and enhance the rights, safety and well-being of the people and communities in the Mandalika region.

Yours Sincerely,

Sébastien Bazin  
Chairman and CEO, Accor