

The Working Group on the issue of human rights and transnational corporations and other business enterprises  
Office of the UN High Commissioner for Human Rights  
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### **Submission for the public consultation on the UN Forum on Business and Human Rights**

Minority Rights Group International's annual report - *[State of the World's Minorities and Indigenous Peoples 2012](#)* - provides concrete evidence of how minorities and indigenous peoples around the world continue to face eviction from their lands and other violations of their rights caused by private sector development and extractive projects, such as mining, oil and gas, and logging activities.

The scale and severity of the threats to indigenous peoples and minorities have reached new proportions, due to an unprecedented demand for the world's remaining resources

While the Guiding Principles are a positive step forward, corporate responsibility standards still have some way to go. This is partly due to the fact that international initiatives have so far been voluntary, and partly because local enforcement of national legislation continues to be patchy. Consequently, some of the most vulnerable groups – particularly minorities and indigenous peoples – are not protected from harmful corporate behaviour

Our research has shown that while the principle of corporate responsibility for human rights is gaining ground, the rights of minorities and indigenous peoples have not been sufficiently articulated as part of this principle. This is in part due to fact that the impact of human rights violations on minority and indigenous communities by companies in the development and extractive sectors is not yet widely or sufficiently understood.

### **Below are some of the major weaknesses of the current framework to ensure corporate respect for human rights:**

*Due diligence:* while companies commonly conduct an environmental impact assessment, such assessments do not generally consider the human rights related impact of activities on minority and indigenous groups. Nor does such due diligence usually consider the different risks faced by women and men. *Grievance mechanisms:* The Guiding Principles affirm that businesses 'should establish or participate in effective operational-level

grievance mechanisms for individuals and communities who may be adversely impacted'. But few companies have instituted such mechanisms.

*Community engagement:* Companies' engagement with minorities and indigenous peoples is only the first step; the essential issue is whether a company acts upon input from local communities. Where the company has engaged with individuals at the local level who are affected by the project, but then fails to respect the written agreement or its oral promises, the company only fosters a climate of distrust, which can lead to demonstrations to block the company's operations and lawsuits.

*Reporting:* The number of companies reporting on their respect for human rights is increasing. But companies do not always apply in practice the express commitments that they make in their reports. Moreover, these reports suffer from several significant weaknesses. First, there is no formal system to monitor the accuracy of the content of such reports. Second, minorities and indigenous peoples also have difficulty verifying reports that may use unintelligible business terminology and be written in a language which the communities do not understand.

### **MRG has several key recommendations to improve the effectiveness of the GPs to protect indigenous rights.**

#### *To the UN Working Group:*

- Encourage further research to increase awareness of violations of the rights of indigenous peoples and minorities by companies,
- Develop principles specifically on businesses and minority and indigenous peoples, working with the Global Compact Governance Framework.

#### *To companies:*

Incorporate human rights principles related to minorities and indigenous peoples into their own policies and guidelines.

- Promote an understanding of minorities and indigenous peoples rights through training of management and employees; and commit to respect their rights, including the principles of effective consultation and of free, prior and informed consent of indigenous peoples to companies' activities.
- Provide appropriate grievance mechanisms and engage in effective consultation with minorities and indigenous communities who are impacted by their operations.

#### *To civil society:*

- Work towards greater inclusion of minorities and indigenous peoples in processes such as the creation of legislative standards, industry principles, reporting indicators, and judicial and non-judicial mechanisms related to corporate responsibility to respect human rights.

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