

Brief Country Report on UNGP implementation GERMANY

The German **National Action Plan on Business and Human Rights** (NAP) was drawn up between 2014 and 2016. This intense process offered a platform for stakeholders from business associations, politics, civil society and academia to contribute their experiences and insights. The German NAP therefore pools the strengths of the various stakeholders. We believe it is an important contribution to improving the human rights situation along the supply and value chains in Germany and worldwide.

Our NAP sets out the **German Government's expectations for all businesses** to implement **corporate human rights due diligence**, structured according to five core elements that are rooted in the UN Guiding Principles. The German Government has set up a **NAP monitoring process** to assess due diligence implementation by businesses. In 2018, qualitative interviews were conducted with 30 companies that had volunteered for implementation. In 2019 and 2020, quantitative surveys of a representative sample of all Germany-based enterprises with more than 500 employees are to be carried out. Results will establish whether at least 50 percent of the surveyed enterprises have incorporated the five elements of human rights due diligence by 2020. If this target is not met, the German Government will consider further action, which may include legislative measures at the national and EU levels.

The German Government is committed to strengthening its instruments for protecting human rights in areas such as:

- **public procurement** – The German Government will examine whether and to what extent binding minimum requirements for the corporate exercise of human rights due diligence can be enshrined in procurement law in a future revision. It will draw up a phase plan indicating how this aim can be achieved. The Centre of Excellence for Sustainable Procurement offers training on human rights criteria for public officials charged with procurement at the federal, regional and local levels. The German Government has also initiated an exchange with other EU member states and with the European Commission on this topic.
- **granting of subsidies** – The Federal Guidelines for subsidies have been extended to include a sustainability assessment, which examines the long-term economic, environmental and social impacts of subsidies. The assessment is aligned with the Sustainable Development Goals and the provisions of the NAP.
- **development cooperation** – Germany supports developing and newly industrialised countries with the preparation of guidelines, training measures and exchanges in order to assist the process of drafting their own NAPs. The German Government is also committed to protecting human rights defenders when applying the UNGP via specific programmes in Latin America, Africa, Asia and Europe, as well as in case work carried out at its embassies around the globe.
- **external trade promotion** – Human rights, which have hitherto been an element of environmental and social impact assessments, and the identification of risks to human rights are given more specific consideration and a higher priority in the assessment procedures. The detailed procedure for assessing applications for the provision of export credit guarantees, guarantees for direct investments abroad and untied loan guarantees has been further reinforced as regards respect for human rights in line with the NAP requirements. The aim is to identify and mitigate human

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right risks associated with the projects in the buyer's country. In addition, participation in grievance proceedings initiated against a company before the National Contact Point (NCP) for the OECD Guidelines for Multinational Enterprises are taken into account in decisions regarding the implementation of certain external trade promotion instruments.

- **access to remedy** – The NCP for the OECD Guidelines for Multinational Enterprises as a grievance mechanism has been reorganised and strengthened as regards its structure and resources. Moreover, the German Government will produce a multilingual information brochure on access to German courts for injured parties. The brochure aims to offer potentially affected persons a comprehensible summary of German civil procedural law and an overview of the remedies available under German substantive civil law.

NAP implementation requires a whole-of-government approach. Ten different ministries and our Federal Chancellery are working to implement the NAP commitments. Moreover, non-governmental stakeholders continue to play an active role. As a result, our NAP is endowed with a sophisticated governance structure:

- An **Interministerial Committee** meets every other month to coordinate government action, review progress in NAP implementation and ensure policy coherence.
- Furthermore, a **multi-stakeholder working group** on business and human rights gives recommendations to the Interministerial Committee. The working group is chaired by our National Human Rights Institution.

A **support package for business** has been developed. The NAP Help Desk, initiated by Germany's Agency for Business and Economic Development, serves as a point of contact for providing tailor-made support for business. Furthermore, **NAP networks abroad** have been established in eight pilot countries. The German embassies steer these networks that otherwise consist of the German Chambers of Commerce Abroad, representatives from German bodies for external trade promotion and development cooperation, and local actors such as business associations and NGOs. They provide scope for exchange and constitute a resource for information on business and human rights issues for German companies abroad.

Sectorial dialogues are being promoted by the German Government. Four initial events to discuss overarching issues such as complaints mechanisms and competition law issues have been held, and several "focus branches" of the economy will start dialogues to coordinate sectorial action dedicated to respecting human rights. This is in addition to the many different initiatives already in place that serve as learning and exchange platforms for stakeholders, such as the German Global Compact Network, the Partnership for Sustainable Textiles, the Forum for Sustainable Cocoa and the Forum for Sustainable Palm Oil.

In 2020, a comprehensive **report will assess overall NAP implementation** by all stakeholders, including the German Government. This report will serve as a basis for preparing potential follow-up measures to the current NAP. Germany is delighted to see that more and more countries are developing and implementing National Action Plans. Germany will continue to participate in business and human rights dialogue on the international level and hopes to promote cooperation with various stakeholders from all over the world to ensure the implementation of the UN Guiding Principles.