

NEXT DECADE | 10+



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Guiding Principles On Business And Human Rights At 10: Taking stock of the first decade

EXECUTIVE SUMMARY

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Report of the Working Group on the issue of human rights and
transnational corporations and other business enterprises

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Executive summary

The 16th of June 2021 marks the 10th anniversary of the UN Guiding Principles on Business and Human Rights (UNGPs). Their unanimous endorsement by the UN Human Rights Council was a landmark moment for efforts to promote corporate respect for human rights and sustainable business.

This 10-year anniversary is an important milestone, but there is much more at stake in the current global environment which makes today a real inflection point for the future we want: the climate and environmental crises, combined with other major global challenges, such as shrinking civic space, populism, corruption, conflict and fragility, and yet unknown human consequences of technological developments. The socio-economic crisis resulting from COVID-19 has further laid bare and amplified gross existing inequalities and injustices, including pervasive gender and racial discrimination.

Responsible business must be at the core of the responses to these challenges. The UNGPs' three pillars tell us what is needed in practice: States must protect human rights, business should respect human rights, and victims need access to effective remedy. The UNGPs provide the authoritative framework and a key tool for States and businesses to avoid reverting to business as usual, but to forge a new and better normal that prioritizes respect for people and the environment – supported by other stakeholders and inclusive multilateralism.

Against this backdrop, and as part of its mandate to promote the UNGPs, the Working Group on Business and Human Rights has been undertaking a project (UNGPs 10+) to take advantage of the 10th anniversary to take stock of UNGPs implementation to date and chart a course for action in the decade ahead. **This report by the Working Group takes stock of the first ten years of UNGPs implementation by States and business.**

UNGPs 10+ process: stakeholder inputs

Multi-stakeholder dialogue and consultations in all regions were a defining feature of the mandate that developed the UNGPs. It has also been at the core of the Working Group's mandate and methods of work, including throughout the UNGPs 10+ project. While this report cannot do justice to all the valuable insights emerging from the many consultations and written inputs, they helped to inform the stocktaking and the continuing process to develop a roadmap for the next decade. A key objective has also been to provide a platform for stakeholders' assessments of developments to date and their priorities for realizing implementation of the UNGPs over the coming decade. Submissions and consultation summaries are posted on the project web page and a dedicated portal hosted by the Business and Human Rights Resource Centre.

Between July 2020 and February 2021, more than 30 virtual consultations were organized by the project team or by partners supporting the project. In addition, Working Group members participated in numerous events organized by business, civil society, the United Nations, and others that helped generate further awareness and input. Consultations with stakeholders involved civil society networks in Africa, Asia, Europe, North America and Latin America, several global and national business organizations, institutional

investors, governments, national human rights institutions, human rights defenders, indigenous peoples' networks, trade unions and others. The UNGPs 10+ project provided a key framing for the RBCLAC regional Forum (September 2020) and the first UN regional Forum on business and human rights for Eastern Europe and Central Asia (organized by UNDP, November 2020). The annual UN Forum on Business and Human Rights served as a key opportunity for global multi-stakeholder dialogue. An open call for written inputs and online questionnaire (UNGPs 10+ 'have your say') generated more than 200 responses from business organizations, civil society networks, national human rights institutions, governments, trade unions and others. Solicited inputs addressed a range of topics e.g., UNGPs' impact in litigation, stock exchanges' ESG guidance, gender, indigenous peoples' perspectives, data on strategic lawsuits against public participation, and patterns of a decade of UN special procedures "communications" involving business, as well as mappings of regional developments in Africa, Asia and the Arab States undertaken by UNDP and in LAC by OHCHR.

The stocktaking includes an assessment of progress, gaps, and challenges, as well as obstacles and opportunities for advancing more robust policy action and change in the coming years. It will be followed by a "roadmap for the next decade", with forward-looking recommendations for State actors and business, as well as other stakeholders who have a role to play in promoting implementation of the UNGPs. This roadmap will be launched in the second half of 2021. This stocktaking report is accompanied by an addendum report on the uptake of the UNGPs among institutional investors and with recommendations for rights-respecting investment.

Looking back, the UNGPs have contributed to significant progress towards promoting respect for human rights in a business context. They have clearly articulated the different but complementary roles of States and business in preventing and addressing business-related human rights impacts. They have reminded States of their human rights obligations as they relate to business and clarified the responsibility of businesses themselves to respect human rights, even when States may not live up to their own duties. By positioning the need for greater access to effective remedy for victims of business-related harms as a core pillar, the UNGPs have also helped shift the focus from corporate philanthropy to accountability as an essential feature of responsible business.

This clarity and common platform for action did not exist before 2011. Monitoring of and achieving accountability for business-related human rights abuses is still a work in progress. Yet, a decade of implementation of the UNGPs has been marked by its most notable normative innovation – the expectation that businesses exercise human rights due diligence – morphing towards a legally binding standard of conduct, while States and businesses have begun to implement the framework to prevent and address business-related harms to people. Introduced by the UNGPs, human rights due diligence requires businesses to identify, prevent and mitigate their adverse impacts and to account for how they address them. This normative clarification is the cornerstone of the business responsibility to respect human rights, and is likely the most influential contribution of the UNGPs. Beyond increasingly being embedded in law, the uptake of the human rights due diligence standard by organizations framing and influencing business operations and decision-making in different regimes has created what can be best described as a consolidated web of pressure, where a range of different actors are mandating or incentivizing business to respect human rights. The broad institutional uptake of human rights due diligence by various actors ranging from companies themselves, but extending to business and industry platforms, investors, States, and multilateral lenders, has contributed to fulfilling one of the central objectives of the UNGPs by fostering convergence among the many different institutions that shape business conduct. In particular, the concept of corporate human rights due diligence has paved the way for regulatory developments, with increasing backing from business, including by investors, financial institutions and business organizations.

The past decade also highlights that, fundamentally, the “governance gaps” that created the need to develop the UNGPs still allow too many instances of business-related abuses across all sectors and regions. Further, the lack of policy coherence within States but also in business and in multilateral institutions and forums remains a key challenge. For example, benchmarking initiatives and stakeholder assessments highlight disconnect between improvements at the policy level and human rights due diligence in business practice. Similarly, while preventing and addressing adverse impacts on people and the planet is the core of the UNGPs, and the most significant contribution that most businesses can make towards sustainable development, the key standards of the UNGPs have been largely absent from the Sustainable Development Goals, or in the context of the Paris Agreement. This gap is particularly noticeable as the due diligence standard and the accountability focus of the UNGPs make them a valuable framework for practical achievement of a “just transition” to a green economy.

Overall, efforts to promote implementation of the UNGPs to date have enabled broader levels of participation from a wider range of stakeholders, challenging them, but also bringing them together to learn from each other and to generate the diversity of responses that the complex nature of business and human rights requires. Yet, more action by more States, including making full use of the available tools beyond voluntary measures, and more action by more businesses, including among small and medium-sized enterprises (SMEs) that are challenged by limited resources and few practical tailored tools, is still a matter of urgency.

Looking ahead, the mandatory human rights due diligence wave and the increasing focus on effective regulation offer opportunities and drivers. The onus is on States to develop effective laws and regulations, but also to use the wider range of policy tools – a “smart mix” – to incentivize responsible business and due diligence. **In parallel, there is a need to leverage the financial sector and the momentum of the increasing focus of investors on environmental, social, and governance (ESG) factors,** though major gaps remain also in this sector as underlined in the addendum report on institutional investors. There is a need to move beyond leaders and for wider investor action to respect human rights.

Progress will also require tackling a number of gaps foreseen by the UNGPs, ranging from overcoming barriers regarding access to remedy for victims of business-related impacts, to implementing business models that do not undermine human rights, for example in the context of supply chains, purchasing practices, and in digital technology. There is also a need to develop better corporate human rights performance data, including better disclosure, alignment and consistency with human rights standards across benchmarks, scaling the availability of data, and focusing on actual performance and outcomes for people.

Some accessible opportunities for progress exist. Momentum has been increasing in some regions, which should be built upon to create lasting regional races to the top. Both regional and global level efforts in this direction should be reinforced by supporting measures. This includes the development of more systematic peer learning and accountability platforms for State implementation, supported by reinforcing efforts at regional level, as well as better tracking, including through enhancing the role of the Universal Periodic Review and the UN Forum on Business and Human Rights. It is also essential to explore options to address capacity gaps among stakeholders – from those who have to implement the UNGPs, notably governments and businesses (including SMEs) to national human rights institutions, communities, and civil society organisations.

The persistence of business-related human rights abuses should be a matter of urgent priority attention by States and business, as rights-holders continue to experience harm and remain at risk. The last decade has underscored the point made in the UNGPs: voluntary approaches alone are not enough. The rise of mandatory measures will undoubtedly accelerate both uptake and progress. At the same time, the

experience of many decades has demonstrated that legal measures are essential but not sufficient to ensure business respect for human rights.

The UNGPs, and human rights due diligence that is focused first on those most at risk, provide a blueprint for States and business for a responsible recovery from the COVID-19 crisis. Looking beyond the pandemic, at other major global challenges, meaningful progress will require a systemic approach by all stakeholders, and persistent efforts to leverage the multiple actors beyond States that frame policies, practices and indeed regulations that shape business behaviours in a smart mix of measures, which cumulatively will make the difference we need, without hoping for a silver bullet solution.

The first decade demonstrated that change is possible. This provides hope for the next ten, as a foundation to intensify efforts to address remaining gaps and seize existing opportunities. The upcoming “roadmap” rests on the common platform that was established in 2011 and the broad, growing movement converging around the UNGPs over the decade. It aims to support better coordination and accountability, and help set a course for action by States, businesses and others. As the UNGPs turn 10, States and businesses should use the anniversary moment to take steps to increasing the pace of implementation on the scale needed to deliver impact towards 2030 and beyond.

For more information, see:

[UNGPs 10+ project web page](#)

[UNGPs 10+ portal hosted by the Business & Human Rights Resource Centre](#)

[Written inputs to UNGPs 10+ with more than 200 submissions from States, business organizations, national human rights institutions trade unions, indigenous peoples, civil society organizations and others](#)



