

Keynote remarks by

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"Business and Human Rights: Driving Multi-Stakeholder Engagement"

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Ladies and Gentlemen,

C20 representatives,

Thank you for the invitation to address the C20 and this important session focused on the role of business and human rights in driving effective multi-stakeholder engagement.

Business and human rights is a key issue in the current context, as we are at a turning point and inflection point for the future we want.

Is it a future of closed borders, conflict, rising inequality, climate crisis, pandemics, and discrimination?

Or is it a path of resilience, inclusion, justice, peace, and prosperity?

As we reflect, there are two key commitments made by States that are fundamental. Both recognize that responsible business is a key part of the solution.

The first is the 17 Sustainable Development Goals that set forth the aspirations we have for people and planet.

The second is the UN Guiding Principles on Business and Human Rights, the UNGPs – brought to life by the UN Human Rights Council in 2011, and the universally accepted framework for how to realize corporate respect for human rights.

Grounded in international human rights and labour standards, their three pillars tell us what is needed: States must protect human rights, business should respect human rights, and when harms occur, victims need access to effective remedy.

The Working Group that I am representing, currently as Vice-Chair, has a mandate to promote the UNGPs.

Let me take this opportunity to highlight that in the lead-off to the 10th anniversary of the Guiding Principles in June next year, we are undertaking a new project "Business and human rights – towards a decade of global implementation".

This project – also known as UNGPs10+ – will:

- take stock of the first ten years of implementation;
- and design a roadmap for action in the decade toward 2030.

Our goal is to help unleash the full potential of the UNGPs, to support our collective efforts to achieve the future we want. The stocktaking will be presented to the UN Human Rights Council in June next year and the forward-looking roadmap will also be launched in June at the same time as the UNGPs mark their 10th anniversary.

To inform the roadmap we are consulting with stakeholders in all regions and as part of the global consultation process, we have invited all interested parties to participate with a written contribution. The link to the 'Have your say' is available at the project web site.

Civil society has a critical role to play in this process and broadly for driving progress toward the SDGs and realizing the UNGPs.

Civil society organizations and human rights defenders around the world are doing so by promoting government and corporate accountability, through a variety of approaches, from exposing wrongdoing, pushing for national and international level regulation and policy innovations, direct engagement with business, and participation in multi-stakeholder platforms.

This session seeks to discuss the state of play of national action plans on business and human rights, and the way forward for making them effective. Civil society can make a significant contribution also in this context.

The Working Group has actively <u>promoted national action plans</u>, or <u>NAPs</u>, on business and human rights as key policy tools for advancing implementation of the UNGPs and greater <u>policy coherence</u>.

Both the UN Human Rights Council and the G20 have made commitments to promote NAPs by member states.

Yet, beyond Europe, and despite efforts to the contrary, very few countries have actually issued NAPs. Not only have too few countries developed NAPs, but also where such plans exist, the overall picture is one of shortcomings, in terms of both process and content.

Assessments by civil society organizations and the Danish Institute for Human Rights have previously highlighted that with respect to process:

- Too few NAPs are based on robust evidence gathered via national baseline
 assessments. While what we understand by a *robust* baseline assessment may need
 to be adapted to local capacity and resources, they should involve multi-stakeholder
 consultation, consultations in different regions, and a human rights based approach
 to consultation allowing for the voice of those most at risk being heard, such as
 indigenous peoples, racial minorities and migrants.
- This is also connected to one of the key challenges for ensuring meaningful participation, as many NAP processes are not accounting for existing power imbalances and mistrust.
- Another criticism highlights that drafting processes have lacked transparency and clear timelines for publication, and once in place, there is weak governance of NAPs, including lack of adequate frameworks for progressing and monitoring implementation.
- Yet another criticism is that with a few exceptions NAPs are generally weak in terms of actionable steps that the State should take.
- Inside government, one challenge relates to the observation that ministries in charge do not have sufficient political power to convene key ministries and lack a strong mandate from the highest political level to implement NAP actions internally.
- Resources and capacity present challenges too.
- And there is lack of continuity when governments transition.

With respect to content:

- Again with a few notable exceptions, NAPs lack provisions for legal developments and mandatory options to close protection gaps.
- Instead and while they are important there is an overemphasis on voluntary measures such as awareness-raising, training, research, and promotion of good practice.
- There is insufficient attention to the State as an economic actor, missing the duty and opportunity to embed the Guiding Principles in SOEs, public procurement and export credit, among others.
- Critically, the third pillar of the Guiding Principles access to effective remedy has been neglected. While NAPs should be a tool for strengthening access to both judicial and non-judicial grievance mechanisms, this is hardly done in any existing plans.

And if one looks behind these gaps, deeper issues are at play. One of the main reasons for the weakness of NAPs in many countries is corruption and corporate (and regulatory) capture of the state. If the NAP process and content do not address this challenge and is underpinned by effective political will for change, it is hard to see how NAPs can make a difference in many contexts.

During the 2019 UN Annual Forum, the Working Group stressed that it was time for Governments more actively to catalyse business respect for human rights. We noted that Government action was overdue and urgent to adequately address the challenges of today and prevent those of tomorrow.

This urgency has become even more acute in the current global crisis. States must act to protect workers and communities that are negatively affected by business decisions and activities. While the world is battling with the economic shocks from the pandemic, we need to start planning for a new and better future, where protection of and respect for human rights must be a key ingredient of a sustainable and just society and its economy.

Now is actually a timely moment to reinvigorate the call for NAPs on business and human rights, including by the G20 – but only if we learn from and address the challenges and shortcomings of early efforts.

We recognize that local realities and contexts, including capacity and resources of government entities and other stakeholders, mean that different countries are at different starting points and that journeys will look different. Yet, in all contexts there is potential for progress when learning from the experiences of others and striving toward continuous improvement.

In all contexts, two critical elements need to be present to make NAPs meaningful and effective:

- Multi-stakeholder participation that includes both business associations and civil society organizations and, importantly, affected stakeholder voices, including unions, human rights defenders and those most at risk.
- And there needs to be mechanisms for governance, reporting and monitoring, for example through multi-stakeholder councils, a mandate for the national human rights institution, and integration of the NAP into other monitoring and review processes, such as annual "state of the unions" or SDGs progress reports.

In terms of content, NAP should:

- Address challenges both at home and across global value chains, including challenges linked to investments involving financial institutions and investors.
- Reflect a true "smart mix" approach that adequately covers all the four "smart mix" dimensions, namely national and international as well as mandatory and voluntary.

- No longer ignore the access to remedy pillar but include clear plans for addressing barriers faced by rights-holders and improving access to both judicial and non-judicial grievance mechanisms.
- Emphasise action that strengthens protection of human rights defenders as well as individuals and groups that are particularly vulnerable to discrimination and business-related human rights abuse.

A renewed commitment to the UNGPs should be high on the G20's agenda in 2020 – and to NAPs as a key tool for promoting their implementation. We have previously made a number of recommendations to the G20, in 2017 and 2019, calling on the G20 to honour previous commitments and for leadership on concrete legal and policy steps. In 2020, this should include commitment to mandatory human rights due diligence, where the EU is currently demonstrating a leadership role.

The UNGPs three pillars – "Protect, Respect and Remedy" – that set out how governments and business should put people at the centre of how business is done, provide a key reference both in the current global crisis and for the recovery. It is critical that they are not put aside now. The responses to the pandemic and the economic impact must not result in lower standards – or even be used as a pretext by governments and business actors to circumvent international human rights obligations and commitments.

When the pandemic passes, the recovery period will provide the opportunity to take a more sustainable path forward, by putting people and planet at the centre. Eventually, making real progress in implementing the UNGPs will better prepare us for the next crisis, not least when turning our collective attention to the climate crisis and other human rights challenges stemming from social injustices and growing inequalities.

In all of these efforts, civil society must have the freedom to help push states and businesses to realize the aspirations we have for people and our planet.

Thank you.