'Implementing the UN Guiding Principles on Business and Human Rights' Warsaw, Ministry of Economy conference hall, 25.01.2013

Allerhand Insitute Conference, PANEL I – State Duty to Protect

UK Presentation*

I wish to thank the organisers of this conference for the invitation to contribute here today. I regret I cannot be with you in person but hope you will find the UK presentation of interest.

I will start by talking a little about the British Government's <u>commitment to business and human rights</u>, our creation of a <u>national strategy on business and human rights</u>, and the work that went into the <u>Pilar I strand</u> of that strategy.

The promotion of our country's prosperity is a priority for the UK. Sustainable trade is vital for our economy, it supports employment and promotes British and global growth. At the same time, human rights values are intrinsic to our foreign policy and we will not promote trade at the expense of human rights.

Our commitment to promoting responsible business engagement is not a new one. Global debate about the responsibilities of business in relation to human rights has been gathering pace since the mid-1990s. A number of international initiatives have been adopted during this period, which create guidelines for businesses and the UK has actively participated or led on several of these.

The UK was a strong supporter of the work of the UN Secretary-General's Special Representative on Business and Human Rights, Professor John Ruggie, as he worked to produce the UN Guiding Principles on Business and Human Rights.

Following UN endorsement of the Principles, our ministers called for a national UK strategy on business and human rights.

In September 2011 we created a steering group, from a series of relevant Government ministries, to develop a strategy.

We discovered that it takes time to create understanding across other departments of a government about a new issue like the UN Guiding Principles. And it takes time for people – even inside a government - to lose any misconceptions they have about the expression "human rights". They also want to know how much work will be involved in this project and whether that will be evenly spread. All are natural reactions, but take time to settle down and for confidence and understanding to grow.

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Our steering group started by examining the Guiding Principles and their nature. We decided to use in our strategy the same three part structure as the Guiding Principles – to directly reflect the three pillars on 1. the state duty to protect against human rights abuses; 2. the corporate responsibility to respect human rights; and 3. the need for greater access by victims to remedy.

In the first half of 2012 we hosted workshops with interested non-governmental stakeholders, firstly with multinational companies, then with small and medium sized businesses. We also met with civil society groups, including human rights NGOs and trades unions. All of these meetings were animated by a group of academics who accompanied the process throughout.

At these workshops we basically asked the same questions: what would participants <u>want</u> to see in a Government strategy on business and human rights and what would they <u>expect</u> to see?

We gathered a lot of useful feedback for our strategy paper, and concluded the process by bringing representatives of all the meetings together with the Government steering group for a general discussion. We found that the longer we proceeded with this process of stakeholder engagement, the better the level of trust and mutual confidence between the different groups, and the greater was the shared spirit of wanting to make this business and human rights process work for all concerned.

We followed this up in June 2012 with an international Wilton Park conference, comprising expert groups from other governments, inter-government organisations, civil society groups and members of the UN Working Group on Business and Human Rights.

From this conference, we also took a number of recommendations for action and fed them into our strategy.

Our proposal is almost complete and we shall launch it in the near future. It will contain clear statements of what the British Government is doing to protect human rights in the business context, and messaging about the Government's expectations that British companies will work to respect the human rights of those involved in and affected by their operations. It will also include all the different support and services the Government will give to companies to help them with this work.

We have learned many things as we worked on this strategy – some of the main things being:

- That this is the first time the Government has examined how it protects human rights in the business context. While we have done a basic <u>mapping</u> of this, we believe we need to do more comprehensive mapping in future.

- Our work also made us consider and look at the <u>leverage</u> that the Government itself can have on business activity – through contracts, tenders and purchasing activities;
- It has also made us look at the provision of <u>remedy</u> in the UK context, how that is structured and where it is strong or less strong, and needs more work.
- We also learned to look at the <u>business case for doing human rights</u> i.e. why businesses should be motivated for good, solid business reasons to get involved in this work, as well as for the reason that "it is the right thing to do".

The future challenges we face in implementing the strategy are many. Some of the immediately obvious ones are:

- Communicating the strategy to <u>Government departments and their staff and our diplomatic mission overseas</u> for them to understand and deploy in their contact with business people;
- Communicating the strategy and Government expectations to <u>businesses</u> of all shapes and sizes and sectors;
- To promote uptake of the Guiding Principles by <u>other countries</u>, including in the EU. We welcome the consideration being given to this matter by the Polish Government.

Pillar 1 - State's obligations

I shall now talk a little more about how we tackled Pillar 1 work.

Our objectives in relation to Pillar 1 issues are:

- to ensure that the UK protects human rights within its jurisdiction;
- to make sure we have in place laws, policies and other measures that require and enable businesses to respect human rights and encourage their reporting on human rights performance;
- to ensure that all departments and agencies of central Government, and other agencies with an interest in business activity at home and abroad, are made aware of and understand our human rights obligations and commitments, including to the Guiding Principles;
- to ensure that the UK promotes awareness of business and human rights issues internationally, and encourages State protection of human rights and business respect for human rights.

The UK already has a mix of policies, legislation and regulations that help protect human rights. But like all States we need to continually assess whether the current mix is right, what gaps there might be and what improvements we can make. We are prepared to

consider all actions that can improve the situation, including further legislation if necessary. The Guiding Principles say governments must remain vigilant to gaps in protection coming to light, and to look at how best to protect the rights in question.

Following the direction given by the Guiding Principles, the UK strategy will also look at the Government's need to protect against human rights abuses in a range of situations in which the Government itself owns or controls a business or provides substantial support or services, such as State-owned banks or companies undertaking private security services. And we need to consider whether our procurement rules and the issuing of Government contracts allow for human rights-related matters to be reflected in the procurement of public goods, works and services.

We also need to ensure that investment agreements by UK companies include reference to the need for companies to respect human rights, and do not undermine the host country's ability to meet their international human rights obligations.

Similarly, stabilisation clauses within bilateral investment treaties should not undermine the host country's ability to impose the same environmental and social regulation on foreign investors as it does on domestic firms.

And we need to explore more the issues related to business impact on human rights in conflict-affected areas and how best to help companies active or considering activity in such areas.

We have included language on all these issues in the Pilar I part of our draft national strategy.

Conclusion

It is clear that respect for human rights is as crucial in the business world today as anywhere else. And there are roles for all interested parties to play:

<u>Governments</u> have a duty to secure and promote human rights, and ensure that adequate remedy exists when things go wrong;

<u>The business community</u> has to respect human rights, and should no longer be satisfied with doing no harm through their operations – they should actually work to improve things.

And <u>civil society actors including NGOs</u> need of course to continue their important lobbying role, but need also to see what they can do - including by working with companies - to help the Guiding Principles make a real contribution to business behaviour and people's lives.

Thank you for your attention.