

Speech of Richard Howitt MEP, European Parliament Rapporteur on Corporate Social Responsibility to the Polish Government conference on Implementing the UN Guiding Principles on Business and Human Rights, Warsaw, 25 January 2013.

May I begin by giving my sincere thanks to the Ministry of Economy, to the Ombudsman, to the UNDP and to the 100 companies who are part of the Global Compact Network here in Poland. Thanks for inviting me but more important: thanks for organising this conference.

As with all human rights work, your commitment is essential. I know the fight against corruption, unfair labour practices, dependence on fossil fuels, the non-payment of corporate taxes are 'hot topics' in this country, but they are in mine too. And my presence and that of other European colleagues here is absolutely in a spirit that we are seeking common solutions to shared challenges.

And on human rights, the shared forum is the United Nations.

So I am very proud to speak alongside Michael Addo from the UN Working Group, as I was proud to take part in, I think, every one of John Ruggie's consultations within Europe, which ultimately led to the agreement of the UN Principles on Business and Human Rights.

The Guiding Principles are quite simply the biggest step we have ever taken, towards establishing a framework through which international legal standards, norms and values, which have previously only been directly applicable to states, are applied to and by businesses themselves. What is also historic was not just the unanimous support for them in the UN Human Rights Council itself, but the equally widespread support for them amongst the business community.

What, Michael, the Annual Forum organised by your Working Group in December proved to me, with I think 1000 participants in Geneva from all over the world, is that the momentum and support for the Guiding Principles are being sustained, even though we have now moved in to the phase of implementation.

And implementation is a priority for us in Europe and in the European Union. I welcome the presence of my colleague Sue Bird from the European Commission, who will be speaking a little later.

I'm sure she will offer more detail, but the key importance for today's conference is that the European Commission Communication on Corporate Social Responsibility of November 2011, subsequently endorsed by Poland and other members of the European Council, and currently being given political effect by the report I am myself piloting through the European Parliament all make clear: implementation of the UN Guiding

Principles is a cornerstone of current European action in support of corporate responsibility.

The Communication calls on Poland and all the Member States to draw up national action plans for implementation of the Guiding Principles and, through this conference and what your government representatives have already reported to the EU High Level Group on CSR, you are already one of the nineteen EU member states who have either done or started to do this.

The European Commission is working with former members of the UN Special Representative's team to draw up human rights guidance based on the UNGPs for small and medium-sized enterprises already published, and is doing the same currently on human rights guidance for companies in the information and communications technologies, recruitment and employment agency, and oil, gas and extractives sectors.

I was delighted that a Polish small businessman Marek Jurkiewicz, was quoted in the first document saying "Respecting human rights is a way of life." Indeed it is.

In the European Parliament, we are emphasising the importance of involving national human rights institutions in the process, seeking to better integrate the Guiding Principles in to external policy for the European Union as a whole and recognising the "governance gaps" which exist in EU policies and law which need to be filled in response.

Now I want to address some of my remarks this morning directly to the company representatives in the room, and to the representatives of business associations, who I know are here too.

I know that some of the language we've used already and of these concepts on business and human rights and on CSR which we talk about in the EU and at the UN may be new to you, and that you may be unsure what they mean to you and to your business.

Although we have some leading businesses in the room, we want to expand understanding and awareness to others, so your presence today and a "ripple effect" to other businesses in the country, should be an important objective for this conference.

Many businesses in all our countries started from a position which said: Of course we support human rights but we've got no idea how that might affect my work or that of my business?

But whether it's unfair treatment of a worker or a customer because of their sex, sexual orientation, ethnicity or disability - which we all know can be conscious, but which can also be unconscious or even institutional in character. Or whether it might be restricting the right of someone to speak out on an issue, or to take part in legitimate civic or

political activity, or indeed the failure of the company itself to speak out if it sees ill-treatment but fails to act. Or the cases where unreasonable barriers are put up to prevent employees from being able to organise their own representation. Or in some cases where there are excessive working hours hazardous to health, or contact with dangerous substances which can - in hopefully in only a small number of circumstances - even threaten life. Or whether migrant workers are afforded basic decency and respect, which I fully acknowledge hasn't always been true - again I hope in only a small number of cases - for some Polish workers who have come to my own country, Great Britain.

Or whether, as we have been increasingly aware, these violations take place but do so in the workplaces from where you source your raw materials or components, from suppliers, contractors, subsidiaries and other business partners, sometimes half a world away.

All of these are not just about responsible conduct. They are about rights. Rights that can be respected. Rights which can be breached.

Freedom of expression. Freedom of assembly. The right to non-discrimination. The right to family life. The right against cruel or inhuman treatment. Even the right to life.

Now some of you will hear that list and say: I don't want anything to do with that. Even associating with these issues could affect my business's reputation, cause difficulties with my employees, my shareholders or my customers.

But the opposite is true.

The failure to address these issues is what could most harm your reputation. Whether you or I know it on advance or not, any and every business could suddenly find itself embroiled in these issues.

And by then it could be too late.

I have called the concept of "due diligence," contained in the Guiding Principles, the true 'genius' of the framework.

This concept says not simply: here are a set of guidelines which, if you follow them, can answer that question about how a business itself can respect human rights? What "due diligence" requires is a mechanism through which the business can monitor, assess and verify for itself that it understands its human rights impact and is thus confident that it is respecting the guidelines.

It will not be the same in all cases. There is no simple "off-the-shelf" answer to doing this. But equally it does not have to be unduly burdensome or costly. It only requires the

same thought and systems you already apply, for example to ensure the safety or efficiency of your product or in your production.

Engaging external advice can help, but be careful about spending money on consultants who simply tell you information which is already freely available.

In Europe, I'm pleased we have key non-profit organisations who play a respected role in the driving forward the Guiding Principles including the Institute for Business and Human Rights, the Business and Human Rights Resource Centre, the Global Business Initiative and - partly in Europe, partly in the United States - the "Shift" project. I apologise if there are others in the room I could also name, but I commend these to you as sources of reference for future action.

I absolutely place on record my admiration for the Allerhand Institute which is upholding that same role, and has been such a driving force behind this conference here in Poland. And my personal thanks too to Beata Faracik, not just for her efforts for this conference, but for the excellent study on business and human rights which she submitted to the European Parliament itself.

In the last part of what I want to say, let me return - as Rapporteur on Corporate Social Responsibility - to some challenges for the conference as a whole, and for the agencies, business networks and government ministries who have taken the important step to organise it.

First, I ask for your support in the European Council and for you to prepare to engage in some of the ideas I am developing in the context of my own report, including the proposal that Poland and other member states engage in "peer review" of implementation of implementation of the guidelines to assist each other and - in doing so - raise the standard for all. This is a process with which we are already familiar in the human rights field through the Universal Periodic Review system in the UN, and I think one that could be very useful in advancing implementation of the UNGPs here in Europe. Equally, I hope you'll support my proposal that we ask the European Commission to report on implementation of the Guiding Principles across Europe as a whole by the end of 2014, which could be a useful driver to ensure progress across all member states as well as assisting in mutual learning and support too.

Second, in a week when my own country, the United Kingdom, has been accused of wanting to "cherry-pick" which EU laws we want to implement and which we don't...By the way, I don't support that and neither do many people from Britain....A message I have for you here is: please don't "cherry-pick" from the Guiding Principles either.

The point about universality of human rights is that if you breach one, you breach them all. It doesn't mean you have to give equal attention to them all - and it is perfectly possible to make an assessment and start with the 'high risk' areas. But it's not an

impossible or unrealistic task to comply with all the principles; what you have to start with is the ambition to seek to do so.

And for governments in particular, including the Government here in Poland, that includes implementation of "pillar one" - the "state duty to protect" against violations by our businesses - and not simply putting that responsibility on to the shoulders of businesses themselves. I say that aware that we have present today representatives of the Ministry of Economy, but of the Ministries of Foreign Affairs, Labour and Justice too. And appreciating the fact that representatives of these and other ministries form a cross-departmental CSR team which reports directly to your Prime Minister.

John Ruggie's work was very clear in identifying state functions that regulate or interface with business in all Departments of Government - from licensing to public procurement, the provision of export credits to other forms of financial assistance to business - have also to undertake their responsibilities according to the Guiding Principles. That is why the word used is "duty." And coming from the government sector myself, I can be honest in admitting there is always a temptation to tell others what to do rather than taking responsibility for doing it yourself. It is a temptation which must be resisted.

The Ministries present today understand, I think, that compliance with the Guiding Principles is no less important for them than it is for business in Poland.

I'm also really pleased to see the involvement of the Ombudsman in today's conference. Access to remedy - including access to justice - is another of the pillars which must not end up being forgotten and you have an important role to help ensure that does not happen.

And the "state duty" is also why the point I made earlier about closing "governance gaps" at the European level is also absolutely necessary, in a European Union where member states come together in order to fulfil some of our duties. This is also why I appeal to Poland too to support the draft legislative proposal which is about to be published by the European Commission on company disclosure, which I believe can and will specifically include human rights. Reporting - as much for people inside the company as for those outside of it - is an essential part of due diligence and the new proposal should absolutely deserve our support.

I pay tribute to Price Waterhouse Coopers for supporting this conference, and they know that internationally the requirement for sustainability reporting as part of the company's annual report - known as Integrated Reporting - is going to be not just a requirement in Europe but also the global norm within less than ten years. I also pay tribute to Poland's Responsible Business Forum which is working with the Global Reporting Initiative to promote sustainability reporting, and which has seen a doubling of the number of Polish companies already reporting under the GRI framework since

2009. Other companies could do well to embrace sustainability reporting now and be ahead of some of your competitors in doing so.

So summing this all up this morning I am saying to you:

- join us in making business and human rights a cornerstone of your work on corporate responsibility;
- participate in a process already in preparation to draw up the national implementation plan in Poland, alongside parallel processes in other EU member states;
- raise your own awareness, but do so with others in business too;
- for companies, adopt a 'due diligence' procedure to be able to measure and then manage the human rights impact of your operations;
- for different arms of government, take your own responsibility for the state duty to protect under the Guiding Principles and join with us in Brussels to do so too where as states we act together;
- and in that context specifically support and anticipate forthcoming legislation by incorporating social, environmental, human rights and anti-corruption information about the company as part of your annual financial report, and in doing so provide a basis to improve your performance according to each.

My final points are perhaps more simple but no less important.

On business and human rights: Make it happen. And remember the victim.

Make it happen. This conference is a significant event in its own right, represents the commitment you have, but will only be truly successful if it leads to a process whereby Polish business truly embraces human rights. I hope by the end of the conference the Government representatives in the room will have been able to make clear how your new national implementation plan will be drawn up and in what timetable? Even more I hope it will be a plan which is led by Government but which also involves the different stakeholders here and outside, so the commitment to implement the Guiding Principles is really "owned" here in Poland.

So make it happen, yes. But in doing so: do not forget the victim.

Already this morning and whenever we discuss these issues, there's a lot of talk about structures and processes, pillars, reports, guidelines, working groups, reviews. I could go on.

Sometimes all this does is to confuse people but at other times the level of abstraction forms part of what in English we call a "comfort blanket," suggesting that we are doing something about human rights, when in reality we are not.

It is uncomfortable to talk about human rights abuse. The details personally we find distressing. And the idea that we could ourselves be responsible, or be complicit in responsibility, is itself shocking to us as human beings.

But the biggest distress is in the suffering of the victim. And human rights work changes when we know who the victim is, what is their suffering and - most important - what can be done to prevent it or to provide redress.

So when we say companies must understand their human rights impact, that means understanding who their victims are or who they might be?

And by developing that understanding, our achievement must be that there a fewer victims at all.

Thank-you.

ENDS.

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