

# **Business and Human Rights**

Seminar jointly organized by

The Swedish Branch of the International Law Association  
The Arbitration Institute of the Stockholm Chamber of Commerce  
The International Chamber of Commerce (ICC) Swedish National Committee

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*(PowerPoint presentation)*

Purpose of my presentation is to explain:

- Human Rights
- Business and Human Rights – Corporate Social Responsibility (CSR)
- The Global Compact
- The so called Ruggie Principles

## 1. Human Rights

The International Bill of Human Rights

- The Universal Declaration of Human Rights 1948 (customary international law)
- The International Covenant on Economic, Social and Cultural Rights 1966 (165 parties)
- The International Covenant on Civil and Political Rights 1966 (169 parties)
- Referred to as The International Bill of Human Rights

<http://www.ohchr.org/Documents/Publications/FactSheet2Rev.1en.pdf>

Human Rights – Other conventions

- International Convention on the Suppression and Punishment of the Crime of Apartheid 1973
- Convention on the Elimination of All Forms of Discrimination against Women 1979
- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment 1984
- Convention on the Rights of the Child 1989
- International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families 1990
- Convention on the Rights of Persons with Disabilities 2006
- International Convention for the Protection of All Persons from Enforced Disappearance 2006

Regional Conventions

- European Convention on Human Rights (1950)
- The American Convention on Human Rights (1969)

- African Charter on Human and Peoples' Rights (1981)
- Human Rights Courts in Strasbourg, San José in Costa Rica and Arusha in Tanzania

## 2. Business and Human Rights – Corporate Social Responsibility (CSR)

“Is the Business of Human Rights also the Business of Business?”

An address at Tällberg in connection with the 50th anniversary of the Universal Declaration on Human Rights in 1998: My answer was a clear Yes!

[http://legal.un.org/ola/media/info\\_from\\_lc/address\\_06\\_26\\_98.pdf](http://legal.un.org/ola/media/info_from_lc/address_06_26_98.pdf)

### Business and Human Rights

- Basically, business can affect all internationally recognized human rights
- The duty to protect human rights rests squarely with the states
- But there is also a corporate responsibility to protect human rights

### Corporate Social Responsibility – the CSR Concept

- The ethical relation between business and society/stakeholders – Important issues are then:
  - Human Rights
  - Labour Law
  - Environmental protection
  - Anti-corruption

### Why CSR?

- Charity – Not enough!
- Good for business
- Protect your trademark
- Recruitment
- Investment considerations
- Demands for assuming social responsibility
- Avoid litigation
- Social responsibility can entail greater risks than legal responsibility
- CSR varies depending on the business in which the enterprise is engaged, e.g.:
  - Extraction (oil, gas)
  - Manufacturing of clothes

## 3. The Global Compact

### The United Nations

- The business of human rights is also the business of business! The 50th anniversary of the UDHR in 1958 (cf. above)
- Kofi Annan had started working on this and had recruited John Ruggie to work for him
- In January 1999 Kofi Annan announced the Global Compact

- Consisted of nine Principles
- A tenth Principle on corruption was added in 2004

### The Global Compact

- Initiative by Kofi Annan in 1999
- Network of UN agencies, governments, enterprises, workers organizations, and non-governmental organizations
- Based on ten principles
- At present more than 9 000 enterprises from 164 countries participate (240 from Sweden)

### The Global Compact – Four elements

- Human Rights
- Labour
- Environment
- Anti-Corruption

<http://www.unglobalcompact.org/>

### Global Compact – Human Rights

Principle 1: Business should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses

### Global Compact – Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: The elimination of all forms of forced and compulsory labour

Principle 5: The effective abolition of child labour

Principle 6: The elimination of discrimination in respect of employment and occupation

### Global Compact – Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

### Global Compact – Anti-Corruption

Principle 10: Business should work against all forms of corruption, including extortion and bribery

### Business & Human Rights Resource Centre – Purpose

- To encourage companies to respect human rights, avoid harm to people, and maximise their positive contribution
- To provide easy, one-stop access to information for companies, NGOs and others
- To facilitate constructive, informed decision-making and public discussion

<http://www.business-humanrights.org/>

### The Ruggie Principles

- Guiding Principles on Business and Human Rights
- John Ruggie was the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises
- Endorsed by the UN Human Rights Council in its resolution 17/4 of 16 June 2011
- UN Document A/HRC/17/31  
<http://www.ohchr.org/documents/issues/business/A.HRC.17.31.pdf>

### The Ruggie Principles – Practical guides

- Guiding Principles on Business and human rights  
[http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf)
- Frequently asked questions about the Guiding Principles  
[http://www.ohchr.org/Documents/Publications/FAQ\\_PrinciplesBusinessHR.pdf](http://www.ohchr.org/Documents/Publications/FAQ_PrinciplesBusinessHR.pdf)

### The Ruggie Principles

- Protect – duty of the state
- Respect – duty of business
- Remedy – duty of states and business

### Principles grounded in recognition of:

- States' existing obligations to respect, protect and fulfil human rights and fundamental freedoms
- The role of business enterprises as specialized organs of society performing specialized functions, required to comply with all applicable laws and to respect human rights
- The need for rights and obligations to be matched to appropriate and effective remedies when breached

### THE STATE DUTY TO PROTECT HUMAN RIGHTS

- Foundational principles
- Operational principles

### THE CORPORATE RESPONSIBILITY TO RESPECT HUMAN RIGHTS

- Foundational principles
- Operational principles

### ACCESS TO REMEDY

- Foundational principle – states must ensure that there are effective remedies
- Operational principles – state-based judicial or non-judicial mechanisms; non-state-based grievance mechanisms

### The OECD Guidelines for Multinational Enterprises

- Politically binding on OECD member states
- Recommendations to enterprises

- Encourage enterprises to practice openness and contribute to sustainable development, respect the human rights, labour law, protection of the environment and to combat corruption <http://www.oecd.org/dataoecd/56/36/1922428.pdf>

#### CSR Europe – as an example

- CSR Europe is the leading European business network for CSR with 45 multinational corporations and 41 national partner organizations as members
- Its mission is to help its member companies to integrate corporate social responsibility in to the way they do business, every day
- CSR Europe was founded in 1995 by the then European Commission President Jacques Delors and senior European business leaders
- It has since assisted enterprises to integrate CSR in the daily business activity

#### CSR Europe's thematic areas

- Innovation and entrepreneurship
- Skills and competence building
- Equal opportunities and diversity
- Health and safety
- Environmental protection
- Mainstreaming CSR
- Stakeholder Engagement
- Leadership and Governance
- Communications and Reporting
- Business Partnerships

<http://www.csreurope.org/>

#### Corruption

- Undermines democratic institutions, retards economic development and contributes to government instability
- Attacks the foundation of democratic institutions by distorting electoral processes, perverting the rule of law, and creating bureaucratic quagmires whose only reason is the soliciting of bribes
- Stunts economic development because outside direct investment is discouraged and small businesses within the country often find it impossible to overcome the "start-up costs"

#### Finally – remember

- Inform yourself about the meaning of Human Rights
- Inform yourself about the Global Compact
- Inform yourself about Corporate Social Responsibility
- Keep yourself informed on a continuous basis

### The strategy?

- Corporate responsibility in the mainstream of business
- Stakeholder engagement
- Leadership and governance
- Communication and transparency
- Business-to-business co-operation and alliances
- Leadership from the top is imperative!