Open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights

3rd session (23-27 October 2017)

Debate: Reflections on the implementation of the United Nations Guiding Prinicples on Business and Human Rights and other relevant international, regional and national frameworks

Statement of the Kingdom of the Netherlands

- Check against delivery -

- Thank you Mister Chair-rapporteur for giving me the floor and for putting this debate on the agenda. Since this is the first time I take the floor, let me also congratulate you with your election as Chairperson-rapporteur.
- Mister Chair-rapporteur, the Council Conclusions on sustainable value chains of 12 May 2016 and on Business and the Council Conclusions on Human Rights of 20 June 2016 have expressed the collective wish of all EU MS to engage on these issues.
- Since the adoption of the UN Guiding Principles on Business and Human Rights, the Netherlands has been a strong advocate.
- We believe in the strength of the guidelines because they were adopted by consensus, and because they provide clear avenues for action, both for states and businesses.
- NL pursues an active policy to promote respect for human rights by the business community
 and expects Dutch companies to uphold the same standards for CSR and human rights abroad
 that they are bound by within The Netherlands.
- The Netherlands was one of the first countries worldwide to establish a National Action Plan.
- The NAP itself was a result of an inclusive process, where 50 representatives of the business community, civil society organisations and implementing organisations and other experts were asked for their ideas and viewpoints on implementation of the UNGPs.
- The Netherlands is pleased to see that more and more states are formulating National Action Plans, and we encourage all states to do so. We have shared our experience on formulating a NAP with a number of countries, and remain willing to do so.

- An important step we took under the NAP was to <u>raise companies awareness on the need for</u> <u>due diligence</u>.
- The Netherlands government devised an information strategy, which included amongst
 others the creation of a platform for businesses, as well as workshops to help companies
 shape the human rights component of their CSR policies, and to assist them in charting and
 prioritizing the risks they face.
- Part of the platform is the so called 'risk checker', with which companies can select their sector, country of operation etc., and the application gives them a clear overview of the risks associated.
- Another major element in the implementation of our NAP is our work on <u>sectoral multi-</u> stakeholder agreements for responsible business conduct.
- The Netherlands government commissioned a study to identify business sectors in which supply chains pose heightened risks in terms of respect for human rights and labour rights as well as environmental protection. The study identified 13 priority sectors. This list includes a variety of sectors including the textile/garment industry, construction, metals, oil and gas, agriculture and the food industry. A broad range of risks were taken into account in the analysis including issues such as child labour, excessive working hours, health hazards and land grabbing.
- In 5 of these priority sectors we have <u>concluded Responsible Business Conduct agreements</u> and are currently in dialogue with the other business sectors and their stakeholders.
- The agreements are based on the UNGPs and the OECD Guidelines, and also include steps
 on facilitating access to remedy. Through the agreements, stakeholders (including NGOs)
 jointly identify the risks in their supply chains and agree on concrete steps to reduce these
 risks.
- One of the first multi-stakeholder agreements on Responsible Business Conduct that was signed was on Sustainable Fashion and Textiles. Other sector agreements that are signed are: on Green/Vegetable Proteins, on Sustainable Forest Management, on Gold and with the Banking sector.
- Through the process coming to such agreements, the stakeholders also find a platform to share best practices on how they perform their due diligence.

- NL believes that <u>multi-stakeholder collaboration</u> (including the RBC sector agreements) can <u>be scaled up to the international level</u>, to provide more impact in the chain and create a level playing field for companies. It will also provide an answer to the first mover disadvantage for companies. Across states we can exchange best practices on multistakeholder RBC initiatives.
- Mister Chair-rapporteur, we recognize there <u>remain gaps</u> in the implementation of the UNGPs. Particularly problems with regard to <u>access to remedy</u> remain a concern. NL recalls the value of the OHCHR-led Accountability and Remedy Project.
- NL also sees value in institutions like the OECD National Contact Point. Recently the Dutch National Contact Point engaged in a successful mediation effort which led to Heineken paying damages to its former employees.
- NL calls on all states as well as businesses to fully implement the UNGPs, including the responsibility to undertake due diligence.
- NL also supports projects that contribute to the <u>implementation of the UNGPs</u>. For example, with our support the Corporate Human Rights Benchmark was set up. A coalition of investors representing 5,3 trillion dollars has embraced this benchmark as a tool to judge in which companies to invest based on their human rights performance.
- To conclude I would like to stress our view that the UNGPs have provided an invaluable
 contribution to developments in the field of business and human rights. We continue to see
 their value, and we believe any possible further steps must be firmly rooted in the UN
 Guiding Principles.