UN WORKING GROUP ON HUMAN RIGHTS AND TRANSNATIONAL CORPORATIONS AND OTHER BUSINESS ENTERPRISES

SUBMISSION ON BEHALF OF THE GOVENRMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Introduction

- 1. The United Kingdom wishes to congratulate the members of the new UN Working Group on the issue of human rights and transnational corporations and other business enterprises for their selection as members of this Working Group. The UK assures the Working Group of our support for the challenging work they will take forward over the coming years.
- 2. The United Kingdom has placed human rights as central to and indivisible from the core values of British foreign policy. We believe the potential of business to impact on the human rights of individuals worldwide has only been fully recognised in recent years. The endorsement by the Human Rights Council of the UN Guiding Principles on business and human rights in June 2011 marks a high point of international consensus on the issue. The Guiding Principles send out a clear message to governments and businesses, with comprehensive guidance on how to ensure that human rights are respected in the corporate context. We believe this is entirely consistent with helping companies to develop their transnational business.
- 3. The United Kingdom was pleased to give sustained support to Professor John Ruggie in his formulation of the Guiding Principles, from the start of the project through to endorsement at the Human Rights Council, where our co-sponsorship of the resolution was an indication of our strong commitment to the Principles.
- 4. The UK believes that the Guiding Principles achieved international endorsement because they represented a carefully crafted and balanced piece of work, arrived at as the product of five years of effort by Professor Ruggie. We believe it important now for the international community to respect that achievement and put our efforts into taking forward the Principles that Professor Ruggie has created for us.
- 5. The United Kingdom undertakes to bring its existing high level of commitment on business and human rights issues to the implementation of the Guiding Principles and support for the Working Group. In addition to assisting the Working Group, the UK is ready to contribute to the Annual Forum which the Human Rights Council decided to establish under the guidance of the Working Group.
- 6. The UK looks forward to a fruitful working relationship with the Working Group in its work of converting the UN Guiding Principles into real improvement in the respect accorded to the human rights of ordinary people all over the world.

The work of the Working Group

7. The Working Group have asked for respondents' views on two issues: the priority areas for the work of the Working Group; and the means to ensure effective implementation of the Guiding Principles and to improve the outcomes for those whose rights have been affected by business activity.

Priority areas

- 8. The first objective of the Working Group should be to increase awareness and understanding of the Guiding Principles as a whole amongst states and businesses.
- 9. The Working Group should also give guidance to states and businesses in use of the Guiding Principles. The Guiding Principles themselves contain detailed guidance for governments and businesses in the form of their "Foundational Principles" and "Operational Principles". This should closely guide the work of the Working Group.
- 10. Both of these objectives are contained within Operative Paragraph 6(a) of A/HRC/RES/17/4 which mandates the Working Group to promote the effective and comprehensive dissemination and implementation of the Guiding Principles.
- 11. In respect of the particular aspects of the Guiding Principles on which the Working Group might focus as a priority, and without undermining any of the many important areas for action under the Guiding Principles, the UK considers that two areas that might be prioritised now are:
 - 1) For <u>states</u>: work on Operational Principle 3 in order to assist states in their efforts to regulate the activities of businesses operating in their territory. Foundational Principle 25 and Operational Principle 26 which concern remedies for victims are also important in this regard.
 - 2) For <u>businesses</u>: Foundation principle 15 is important as are the Operational Principles 17 and 18 that give effect to thorough due diligence practices.
- 12. In terms of challenges, the UK believes one in particular is how to engage with small and medium-sized companies on these issues, given that such companies are often among those starting to work transnationally for the first time, and are also less resourced to assimilate guidance and expectation, and to generate policies on the possible impact of their behaviour on human rights situations. Given this, one area of focus for the Working Group could be to look at ways in which these companies might be made aware of the Guiding Principles.

Effective implementation and improving outcomes

13. A key first step will be for the Working Group to identify, exchange and promote good practices and lessons learned. Thus the Working Group should collate the views of those states and businesses that wish to share with it their experience of using the Guiding Principles.

- 14. The Annual Forum on Business and Human Rights, in addition to the objectives the Working Group will assign to it, could also provide a useful way in which this sharing between states, companies and interested parties from civil society can take place efficiently and swiftly.
- 15. The United Kingdom shares the Working Group's concern to ensure that work to take forward the Guiding Principles should contribute towards improved outcomes for victims, and thus betterment of the human rights situation of people around the world.
- 16. We set out below more detail about the UK's current approach to taking forward the Guiding Principles in the hope that our experience will be of interest to the Working Group at this early stage.

UK implementation of the Guiding Principles

- 17. The United Kingdom has been an active participant in various international initiatives drawn up in recent years to encourage responsible behaviour by businesses in their overseas operations.
- 18. The UK believes there are many businesses which are aware of the UN Guiding Principles and already seeking to incorporate human rights concerns into their operations. We also believe there are companies that are aware of the Principles but desirous of better guidance, as well as companies that have not yet heard of the Guiding Principles. The UK is determined to deepen awareness of the Principles among UK companies and of the government's expectations of corporate behaviour.
- 19. The UK government has committed to develop a Government strategy on business and human rights by mid-2012. This strategy will draw on the Guiding Principles as a source of inspiration and coordinate the Government's uptake of the Principles. It will take account of input during its formulation process from civil society and the business sector. It will express UK Government expectations of British corporate behaviour and the need to respect human rights. It will also express Government commitments on communication of the policy and the training and equipping of civil servants to ensure consistent delivery of Government messaging to business, including on the importance of human rights due diligence processes.
- 20. The UK government has set aside an initial £100,000 from its strategic programme fund as seed funding for work on the Guiding Principles around the world. British Embassies in different countries are working on projects aimed at exploring with a variety of local interested parties the UN Guiding Principles in the context of each country's business environment.