

***Working Group on Business and Human Rights***

***“UN Guiding Principles on Business and Human Rights at 10: taking stock of the first decade”***

**Presentation of the Working Group’s main report (A/47/39) and addendum reports (institutional investors; human rights defenders; national human rights institutions)**

**47<sup>th</sup> Session of the Human Rights Council**

**Dante Pesce, Chairperson, UN Working Group**

**28 June, 2021**

Excellencies,

Ladies and Gentlemen,

The 16<sup>th</sup> of June marked the 10<sup>th</sup> anniversary of the Council’s unanimous endorsement of the Guiding Principles on Business and Human Rights – a watershed moment in collective efforts to promote responsible business conduct. Observers noted at the time that this was a historic decision, but few could have envisaged what impact it would have.

For the past year, the Working Group on Business and Human Rights has undertaken a project called UNGPs 10+ to take stock of the first ten years of implementation, to assess how far we have come and to consider what lies ahead.

It is my honour to present today in my capacity as Chair of the Working Group the report resulting from this process and its addendum focused on institutional investors, as well as addendum reports on the role of national human rights institutions in promoting access to remedy for business-related human rights abuse, and what the Guiding Principles mean for States and businesses in relation to protecting and respecting human rights defenders.

Our stocktaking underlines the proverbial glass half-full and half-empty story:

The Guiding Principles have without a doubt contributed to significant progress towards promoting respect for human rights in a business context.

They have clearly articulated the different but complementary roles of States and business in preventing and addressing business-related human rights impacts and provided a common platform for action that did not exist before 2011. The growing number of stakeholders coming together since 2012 to discuss implementation trends and challenges at the annual forum in Geneva and regional forums confirms a movement applying the common language of the Guiding Principles. The most recent editions of the Geneva forum and the regional forum in Latin America and the Caribbean are also part of our report package to the Council.

The Guiding Principles have helped establish accountability and access to remedy for rights-holders as essential features of a responsible business framework.

In particular, the concept of corporate human rights due diligence, certainly the most notable normative innovation, has seen broad institutional uptake. Its integration in other standards, notably OECD and ILO frameworks, and uptake by companies themselves, business and industry platforms, investors, States, and multilateral lenders, has fostered wider convergence among the many different institutions that shape business conduct.

Moreover, the concept has paved the way for regulatory developments, with increasing backing from business and investors.

At the end of the first decade, corporate human rights due diligence is transforming into a legally binding standard of conduct in many jurisdictions.

This development is a major achievement, but of course, we also have a glass half-empty picture.

The “governance gaps” that created the need to develop the Guiding Principles still allow too many instances of business-related human rights abuses across all sectors and regions.

Lack of access to remedy for rights-holders remains the most glaring gap and a threat to meaningful progress over the next decade.

Above all, the challenge of policy coherence in both government and business practice is still a key obstacle for more robust progress.

It is also a visible gap at the multi-lateral level. Notably, while preventing, addressing and remedying adverse impacts on people is the core of the Guiding Principles, they have been largely absent from the Sustainable Development Goals, in the context of the Paris Agreement, or in the debates on a “just transition” to a green economy.

This is not surprising, as foreseen by the Guiding Principles, knowing how policy areas often operate in silos. It is a lost opportunity, but not too late to correct course.

Looking ahead, the mandatory human rights due diligence wave and the increasing focus on effective regulation offer opportunities and drivers.

But as witnessed over several decades, laws alone are not enough. To make more effective progress, States will also need to use the wider range of policy tools – a “smart mix” – to incentivize responsible business and due diligence.

Beyond States, businesses themselves need to examine whether their practices and business models are compatible with respect for people and the planet. Human rights due diligence as set out in the Guiding Principles provides the tool for closing gaps between commitments and practice.

As our addendum report on the performance of institutional investors highlights, wider investor action to integrate human rights due diligence is also critical for scaling up business respect for human rights overall.

States and businesses need to strengthen prevention of negative impacts on people and environment through effective measures that are informed by real engagement with affected stakeholders, including critical voices.

Our addendum report on human rights defenders highlights that defenders in all regions are under threat and attack because they raise concerns about the adverse human rights impacts of business operations, and because they shine a light on cases and the underlying patterns of harmful State and business conduct and investment. Human rights defenders enable States and business enterprises to understand the concerns of affected stakeholders and make an essential contribution to sustainable development. The guidance provided by the Working Group provides concrete recommendations to States and businesses on how to prevent and address risks to defenders – a key issue for the next decade.

Improvements in access to remedy for rights-holders of business-related harms need to be supported by a range of actions. States need to remove well-known barriers to access judicial and non-judicial mechanisms. Businesses need to design effective grievance mechanisms that are sensitive to local contexts and the situations of the most marginalized and vulnerable stakeholders. The Working Group's addendum report on national human rights institutions highlights the critical role they can play in preventing and addressing business-related human rights abuses and facilitating access to remedy for rights-holders. These institutions can provide a key bridging role between various stakeholders and help promote transparent, participatory and inclusive national processes to develop and monitor the implementation of national action plans. Among our recommendations, States should provide national human rights institutions with an explicit mandate and necessary resources to fulfil their potential in supporting implementation of the Guiding Principles on the ground.

Finally, collective challenges require comprehensive action in all parts of the world, including increased capacity building and platforms for learning and accountability, to support races to the top in all regions. We also need to know what really works. Corporate transparency and better data on human rights due diligence outcomes for people are key.

While massive challenges remain, the first decade demonstrated that change is possible. This provides hope for the next decade, as a foundation to intensify efforts to address remaining gaps and seize existing opportunities.

To contribute to this effort, we will release later this year a roadmap for the next decade, resting on the common platform provided by the Guiding Principles and the broad, growing movement converging around them.

Excellencies,

Ladies and Gentlemen,

Friends and colleagues,

The Guiding Principles, and their focus first on those most at risk, provide a key and valuable framework as well as a blueprint for States and business to respond to the challenges we face, from a responsible recovery from the COVID-19 crisis to the climate crisis – and beyond.

So, while there are sometimes discussions on the need to move to Guiding Principles 2.0, much stronger efforts need to be put on “implementation 2.0” to increase the pace of implementation on the scale needed to deliver impact toward 2030 and to achieve tangible results for affected individuals and communities.

Thank you for your attention.