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| **30 August 2016**  DANISH BUSINESS AUTHORITY  Dahlerups Pakhus Langelinie Allé 17  DK-2100 København Ø  Denmark    Tel +45 35 29 10 00  Fax +45 35 29 10 01  VAT no. 10 15 08 17  erst@erst.dk  www.erst.dk  MINISTRY OF BUSINESS AND GROWTH      /chrska |
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# Denmark Survey 2016

Response from the Danish Government to the UN Working Group on Business and Human Rights’ questionnaire.

The responses can be posted on the Working Group’s website.

1. Where a State has developed, or started the process of developing, a National Action Plan (or another specific Government-lead plan to promote responsible business practice in line with the UN Guiding Principles), please share experiences on whether and how the NAP/NAP process has:

1. Helped identify gaps in State and business implementation of the Guiding Principles;

Response: Yes: When the Danish Government developed the National Action Plan on Business and Human Rights a thorough analysis was made of the Danish fulfillment of each of the Guiding Principles. The status in Denmark was accounted for principle by principle and new initiatives were taken for the principles which were not already accommodated.

Such an analysis is very useful when developing a National Action Plan on Business and Human Rights as it gives a complete overview of the status and where there is a need for further initiatives.

1. led to concrete steps (e.g. new laws, policies, regulations) to address gaps identified;

Response: Yes: The establishment of a non-judicial mediation and complaints-handling institution for responsible business conduct (remedy). The institution assesses complaints based on the OECD Guidelines for Multinational Companies and the UN Guiding Principles on Business and Human Rights (www.businessconduct.dk).

The introduction of mandatory reporting for the largest Danish companies on human rights policies: On 12th June 2012 the Danish parliament adopted an amendment to the Financial Statement Act so that businesses in the future have to expressly account for the topics human rights and climate impact reduction regardless of whether or not these are included in the businesses’ CSR policies. If these two topics are not included, the businesses must therefore in the future expressly declare this. The aim of this amendment to the reporting requirement is to inspire more businesses to actively include these two topics in their CSR-policies.

The EU-directive on non-financial reporting which has been implemented in Denmark for companies with more than 500 employees from 1 January 2016 further expands the topics and criteria which companies must account for as part of their reporting, among other environmental impact, corruption and due diligence processes if the company has those in place.

1. helped improve policy coherence in the areas of business and human rights;

Response: Yes: As part of the analysis which was done in Denmark when developing the National Action Plan the coordinating CSR unit in the Danish Business Authority (which is part of the Ministry of Business and Growth) gained a good overview of all the ministries and departments with policies relevant to the area of business and Human Rights. This has been very useful for both the implementation of the action plan as well as for future coordination on the issue.

1. addressed the role of the States vis-à-vis companies that are owned or controlled by the State (in line with the recommendations set out in A/HRC/32/45);

Response: Yes: The Danish reporting requirement from 2008 apply to the largest companies in Denmark (approximately 1.100 companies) including all state-owned companies. The amendment to the non-financial reporting requirement from 2012 which entails that all companies subject to the reporting requirement expressly must account for human rights policies also include the state owned companies.

The Danish Mediation and Complaints-Handling Institution for Responsible Business Conduct which was established as a result of the adoption of the UN Guiding Principles for Business and Human Rights accommodate the right to access to non-judicial remedy. The institution was established by Danish law, which was passed through parliament and approved on June 18, 2012. The non-judicial institution can examine complaints involving not only Danish private and state-owned companies but also public authorities and private organization, like NGO’s. It can also instigate cases by own initiative, which will allow the institution to be proactive in cases of substantive importance.

1. led to new initiatives to encourage companies to discharge their responsibility to respect human rights (such as mandatory human rights due diligence requirements);

Response: Yes: The Danish reporting requirement on CSR and human rights was adopted to encourage the largest Danish companies to disclose their human rights policies and become aware of any shortcomings in this regard.

The non-judicial Mediation and Complaints-Handling Institution for Responsible Business Conduct was established to ensure that Danish companies who do not live up to their human rights responsibilities would be held accountable.

The EU-directive on non-financial reporting has been implemented in Denmark for companies with more than 500 employees with effect from the financial year beginning on 1 January 2016. For the rest of the largest companies the directive will apply from 1 January 2018. The directive includes non-financial reporting on due diligence as companies are required to report on whether they have processes for due diligence or not.

Denmark works to ensure that companies involved in Danish development cooperation respect human rights and act responsibly in the areas of worker’s rights, human rights, environment, and anti-corruption within the framework of the UN Guiding Principles on Business and Human Rights, ILO conventions, UN Global Compact, and the OECD Guidelines for Multinational Enterprises.

1. helped to develop a strategy for improving accountability and access to remedy (in line with Human Rights Council resolution A/HRC/32/L.19).

Response: Yes: The Danish requirements on non-financial reporting e.g. CSR and human rights as well as the non-judicial Mediation and Complaints-Handling Institution for Responsible Business Conduct was initiated as a direct result of the endorsement of the UN Guiding Principles in 2011. Both initiatives have been central in the Danish Government’s strategy for improving accountability and access to remedy.

2. Where a State has consulted the Working Group’s Guidance on National Action Plans on Business and Human Rights, please comment on:

(a) How the Guidance has informed/is informing the NAP/NAP process;

(b) which elements are seen as particularly useful;

(c) how the document could be further improved.

Response: The Working Group’s Guidance on National Action Plans on Business and Human Rights was not consulted.

3. Where a State has not consulted the Working Group’s Guidance on National Action Plans on Business and Human Rights, please comment on why this was the case.

Response: The Danish National Action Plan on Business and Human Rights was published in March 2014. The Working Group’s Guidance on National Action Plans on Business and Human Rights was published in December 2014 - sometime after the Danish Action Plan was published and therefore it was not available at the time the Danish Action Plan was developed.

4. Where a State has already adopted and started to implement a National Action Plan, what progress has been made and what lessons have been learned from its implementation?

Response: The National Action Plan for Business and Human Rights has been a good focus point for tracking the implementation for the UN Guiding Principles throughout the public sector.