Subject: Post-2015 Development Agenda’s alignment with international standards on business and human rights

10 July 2015

Excellencies,

I have the honour to address you in my capacity as Chairperson of the Working Group on the issue of human rights and transnational corporations and other business enterprises pursuant to Human Rights Council resolutions 17/4 and 26/22.

We would like to congratulate you on your efforts to facilitate agreement on the Post-2015 Development Agenda, which aims to set out “a supremely ambitious and transformative vision”. As world States are entering into the final phase of negotiations, we would like to draw your attention to our recommendation that the post-2015 sustainable development framework must align with international standards for business and human rights, as also highlighted in our report presented to the Human Rights Council in June this year (A/HRC/29/28).

Having carefully studied the final draft of the outcome document for the September UN Summit, “Transforming our World: The 2030 Agenda for Global Action”, published on 8 July 2015, as well as the draft Addis Ababa Action Agenda of the Third International Conference on Financing for Development, published on 7 July 2015, we encourage States to give particular attention to ensuring alignment and coherence with international standards for business and human rights.

The ongoing international negotiations present a unique opportunity to set out the course for a more just, more equitable and more sustainable future for all. From across the world there has been a strong call that commitment to human rights must be a central pillar of the new development framework, as also underlined in the final draft outcome document. Importantly, the draft clearly sets out the vision of

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“a world of universal respect for human rights and human dignity” (para. 8) and of shared principles of the new Agenda grounded in the Universal Declaration of Human Rights (para. 10).

The draft outcome document and the draft sustainable development goals (SDGs) recognize the positive role of businesses to support and drive development. At the same time, in our view, they do not sufficiently reflect the fact that governance gaps in many situations enable business activities across a range of sectors and countries to undermine respect for human rights. Accordingly, it is critical to ensure that recognition of the increased role of business in development is coupled with adequate accountability.

The draft Addis Ababa Action Agenda make a brief reference to this aspect, stating that efforts to engage businesses as partners in the development process must be coupled with efforts to protect relevant international standards, “such as the UN Guiding Principles on Business and Human Rights and the labour standards of the ILO” (para. 37). This crucial aspect of sustainable development is currently not made explicit in the draft outcome document and it would be important to rectify this. An obvious place to include such reference would be in the section on “implementation”, which refers to the important contributions of business and the private sector to resource mobilization and implementation of the 2030 Agenda for Global Action.

The UN Guiding Principles on Business and Human Rights, unanimously endorsed by the Human Rights Council in resolution 17/4, provide the authoritative normative framework for States and business in managing the potential or actual negative impacts on people arising from business activities. A reference to the Guiding Principles would clearly signal what is expected from States and businesses to ensure that the new development Agenda is grounded in the Universal Declaration of Human Rights. (For further suggestions, please refer to the Annex to this letter.)

We are hopeful that States will seize the opportunity to set out a coherent international framework for sustainable development, and ultimately to improve human rights outcomes and contribute to a sustainable future for all. Please do not hesitate to contact us for any questions about our advice. Please write to wg-business@ohchr.org

In the meantime, please accept, Excellencies, the assurances of our highest consideration.

Yours sincerely,

Margaret Jungk
Chairperson
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Annex

The final draft of the outcome document for the UN Summit to adopt the Post-2015 Development Agenda contains several references to the role of business and the private sector (paras. 26, 32, 40, 41, 47, Goal 17 and target 17.17). In this regard, it would be important to signal that business operations and investment do not automatically contribute to sustainable development. Importantly, business activities and the regulation thereof have to respect international human rights standards, including the labour standards of the ILO.

The Working Group’s report to the Human Rights Council in June 2015 (A/HRC/29/28) discusses the connection between the draft SDGs and the Guiding Principles.¹ Three specific aspects are worth highlighting:

- The draft outcome documents highlights that public-private partnerships would play a key role in the emerging development framework. But it is not made clear how the private sector is expected to contribute to the achievement of the sustainable development goals in a way that is consistent with human rights standards. The floor for such partnerships should be the Guiding Principles. They should reiterate the State’s duty to foster respect for human rights by businesses through adequate regulation and policies, and the minimum expectation that businesses respect human rights wherever they operate.

- Sustainability reporting is another key aspect of how the private sector is expected to support the development goals. Accounting for how companies address human rights impacts provides a key measure of transparency and accountability. If companies do not report on their potential or actual impacts on the rights of individuals, they could be missing critical social and environmental impacts. Adding a reference to the Guiding Principles would contribute to aligning the goals with international standards by promoting meaningful disclosure by companies.

- The sustainable development goals call for public procurement practices that are sustainable. Here too, the goals and their implementation at the national level should be in line with the Guiding Principles and include the clear expectation that States adopt practices that are not only sustainable but explicitly integrate human rights considerations.

The Working Group hopes that the Guiding Principles will be adequately reflected in the final commitments by States, not least in Post-2015 outcome document/Declaration. States should set a clear vision for connecting the increasing role of the private sector in development with accountability and agreed standards for business practices aligned with human rights.

¹ Available at: www.ohchr.org/EN/Issues/Business/Pages/Reports.aspx