

Opening remarks by Anita Ramasastry Chairperson of the UN Working Group on Business and Human Rights

1st Regional Forum on Business and Human Rights in Eastern Europe and Central Asia

Distinguished Colleagues and friends,

I am honoured to deliver opening remarks at the 1st Regional Forum on Business and Human Rights in Eastern Europe and Central Asia. I address you in my capacity as Chair of the <u>UN Working Group on Business and Human Rights</u>. We are a group of five independent experts from different regions, including Eastern Europe.

We would like to congratulate UNDP for organizing this forum, especially in the current challenging circumstances with the global COVID-19 pandemic. This is a very important gathering, bringing together a range of stakeholders on a very timely issue, not only for this region but for the whole world.

The Working Group is pleased to be part of it and to have had the opportunity to collaborate with UNDP in the preparations of the event. Together with UNDP, our ambition is to support regional races to the top among governments and business. We want to drive responsible business conduct that respects people and the planet. We have already established platforms for multistakeholder dialogue and practice sharing in Latin America, Southeast Asia and South Asia.

Let me begin by saying that this region of Eastern Europe and Central Asia is one that is close to my heart. I began my career working and living in the region, and have many colleaguies, students and friends here. I have seen the remarkable transformation of many of your economies with the transition from socialist command economies to market-based ones. For a good number of years, I worked with the European Bank for Reconstruction and Development as its legal advisor, assessing the pace of legal reform in different countries.

These changes and the rapid pace of economic liberalization, of course, always bring new challenges, including ones with regard to business respect for human rights. As investment has increased, so has the need to ensure that economic liberalization also takes into account the impacts on people. This is where business and human rights and the <u>UN Guiding Principles on Business and Human Rights</u> play a critical role.

My basic message is that business and human rights is not just about companies doing good – it is not about corporate social responsibility. Corporate social responsibility or "CSR" is about voluntary actions a company chooses to take to be a good citizen – from charitable contributions to provision of services to local communities – perhaps for example, providing education in a local area. But business and human rights is about when business is connected to harm.

Our message is that it is critical for business to identify the harms it is causing, contributing to, or linked to, and to work to prevent and remedy them. This is the biggest challenge – we need to ensure business is not done at a cost to people's lives and wellbeing. So – please remember this core concept – 'Business and Human Rights', or BHR, is about business doing no harm – this is respect for human rights.

The Working Group is itself just coming out of another major event, the <u>annual</u> <u>UN Forum on Business and Human Rights</u>, which took place last week. Normally it is held at the UN in Geneva, but this year it was virtual.

Last week's event had the theme "Preventing business-related human rights abuses: The key to a sustainable future for people and planet."

Prevention of adverse impacts on people is fundamental for sustainable development. Prevention is also at the core of the Guiding Principles, and their emphasis on proactive, ongoing action by States and business in fulfilling their respective duties and responsibilities.

That was the Working Group's key message at the global forum last week: The UN Guiding Principles are a key tool for prevention of negative human rights impacts and as a result are essential to a strategy for a resilient recovery.

The UN Secretary General has made prevention a key priority as well to prevent crises from escalating, saving lives and reducing suffering and fulfilling the UN Charter. The Working Group's most <u>recent report to the General</u> <u>Assembly focuses on the role of the Guiding Principles in conflict prevention</u> <u>and building sustainable peace</u>. Sadly, that issue remains all too relevant globally and also in this region.

COVID-19 has laid bare and amplified gross existing inequalities and discrimination. The crisis has highlighted the vulnerability of many people in workforces and value chains around the world. We need business and States to reframe business models, to ensure that respect for human rights begins when government concessions are awarded to companies, business contracts are executed with suppliers, and workers are asked to take on essential tasks.

We also continue to face the ongoing climate and environmental crises, shrinking civic space, populism, corruption, conflict and fragility, and the yet unknown human consequences of technological disruption.

The Guiding Principles provide an essential road map to ensure both that we navigate the current crisis with respect to people and that we will build better forward. Their three pillars tell us what is needed in practice: States must protect human rights, business should respect human rights, and victims need access to effective remedy.

Of course, the Sustainable Development Goals also underline responsible business as a key part of the way forward.

Colleagues and friends,

16 June 2021 will mark the 10th anniversary of the Guiding Principles. Their unanimous endorsement by the UN was a landmark moment for business respect for human rights but also for better business.

This upcoming milestone presents an opportunity to reflect on progress and challenges to date and, more importantly, to plan and create a renewed push for scaled-up global implementation going forward.

This is why, in July of this year, we launched "<u>UNGPs10+ / NextDecadeBHR</u>," a major project in collaboration with OHCHR and UNDP, and supported by Germany, Switzerland, and other partners.

It will result in two main outputs.

First, a stocktaking report will be presented to the Human Rights Council in June 2021, assessing achievements and failures to date as well as obstacles and opportunities for leveraging faster and wider change in the coming years.

This will be the groundwork for the second part where we will develop a roadmap for the next decade that will provide strategic direction to all stakeholders. The Roadmap will be launched on the 16th of June.

The UNGPs10+ project is well underway in gathering global inputs from a wide range of stakeholders to inform these two deliverables. I would like to draw your attention to our invitation to all interested parties to have their say through written contributions.

We are pleased that this regional forum will serve as stocktaking for Eastern Europe and Central Asia and help inform UNGPs10+.

Our conversations with stakeholders are making the big picture clearer.

On the positive side, the Guiding Principles provide a globally agreed-upon standard and baseline for what governments and businesses need to do to embed respect for human rights in a business context – something which did not exist before 2011.

One of the most striking examples is the key Guiding Principles' concept of corporate human rights due diligence. Introduced by the Guiding Principles, it is now at the centre of regulatory developments in Europe, with increasing backing from business and investors.

At the same time, we must acknowledge that the "governance gaps" that created the need to develop "business and human rights" still allow too many instances of business-related abuses across all sectors and regions. The many examples range from widespread forced labour across global supply chains, to violent attacks and legal harassment against human rights defenders, including union representatives, to deaths of workers who were not provided with proper equipment during the COVID-19 pandemic.

Likewise, prevention remains inconsistent. Relatively few governments are taking action beyond cosmetic endorsement of the Guiding Principles. Access to remedy for business-related harms is still a major and urgent challenge for achieving meaningful progress. Unless access to remedy for harms that have occurred improve, future prevention will be undermined.

These persisting gaps reflect a problem of scale. A key finding coming out of UNGPs10+ to date is that the business and human rights movement has not succeeded in addressing the massive capacity building need in many regions.

Last week's Forum had a session dedicated to developments in Eastern Europe. It reaffirmed that all of these challenges apply in this region.

I would like to mention some of key drivers of change that the WG have identified as integral to advancing business and human rights in the next decade.

First, the "smart mix" prescribed by the Guiding Principles Government action is gaining momentum, as demonstrated by the recent wave of mandatory human rights due diligence initiatives, not least in the EU.

Second, we seek to shine a brighter light on the role, responsibility, and leverage of the financial system – particularly development finance institutions and institutional investors – in ensuring respect for human rights.

Third, further efforts need to address policy coherence in business – like in governments – which remains a key challenge for scaling up positive impact. Business organizations can play a catalyst role in addressing this gap.

I am glad that this regional forum supports the collective goal for the UN, for all of us: that we need to use the Guiding Principles as a key prevention tool amidst the multiple crises we now face. It is imperative that all stakeholders in this region act.

Very few states in this region have national action plans on business and human rights. I hope that the discussion here will pave the way for further and quick action from states to make policy commitments on business and human rights. I also hope that business will see the importance of sustainable markets needing to have the Guiding Principles as part of the recipe. And civil society is a critical partner to both governments and business in understanding impacts of economic activities on people.

Thank you for the invitation. I hope that your discussions will be constructive, fruitful and pave the way for further action in the region.