

## Dante Pesce, Vice-Chair UN Working Group on Business and Human Rights

## 2020 International Forum on Sustainable Mineral Supply Chains

Session on "Rule Change and Governance Improvement in New Era"

2 December

(As received)

## Distinguished colleagues,

Thank you to CCCMC for the invitation. We need China and Chinese business to be part of the solution to societal challenges. There will be no lasting solutions if China is not part of them. That is why we welcome this invitation, and I would like to congratulate you for convening this important forum. It is needed and timely on an urgent issue.

I address you in my capacity as Vice-Chair of the <u>UN Working Group on</u> <u>Business and Human Rights</u>. We are a group of five independent experts from different regions, including Asia. I am the group's Latin American member, and a join you today from my home in Chile.

The theme of our session is "Rule Change and Governance Improvement in New Era". It makes no doubt that the unanimous endorsement of the <u>UN</u> <u>Guiding Principles on Business and Human Rights</u> by the UN Human Rights Council in 2011 was a landmark moment for business respect for human rights but also for better business. For the first time, there was a UN-backed and universally accepted framework for the steps all states and businesses should take to uphold human rights in a business context. A new set of rules for improved governance indeed.

The 16<sup>th</sup> of June next year will mark the 10<sup>th</sup> anniversary of the UN Guiding Principles. This anniversary provides us with an opportunity to reflect on progress and challenges and, more importantly, to make a renewed push for scaled-up global implementation over the next decade.

This is why we launched the project <u>"Business and human rights: towards a decade of global implementation"</u> on 7 July this year. It is better known as the UNGPs10+ or Next Decade BHR project.

This major project that we are undertaking as part of our Working Group mandate to promote the UNGPs, is supported by the Governments of Germany and Switzerland, and done in collaboration with the Office of the UN High Commissioner for Human Rights and with UNDP.

The project has two main components:

- First, we will take stock of the first ten years of UNGPs implementation, including by assessing obstacles and opportunities for leveraging faster, wider and deeper change in the coming years. This analysis will be presented in a "stocktaking" report to the UN Human Rights Council in June 2021.
- Second, we will design a roadmap for action, in the decade toward 2030 and beyond, with the aim of providing strategic direction to all stakeholders. This roadmap will be launched on the 16<sup>th</sup> of June next year.

A 10-year anniversary is an important milestone but there is much more at stake in our current environment which makes today a real inflection point for the future we want:

- 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.
- The disproportionate negative impacts on people of colour and minorities of the pandemic and economic crisis further underline the need for the fight against systemic racism and discrimination.
- 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.

## Dear colleagues,

The UNGPs are the globally agreed 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. Key standards for responsible business, notably ILO and OECD frameworks, are closely aligned with the UNGPs. The most striking example of convergence, perhaps, is the key concept of corporate human rights due diligence. Introduced by the UNGPs, it is the common "entry point" for ILO and OECD regarding the preventive management of negative impacts. It is now also at the centre of regulatory developments, with increasing backing from business and investors.

The UNGPs have provided the template to better develop and understand what truly sustainable mining and sustainable mineral supply chains mean. More broadly, we keep witnessing a growing movement, in mining and beyond, aligning around the UNGPs as demonstrated by the year-on-year growth of participants from all the regions of the world at the annual UN Forum on Business and Human Rights.

These include international organizations, governments, businesses, investors, law societies, and even global sports' governing bodies. A perfect example of this is CCCMC's own efforts to incorporate the UNGPs and human rights due diligence expectations in your guidance for overseas conduct of Chinese mining companies.

CCCMC is part of the expanding community of actors that have aligned frameworks with the UNGPs.

And I should be absolutely clear that we need the perspective of actors such as CCCMC. These voices, coming from outside of Europe, are essential. This is why I want to take the opportunity of this Forum to invite CCCMC – and its peers – to explore with the Working Group similar opportunities to incorporate the UNGPs. Of course, a starting point is setting a clear expectation to your members to respect human rights, in your overseas investments and operations, and apply it in your business relationships and across your extensive supply chains. You have in your hands the opportunity to lead a much-needed cultural transformation for how to do business, by fully embedding the UNGPs and respect for human rights in the day-to-day practices of your members.

Another example is the Belt & Road Initiative, a clear symbol of a new era. It would seem to be a perfect opportunity to explore the role that the UNGPs could play in contributing to improved governance in the context of such a major transcontinental long-term policy and investment program.

The UNGPs have contributed to significant achievements, but much more is needed to realize their vision of "tangible results for affected individuals and communities, and thereby also contributing to a socially sustainable globalization."

We must acknowledge that continuing "governance gaps" still allow too many instances of business-related abuses across all sectors and regions.

These continuing gaps, unaddressed, mean that already widespread forced labour across global supply chains will remain prevalent, that impacted communities will continue to have their rights ignored in the context of development projects, and that our already unreliable protection of human rights defenders, including union representatives, will see even more violent attacks and legal harassment.

Likewise, prevention remains inconsistent, and relatively few governments are taking action beyond cosmetic endorsement of the UNPGs. Access to remedy for business-related harms is still a major and urgent challenge for achieving meaningful progress. Civil society and affected stakeholders are understandably impatient and see the glass as half empty rather than half full.

This reality-check very much applies to G20 countries, which so far have not moved convincingly from commitment to action.

In a few weeks, we will publish what we see as the key issues emerging from the UNGPs10+ consultation process so far.

I know that many of you support this project, but merely feeling that way isn't enough to change anything.

While we do not expect any radically new proposals, what we need is greater leadership, policy coherence and less talk and more doing and, of course, greater accountability, by both governments and businesses. We need to move from pockets of innovations to speed up and scale up efforts to embed the UNPGs into the mainstream.

As we build a roadmap for the next decade, we seek to practise what UN Secretary-General Guterres has called "inclusive multilateralism". We are trying our best to expand the "tent" of ownership, both of the process and its outputs. We aim to build a true global coalition of the willing.

I look forward to engaging with you all as we move forward.