15 January 2021

United Nations Working Group on Business and Human Rights
Via email: wg-business@ohchr.org

Dear Working Group Members,

**UNGP+10/Next Decade BHR: Open Call for Input**

Please find enclosed a submission in response to the above consultation prepared on behalf of National Human Rights Institutions from the Asia Pacific region. Thank you for the opportunity to provide input to the UNGPs+10 project.

Please do not hesitate to contact us if you would like to discuss this submission further.

Yours sincerely


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Submission to the UNGPs 10+/ Next Decade BHR project

Introduction

The National Human Rights Institutions (NHRIs) of the Asia Pacific region welcome the opportunity to provide the United Nations (UN) Working Group on Business and Human Rights with this submission to the global project, ‘Business and human rights: towards a decade of global implementation.’

This submission outlines the regional context with respect to the implementation of the United Nations Guiding Principles on Business and Human Rights (UNGPs) and highlights the current and potential role of NHRIs in the region in advancing the promotion and protection of human rights in the context of business activities.

1. UNGP implementation: Key advancements and progress

Overall progress towards the implementation of the UNGPs across the region has been slow and uneven. Outlined below are several areas of progress. However, this is not an exhaustive list of the efforts of many actors, including civil society, to socialise and support the implementation of the UNGPs in the region over the past decade.

Policy and legislative developments

One recent area of progress in the region has been the development of National Action Plans on Business and Human Rights (NAPs). Japan, South Korea and Thailand have published NAPs, while NAPs are under development in India, Indonesia, Malaysia, Mongolia and Pakistan. The NHRIs of the Asia Pacific region welcome these developments but note that formal commitments to develop a cohesive policy framework around UNGP implementation is uneven across the region with no NAPs existing or under development in the Pacific or in the Middle Eastern region. In addition, NAPs in existence vary in quality, and in some cases have been criticised for lacking in ambition or for failure to adequately include rights holders and/or civil society in the NAP development process. In many countries, the publication of the NAP has been extensively delayed or has taken many years to finalise. The Asia Pacific Forum has a role to play in providing technical assistance in the development of NAPs and creating space for knowledge exchange.
The region has also seen the introduction of a range of policy and legislation that reinforces the UNGPs, to varying degrees, some promising developments include:

- In 2020 the Thai Securities and Exchange Commission (SEC) indicated that from 2022 all companies that request IPO approval must disclose data on human rights in accordance with the UNGPs and the Thai NAP.5

- In 2019 the Indian Government introduced National Guidelines on Responsible Business Conduct, which are voluntary principles that seek to align business conduct with the UNGPs and the Sustainable Development Goals (SDGs).6

- The introduction of the Australian Modern Slavery Act 2018 (Cth), that requires the Australian Government and certain large businesses with an annual turnover of more than $100m AUD to report annually and publicly on the steps taken to identify and address modern slavery risks in their global operations and supply chains.

Despite these promising developments, there is considerable work to be done at a state level to introduce a smart mix of measures aimed at closing governance gaps and ensuring policy coherence across government in relation to business and human rights.

Growing focus on dialogue and capacity building

Awareness raising and capacity across stakeholder groups is recognised as essential to implementing the UNGPs. The introduction of regional forums for awareness raising and capacity building around business and human rights issues is an important and welcome development, laying the groundwork for increased uptake of the UNGPs. Key examples include the annual UN regional forums on Business and Human Rights, such as the Forums for South Asia from 2019, the Pacific from 2020, and the ASEAN Intergovernmental Commission of Human Rights’ business and human rights annual forum for the ASEAN region. While the COVID-19 pandemic has raised significant human rights challenges for the region, it has also created new ways of working and enabled greater accessibility to business and human rights forums and events. The NHRIs of the Asia Pacific encourage international and regional bodies to continue to explore innovative ways of delivering events and capacity building activities to allow for broad engagement and input.
Levers from outside of the Asia Pacific region

Awareness of human rights in the context of business operations and activities is increasing in the context of a range of external drivers, including consumer and investor interest, and as investment and trade agreements are beginning to include sustainability and labour rights clauses. The tragic Rana Plaza disaster in 2013, and the subsequent multi-stakeholder Accord on Fire and Building Safety in Bangladesh and 2018 Transition Key Accord have helped focus the attention of global brands on issues of garment worker safety not just in Bangladesh but in other parts of the region.

The increasing range of regulatory frameworks in other regions such as modern slavery and due diligence legislation, will also likely increase the receptivity of businesses operating in the region to the UNGPs, as they seek to remain competitive with global business partners. For example, the European Union's 'yellow card' issued to Thailand's fishing fleet for illegal, unreported and unregulated fishing resulted in improvements to regulation of Thai fisheries and measures to improve labour conditions. Similarly, the US Custom and Boarder Protection's detention orders placed on imported medical gloves from a business in Malaysia suspected of using forced labour in July 2020, was followed by a similar order in September 2020 on goods produced China's Xinjiang region, may prompt increased business attention to labour rights issues in other parts of the region.

2. UNGP implementation: Gaps and challenges

In recent decades the Asia Pacific region has experienced rapid economic growth, including an increase in foreign direct investment. These developments have however been accompanied by a wide range of business-related human rights impacts and environmental degradation. Some of the human rights challenges in the region are outlined below.

Key rights at risk

The region plays a key role in many global value chains, particularly in certain sectors such as manufacturing, fishing, automobiles, agribusiness, electronics, apparel and construction. Labour exploitation is a major concern in the region, including issues of a lack of a living wage and decent work, unsafe working conditions, forced labour, debt bondage, child labour, trafficking and discrimination. The region hosts a significant number of migrant workers. The Pacific, Asian and Arab states together host over 60% of the world's migrant
workers, who are at particular risk of exploitation. The region is also home to a number of Special Economic Zones for industries such as the processing of fishery products, agricultural products and garment and textile manufacturing, which pose a range of human rights risks including in relation to land grabs and labour rights. Women and girls disproportionately suffer from adverse business-related human rights impacts, including pay gaps, workplace sexual harassment and violence, and a range of often intersecting forms of discrimination.

Infrastructure, logging, agribusiness and extractives projects in the region have, in some cases, been linked to land grabs, and environmental impacts including water and air pollution and deforestation, with impacts on the health, livelihood of local communities, including indigenous peoples.

The region is particularly susceptible to the impacts of climate change and there is significant work to be done to frame the impacts of climate change as a human rights issue and for governments and business to take greater action in this area.

Many of the human rights risks and challenges in the region have been exacerbated by the socio-economic impacts of the COVID-19 pandemic, which have disproportionately impacted vulnerable and marginalised people and pose a potential challenge to the uptake of the UNPGs in the region. Some of the region's workers have been severely impacted by irresponsible conduct of businesses outside the region cancelling, postponing and refusing to pay for contracted orders.

Another key challenge in parts of the Asia Pacific region is shrinking civic space and attacks on human rights defenders, including union representatives and environmental defenders (HRDs). Intimidation of HRDs, by business and state actors through threats, violence including killings and legal harassment, including the use of strategic lawsuits by business to silence HRDs has been well documented. Greater attention is needed to ensure that states and business actors understand and protect the rights of HRDs, in accordance with the UN Declaration on Human Rights Defenders, and recognise their key role as critical allies in human rights due diligence processes and sustainable development in the region. The Thai NAP for example, includes recommendations relating to the protection of HRDs. Trade unions are an essential mechanism for protecting a wide range of labour rights however, they face a range of barriers to exercising their rights in much of the region including discrimination, threats and violence. The region has a comparatively low rate of ratification of two key ILO conventions: No.98 - Right to Organise and Collective Bargaining and No.87 - Freedom of Association and Protection of the Right to Organise.
Lack of awareness, knowledge and capacity

Despite the progress towards implementation of the UNGPs in the region, many governments and business leaders in the region lack awareness of the UNGPs. Or where knowledge and capacity does exist, it is often siloed into a particular ministry or department and not integrated across government.

A recent study found that human rights disclosure in 250 of ASEAN's top listed companies fell “substantially short of the international norm set in the UNGPs both in terms of extent and quality.” Importantly the study also found a “strong correlation” between the existence of stock exchange regulations that require environmental, social and governance disclosures in a country, and the level of human rights disclosure, pointing to an area of potential leverage in the region. The 2020 Corporate Human Rights Benchmark ranks the human rights disclosures and performance of 230 companies across five sectors (agricultural products, apparel, extractives, ICT manufacturing and automotive). Notably, the countries located in Asia scored much lower than their counterparts from other regions. The highest score provided (out of 26) was 10.5, with most companies ranked from the region receiving a score of six or less.

While some progress has been made in increasing the awareness of UNGPs amongst the business sector in the region, a ‘corporate social responsibility’ focused mindset is still prevalent. There is significant work to be done to socialise businesses operating in the region, especially small and medium enterprises and the informal sector, to the UNGPs. Amongst larger businesses there tends to be some awareness of and efforts to contribute to the SDGs, however greater attention is needed on the role the UNGPs, particularly human rights due diligence, can play in meeting the goals outlined in the 2030 agenda.

Access to remedy remains an ongoing challenge

Lack of access to remedy, and mechanisms to facilitate access to remedy in accordance with the UNGPs is a key challenge in the region. Those that experience business-related human rights harms face a myriad of legal, procedural and practical barriers to both judicial and non-judicial mechanisms. Globally 49 countries have signed on to the OECD Guidelines for Multinational Enterprises (Guidelines) which set out standards for responsible business conduct and require the establishment of a state-based National Contact Point (NCP) mechanism to conciliate complaints about breaches of the Guidelines, including in relation to extraterritorial conduct by businesses. Only four signatory countries are
from the Asia Pacific region: Australia, Japan, South Korea and New Zealand. Yet, the OECD's database of specific instances suggests that approximately 26% of the almost 500 complaints received by NCPs globally since 2000, related to allegations of breaches of the human rights or employment, were made from countries in the Asia Pacific region. Historically NCPs do not have a strong track record of facilitating access to remedy, however there have been a few examples where complaints detailing the impacts have resulted in remedy for victims in the region. There is still work to be done to raise awareness amongst civil society, rights holders and businesses operating in the region about the potential for rights holders to bring a complaint about human impacts occurring in the Asia Pacific to the OECD NCP where the multinational is headquartered.

3. Opportunities: The role of NHRIs in implementing the UNGPs

NHRIs can play a key role in the implementation of the UNGPs and progressing the business and human rights agenda. In 2010, through the Edinburgh Declaration, NHRIs from around the world committed to using their mandates to promote and protect human rights in the context of business activities, including promoting access to remedy for victims. A range of resolutions adopted by the Human Rights Council have affirmed the important role of NHRIs in disseminating and implementing the UNGPs.

NHRIs that are compliant with the UN Principles Relating to the Status and Functioning of National Institutions for the Promotion and Protection of Human Rights (Paris Principles) are established by law and independent of government. Their mandates tend to include providing independent advice to government on the promotion and protection of human rights, education, investigating and resolving complaints and promoting the harmonisation of national legislation, regulation and practices with international human rights instruments.

Over the past decade NHRIs in the region have undertaken a range of measures to help promote the UNGPs across different sectors and facilitate the prevention and remediation of business-related human rights abuses. Some examples are outlined below.

**Education and awareness raising**

NHRIs are well placed to undertake public education about the relationship between business activity and human rights, facilitate dialogue between stakeholders and provide advice to the business sector. The National Human Rights
Commission of Thailand has partnered with the Thai SEC to raise awareness and drive implementation of the UNGPs. In addition, following the outcome of is National Inquiry into Land Rights of Indigenous Peoples (outlined below) the Malaysian National Human Rights Commission (SUHAKAM), advised an agribusiness company based in Malaysia regarding the company’s implementation of the UNGPs in 2017.

Increasingly, NHRIs are developing tools to assist businesses to embed human rights into their cultures, operations and activities, and meet their responsibility to respect human rights under the UNGPs. For example, the Zealand Human Rights Commission has developed guidance on the UNGPs, the Australian Human Rights Commission has collaborated with consulting firm KPMG Banarra to prepare sector-based guidance on modern slavery and the National Human Rights Commission of Thailand has developed human rights due diligence guidance for the tourism sector.

Complaint handling, investigations and public inquiries

NHRIs are recognised in the UNGPs as a key state-based, non-judicial grievance mechanism. Many NHRIs in the region have mandates to handle business and human rights-related complaints. However, some are limited by the grounds in which they can receive complaints and/or their jurisdictional mandate. A small number of NHRIs are increasingly investigating transnational issues. For example, SUHAKAM has responded to complaints about the conduct of Malaysian companies abroad, which to date have related to corporate conduct in Myanmar and Cambodia. The National Human Rights Commission of Thailand has also begun to investigate complaints into trans-boundary issues, including evictions following land grants in Cambodia and the adverse impacts of major infrastructure including Xayaburi dam in Myanmar and a power plant in Laos.

Some NHRIs also have a mandate to conduct national inquiries. Rather than addressing individual complaints, the national inquiry process examines systemic human rights violations and provides recommendations for systemic responses and remedial action at a broader level. SUHAKAM in Malaysian has conducted a National Inquiry into Land Rights of Indigenous Peoples to consider business-related human rights abuses arising from land encroachment and dispossession. In addition, the Australian Human Rights Commission recently conducted a National Inquiry into Sexual Harassment in the Workplace. Following a multi-year public inquiry in response to a petition by civil society groups, in 2019 the National Commission of Human Rights in the Philippines announced its ground-
breaking determination that 47 carbon majors, (i.e. the world’s largest fossil fuel companies) could be legally and morally responsible for the human rights impacts of climate change especially on vulnerable communities.\textsuperscript{31}

\textit{Independent advice to government on business and human rights issues}

NHRIs play an important role in assisting governments to implement the UNGPs, including through providing expert advice and technical assistance. In 2018 the Commission on Human Rights of the Philippines made recommendations to its government on changes to the country's Corporations Code to align with the UNGPs.\textsuperscript{32} In addition, the Australian Human Rights Commission sits on the Australian Government's National Roundtable on Human Trafficking and Slavery and on the Australian OECD National Contact Point’s multi-stakeholder Governance and Advisory Board.

In many countries across the region, NHRIs have also played a key role in the advocacy, development, implementation, and monitoring of the NAPs. Subject to resourcing NHRIs are well-placed to undertake national base line assessments, facilitate inclusive and transparent stakeholder consultations, make recommendations for reform and policy coherence and monitor NAP implementation.\textsuperscript{33}

\textit{UNGP\textup{s} moving forward and the role of NHRIs}

The next decade presents an opportunity for NHRIs in the region to build on these efforts and play a pivotal role, individually and collectively, to progress the implementation of the UNGPs. Differing capacity levels of NHRIs in the region, compounded by the lack of political will of governments, have contributed to the uneven awareness of the UNGPs across the region. In many cases, NHRIs experience challenges in undertaking this work including lacking specific mandates or resourcing. In addition, jurisdictional limitations to NHRI mandates create hurdles to dealing effectively with trans-boundary complaints, highlighting the need for increased NHRI collaboration to resolve such cases.\textsuperscript{34}

In 2019, the UN Working Group on Business and Human Rights held a global consultation on the role of NHRIs in facilitating access to remedy for business and human rights abuses.\textsuperscript{35} The following year the Danish Institute for Human Rights used the survey data gathered by the Working Group and published a research report outlining the trends and challenges around NHRIs facilitating access to remedy for business and human rights-related abuses.\textsuperscript{36} The Danish Institute made
a range of recommendations to strengthen the role of NHRIs. Implementation of these recommendations, which are summarised at a high level below, would considerably strengthen the capacity of all NHRIs in the region to meaningfully contribute to the implementation of the UNGPs over the next decade.

- Have an explicit mandate and resources to address business and human rights issues
- Complaints handling functions should include the ability to address business and human rights-related complaints, and alternative dispute resolution processes should apply to business and human rights-related matters
- Strengthen and broaden the scope of NHRI awarded remedies (e.g. settlement agreements, apologies, compensation, cease and desist orders) and ensure they are enforceable
- Access to remedy should be gender sensitive and accessible
- The NHRI mandate should include the power to investigate business and human rights-related matters, including through own motion investigations
- Public inquiries should be clearly applicable to business and human rights related matters
- Apply the Paris Principles to help facilitate indirect access to remedy through – awareness raising, contribution to legal reform, research reports, monitoring and reporting efforts
- Collaborate with the judicial/complaint mechanisms – for example through amicus curiae or bringing cases to NCPs
- Collaborate with other NHRIs on cross-border issues.37

**Conclusion**

Since the launch of the UNGPs in 2011, the Asia Pacific region has seen some growth in awareness of the UNGPs and responsible business conduct issues, but there remains significant work ahead to drive meaningful understanding and implementation of the UNGPs by both business and governments.

The UNGPs outline meaningful expectations about the role and potential of NHRIs to drive respect for human rights in the context of business activities. NHRIs from the Asia Pacific region are diverse in their role, functions and mandate. Despite these differences, collectively we have initiated a range of practical projects and initiatives to assist with implementing the UNGPs and have developed relationships with key actors in the business and human rights space. When developing a
roadmap for the next decade of UNGP implementation, the NHRIs of the Asia Pacific region encourage the UN Working Group on Business and Human Rights to consider the unique and vital role NHRIs play in bridging the gap between international human rights law and obligations and their national implementation.


4 For an overview on the process and content of each NAPs in the Asia region, see The Danish Institute for Human Rights, National Action Plans on Business and Human Rights <https://globalnaps.org/>.


9 Ibid.


16 Ibid 7.


26 National Human Rights Commission of Thailand, ‘Human Rights Due Diligence Handbook’ (March 2018) <http://www.nhrco.th/getattachment/businessandhumanrights/Data/%E0%B8%8A%E0%B8%99%E0%B8%A1%E0%B8%B7%E0%B8%AD%E0%B8%98%E0%B8%A3%E0%B8%80%E0%B9%80%E0%B8%A1%E0%B8%B4%E0%B9%89%E0%B8%9C%E0%B8%A5%E0%B8%AA%E0%B8%B4%E0%B8%97%E0%B8%98%E0%B8%84%E0%B8%A1%E0%B8%99%E0%B8%B8%E0%B9%A2%E0%B8%8A%E0%B8%99%E0%B8%AD%E0%B8%82%E0%B9%88%E0%B8%B2%E0%B8%87%E0%B8%A3%E0%B8%AD%E0%B8%9A%E0%B8%94%E0%B9%89%E0%B8%82%E0%B8%99-(Human-Rights-Due-Diligence-Handbook)-%E0%B9%81%E0%B8%A5%E0%B8%B0%E0%B8%A3%E0%B8%B2%E0%B8%81%E0%B8%B2%E0%B8%A3%E0%B8%95%E0%B8%A7%E0%B8%88%E0%B8%AA%E0%B8%AD%E0%B8%9A-(c-(2).pdf.aspx>.


28 See above n 23, 83.

role and practice of NHRIs’ (2020) 
<https://www.humanrights.dk/sites/humanrights.dk/files/media/document/national%20eng%20part%201.pdf>


33 See above n 23, 82.

34 Ibid 82.

