

Call for Inputs to UNWG's Report on Corporate Human Rights Due Diligence

Global Affairs Canada/Government of Canada Submission

What good practice examples of government action to incentivize and enable HRDD exist (regulation, policies, learning and dialogue platforms, oversight bodies, state ownership)?

The Government of Canada expects Canadian companies to actively identify, prevent and mitigate their human rights impacts in alignment with internationally recognized guidance including the UN Guiding Principles.

Canada's approach to responsible business conduct abroad constitutes an effective framework to incentivize Canadian companies to adopt human rights due diligence in project specific initiative and/or into the company's processes. This evolving approach is articulated in the Corporate Social Responsibility Strategy, *Doing Business the Canadian Way - A Strategy to Advance CSR in Canada's Extractive Sector Abroad*, first released in 2009, and updated in 2014, which aims, among others, to:

- i) promote and advance six widely-recognized international RBC standards including the *OECD Guidelines for Multinational Enterprises*, *UN Guiding Principles on Business and Human Rights*, *Voluntary Principles on Security and Human Rights*, and *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*. This work includes also supporting the development and the dissemination of sector specific guidelines such as the OECD due diligence guidance for the financial sector as well as for the garment/footwear and agricultural supply-chains. As such, the Government of Canada expects Canadian companies to actively identify, prevent and mitigate their human rights impacts in alignment with these tools.

To better support Canadian companies to implement the due diligence guidance coming out of the OECD, Global Affairs Canada partnered with Global Compact Network Canada (GCNC) in 2017-18 to co-host a two day multi-stakeholder workshop in Toronto in November 2017 to disseminate the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, and the *OECD Due Diligence Guidance for Institutional Investors*, gathering over 60 participants. It further collaborated with GCNC to create a working group tasked to develop a business-friendly handbook to the various OECD sectoral guidance documents. The handbook was prepared with input from a range of stakeholders, including businesses in diverse industry sectors across Canada, and aims to help:

- facilitate the understanding and implementation of the recommendations set out in the OECD Guidelines and Sector-specific Guides by Canadian businesses and relevant stakeholders.
- break down the guidelines to focus on Canadian enterprises of all sizes and types – encompassing those that operate at home and abroad, whether they are multi-nationals or small domestic operators.

The handbook was launched on April 11, 2018. To date, there has been almost 650 downloads of this tool from users in 29 countries. GCNC is looking to promote it further throughout 2018 in collaboration with industry associations. The link to the handbook:

<http://www.globalcompact.ca/resources/oecd-guidelines/>

- ii) foster networks and partnerships with stakeholders by convening industry, civil society and government. Canada makes extensive use of its 900 trade commissioners at embassies and

consulates around the world whereby they organize in-market workshops, seminars, roundtables, and information product dissemination to promote best-in-class responsible business conduct frameworks such those mentioned above, or the Mining Association of Canada (MAC)'s Toward Sustainable Mining that now includes a verification protocol regarding the prevention of child labour and forced labour in the mineral supply chains. The protocol sets out the general approach taken to confirm that processes are in place to ensure that neither child nor forced labour – as defined by ILO conventions – are occurring at TSM participating facilities. MAC also integrates the principles of the OECD's Due Diligence Guidance on Meaningful Stakeholder Engagement in the Extractive Sector into its own Toward Sustainable Mining (TSM) tool. With the help of Canada's Trade Commissioner Service and its global network around the world, the TSM tool is now widely disseminated and had been adopted by foreign industry associations in Finland, Botswana, Argentina, Spain and the Philippines, with many more are expressing interest.

Furthermore, Canada supports and actively participates, and encourages Canadian companies and CSOs to actively participate in a variety of multi-stakeholder platforms that emphasize business and human rights dialogue and implementation of best practices, including:

- i) the Voluntary Principles Initiative (VPI), the Kimberley Process (KP), the implementation programme of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and the Devonshire Initiative;
- ii) the development of a Child Rights and Security Checklist and accompanying Handbook, a process that Canada co-led, with Barrick Gold and UNICEF Canada, to help stakeholders address the particular vulnerabilities of girls and boys in the application of the Voluntary Principles on Security and Human Rights.

Seeking to strengthen Canada's responsible business conduct commitment, on January 17, 2018, the Government of Canada announced the creation of a Canadian Ombudsperson for Responsible Enterprise, and has established a multi-stakeholder Advisory Body on Responsible Business Conduct (RBC) to advise the government on its RBC policies.

The Ombudsperson will be mandated to independently and jointly investigate allegations of human rights abuses arising from a Canadian company's operations abroad and assist wherever possible in collaboratively resolving disputes or conflicts between impacted communities and Canadian companies. The Ombudsperson will be empowered to report independently through the investigation process, make recommendations including for remedy and monitor the implementation of those recommendations.

The Advisory Body is comprised of experts, including from industry and civil society, to advise the Government on the effective implementation and further development of its laws, policies and practices addressing RBC for Canadian companies operating abroad in all sectors. The Advisory Body had its inaugural meeting on April 23, 2018.

This announcement bolsters Canada's RBC framework which first, works to foster and promote responsible business practices among Canadian companies, second, to catch problems early before they escalate and, third, in the event of severe problems, to provide dispute resolution mechanisms to work toward reaching solutions.

Other relevant information

Human Rights Defenders Guidelines

Canada recognizes the key role played by human rights defenders, and supports their work bilaterally, multilaterally and through international assistance. To enhance these efforts, in 2016 Global Affairs Canada issued *Voices at Risk*, Canada's guidelines on supporting human rights defenders. *Voices at Risk* is a how-to guide for supporting human rights defenders—with practical advice for officials at Canadian missions abroad and at Headquarters—as well as a clear statement of Canada's commitment to promoting all human rights, including by supporting the vital work of human rights defenders.

These guidelines reflect the experience gained over the years by Canadian representatives working across the globe to support human rights defenders and are informed by the work and advice of Canadian civil society organizations. The guidelines are intended to complement and support the ongoing work of Canada's diplomatic corps. The ultimate goal is to ensure that Canada continues to provide effective support to people around the world who are working for human rights—from helping human rights defenders be more effective advocates to helping protect them from harm.