2015 United Nations Forum on Business and Human Rights parallel session

Title of session:

Identifying a cross-cutting approach to due diligence

Aim and objectives:

This session will focus on identifying what, if any, core elements of due diligence approaches exist across sectors. It will also discuss when and how companies should modify due diligence approaches to respond to specific industry contexts (e.g. commodities sector, financial sector) and risks (e.g. human rights vs. adverse impacts more broadly).

Target audience:

Responsible business conducts policy makers and relevant stakeholders.

Format:

Short panel presentations (10-15 min) or debate followed by Q&A with audience.

Background:

Both the UN Guiding Principles (UNGPs) and the OECD Guidelines for Multinational Enterprises (OECD Guidelines) call on businesses to conduct due diligence throughout their supply chains to identify, prevent and mitigate actual or potential adverse impacts and account for how adverse impacts are addressed.¹ However guidance is not included on how due diligence approaches should be designed and implemented in practice, nor is there currently consensus among stakeholders on the core components of due diligence.

This session will focus on identifying what, if any, core elements of due diligence approaches exist across sectors and issues and how the scope of due diligence should be generally defined. It will also discuss when and how companies should modify due diligence approaches to respond to specific contexts through illustrative examples of due diligence approaches in the commodities and financial sectors.

Recognizing cross-cutting approaches to due diligence can help to mainstream due diligence processes across business operations and facilitate responsible business conduct amongst diverse commercial actors. In light of recent legislative developments² a common understanding of due diligence in increasingly important. This session will discuss the benefits and challenges of identifying core elements of due diligence approaches.

Key discussion questions:

• What common elements can be identified across due diligence approaches for different sectors and issues?

¹ In the context of the UNGPs adverse impacts refer to human rights impacts, in the context of the OECD Guidelines, adverse impacts go beyond human rights impacts to refer to the range of issues covered under the Guidelines unless explicitly excluded.

² E.g. <u>Proposition de Loi 1897 relative au devoir de vigilance des sociétés mères et des entreprises donneuses d'ordre</u>, which aims to mandate supply chain due diligence in accordance with the OECD Guidelines for Multinational Enterprises for certain enterprises.

 Where do divergences generally exist and why? What considerations are necessary to considering modifications to diligence approaches (e.g. severity of risk, scale of operations etc.)?

Speakers:

Moderator: Frédéric Chenais, Collaborateur Scientifique, Département fédéral des affaires étrangères de Suisse (DFAE)

- Tyler Gillard, Project Manager, Sector Projects OECD [tbc]]
- Françoise Guichard, President of EDH and Vice-president Ethics & Compliance, ENGIE
- Dr Stéphane Graber, Executive Director of the Swiss Trading and Shipping Association
- Representative of UN Working Group on Business and Human Rights [tbd]