

THE DANISH
INSTITUTE FOR
HUMAN RIGHTS

20 YEARS OF
BUSINESS AND
HUMAN RIGHTS

A SNAPSHOT



This publication has been developed in connection with the 20th anniversary of the Danish Institute for Human Rights' work on human rights and business. It provides a snapshot of some of the activities of the Institute over the past 20 years, as well as perspectives on future work.

FOREWORD

Whether local or multinational, publicly or privately operated, companies have profound impacts on human rights. Business activities generate jobs, revenue, innovation and services needed to realise human rights, but they also have negative impacts on the rights of individuals and communities – including employees, workers in the supply chain, local populations and consumers.

This year marks the 20th anniversary of the work of the Danish Institute for Human Rights in the field of business and human rights. By conducting research, developing analyses and practical tools and fostering collaborations with companies, governments, civil society, academia and international organisations, we aim to build a global environment in which negative impacts on human rights by business activities are minimised and positive contributions are maximized.

Our work began amidst growing global concern about human rights violations connected to business activities in the Global South. The world watched the rise of globalisation with trepidation as multinational companies demonstrated how their power and impact could rival that of governments. Campaigns and consumer boycotts ignited a global debate about businesses' responsibilities to society and the communities where they operate.

Guidance and advice were needed not just for states, but for companies, civil society organisations and other actors fighting for corporate accountability. With this in mind, the Institute began its work on human rights and business in 1999.

Over the past 20 years, we have helped clarify and strengthen the roles and responsibilities of state and non-state actors with regards to human rights and business. International consensus on the matter was

established with the landmark adoption of the UN Guiding Principles on Business and Human Rights and the revision of the OECD Guidelines for Multinational Enterprises in 2011. Following this, we have provided guidance on implementing the Principles to state actors, national human rights institutions and businesses.

Yet, in an ever-changing world there is a need to constantly reflect on and adjust our areas of work. The global community is increasingly looking to the private sector for action on the 2030 Agenda and the climate crisis. These solutions need to be human rights-based so that no one is left behind. Therefore, our emerging areas of work will include engagement in a fast, but responsible, transition away from fossil fuels. On technology, we will develop guidance on human rights due diligence in relation to digital business activities. We will also strive to firmly anchor human rights in policies and practises of investors. And we will continue to actively engage in establishing smarter and more mandatory regulatory frameworks.

The next pages give a snapshot of key achievement made by made by the human rights and business department over the years. The significance of our work obligates and motivates us to strive for excellence so that the Institute remains a trustworthy partner for governments, companies, civil society and international organisations in the decades to come.



Eva Grambye,
Deputy Executive Director,
Head of international Division,
The Danish Institute for Human Rights

A handwritten signature in blue ink, appearing to read 'Eva Grambye'.

HUMAN RIGHTS INDICATORS FOR BUSINESS



I don't need you to tell me that human rights are important and that businesses should take them into account. I already know that. What I need is for you to tell me how I should run my business differently when I get to work on Monday morning.


Sven Riskær, former director of the Danish Industrialization Fund, 1999

This simple request became a roadmap for the development of the Human Rights Compliance Assessment tool, later known as the Human Rights Indicators for Business. This tool has made it possible for business and other stakeholders to assess corporate policies, procedures and practices on human rights, as well as to benchmark the actual performance of human rights due diligence processes.

The tool was first launched in 2005. Since then, it has been applied by a range of companies, as well as researchers and decision-makers around the globe. The most recent update is from 2016, and the tool is now hosted by the Business and Human Rights Resource Centre.

The tool has inspired other indicator and benchmarking tools such as the UN Global Compact Self-Assessment Tool and the Corporate Human Rights Benchmark.

- Read more about Human Rights Indicators for Business on humanrights.dk/tools/human-rights-indicators-business



Tried and tested: In use since 2005, the Human Rights Indicators for Business have been applied by companies, in real-world practice, for more than a decade.

Human rights made simple: More than 80 international human rights instruments have been translated into systematic checklists covering company policies, procedures and practices.

Rigorous consultation: More than 35 researchers and 70 companies and human rights organizations participated in the five-year consultation before the launch of the indicators.

Continuously updated: The indicators have been refined through years of practical application and have been updated to reflect changes in international frameworks.

ENGAGEMENT WITH BUSINESSES

For the past 20 years, we have worked directly with businesses to support their efforts to respect and contribute to the realisation of human rights and sustainable development. Advising companies is part of the Institute's statutory mandate.

- We enter into long-term partnerships with individual companies, where over several years we strengthen the company's capacity to undertake human rights due diligence to respect rights and prevent abuses.
- We enter into shorter collaborations focusing on a specific issue or project. This could include, for example, conducting a human rights impact assessment of a new infrastructure project.
- We bring together and support networks of companies that want to strengthen their work on human rights together.

Our Corporate Engagement Principles, which underpin our work, require companies to commit to improving their impact on human rights. Our direct engagement with business is a small but valuable part of our work. By doing detailed analysis and engagement at the company and project level, we gain valuable insights that we use in our engagement with business, civil society, states and other actors.

- Read more about our direct work with businesses on humanrights.dk/our-work/business/working-companies

” For a company like Arla, that operates in markets across the world, we need to assess and address our impacts on the societies in which we operate. The Danish Institute for Human Rights has been a central partner in our efforts to meet our commitments to human rights, qualifying our methodology and providing us the necessary support in our journey.

Irene Quist Mortensen, Senior CSR Business Partner, Arla International



” Addressing the impacts of companies on human rights is vital to creating a better future. The practical knowledge and insights that the Danish Institute for Human Rights provides, based on their partnerships with companies, are major contributions to achieving this goal.

Julie Garfieldt Kofoed, Head of Human Rights, United Nations Global Compact



United Nations
Global Compact

NATIONAL HUMAN RIGHTS INSTITUTIONS AND BUSINESS AND HUMAN RIGHTS

Since 2008, the Institute has worked to support national human rights institutions (NHRIs) in addressing business-related human rights abuses. NHRIs, as independent state institutions with a mandate to promote and protect human rights in accordance with the Paris Principles, play a key role in the area of business and human rights.

As the Chair of the Working Group of the Global Alliance of NHRIs (GANHRI) from 2009-2011, the Institute supported the adoption of the 2010 Edinburgh Declaration, through which NHRIs committed themselves to integrating business and human rights into their strategies and activities. Further, the UN Guiding Principles on Business and Human rights explicitly recognise the role of NHRIs, in particular in advising the state on its duty to protect, being a source of information on human rights for businesses, and facilitating remedy for affected rightsholders.

The Institute has developed learning and exchange programmes for NHRIs, including a guidebook published in 2013 and an e-learning in 2013. The Institute also encourages NHRIs to collaborate at the regional and international levels, as well as to develop common analyses and positions.

CAPACITATING NHRIS ACROSS THE WORLD

In 2017 and 2018, on behalf of GANHRI, the Institute carried out a blended learning programme on business and human rights which benefited 56 national human rights institutions.

- Read more about e-learning on businesses and human rights for NHRIs on humanrights.dk/e-learning-business-human-rights-nhris



GANHRI

Global Alliance of National Human Rights Institutions

BUSINESS AND HUMAN RIGHTS

The purpose of this course is to introduce learners to the field of business and human rights and to consider how national human rights institutions can apply their mandate to business and human rights.

ABOUT THIS COURSE



INTRODUCTION



MODULE 1

THE BUSINESS AND HUMAN RIGHTS FIELD



MODULE 2

NATIONAL HUMAN RIGHTS INSTITUTIONS AND BUSINESS AND HUMAN RIGHTS



MODULE 3

UN GUIDING PRINCIPLES PILLAR ONE - THE STATE DUTY TO PROTECT



MODULE 4

UN GUIDING PRINCIPLES PILLAR TWO - THE CORPORATE RESPONSIBILITY TO RESPECT



MODULE 3

UN GUIDING PRINCIPLES PILLAR THREE - ACCESS TO REMEDY



ROUND-OFF

COURSE CONCLUSION



ALL

RESOURCES



NATIONAL IMPLEMENTATION PROCESSES

We support state actors in implementing their duties to protect human rights against business-related human rights abuses, including through the adoption of policy and regulatory frameworks relating to business and human rights.

National action plans (NAPs) on business and human rights articulate the priorities and actions a state will take to improve human rights in relation to business. The Institute has supported several states and NHRIs in developing and implementing NAPs.

Our National Action Plans Toolkit and Guidance, first published in 2014, has been widely cited and applied by states, civil society, academia and businesses all over the world.

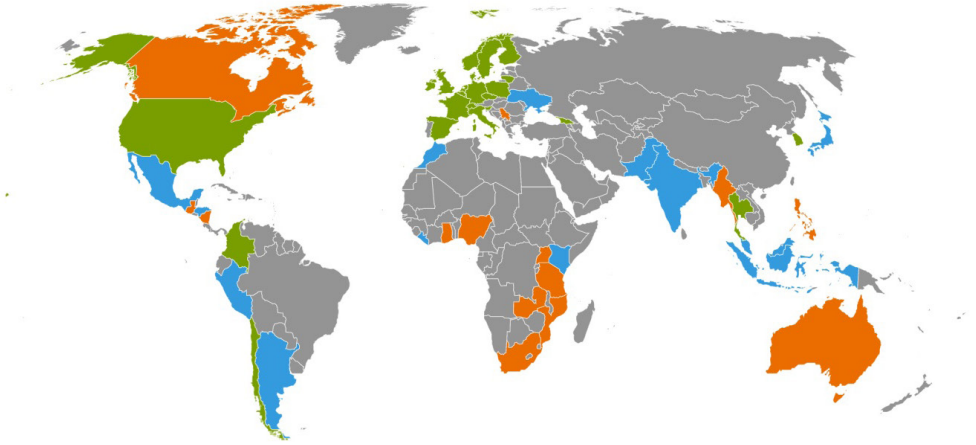
Our tools have been used by national actors in the following countries: Chile, Peru, Argentina, Honduras, Mexico, Germany, Italy, Georgia, Ukraine, Pakistan, Thailand, Myanmar, Zambia, Kenya, Ghana, Uganda.

Although the adoption of a NAP is an important achievement, states must subsequently take actionable steps to implement mechanisms that protect human rights from business actors. The Institute supports NHRIs, state and civil society actors in creating and implementing such processes.

- Read more about our work on national action plans on business and human rights on globalnaps.org



National Action Plans on
Business and Human Rights



Published a NAP



Developing a NAP



Other non-state initiatives

The boundaries and names shown in this map do not imply official endorsement or acceptance by the DIHR.

All over the world, states are developing National Action Plans (NAPs) for implementing the UN Guiding Principles on Business and Human Rights. The Institute tracks these developments on the Global NAPs website, which also provides resources and analyses on NAPs.

HUMAN RIGHTS IMPACT ASSESSMENTS

Since 2009, the Institute has worked with the private sector to conduct human rights impact assessments (HRIAs), which allow companies to assess and address their actual and potential negative impacts on human rights at the project or country level.

HRIAs draw on social and environmental impact assessment practices, but use international human rights standards as the benchmark for the assessment. HRIA also incorporates human rights principles, such as community participation and non-discrimination, into the assessment process itself.

The Institute has conducted over 20 HRIAs globally across many sectors, including oil and gas, mining, food and beverage, agriculture, pharmaceuticals, energy, health, hygiene and home. Based on this experience, in 2016, the Institute published the HRIA Guidance and Toolbox, which guides companies, consultants and other stakeholders on how to conduct a HRIA.

In addition, the Institute has published a number of HRIA reports in order to increase transparency, demonstrate how to apply our methodology, and share assessment findings and recommendations with the wider public.

Recognizing the Institute's leadership role in the area of HRIA, in particular our tools, guidance and trainings, the International Association of Impact Assessment awarded the Institute its annual Global Award in 2018. In 2019, Institute staff has edited and provided key contributions to the first-ever handbook on HRIAs, gathering theoretical and practical experiences across sectors and themes.

- Read more about our work on human rights and impact assessment on humanrights.dk/projects/human-rights-impact-assessment



All over the world, business activities have significant impacts on human rights. Human rights impact assessment is gaining traction amongst states, businesses and civil society as a method for measuring and addressing these impacts.

PUBLIC PROCUREMENT AND HUMAN RIGHTS

States are the biggest consumers of goods and services, yet too few states consider human rights in their procurement. In recent years, public procurement has increasingly been recognised as a means for states to fulfil their human rights obligations and realise sustainable development.

The inclusion of requirements on suppliers to respect human rights when states purchase goods, works and services can help prevent human rights abuses, including modern slavery and child labour in global supply chains.

The Institute took part in establishing the International Learning Lab on Public Procurement and Human Rights in 2016. The learning lab helps share good practices, including through its blog, and has provided advice and evidence on legislative and policy developments at international, regional, and national levels.

The Institute is also a member of the One Planet Network, which is responsible for coordinating efforts to realise SDG target 12.7 on sustainable public procurement. We are working to ensure that the social element of sustainable public procurement reflects human rights and is also reflected in the indicator to measure SDG target 12.7.

We are developing a toolkit on human rights for public buyers, which will be published in early 2020.

- Read more about public procurement and human rights on hrprocurementlab.org

When states purchase goods, works and services, there must be requirements that suppliers respect human rights.



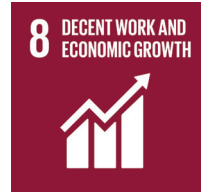
SUSTAINABLE DEVELOPMENT THROUGH CORPORATE ACCOUNTABILITY AND RESPECT FOR HUMAN RIGHTS

The 2030 Agenda for Sustainable Development, which introduced the Sustainable Development Goals (SDGs), explicitly seeks to realise the human rights of all. The SDGs recognise the role of the private sector in achieving key goals such as reducing poverty and inequalities, as well as fostering responsible consumption and production. The Agenda also underlines the critical importance of implementing the UN Guiding Principles on Business and Human Rights in order to realise sustainable development.

By putting human rights at the centre of their actions to contribute to the 2030 Agenda, companies have an immense opportunity to advance sustainable development and respect for human rights globally.

In 2018, the Institute published a database that provides illustrative examples of how companies can and should connect their human rights work to the SDGs. In 2019, the Institute published a discussion paper that examines the connections between human rights, responsible business conduct and the SDGs.

- Read more about our work on business and the SDGs on biz.sdg.humanrights.dk



LOOKING AHEAD: TO THE NEXT 20 YEARS

A lot has happened over the past 20 years in the area of business on human rights. Normative frameworks, methodologies and tools have become more refined. Practitioners, civil society organisations, academics, businesses and state actors have gained experience working in the nexus of human rights and business. In recent years, the global commitment to realise the SDGs has opened new paths for engaging public and private actors with human rights. Importantly, we have reached a point where it is no longer up for debate whether companies have a responsibility to respect human rights. Instead, the primary question is how businesses can carry out this responsibility most effectively, , as well as how states can enact regulation in recognition of this responsibility. and how states need to regulate to see this happen.



But while progress has been made, new challenges have emerged. Conflict and rising authoritarianism in parts of the world are creating a hostile environment for human rights actors to operate. Such developments are making it increasingly difficult to put human rights on the agenda.

Inequalities continue to rise, and marginalised groups and individuals – including indigenous peoples, migrant workers, LGBTI individuals, persons with disabilities, and women and girls – often suffer the adverse consequences of current business models. In response, the Institute has recently provided guidance on engaging with indigenous communities during due diligence processes, and has been actively involved in bringing gender-related concerns to the centre of the business and human rights narrative.



The Institute must continue to adapt and evolve to address emerging challenges and stay abreast of developments in the private sector. Critical reflection on global trends, as well as our position in relation to these developments, will be key for ensuring our work remains relevant in the coming decades.

Major areas of work for the Institute in the years to come include:

RESPONDING TO HUMAN RIGHTS ISSUES RELATED TO TECHNOLOGY

Digital technologies are providing people all over the world with access to information and new possibilities of social interaction. However, the digital era also raises new questions regarding the human rights such as privacy, freedom of expression and non-discrimination. Big data and artificial intelligence have far-reaching implications for human rights which remain to be answered.

Considering the significant scope of actual and potential negative impacts, calls for businesses and other actors to conduct human rights due diligence of their digital business activities have increased. The Institute will make use of our expertise on human rights impact assessment methodology to develop publicly available human rights impact assessment tools and guidance specifically in relation to digital business activities. These tools will help ensure that companies which develop, deploy or operate digital activities fully respect human rights. We will also advocate for smarter policy and regulatory frameworks to protect human rights against new developments.

ADDRESSING HUMAN RIGHTS CHALLENGES IN THE RENEWABLE ENERGY TRANSITION

Climate change is profoundly changing the world we live in and threatening enjoyment of human rights in an unprecedented manner. The world needs a fast transition from fossil fuels to more sustainable forms of energy. While the transition to renewable energy is necessary to avoid the worst impacts of climate change, it also brings about human rights challenges.



Renewable energy projects, when carried out in an irresponsible manner, are associated with adverse human rights impacts, including: labour rights violations; infringement on indigenous peoples' land and resources; and adverse impacts on host communities. There are already numerous cases where such risks have delayed or stopped major projects. It is necessary to recognise that responsible business practices which are consistent with human rights standards are a precondition for a truly sustainable renewable energy sector.

The Institute is engaging with civil society actors, states and energy companies and associations to address these issues.

ENSURING RESPONSIBILITY IN THE FINANCE SECTOR

Financial actors inject a significant amount of capital in the global economy and are uniquely placed to influence the conduct of thousands of businesses in the market. Increasingly, they have been relied upon to close gaps in the implementation of the SDGs.

By conducting human rights due diligence, financial actors can direct capital towards responsible conduct practices and incentivize a race to the top. We will continue working with institutional investors and development finance institutions to firmly anchor human rights in their policies and practices.

ESTABLISHING SMARTER REGULATORY FRAMEWORKS

Under the UN Guiding Principles on Business and Human Rights, businesses have a responsibility to undertake human rights due diligence to prevent, identify, mitigate and account for how they address their human rights impacts. At the same time, States have a duty to protect and have to devise legal and policy frameworks that encourage responsible business conduct and provide effective remedies to those affected by business activities.

However, it is only recently that we have begun to see the responsibility to undertake human rights due diligence translated into a legal obligation for companies. Several jurisdictions have introduced domestic laws and regulations, and there is considerable momentum behind the development of such laws elsewhere.

The Institute is actively engaged in these debates, with the aim of finding the most effective way to encourage companies to be more transparent and diligent about their human rights impacts and impose liability where companies fall short.

The Danish Institute for Human Rights will continue the work that has brought us to where we are today. But we must also prepare for the world of tomorrow, for facing new challenges and finding them to overcome them.



The Danish Institute for Human Rights seen from above

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Read more about the work of the Institute on business and human rights on humanrights.dk/business-human-rights