

2018 ANNUAL FORUM ON BUSINESS AND HUMAN RIGHTS

Panel on "Building coherence and reaching scale on human rights due diligence – International organizations' leadership perspectives", 27 November - 10:00am - 11:15am – Room XX

Remarks by Mr Guy Ryder, Director-General of the ILO

Thank you, Dante; good morning, distinguished fellow panellists, ladies and gentlemen.

Let me begin just by underlining how important are the themes of this panel of building coherence and reaching scale on human rights due diligence. This is a most timely discussion, both in terms of specific issues of promoting business respect for human rights and more broadly the corporate contribution to the 2030 UN Agenda for Sustainable Development.

Clearly the 2030 Agenda relates very closely to today's discussion – and there is a close fit too with the ILO mandate to promote social justice and decent work. The ILO's mandate on decent work is well reflected in Goal 8 of the 2030 Agenda on inclusive economic growth, full and productive employment and decent work; and the ILO's work also supports attainment of many of the other goals under the 2030 Agenda.

The ILO's programme and budget are also fully aligned with the 2030 Agenda, which is a practical act of coherence on the part of the ILO.

And we have another advantage – that the ILO's tripartite constituency includes the business community. This enables us to work well to scale up in this area

The work of the ILO contributes to advancing the three pillars of the UN Guiding Principles on Business and human rights in various ways:

- 1) Regarding the duty of the State to protect, a long-standing part of the ILO's work is to encourage and support States to ratify and apply in law and practice international labour standards human rights at work. I would like to underline within that the fundamental principles and rights at work, and especially freedom of association and the right to collective bargaining which are absolutely essential enablers of respect for human rights at work; as well as the elimination of child labour and forced labour, and the prohibition of discrimination.
- 2) Regarding **the responsibility of business to respect,** the ILO promotes sustainable enterprises, provides guidance on international labour standards to companies, manages business networks on decent work issues, and participates in international initiatives that enhance due diligence on labour rights;

3) And regarding access to remedy, the ILO assists both in strengthening labour inspection and judicial mechanisms for bringing claims, and provides technical assistance on the development of non-judicial mechanisms such as mediation for the more rapid settlement of disputes. And perhaps most importantly, the ILO not only sets international labour standards but also has one of the more elaborate and effective processes for supervising respect for those standards, enabling real access to remedy as the ILO provides complaints mechanisms for employers' or workers' organizations to bring claims against States that are not implementing the conventions they have ratified.

I would like to focus today on how to scale up human rights due diligence as a way for enterprises to manage actual or potential adverse human rights impacts with which they are involved—either directly or indirectly, through their business relationships.

Since the endorsement of the Guiding Principles in 2011, the concept of due diligence has been introduced in several ILO standards and conclusions, most notably in:

- the Protocol to the Forced Labour Convention adopted in 2014;
- the <u>Resolution and conclusions concerning decent work in global supply chains</u> adopted in 2016;
- the <u>ILO Recommendation on Employment and Decent Work for Peace and Resilience</u>, adopted in 2017;
- And perhaps most importantly, the revision of the <u>Tripartite Declaration of Principles</u>
 concerning <u>Multinational Enterprises and Social Policy</u>, also adopted in 2017, which includes
 a substantial section on the role of human rights due diligence.

Over the past years the ILO has been collaborating increasingly with other international organizations and institutions on more practical guidance for business on "due diligence", especially in relation to labour rights and the importance of including both employers and employers' organizations and trade unions in "meaningful stakeholder engagement" as a critical component of due diligence as an ongoing process to prevent adverse impacts.

Let me mention in this regard the very fruitful collaboration with the Office of the High Commissioner, and with the UN Working Group on Business and Human Rights which has welcomed the ILO's MNE Declaration as a key international reference for collective efforts to ensure that labour rights are protected and respected in the operations of transnational business; as well as our collaboration with the OECD on due diligence guidance in various sectors.

The ILO has also been supporting governments, employers and workers in the formulation, adoption and implementation of National Action Plans on business and human rights – including government strategies and actions to stimulate corporate human rights due diligence.

And finally but not least, the ILO has developed specific tools and services for enterprises to address negative impacts on labour rights in the form of guides, training courses and the ILO Helpdesk for Business on International Labour Standards.

All of this said, despite all these international policy coherence efforts, collaboration on practical tools, and increased uptake of due diligence in legislation and policy, it is important to underline that the report of the Working Group clearly indicates that so far only a small group of committed enterprises, mainly large companies, have made progress on due diligence. The majority of enterprises – both large and small - still need to embrace their human rights responsibilities, including through an effective, efficient and inclusive due diligence process.

The Working Group has put forward a number of recommendations to business, the investment community and governments to stimulate and scale up corporate human rights due diligence by small and large enterprises. I would like to add a recommendation from the ILO's 2016 Resolution on decent work in global supply chains, namely the role of employers' organizations and business member organizations in providing practical guidance to implement due diligence in operational management systems, and build capacity thereon - and how special attention needs to be paid to SMEs, which really do need support in order to meet their responsibilities.

Colleagues, there is much more that I could say and I want to end by saying how much I would welcome further collaboration on these issues with our intergovernmental partners here today, and with employers' and workers' organizations, as part of our common objective of addressing the impacts of business operations on human rights. Thank you very much.