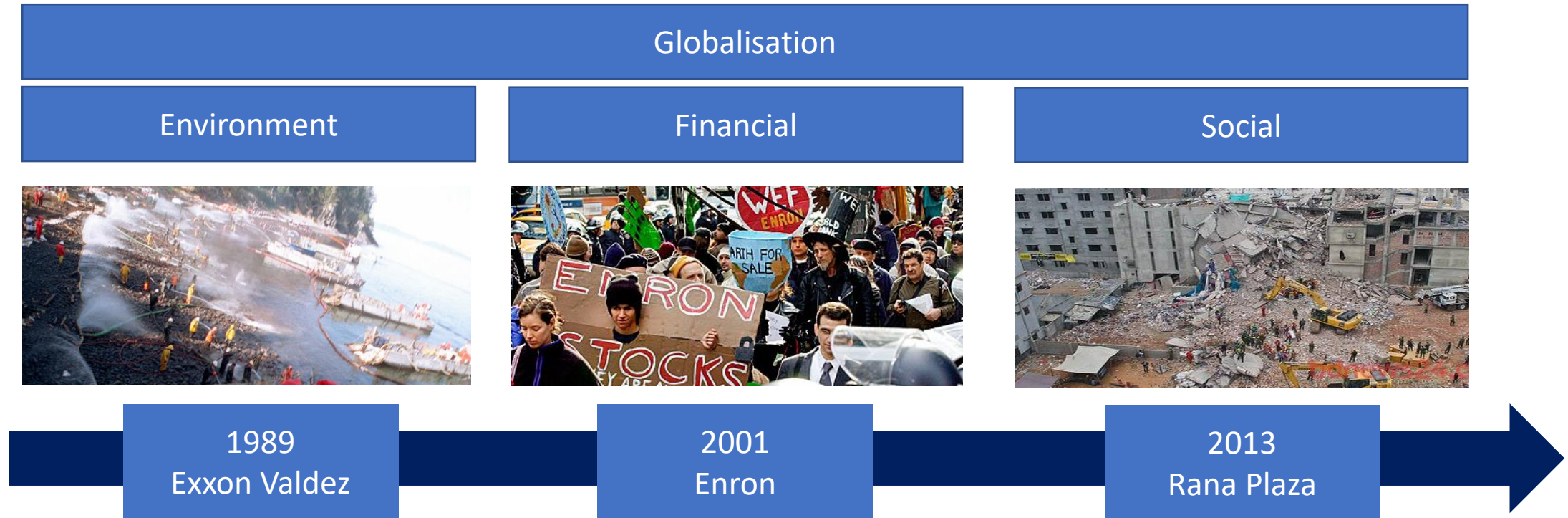


Responsible Business Conduct



Responsible Business Conduct Evolution



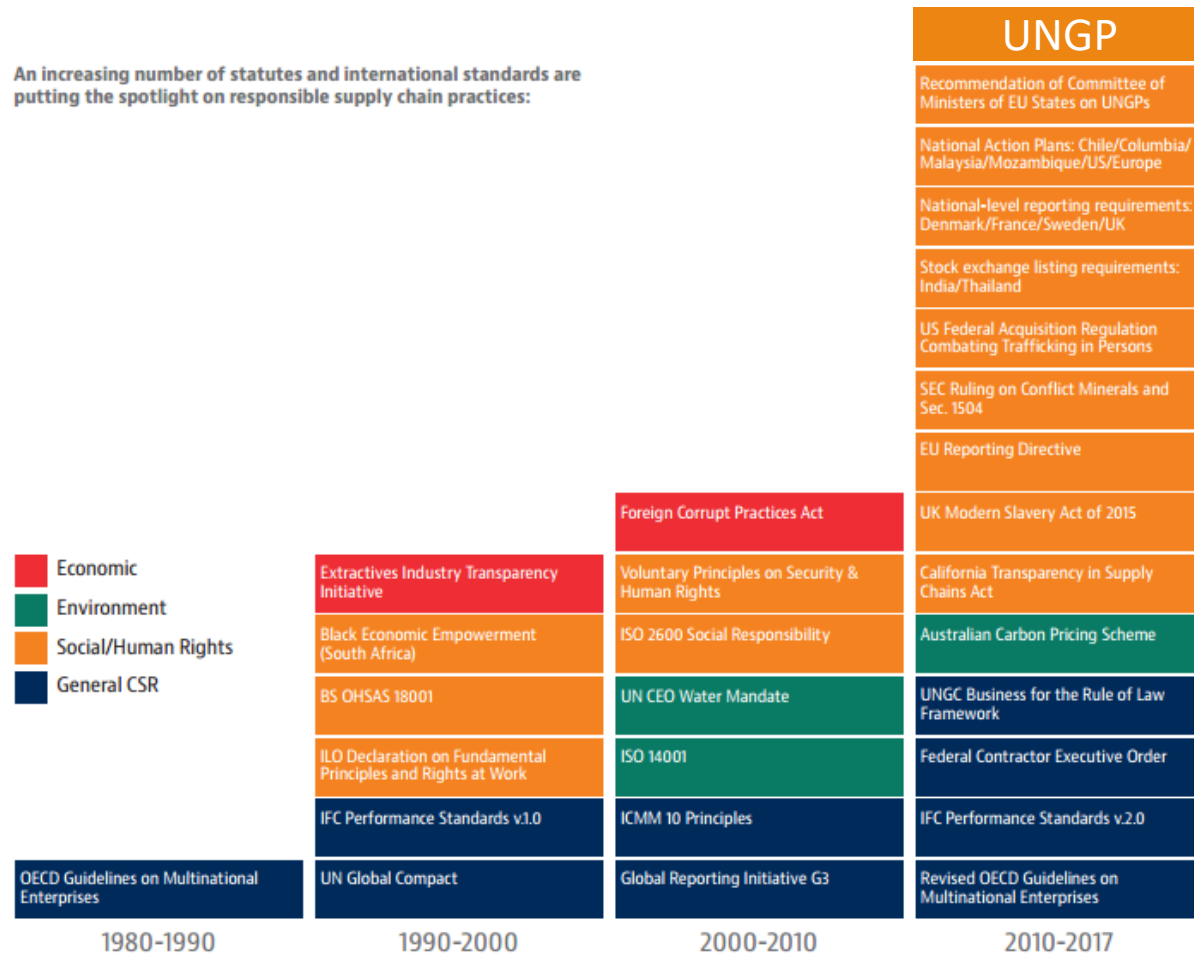
International Labour Organisation

187 MEMBERS	1919 FOUNDED	3 PARTITE
189 CONVENTIONS	204 RECOMMENDATIONS	2 GOVERNING BODY MEETINGS P.A.
1998 DECLARATION	8 CORE LABOR STANDARDS	2008 DECLARATION
1 INTERNATIONAL LABOR CONFERENCE P.A.	4 STANDARD COMMITTEES	3 TOPICAL COMMITTEES



Business & Human Rights Developments

An increasing number of statutes and international standards are putting the spotlight on responsible supply chain practices:



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- OECD Due Diligence Guidelines Garment & Footwear published
- 1st Corporate Human Rights Benchmark
- ILO MNE Declaration updated
- France implemented Due Diligence Law

- NL, potential Child Labor Law
- Australia, Switzerland potentially to “copy with pride” UK Modern Slavery Act
- G20 Supply Chain Recommendation June 2017

- More info in IOE Human Rights & CSR newsletter



IOE HuRi CSR News

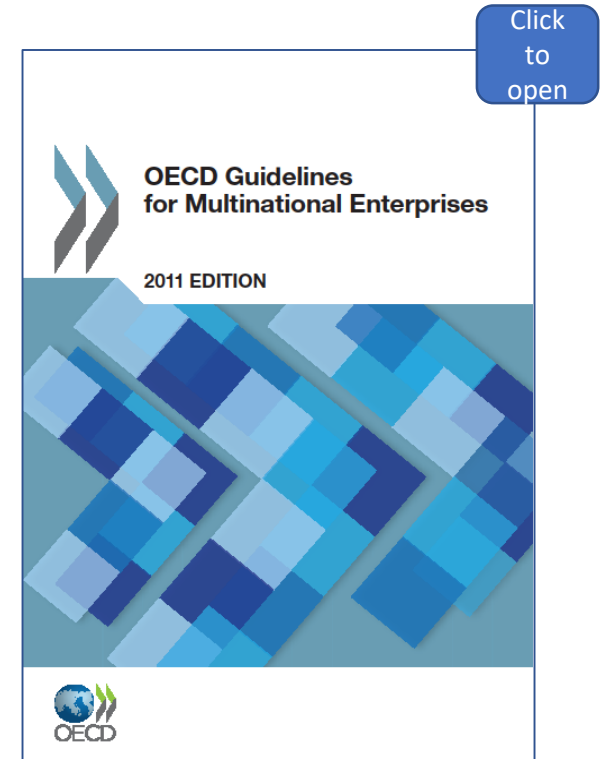
OECD Guidelines for Multinational Enterprises

- Since 1976, last revision 2011
- 35 OECD countries, 5 key partners
- From government to business
- MNE and SME that are active on a multinational scale
- Voluntary grievance mechanism
- Mediation by National Contact Points
- Not legally enforceable but to drive responsible behavior

To avoid adverse impacts of their own business activities on the interests that are covered by the Guidelines: do not cause, do not substantially contribute, seek to avert that partners infringe and encourage suppliers to apply

10 Area`s:

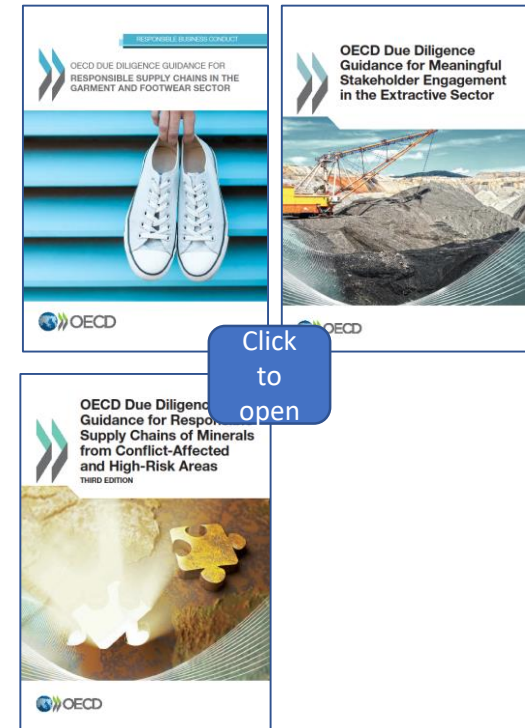
- General policies
- Disclosure
- Human rights
- Employment and industrial relations
- Environment
- Combating bribery
- Consumer interests
- Science and technology
- Competition
- Taxation



Due Diligence Within OECD Guidelines

Due diligence is the process whereby enterprises identify, prevent and mitigate actual and potential adverse effects, and also report how they take these effects into account in their decision making and risk-management

- No pre-described due-diligence process
- Sector specific due-diligence guidelines on garment & footwear, extractive sector and conflict minerals
- No due diligence in the fields of competition, science & technology, taxes
- Tailor made approach (depending on enterprise size, the context of the business activity, the gravity of the adverse effects)
- **Know, solve and show**



UN Global Compact

- Voluntary CR initiative
- Initiated by former UN SG Kofi Annan
- Call for action: Business community & UN to put a human face on globalisation
- > 14,000 participants, including > 9,000 businesses, in 145 countries
- CEO commitments
- Strategic review undertaken: governance, focus (SDG, PPP), global versus regional, reporting requirements to include SDGs
- Integrity measures on alleged violations

- 10 principles part of business strategy
- Annual Communication on Progress
- Public disclosure to stakeholders
- Voluntary financial contribution to become mandatory as of 2018

- Tools and guidance
- Peer learning
- Working Groups
- Local and regional network

If failing to full fill its commitments, listed as “non-communicating” and eventually expelled

Stakeholders expect business to commit to being a responsible employer, UNGC is a tool in showing this commitment

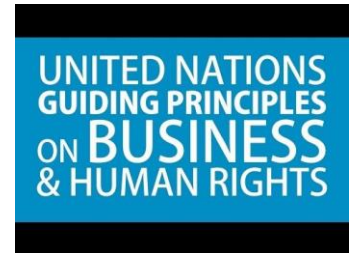
Sustainable Development Goals on top of 10 principles!

UN Guiding Principles on Business & Human Rights

- **Unanimously adopted by the United Nations Human Rights Council in 2011**
- **3 pillars:**
 - The state duty to protect human rights
 - The corporate responsibility to respect human rights
 - Access to remedy for victims of business-related abuses
- **Enterprises, including suppliers, have a responsibility to avoid (i.e. to stop) causing or contributing to adverse impacts through its own activities where it has control; (due diligence)**
- **Enterprises, including suppliers, have a responsibility to seek to (i.e. to try to) prevent or mitigate adverse impacts caused by others where it has leverage(due diligence)**

16 National Action Plans

- UK
- Netherlands
- Denmark
- Finland
- Lithuania
- Sweden
- Norway
- Colombia
- Switzerland
- Italy
- USA
- Germany
- France
- Indonesia
- Belgium
- Spain

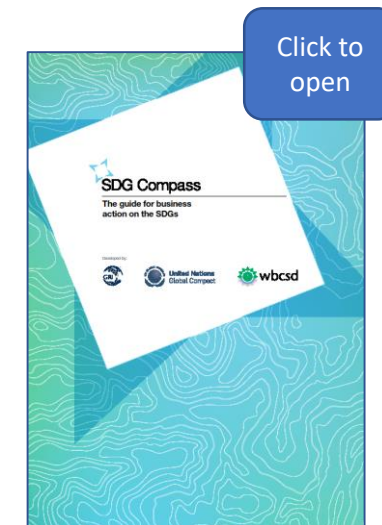


Click to open



The 2030 Agenda for Sustainable Development

- Sustainable Development Goals (SDGs) in follow up to Millennium Goals
- Adopted in 2015 by the UN
- To be achieved by 2030
- 17 Goals
- 169 Targets
- Government duty to implement
- Business to contribute
- Risk: shift of responsibility from state to business
- Business to link SDGs to strategic objectives



Where Business Stands

- ILC Decent work in Global Supply Chains
- ILO MNE declaration review
- Sustainable Development Goals
- UK Modern Slavery Act
- UN Ecuador Treaty
- Corporate Human Rights Benchmark
- UN Global Compact/GRI/SDGs
- Integrated reporting
- OHCHR Access To Remedy
- G20 Supply Chain initiative
- Sweden “The Global Deal”
- ... and many more becoming more binding and x-influencing

LEADERS

FOLLOWERS

NO ACTION YET

- Corporate social sustainability moving into new phase, from nice to have to **must do**
- Human Rights & Labour Rights as core component of **social licence to operate** and integral part of business
- Positive **business case**
- **Protect, Respect & Remedy** framework
- **National Action Plans** key
- **Business** taking a more **active** role in shaping society & future of work
- **Multi Stakeholder** approach needed

Responsible Business Conduct in Iran



IOE Team – Power of the Network



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IOE
MEMBERS

+

IOE
PARTNERS

+

IOE
NETWORK

Thank you



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Contact us:

www.ioe-emp.org

ioe@ioe-emp.com




Back up



Back up



ISO 26000

 International Organization of Employees
Cooperation from our circle of partners
Your voice is heard in our circle of partners
The Global Voice of Business July 2017

Three important ISO developments

Introduction

There are three important developments regarding the work of the International Organization for Standardization (ISO) on social responsibility – two ongoing and one new – which require employers and business' urgent and ongoing attention and action:

1. **Continuing:** Systematic review of ISO 26000 (a guidance tool for companies and organisations on social responsibility).
2. **New:** [Proposal for a new and permanent ISO Technical Committee on Social Responsibility](#)
3. **Continuing:** New standard on occupational health and safety management systems (ISO 45001)

All these have big implications for employers and business. They also present challenges in terms of how to limit the proliferation of ISO standards on social responsibility that will likely result in divergent approaches with other authoritative standards, blunt instruments to address social issues/risks, and unrealistic/unfair burdens on companies, especially SMEs.

To put this in context, these ISO developments come on the heels of attempts by other international organisations to re-formulate business' responsibilities on social issues, including:

- The OECD's development of general "due diligence guidance" for responsible business conduct;
- The UN Global Compact / GRI / PWC's initiative to develop a business "reporting platform" on the Sustainable Development Goals; and
- The ILO's programme of action on "global supply chains".

All risk creating divergent approaches from authoritative standards, such as the UN Guiding Principles on Business and Human Rights and ILO labour standards, and unrealistic expectations of business, especially in the absence of effective Government leadership.

1. Systematic review of ISO 26000

Throughout the year, the IOE has been in contact with IOE members regarding the "systematic review" of ISO 26000, which takes place every three years.



G20 GERMANY 2017
HAMBURG

G20 Leaders' Declaration

Shaping an interconnected world

Hamburg, 7/8 July 2017



Overview HuRi
initiatives

The 10 Principles of the UN Global Compact

Human rights

1. Support and respect the protection of internationally proclaimed human rights within their sphere of influence, and
2. Make sure that they are not complicit in human rights abuses

Labour relations

3. Uphold freedom of association and the effective recognition of the right to collective bargaining, and
4. Encourage elimination of all forms of forced and compulsory labour,
5. Effective elimination of child labour, and
6. Elimination of discrimination in respect of employment and occupation

Environment

7. Support for a precautionary approach to environmental challenges,
8. Undertake initiatives to promote greater environmental responsibility, and
9. Encourage development and diffusion of environmentally friendly technologies

Combatting Corruption

10. Businesses should work against all forms of corruption, including extortion and bribery

ILO MNE Declaration

- Adopted by ILO Governing Body in 1977
- Governments & Business in all countries
- Interpretation procedure (≠ complaints mechanism)
- ILO helpdesk free and confidential service: assistance@ilo.org or +41 22 799 62 64
- Reviewed in 2017:
- Voluntary, promotional and guidance-serving nature preserved
- Language consistent with UN Guiding Principles and other international standards
- Company Union Dialogue facilitation: voluntary, consensus, confidential



5 Area`s:

- General Policies
- Employment
- Training
- Working Conditions
- Industrial Relations

ILO MNE Declaration Interpretation Procedure

The purpose of the procedure is to interpret the provisions of the Declaration when needed to resolve a disagreement on their meaning, arising from an actual situation, between parties to whom the Declaration is commended

- Procedure to assess if request for interpretation is receivable
- If accepted Office drafts a reply that needs approval by the ILO Governing Body, before forwarding to parties concerned and being published
- 24 request to date, last request in 1997
- Issues raised: plant closures and/or collective dismissal, Freedom of Association and Collective Bargaining, OSH, poor working conditions and wages

ILO MNE Declaration Company-Union Dialogue

Where a company and a union voluntarily agree to take advantage of using the facilities of the International Labour Office to meet and talk, without prejudice, the Office will provide a neutral ground for discussion of issues of mutual concern.

- The Office and the participants shall maintain strict confidentiality of the dialogue process
- The participants to the dialogue will be determined by the company and the union
- The company–union dialogue is based on consensus of the parties, and its content shall not be used for any binding procedure.
- The Office shall keep the secretariats of the Workers' and Employers' groups informed at the end of the process that it has been completed

ISO 26000

- International Organization for Standardization (ISO), founded in 1947, > 19 500 International Standards established
- ISO 26000 Guidance on Social Responsibility
 1. To assist organizations in contributing to sustainable development
 2. To encourage organizations to go beyond legal compliance, recognizing that compliance with law is a fundamental duty of any organization and an essential part of their social responsibility
 3. To promote common understanding in the field of social responsibility
 4. To complement other instruments and initiatives for social responsibility, not to replace them
- ! Voluntary, NO certification



7 Principles of Social Responsibility (SR):

- Accountability
- Transparency
- Ethical behaviour
- Respect, consideration and responsiveness
- Respect for the rule of law
- Respect for international norms of behaviour
- Respect for human rights

ISO 26000 – core subjects



Strengths And Weaknesses of ISO 26000

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- Broad international consensus
- Good basis for X-border discussions on SR and for starting a SR journey
- Good basis for engaging in stakeholder dialogue
- Freedom of use
- To help inform social responsibility policies & practices

-

- Not free of charge
- Guidance is long, complex and difficult to read
- MNE focussed
- Tends to dictate actions rather than explain
- Misused to certify

Future: review of ISO 26000, to include , UN Guiding Principles, revised OECD Guidelines, SDGs, ? Certification? Proposal for a new and permanent ISO Technical Committee on Social Responsibility!!!!

Ecuador Treaty

- The open-ended UN Intergovernmental Working Group (IGW), chaired by Ecuador is mandated to “elaborate an international legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises”
- UN Guiding Principles on Business & Human Rights +
- Multi-stakeholder process, IOE only business representative
- 2015 and 2016 Multi-Stakeholder meetings to align scope, focus and liability
- In 2017 first draft text ready for discussion from 23-27 October



- Scope: MNEs or all companies?
- Focus: Limited number of human rights or all human rights?
- Liability/Access to remedy: focus on improving access to remedy at local level or through extraterritorial jurisdiction in home countries?

G7/G20 Global Supply Chain Focus

- G7 meeting Elmau in 2015 commitment to foster sustainable global supply chains
- Followed up by G20
- Develop common understanding of due diligence and responsible supply chain management
- Promotion of successful consumer initiatives and tools and identification of potential joint actions to promote better consumer information
- Develop measures for convergence and better implementation of labour, social and environmental standards along the entire supply chain in the in the textile and ready-made garment sector
- Support for a Vision Zero Fund



G20 2017 Germany focus:

- Sustainable Global Supply Chains
- Diversity
- Labour Market integration of Migrants and Refugees
- Future of Work

Vision Zero Fund

INFORMATION

- Multi-donor fund (D 3 million EUR, US 1 million \$, EU 3 million EUR)
- Fund should not lead to a two-tier system in which companies integrated in global supply chains would have better labor, social and environmental standards than domestic companies

AIM & SCOPE

- Reducing and preventing the number of workplace related deaths, serious injuries and diseases in global supply chains
- Promotion of company-based practices; improvement of public OSH frameworks or the provision of know-how for the establishment of national work-related injury insurance schemes

FUND

- Pilot with a focus on the ready-made garment sectors of selected countries (Myanmar, Ethiopia Bangladesh ?)
- Fund established within the ILO
- IOE will be in the Global Advisory Council
- Support reconfirmed at the G20 Labour Ministerial Meeting in Bad Neuenahr in 2017
- No actions to date

ILC 2016 Decent Work in Global Supply Chains

1. Capacity building & technical assistance to member States on labour administration and inspection systems
2. Promote effective national and cross-border social dialogue
3. Assess the impact, scalability and adapt and scale up development cooperation programmes, such as Better Work
4. Drive policy coherence among all multilateral initiatives
5. Provide expertise to the OECD NCPs on social and labour standards
6. Guidance to enterprises on the application of labour standards within their supply chains and make information available on specific country situations, laws and regulations
7. Focus on decent work and protection of fundamental principles and rights at work for workers in EPZs
8. Better and more accessible data on decent work in GSCs

Technical tripartite meeting or a meeting of experts to:

1. Assess the failures which lead to decent work deficits in global supply chains
2. Identify the salient challenges of governance to achieving decent work in global supply chains
3. Consider what guidance, programmes, measures, initiatives or **standards** are needed to promote decent work and/or facilitate reducing decent work deficits in global supply chains

Next step:

- ILO expert meeting on Export Processing Zones
- 21-23 November