# #UNGPsPlus10

**Achievements, challenges, and the way forward in the uptake and implementation of the UN Guiding Principles on Business and Human Rights**

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## Background

June 2021 marks the tenth anniversary of the unanimous endorsement by the Human Rights Council of the United Nations *Guiding Principles on Business and Human Rights* (UNGPs). The UNGPs have become the authoritative framework on business and human rights and clarify the respective roles and responsibilities of governments and companies. Business, NGOs, and trade unions have endorsed the UNGPs as an effective framework for responsible business conduct (RBC).  Many governments around the world have launched national action plans (NAPs) for the implementation of the UNGPs.  Over the past ten years, IOE has prioritised the uptake of the UNGPs by the business community and actively promoted the UNGPs in policy debates at national, regional, and international level.

As part of its mandate, the UN Working Group on the issue of human rights and transnational corporations and other business enterprises (also referred to as the Working Group on Business and Human Rights) is undertaking a project referred to as UNGP10+[1] which aims to chart a course for the "next decade of action on business and human rights".  The project, informed by wide-ranging stakeholder consultations, includes:

i)      stocktaking of achievements;
ii)     assessing remaining gaps and challenges; and
iii)    developing a vision and roadmap for implementing the UNGPs more widely and more broadly between now and 2030.

This IOE exercise aims to support the Working Group's UNGPs10+ Project by analysing:

i)      progress and good practices to date;
ii)     gaps and challenges and the key obstacles in the way of full implementation of the UNGPs; and
iii)    what should be done, and how, to speed up the implementation of the UNGPs considering the present and future challenges.

A questionnaire designed to gather relevant input from Employer and Business Membership Organisations (EBMOs) was sent out to all 158 IOE members across the world. 23 EBMOs from different regions, representing millions of large, small, and medium-sized enterprises, completed the questionnaire.  Additionally, individual enterprises from around the globe and

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[1] UN Guiding Principles on Business and Human Rights at 10
https://www.ohchr.org/EN/Issues/Business/Pages/UNGPsBizHRsnext10.aspx

different industry sectors including agriculture, consumer goods, energy, footwear and apparel, retail, manufacturing, and transport, participated in the IOE study.

Additional information gleaned from consultations with IOE members between the second semester of 2020 and the beginning of 2021 complemented the information obtained from the responses to the questionnaire.

The findings and conclusions from the study are presented in three separate chapters according to the following structure:

   I.    Achievements to date;
  II.    Remaining gaps and challenges; and
 III.    A vision for the next decade of implementation.

## Achievements to date

The UN Guiding Principles have been a game changer, **contributing significantly to the progress made over the last ten years in raising awareness and public interest in the business and human rights agenda**.

The **clear language of the UNGPs** on the roles and responsibilities of businesses and states with respect to human rights **has facilitated national and global conversations.** It provides a common language that contributes to the understanding and uptake of the business and human rights agenda.

The impact of the UNGPs becomes all the more striking when we consider the corporate social responsibility (CSR) debate of 15 years ago, when the term "CSR" lacked a common definition and was a catchall phrase that covered a raft of diverse concepts and practices. The UNGPs created a powerful consensus: that companies must not harm people or communities, that they should take proactive steps to avoid being involved in negative human-rights impacts, and that they should help to put things right when they fail to do so.

The UNGPs have been explicitly integrated into the main internationally recognised principles and standards on responsible business conduct, such as the ILO MNE Declaration, OECD MNE Guidelines and ISO26000. This integration has **strengthened coherence**, facilitated the positioning of the UNGPs in the global public and business agenda and supported their adoption by the business sector.

Not only do increasing numbers of enterprises acknowledge the UNGPs, especially large and multinational enterprises, but there has also been a growing awareness of business and human rights within governments, civil society organisations, trade unions, investors, academic institutions and, more recently, consumers. This **increased and broader awareness of the business and human-rights agenda has a reinforcing effect on the uptake and implementation of the UNGP**s. More than 50% of the EBMOs surveyed by IOE singled out increased consumer awareness as a key driver in accelerating the implementation of the UNGPs. Highly engaged trade unions and civil society have also contributed to corporate uptake of human rights standards.

The **UNGPs have attracted the close attention of political actors engaged in the business and human rights agenda**. This has translated into the **development of National Action Plans** (NAPs) by different States to articulate priorities and actions to support the implementation of obligations and commitments with regard to human rights. According to the "globalnaps" platform[2], to date, 25 countries have officially published a NAP and a further 17 countries, from all regions of the world, are developing NAPs. There have

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[2] National Action Plans on Business and Human Rights https://globalnaps.org/

also been numerous legislative developments in many countries, as well as at EU level, on disclosure and due diligence obligations.

- 2011 OECD Guidelines / UN Guiding Principles
- 2012 The California Transparency in Supply Chains Act
- 2014 IGWG on a binding treaty on business and human rights
- 2014 EU Non-financial Reporting Directive
- 2015 UK Modern Slavery Act
- 2017 French Law on the Corporate Duty of Vigilance
- 2018 Australian Modern Slavery Act
- 2019 Dutch Child Labour Due Diligence Law (in force 21/22)
- 2019 Finland commits to mandatory human rights due diligence at national & EU level
- 2020 Swiss Federal popular initiative "Responsible business - to protect people and the environment"

Upcoming
- EU Due Diligence Directive
- Revision of EU CSR reporting directive
- German Supply Chain Law

The **role of the State as an economic actor has been reinforced with the integration of human rights considerations**. Public procurement agencies have integrated human rights criteria for public procurement decisions, governments have instructed State-owned enterprises (SOEs) to show leadership in aligning their practices with the UNGPs and export agencies have integrated human rights requirements to prioritise government support to enterprises that comply with the UNGPs.

Although most regulatory changes on business and human rights have been effected in Europe and North America, as global initiatives gain momentum and complex value chains promote UNGPs globally, these changes and future regulations will have direct and indirect impacts on different local legislations around the world.

The **UNGPs are a fundamental component of a multitude of collective initiatives** (public, private or multi-stakeholder) that aim to prevent and address human-rights challenges presented in global value chains and to enhance compliance with growing human-rights requirements to access demanding markets.

Examples:

- The public-driven sector-level agreements on responsible business conduct[3] of the Dutch government set out how companies can work with civil society organisations and government to prevent abuses in the areas of human rights, labour rights, and the environment. These agreements rely on the implementation of a due diligence process in conformity with the UNGPs and the OECD Guidelines.

- The private sector driven initiative AMFORI (formerly Business Social Compliance Initiative, BSCI) was launched in 2003 as a response to the increasing business demand for transparent and improved working conditions in the global supply chain. The common Code of Conduct is founded on the kind of internationally recognised standards and principles that are enshrined in the UNGPs.

- The German Initiative on Sustainable Cocoa is a multi-stakeholder initiative that aims to improve the livelihood of cocoa farmers and their families as well as to increase the proportion of cocoa that is certified according to sustainability standards[4].

The **UNGPs have boosted changes in the investment decisions of institutional investors**. Increasingly, investors fully integrate human rights considerations in line with the UNGPs into their investment policies. Moreover, the UNGPs make clear that investors themselves have a responsibility to respect human rights through their investment decisions and are demanding top-level enterprise management leadership on human rights issues and not only policies on paper.

These developments go hand in hand with other initiatives that are aligned with the UNGPs. The Principles for Responsible Investment (PRI), the largest global initiative promoting responsible investment, will require compliance with the UNGPs by all its signatories by 2024[5]. The Corporate Sustainability Assessment carried out by S&P Global for the Dow Jones Sustainability Indices of the New York Stock Exchange and for the Sustainability Index of the Latin American Integrated Market (MILA) integrates human-rights criteria in their ratings that are fully aligned with the UNGPs. The United Nations Sustainable Stock Exchanges Initiative and the Equator Principles for financial institutions also integrate respect for human rights in accordance with the UNGPs.

**The integration of the UNGPs into investment decision-making has triggered a chain reaction**. This has been a crucial driver for the integration of human rights within enterprises and has secured a place for human-rights considerations at the top of the business agenda.

**The UNGPs promoted transparency** because when there is consensus on the necessary action, companies more readily report on it. 67% of the large enterprises who took part in the IOE study responded that they communicate externally on how they identify their human-

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[3] Agreements on International Responsible Business Conduct https://www.imvoconvenanten.nl/en
[4] German Initiative on Sustainable Cocoa https://www.kakaoforum.de/en/about-us/german-initiative-on-sustainable-cocoa/
[5] UN Principles for Responsible Investment https://www.unpri.org/human-rights-and-labour-standards/why-and-how-investors-should-act-on-human-rights/6636.article

rights risks or potential impacts. Moreover, 70% of these companies communicate externally on the nature of these human rights risks or impacts (including to affected or potentially affected stakeholders) and how they address those risks or impacts.

In 2015, the global employer community, represented by IOE, adopted the Bahrain Declaration[6] with an explicit **commitment to promote the uptake and implementation of the UNGPs**. The Bahrain Declaration reflects the high importance IOE and its members attach to human rights. IOE and its EBMO members consistently engage in the promotion of the UNGPs:

- EBMOs have issued human rights guidance and have implemented initiatives related to **awareness raising, capacity-building, and peer-learning** processes to promote the implementation of the UNGPs by business enterprises.

- Through initiatives that publicise **public recognition of good practices** within the business community in response to human rights issues, such as awards for innovative and exemplary practices.

- EBMOs have been key in **promoting collective action,** for example to influence global supply chains to introduce changes in line with the UNGPs.

- EBMOs have **engaged with governments** in the development of National Action Plans and other related frameworks to promote human rights.

For companies, the UNGPs have clarified what is expected of them. The UNGPs have triggered a **paradigm shift by changing the understanding that human rights risks are not about risks to the company but rather, about risks to the company's stakeholders.**

The **UNGPs have found their way into the boardroom** and have become a leadership issue. Moreover, many corporations have integrated human rights as a core component of the corporate structure. 87% of the enterprises that responded to the IOE survey confirmed that they have internal processes in place to track implementation or compliance with the company's human-rights policy.

Many large and/or multinational enterprises now have policies or make public statements that demonstrate their commitment to human rights. 90% of the enterprises surveyed confirmed that their company has issued a policy statement, approved at the most senior level, that expresses its commitment to respect human rights and that it is in accordance with internationally accepted standards (such as the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work).

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[6] The Bahrain Declaration https://www.ioe-emp.org/fileadmin/ioe_documents/publications/Policy%20Areas/employment/EN/_2015-10-07__C-238_Bahrain_Declaration__final_.pdf

In addition, many enterprises have adopted specific policies on human rights issues such as child labour, migrant workers, modern slavery, and grievances, which are periodically updated. These commitments have helped enterprises to create structures to enable compliance.

There has been **good progress on the implementation of due diligence**, particularly in large and multinational enterprises.  For example, 93% of the enterprises surveyed responded that they have developed a process and mechanisms to identify potential negative impacts of on human rights as a direct result of their own business activities.  And 73% indicated that this process includes where and how the business might be indirectly involved in negative human rights impacts because of an action by another entity (supplier, business partner or customer) with which they have some kind of business relationship.

Furthermore, 90% of the companies surveyed responded that their company considered, or amended and complemented, existing processes to include an assessment of human-rights impacts (e.g. the company's risk management system). And 87% of the enterprises surveyed, responded that their company developed follow-up mechanisms and action plans to deal with the human-rights risks it had identified.

The UNGPs have strengthened the **supply chain management** of companies. Many companies have developed sophisticated approaches to raising workplace conditions and promoting their core values and principles beyond their own business. 83% of the enterprises surveyed by IOE stated that their company policy statement covers requirements for suppliers and business partners to respect human rights.

87% of the enterprises responded that they engage with suppliers, business partners or customers when they might be indirectly involved in negative human rights impacts.  They understand that it is important to deal with human-rights risks when the company is directly or indirectly involved and past the first tier of the supply chain. This realisation has also led a large proportion of companies, 80% according to the IOE survey, to implement some form of responsible purchasing policy or criteria (e.g. scheduled payment for suppliers, suppliers with commitment to respect human rights, due diligence, and others).

Enterprises have understood **the importance of engagement with stakeholders** in a proactive and continuous way to identify issues and impacts, to define commitments and policies and to find solutions to common problems.  Enterprises have learnt that the risk of not engaging is much higher than engaging in the first place, which is a must for the implementation of the UNGPs.  The IOE study found that 76% of the enterprises engage regularly with individuals that might be impacted by their activities such as employees, local communities, customers, clients, and others, to learn what they think the impacts are or could be.

Progress can be also measured on **access to remedy**: 67% of the enterprises surveyed now have operational-level grievance mechanisms that are accessible to individuals and communities who may be adversely impacted.  In addition, 70% of the enterprises surveyed have processes in place to provide remediation and/or cooperation in situations of recognised impacts on human rights.

## Gaps and Challenges

The UN Working Group's 2018 report to the UN General Assembly underlines that: "*A lack of government leadership in addressing governance gaps remains the biggest challenge. A fundamental issue is that host Governments are not fulfilling their duty to protect human rights, either failing to pass legislation that meets international human rights and labour standards, passing legislation that is inconsistent, or failing to enforce legislation that would protect workers and affected communities*."

Companies are operating in a particular legislative, economic and cultural context. **Good governance** and ensuring that legislation is in line with international human rights standards and norms is key to promoting the business responsibility to respect human rights. Conducive framework conditions mean that countries live up to the expectations as expressed in international human rights conventions and environmental treaties.  However, more than 40 countries have not ratified the ILO core conventions. More than 70 countries criminalise homosexuality; it is precisely in these kinds of context that ethical stewardship by companies is most needed, but at the same time most challenging.

And there is an important link to **informality** – particularly when it comes to labour rights. More than 60% of workers globally operate in the informal economy; in some countries and sectors, this percentage rises to 80 – 90%.  It is in the informal economy that decent-work deficits and human-rights risks are at their most prevalent.

In 2015, the International Labour Conference adopted the Transition from the Informal to the Formal Economy Recommendation - ILO recommendation No. 204. Thus, we have a broad global consensus on what needs to be done to address informality. **However, action remains inadequate and slow-paced, and the issue of informality fails to attract the necessary level of attention in the debates at international level.**

We need to address the elephant in the room in order to make progress in creating a conducive environment for human rights.  Measures that need to be taken are very broad and include such varied issues as property rights, company law, labour law, tax law, corruption and more.  A silo-like approach to human rights will fail to address the root causes of human rights risks and violations.

There are other **systemic challenges** in different regions and countries that pose a significant barrier to fulfilling the purpose of the UNGPs.  For example, poverty and/or the lack of access to quality education increases the probability of the incidence of child labour in business value chains.  Environmental degradation jeopardises and inhibits access to essential natural resources for people and communities.  Corruption and weak governance undermine the provision of essential public services, especially to the most vulnerable, as well as the rule of law, and create a context that is permissive of human-rights abuses[7]. Climate change impacts are directly related to several human rights, e.g. drought and rising sea levels impact the right to life and to water, and provoke involuntary migration.  All these systemic failures are root causes of the violation of various human rights and must be addressed in a systemic way, under the leadership of states and with the collaboration of private and social actors that have a responsibility and the capacities to find solutions.

Despite the explicit integration of the UNGPs within the main internationally recognised principles and standards on responsible business conduct, **gaps remain when it comes to clearly articulating the implementation of the business and human rights agenda within the 2030 Agenda for Sustainable Development.**

Additionally, the perception within the business community is that **there is a multiplicity of standards, tools, and certifications which address different areas of human rights (labour, environmental, business relationships), and generate confusion, making it more difficult** to address and manage the issue of human rights.  There is a feeling of being over-burdened with responsibilities and multiple standards.

Moreover, the collection of information and data to respond to the requirements of investors requires substantial resourcing and presents a challenge for companies, especially when it comes to information related to their value chain.

Initiatives, such as the work of the Intergovernmental Working Group on a binding Treaty on Business and Human Rights, **create divergence with the UNGPs and divert resources away from current implementation efforts.**  One important step in advancing progress would be to avoid unnecessary fragmentation and proliferation of initiatives and single-mindedly focus on the implementation of the UNGPs.

Similar developments can be seen at national level. A major challenge for the implementation of the UNGPs is for the nascent regulatory frameworks in different countries to maintain and uphold the spirit and essence of the UNGPs. Of particular concern are the emerging laws related to mandatory due diligence and the scope of business responsibilities: according to the UNGPs, companies that have caused or contributed to adverse impacts should provide for or cooperate in their remediation, but where adverse impacts are linked to its operations, products or services by a business relationship, the

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[7] Connecting the anti-corruption and human rights agendas: A guide for business and employers' organisations. IOE - Business at OECD, 2020. https://www.ioe-emp.org/news/details/new-guide-highlights-synergies-between-anti-corruption-and-human-rights-agendas

responsibility to respect human rights does not require that the enterprise itself provide for remediation.

Regulatory approaches that make global companies liable for human rights violations in their value chain, without considering the nature of the link with them, are an obstacle - not only for the implementation of the UNGPs, but also for global trade and investment relations. Such approaches can have unintended consequences that serve to discourage relationships and investments by global companies in countries with complex environments, and the opportunity is therefore lost to improve human rights standards and conditions where such improvement is often most needed.

Although government engagement has increased and improved in recent years, important challenges remain in the development and implementation of NAPs that are related to coverage, the process of developing these plans, and the quality of the outcomes. This undermines buy-in by different State institutions, companies, civil society, and other relevant actors.

- Regarding coverage, today, only 25 out of 193 countries have NAPs, most of them in Europe, and although there are developments in countries beyond Europe, most have made no progress.
- Regarding the process to develop the NAP, despite the existence of guidelines, in many cases essential criteria are not met, such as the inclusion and participation of legitimate representatives of civil society and business, especially in the Global South.
- Regarding quality, not all NAPs incorporate a smart mix of mandatory and voluntary measures and, in many cases, they do not reflect political coherence to push a comprehensive business and human-rights agenda.

A **weak culture of collaboration** in many countries, due to the deep-rooted and growing distrust between public, social, and private actors, is one of the most flagrant obstacles to the construction of inclusive public policies.

Victims of adverse human-rights impacts tend, in many instances, to have difficulties accessing **effective remedy**.  Obstacles to effective remedies range from weak and/or corrupt judicial systems, low levels of awareness about rights, linguistic barriers, high cost of litigation, limited civic space to organise protests collectively, fear of intimidation and others.  Progress to increase access to remedy at local level has been slow in the last decade.

Improvements are also needed to promote effective **non-State-based remedy processes** which provide remediation and/or cooperation in situations of recognised impacts on human rights.

**SMEs** face their own specific challenges in the implementation of the UNGPs. Even though SMEs are the backbone of all economies, there is no clear approach emerging as to how to successfully address this challenge and boost SME engagement in the implementation of the UNGPs.

Some large companies have over 100,000 direct suppliers ("tier 1"), the further upstream tiers of suppliers can comprise millions of companies. Despite huge progress on due diligence, companies with such extensive and complex supply chains struggle to find ways to implement comprehensive due diligence schemes and – more importantly – to follow up on their findings.

There is also room for improvement with respect to the role of EBMOs in strengthening the implementation of the UNGPs around the globe.  Despite increased EBMO awareness of the UNGPs, there is a need to strengthen the capacities of these organisations to help business enterprises with the uptake of the UNGPs.  56% of the EBMOs surveyed responded that they lack the capacity to help their member companies with the adoption and implementation of the UNGPs.  This is a pressing challenge because these companies expect EBMOs to guide them in their path to understanding and implementing the UNGPs as part of their service offering.

## The Way Forward

**Covid-19 has grave and extensive human rights implications.**  What began as a global public health emergency has rapidly escalated into an unprecedented social, environmental, and economic crisis in our time, and inherently, a human rights crisis.  The pandemic has reversed some of the progress made towards achieving the Sustainable Development Goals and implementing the business and human-rights agenda.  It is, and will remain, one of the world's most prevailing and impactful issues to address for the foreseeable future.

However, **crises can offer opportunities. Now we have the chance to address the flaws in human rights policies, which have been evident for a long time, but have never been fully addressed.  Now we have the chance to address the underlying root causes** of so many human-rights challenges, most evidently good governance and rule of law deficits, and lack of access to social protection, education, gender equality and decent work.

**Business does not want to revert to "business as usual"** but to play its full role in building back better.  This means a strong focus on the enhanced implementation of the UNGPs, better education, more employment opportunities, universal and affordable access to digital technologies, addressing climate change, promoting equal opportunities, and building a resilient and sustainable global economy.  Enabling business environments that promote

human rights, employment, and sustainable economic development are the very foundation for reaching our human rights, social, economic, and ecological objectives.

This section describes concrete actions proposed by the business community to achieve meaningful uptake and implementation of the UNGPs over the next decade and deliver expected outcomes for the benefit of stakeholders and business:

➢ **Systemic challenges need to be tackled through systemic approaches.** Addressing the root causes of human rights impacts, such as poverty, informality, weak governance, and corruption in a systemic way, involving all relevant actors in seeking solutions, is key to moving the business and human-rights agenda forward. The human-rights agenda needs an adequate and well-functioning ecosystem to flourish.

➢ **Strengthening the connection between the business and human rights and the sustainable development agendas is crucial.** The 2030 Agenda is effectively a human-rights agenda. According to the Danish Institute for Human Rights, more than 90% of the 169 SDG targets are linked to international human-rights and labour standards. Another way of looking at it is that the SDGs are underpinned by human rights and will only be achieved if principles of the rule of law, participation, accountability, and non-discrimination are respected. Linking the human rights and the anti-corruption agendas; understanding that sustainable social protection systems will address extreme poverty and thereby reduce the risk of child labour and forced labour; and strengthening judicial systems to improve access to remedies will contribute to dismantling the barriers to developing comprehensive strategies to promote human rights and reaching our societal goals as captured in the 2030 Agenda.

➢ Pillar 1 of the "Protect-Respect-Remedy" approach (the State duty to protect human rights) remains an untapped opportunity. **A focus going forward must be on strengthening the accountability of governments when it comes to the implementation of the UNGPs. The role of the State must be reinforced so that it exercises greater leadership in the adoption and implementation of the UNGPs**.

The development of NAPs must comply with the quality standards promoted by the United Nations and must involve the participation of all the relevant stakeholders in each country. NAPs should strengthen policy coherence and the role of government to establish and enforce law and to create and maintain stable and predictable political and legal systems alongside a climate conducive to economic and social progress.

➢ NAPs should be customised and prioritised to reflect the reality and most relevant challenges for business activities in each country.

➢ **Governments must reinforce policy coherence and improve coordination in inter-ministerial and inter-institutional work to identify opportunities for alignment and articulation that guarantee compliance with state commitments regarding the protection of human rights.**

➢ **Any new policy measures with respect to due diligence should be crafted in line with the UNGPs, share the same fundamental principles, and be based on the learnings from existing initiatives of what has worked and what has not.** Business representatives should be included in the construction of such policy frameworks to ensure that all the challenges are considered and the outcome drives UNGP implementation, especially reaching SMEs throughout global and local value chains.

➢ **The State's responsibility as an economic actor must be further demonstrated, especially through integrating the UNGPs within the management of State-owned companies.** In addition to reinforcing the State duty to protect under Pillar 1, this approach would help States to lead by example and establish an incentive to speed and scale up the uptake and implementation of the UNGPs. For more than 50% of the EBMO survey respondents, one of the key drivers for all types of businesses to accelerate the implementation of the UNGPs is for the State to lead by example and set clear incentives.

➢ **Judicial systems must be strengthened, and processes of reporting human-rights violations must be effective and affordable to improve access to remedies.** This includes making litigation processes less expensive and more accessible for rights-holders, especially the most vulnerable. As an example, governments can set up arbitration institutions involving relevant courts, mediation committees, and other mechanisms to exclusively address particular human-rights issues (e.g. labour, land), which would make the grievance and remedy processes more agile, and facilitate the fulfilment of the UNGPs' effectiveness criterion.

➢ **More collective action will be key to address systemic issues**. A company might identify certain human right risks through its due diligence processes, but to address and mitigate those risks deep down in the supply chain might be extremely challenging for an individual company. Human rights are a pre-competitive issue and collaboration between companies, governments and other stakeholders will be much more likely to sustainably address these risks. Covid-19 has triggered increased partnership approaches, which can be built on to move forward and address underlying root causes and human rights challenges. One good example of innovative partnership approaches is the Alliance 8.7, which brings together all actors – governments, social partners, civil society, UN - at international level and local level to focus on the eradication of child labour in line with the SDGs.

- **Trust and collaboration must be strengthened between the relevant and legitimate actors involved in the business and human-rights agenda so that they can work together to contribute to the development of public policies in a constructive environment devoid of ideological polarisation.** It is important to build spaces for dialogue at the regional and local level, and within the different productive sectors, so that conversations are pertinent to geographical and other realities and challenges. A good example would be to foster dialogue around the implementation of ILO Convention 169, which is universally considered to be a very robust instrument of social dialogue, aiming at protecting indigenous peoples' rights, but also with a potential to generate a real positive impact on the creation of an economic and social environment that could favour investment and employment creation. Social dialogue contributes to collectively addressing the most pressing challenges of these societies, such as a working conditions, social and environmental conflicts, poverty, informality, corruption and others that exceed the responsibilities of companies, but need to be addressed by all relevant actors in order to create an enabling environment for societies, communities and businesses to thrive.

- **Collaboration and peer-learning must be promoted at regional, local and industry level** to allow the exchange of good practices, learnings and the identification of innovative and effective views that can serve as examples that can be replicated and scaled up. **Strengthening existing regional knowledge platforms and creating new ones** at local and industry level that convene relevant stakeholders will be essential for speeding and scaling up the uptake and implementation of the UNGPs.

- **It is important that the next ten years focus on promoting local action.** The UNGPs are not implemented at the UN in New York or Geneva. Solutions to implementing the UNGPs must be led locally in order to succeed and be sustainable. No external intervention can replace the influence, impact, and role of local leaders, so building and strengthening local leadership capacity on human rights issues is critical.

- A much **more mature debate on human rights challenges** is necessary if we want to increase transparency. Companies that are transparent and honest about their challenges, particularly deep down in supply chains, are still too often punished for their openness.

- **Spill-over effects must be enhanced** so that measures taken by companies in supply chains also empower local administration. The aim is to ensure that systems are strengthened at local level so that even when/if a company leaves a particular market, improvements initiated and established by companies endure. Global supply chains then become an entry point for changing realities on the ground, not only for business practices in the export economy, but also in the domestic economy.
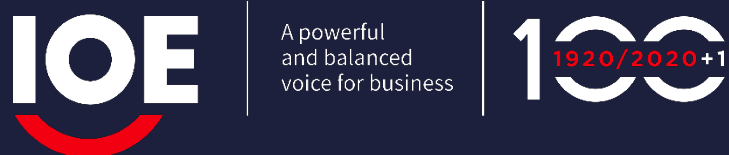
➢ **A survey of employers undertaken in 2020 in relation to the 75th anniversary of the UN confirmed an enduring commitment of the private sector to multilateralism** and reaffirmed its view that global cooperation is pivotal to the promotion of human rights and sustainable economic development. Crises often offer the richest opportunities to develop new ideas. Now is the time to breathe new life into the multilateral system by ensuring that it better responds to the needs of people, societies, and economies. Now is the time to re-shape these institutions to make them fit-for-purpose and able to meet the expectations we have of them. Stronger engagement with representative EBMOs is important in this regard. The multilateral system needs to rebalance, and to listen to the social partners in efforts to reach effective solutions and responses to global challenges. In the end, any global strategy will have to be embedded at national level where social partners are crucial for effective implementation. It is only with the active involvement of social partners that we can enhance policy coherence and effective implementation, and translate policy into tangible and measurable progress.

➢ **Continued efforts are needed to raise awareness and build capacities of companies, particularly SMEs.** Multipliers, such as EBMOs, play a key role in this regard, because not only do they enjoy the trust of their company members, but they also reach the broad range of companies in terms of size and sector.

➢ **Investors need to establish appropriate and unified metrics and indicators to do their assessments on corporate human rights performance that are aligned to the UNGPs and not overburden enterprises with data collection requirements that are overwhelming and complex,** especially when it comes to information related to the value chain.

➢ Leadership is decisive in promoting the uptake of the UNGPs. **Although strong business leaders are pushing the human rights agenda within their companies and with their peers, more leadership and engagement is needed from those companies that have not been among the frontrunners. This also means that we need more inclusive approaches.** All legal companies have the opportunity and responsibility to improve their human rights impact and contribute to the implementation of the UNGPs, as well as the 2030 Agenda. Excluding companies that operate in certain sectors, or for any other reason, from joint action, peer-learning and the conversation in general will not help affected communities and groups, quite the opposite.

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**The role of employer and business membership organisations will increase in the decade of action.**

EBMOs are key in paving the way forward and driving change in the implementation of the UNGPs over the next ten years because not only do they have the trust of their

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company members, but they also reach the range of companies, large and small, and across all sectors and geographies.

➢ EBMOs have a key role to play in continuing awareness-raising and capacity-building, in facilitating peer-learning among the business community and in coordinating collective action.

➢ EBMOs, as the representative voice of business, will need to engage even more with policymakers and all relevant stakeholders in the increasing political and legislative activities relating to business and human rights, as they bring the experiences, realities, and views of the entire business community to the table.

➢ EBMOs will not only need to continue supporting businesses to respect human rights, but also support them in navigating in the fast-changing legal environments around the world.