

Newsletter

# Business and human rights



## In this edition

<b>Editorial</b>	2
<b>Evolving laws</b>	3
International news	
Regional news -EU	
National news	
<b>Climate news/COP26</b>	24
<b>Other</b>	25
<b>Contact</b>	27

# Editorial



With this mid-year edition of the IOE Business and Human Rights (BHR) Newsletter, I would like to focus on key takeaways from two important meetings that recently took place at the International Labour Organization (ILO).

The lead story of this July edition is the Tripartite Working Group Meeting on Decent Work in Supply Chains (ILO TWGSC). This meeting was one of the most important negotiations and challenging topics at the ILO this year. As Employers we repeatedly conveyed the urgency of advancing decent work and called for a focus on the foundational challenges in supply chains rooted in weak governance at the national level. Employers

offered concrete proposals to sustainably address the poor implementation and enforcement of national laws and regulations which cause the most important gaps from where decent work deficits originate. After tense discussions, the tripartite constituents succeeded in finding an agreement on consensus-based building blocks for the way forward for the ILO on this important topic.

The second key meeting was the annual International Labour Conference (ILC), where constituents agreed to include a safe and healthy working environment as the new fifth Fundamental Principle and Right at Work (FPRW) including: freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.

Separately, in Durban, South Africa hosted the 5th Global Conference on the Elimination of Child Labour. Delegates from around the world agreed to adopt the Durban Call to Action which calls for urgent measures needed to accelerate the elimination of both child labour and forced labour. Important news and updates regarding the OHCHR High-Commissioner Ms Bachelet and the UN Working Group on Business and Human Rights are also covered in this edition. Other key topics also include the highlights from the Stocktaking exercise of the OECD Guidelines for Multinational Enterprises (MNE Guidelines), the G7, ISO and an analysis of the Universal Periodic Review (UPR).

At regional and national level, I want to mention the very good news coming from Uzbekistan where according to the ILO, the country has succeeded in eradicating systemic forced labour and systemic child labour during the 2021 cotton production cycle. Further replications of this success-story must be promoted showing how collective action via a multistakeholder approach can make a real difference.

Lastly, I invite you to take a closer look at the IOE's agenda at the end of this newsletter, as **important events** related to these topics will take place throughout the rest of the year. You will find more information on these and many other developments within this newsletter and on IOE's website.

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**Gabriella Rigg Herzog**, Chair of the IOE Policy Working Group on Human Rights and Responsible Business Conduct

# Evolving Laws

## International News

### Key takeaways from ILO Tripartite Working Group Meeting on measures to ensure decent work in supply chains

A Tripartite Working Group meeting on options to ensure decent work in supply chains (TWGSC) was held from 27 June to 1 July 2022. The basis of the meeting's discussion was the ILO Office [\*Gap analysis of ILO normative and non-normative measures to ensure decent work in supply chains\*](#). This report lays the groundwork for a review to further develop, with the support of the Office, the building blocks for a comprehensive strategy for achieving decent work in supply chains.

The outcome document from the discussions consists of consensus-based building blocks in four parts: the first reaffirms the ILO mandate, the second deals with the ILO's commitments to action, and the third sets out the means of action to ensure decent work in supply chains, and the fourth part ensures the sustainability of the strategy.

The main takeaways from the TWGSC are:

- Building on the evidence-based facts and arguments provided by the Office's report, Employers repeatedly clarified that the ILO normative corpus addresses the decent work deficits associated with supply chains when measures are ratified, fully implemented, and applied to all relevant workforce segment. Following a concerted effort by the Employers, the outcome document remains balanced on this key point. In particular, the building blocks mainly recognise this fact-based evidence and call on further assessments of new normative and non-normative measures and their possible impact to strengthen the State obligation to protect and the corporate responsibility to respect human rights, in particular labour rights in all levels of supply chains. At the same time, the outcome document refers to a "smart mix of measures" of voluntary and mandatory measures as means of action for the strategy to ensure decent work in supply chains.
- The building blocks cover supply chains, including both domestic and global supply chains. This represented a significant success for Employers as they repeatedly called for consistency with the ILO Governing Body decision which established the meeting's focus on supply chains (both domestic and global), as well as consistency with the ILO Centenary Declaration which is also in line with this approach. Despite considerable pressure, Employers remained firm in ensuring a balanced approach for both domestic and global supply chains, because overfocusing on exports or global supply chains would have unacceptably excluded the vast majority of the world's workers without meaningfully addressing the root causes of the problems faced by all workers. Employers welcome that the building blocks rightly reflect that the vast majority of the world's workers are employed in domestic supply chains and are not linked

to global supply chains. Approximately 95 per cent of the world's workers are not employed by exporters, and an estimated 85 per cent of workers are not even indirectly linked to global supply chains. Additionally, 80 per cent of GDP is in domestic supply chains, and the gap analysis clearly shows that most problems like child labour are worse in domestic supply chains. Employers remain resolute in pursuing an ILO approach that is balanced, that recognizes the root challenges, and develops corresponding strategies - crafted in consultation with its tripartite constituents - that will meaningfully advance decent work via targeted and coordinated support to address implementation gaps at national levels.

- The building blocks frequently refer to the UN Guiding Principles on Business and Human Rights (UNGPs) and the ILO MNE Declaration (MNED), which emphasizes that these texts are both key documents to promote and attain decent work for all and that they remain the most up-to-date relevant standards on Business and Human Rights and Responsible Business Conduct. Employers repeatedly and successfully called for policy consistency with the existing and authoritative texts of the UNGPs and the MNED, which clarify the complementary and distinct roles of governments, employers and workers in this key area.
- In particular, the building blocks reaffirm the importance of making better use of the MNE Declaration, including by notably facilitating: national dialogues to address challenges at the national level to support employers' and workers' organisations to promote the principles of the declaration and responsible business conduct through a variety of means, and to help companies – especially SMEs - understand how they can contribute to the realisation of the principles in their operations; and awareness-raising and capacity-building of tripartite constituents and enterprises with technical support at country level.
- Based on reaffirming the mandate of the ILO, the building blocks rightly acknowledge that the ILO, with its tripartite structure, has not only a normative mandate (through its existing International Labour Standards) but also other various non-normative functions which are central to promoting decent work in supply chains. Employers also successfully clarified the breadth of tripartism and the ILO's action by reaffirming the importance of not only the ILO's normative mandate, but also the non-normative functions of the ILO related to the range of activities – including programmes and projects, as well as dialogue, research, communication and coordination – which seek to promote the implementation of the Decent Work Agenda.
- The building blocks recognise that there is a need to develop a coordinated research agenda on supply chains, including through the analysis of challenges, best practices, root causes and drivers of decent work deficits at all levels and tiers in developing and developed countries. This echoes what Employers have consistently said, namely that there is a need for further research and analysis of how to continue to improve decent work in supply chains, both proactively as well as identifying deficits and tackling them effectively. The strengthening of the ILO Helpdesk to assist companies as well as Workers and Employers' organisations about human rights due diligence processes, in line with the UNGPs and the MNED, is also very important and welcome.

- On development cooperation, Employers positively welcomed a call for increased ILO coordination for development cooperation, including the One ILO approach, using supply chains as an entry point to address constituents' needs in Decent Work Country Programmes (DWCP). In particular, the building blocks refer directly to the need to focus on the root causes of decent work deficits, including supporting good governance and the transition to formality. This approach is fully in line with the data-based points that Employers have stressed from the beginning: that supply chains' challenges are rooted in national-level weak governance and lacking implementation and enforcement of national laws and regulations. Equally, Employers succeeded in adding a specific reference to a needed focus on SMEs as priority sectors requesting ILO development cooperation.

The next step is to present the consensus-based Building Blocks for a comprehensive strategy on achieving decent work in supply chains to the ILO Governing Body at their November meeting for adoption and subsequent ILO development of the comprehensive strategy based on these consensus-based building blocks. Employers welcome this outcome to which they contributed actively and constructively, and we will continue our positive approach to advancing an ILO comprehensive strategy on achieving decent work in supply chains. You can find the outcome of the discussions on the [ILO web page](#) for the Tripartite Working Group on Supply Chains, which will be updated regularly.

## **ILO: Occupational Safety and Health is a new Fundamental Principle and Right at Work**

At the 2022 International Labour Conference in Geneva, the [International Labour Organization](#) General Affairs Committee ended on 6 June 2022 its work on the inclusion of a safe and healthy working environment in the ILO's framework of fundamental principles and rights at work. The adoption of Occupational Safety and Health (OSH) as a Fundamental Principle and Right at Work (FPRW) was officially adopted on 11 June 2022, marking this day as a historic milestone.

The landmark decision means that all ILO Member States commit to respect and promote the fundamental right to a safe and healthy working environment, whether or not they have ratified the relevant Conventions.

The 1998 Declaration on Fundamental Principles and Rights at Work is the ILO's response to globalisation. It has been a key tool to promote social progress and respect for the fundamental principles and rights at work expressed in the ILO's Constitution, including the Declaration of Philadelphia. The inclusion of OSH in the ILO framework of fundamental principles and rights at work is a landmark decision that will have far-reaching impacts inside and outside the ILO.

Employers strongly support the inclusion of OSH as FRPW. The purpose of amending the 1988 declaration to include a safe and healthy work environment is intended to raise this issue, and we as employers support this work. Indeed, employers invest billions of dollars yearly in occupational safety and health.

Strong and determined efforts are required to give effect to OSH as FPRW. The spirit of the 1998 Declaration on Fundamental Principles and Rights at Work is to identify specific needs in member States and work together to find solutions. Employers are committed to moving the OSH agenda forward.

# Key takeaways from the 5th Global Conference on the Elimination of Child Labour

During the week of 15 to 20 May 2022, the Government of South Africa hosted the 5th Global Conference on the Elimination of Child Labour in Durban. More than 3000 delegates joined in person and virtually to assess progress towards achieving the SDG Target 8.7 goal, discuss good practices implemented by the different actors around the world and identify gaps and urgent measures needed to accelerate the elimination of both child labour and forced labour.

The Conference adopted [the Durban Call to Action](#).

The main takeaways from the Conference are:

- The Durban Call to Action is a comprehensive action plan to address the root causes of child labour. The Employers fully support this focus of the Call to Action, as we will only make progress if we address informality, poverty, lacking access to education, weak governance and administration, corruption, insufficient labour inspection, lacking social protection floors as well as if we create enabling environments for innovation, productivity and sustainable enterprises.
- This Call to Action must be implemented at national, regional, and international levels. Social Partners need to be fully involved in implementing the Call to Action. They not only bring the representative voice of workers and employers to the table but are also crucial multipliers across their constituencies. In far too many countries, the potential for social partners to contribute is not fully harnessed. With the implementation of the Durban Call to Action, this must change. The Durban Call to Action must result in the better mobilisation of all actors and forces for the common goal of getting children out of work.
- The Employers appreciated the open and constructive discussions and the honest conversations with other constituents. Although we did not always agree on all issues, this did not stop us from drafting a joint, ambitious, and concrete vision of what needs to happen.
- The Employers endorse and support the Durban Call to Action on the Elimination of Child Labour and are deeply committed to working towards its implementation.

The Durban Call to Action calls on all delegates to scale up actions in six key areas:

- I. Accelerate multi-stakeholder efforts to prevent and eliminate child labour, with priority given to the worst forms of child labour, by making decent work a reality for adults and youth above the minimum age for work.
- II. End child labour in agriculture.
- III. Strengthen the prevention and elimination of child labour, including its worst forms, forced labour, modern slavery and trafficking in persons, and the protection of survivors through data-driven and survivor-informed policy and programmatic responses.

- IV. Realize children's right to education and ensure universal access to free, compulsory, quality, equitable and inclusive education and training.
- V. Achieve universal access to social protection.
- VI. Increase financing and international cooperation to eliminate child labour and forced labour.

## Departure of the OHCHR High-Commissioner Ms Bachelet and new appointments in the UNWG on BHR

The United Nations High Commissioner for Human Rights, Michelle Bachelet, announced on 13 June 2022 that she will not seek re-election. IOE expressed its gratitude to Ms Bachelet for her active engagement with the IOE business community during her tenure as High Commissioner. Her work has undoubtedly contributed significantly to building trust, fostering dialogue, and promoting collective action between the private sector and other relevant actors in the field of human rights.

Separately, various changes took place within the 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, UNWG). Mr Surya Deva and Mr Githu Muigai, respectively, for the Asian and African regions, ended their mandate over the past few months. Ms Anita Ramasastry will soon end her mandate.

New UNWG appointed Members to include Ms Fernanda Hopenhaym (for the Latino America and Caribbean region), who became the new Chair as of 1 July and Ms Pichamon Yeophantong (Asia), as new Vice-Chair. Others new appointed Members of the UNWG are Mr Damiola Olawuyi (Nigeria) and Mr Robert McCorquodale (Australia)-

The Working Group was established by a Human Rights Council resolution in 2011 and comprises five independent experts of balanced geographical representation. Its primary mandate is to promote, disseminate and implement the [Guiding Principles on Business and Human Rights](#). IOE is actively committed to engaging with the UNWG and warmly welcomes the newly appointed members.

## OECD Guidelines for Multinational Enterprises: highlights of the stocktaking exercise

2021 marked a double anniversary: 10 years of the UNGPs and ten years since the OECD Guidelines for Multinational Enterprises (MNE Guidelines) were last revised. The 2011 update represented not only the 5<sup>th</sup> revision of the instrument but also a key milestone in the history of the MNE Guidelines, first adopted in 1976, introducing a chapter on human rights and establishing a framework for risk-based human rights due diligence.

Together with the UNGPs and the ILO MNE Declaration, the [OECD Guidelines for Multinational Enterprises](#) (MNE Guidelines) are part of the key authoritative texts on Human Rights and Responsible business conduct. They reflect the expectation from governments to businesses on how to act responsibly in all areas where



business interacts with people, the planet and society, including human rights, labour rights, environment, bribery, consumer interests, as well as information disclosure, science and technology, competition, and taxation. While voluntary for enterprises, the MNE Guidelines contain obligations for adherents to set up National Contact Points (NCPs) that are charged with fostering awareness for the MNE Guidelines and resolving complaints (so-called ‘specific instances’) that arise in the context of the Guidelines. Fifty-one governments (38 OECD members and 13 non-member countries) adhere to the Guidelines – representing all regions of the world and accounting for 85 per cent of foreign direct investment.

Against this backdrop, the OECD Working Party on Responsible Business Conduct (RBC) initiated in 2020 a stocktaking exercise to obtain a clearer picture of whether the 2011 MNE Guidelines, after a decade of implementation, remain fit for purpose.

The stocktaking exercise, carried out through consultation with NCPs, the OECD’s institutional stakeholders and the broader public, was completed with the release of the [final stocktaking report](#) on 3 May 2022. The report assesses critical developments, achievements and challenges related to the MNE Guidelines and their unique grievance mechanism, the National Contact Points (NCPs), and the overall policy environment.

The main takeaways from the OECD stocktaking report include:

- **Overall ‘fitness’ and relevance:** NCPs gave the Guidelines an average rating of 8.1. (where one is the lowest and 10 is the highest suitability) for overall suitability to meet future RBC challenges. Over a third of respondents to the online public consultation further noted that ‘a major achievement of the Guidelines, alongside other international instruments, is the establishment of RBC as a strong international norm, based on a government-backed standard’.
- **On the contents of the Guidelines:** There have been a number of important developments since 2011, shaping expectations on business conduct, including in the context of environmental impacts (notably climate change, biodiversity), digitalisation and enhanced human rights considerations. In addition, several new international frameworks and instruments have emerged in the areas covered by the Guidelines (such as the Paris Climate Agreement). In contrast, the OECD itself has issued new standards as well as new guidance on due diligence.
- **On the NCPs:** There remains a lack of functional equivalence in some NCPs, alongside NCPs using the flexibility on how they interpret their role in accepting and handling cases. In the OECD stocktaking report, this is also attributed to weak monitoring and oversight mechanisms for the NCP system.
- **On the policy environment:** There is a growing focus on the role of governments in promoting and enabling RBC, including by incorporating respective considerations and references in policy tools and/or regulations. Moreover, the OECD report highlights the need for greater efforts to level the playing field for business on a global level and raise awareness of the Guidelines while also improving data and developing metrics that assess whether RBC due diligence is in line with OECD standards.

Following the finalisation of the stocktaking report, the OECD Working Party on Responsible Business Conduct is currently discussing options on the way forward, including targeted updates of the instrument.



Business at OECD (BIAC), in its role as an institutional stakeholder of the OECD, has been following the stocktaking exercise from the very outset, contributing business views to dedicated consultations with the Working Party and the public consultation held in the summer 2021. Business at OECD has advocated against a complex and bureaucratic overhaul of the instrument. It is now closely involved in the discussions about potential updates to the text of the MNE Guidelines, with the objective to work towards outcomes that are workable for the businesses implementing the instrument on the ground. Business at OECD's comments on the stocktaking are available here: <https://mneguidelines.oecd.org/stocktaking-exercise-oecd-guidelines-mnes-public-consultation-biac-submissions.pdf>

*IOE thanks Ina Sandler of the entire team of Business at OECD (BIAC) for their valuable contribution.*

## Updates on the G7 presidency

The German G7 Presidency organised an International Conference on Responsible Business Conduct in Global Supply Chains on 6 May 2022. IOE Secretary-General Roberto Suarez-Santos represented the interests of the Employers at this Conference and provided the following key elements:

- Business organisations fully agree that decent work respect for human rights and the fundamental principles and rights at work remain a huge challenge in too many countries and that urgent action is required. This action to better protect the human rights of all and improve access to remedy must be found in proper consultations with employer Organisations representing business.
- The main reason for existing human rights challenges is not a legislative gap at the international level but an implementation and enforcement gap at the national level. Global Supply Chains are not per se the problem.
- The G7, and all relevant actors, must focus on addressing the root causes of decent work deficits in supply chains by building the capacity of countries to better implement and enforce ratified international labour standards, including through strengthening labour inspectorates, complying with human rights conventions; supporting governments with measures to create a compliance culture; realising the fundamental principles and rights at work, strengthening the efficiency of judicial systems, enhancing anti-corruption efforts, urgently reducing informality with more innovative approaches, and assisting in the development of sustainable social protection systems.
- The international community has a crucial role by promoting better implementation through peer learning and peer pressure between countries.
- Collective action is key to addressing systemic challenges. Innovative examples of such collective action are the Vision Zero Fund, which was established by the last German G7, as well as the Alliance 8.7

IOE published a summary of the Report “Sustainable Global Supply Chains: G7 Leadership on UNGP Implementation” prepared by the Office of the UN High Commissioner for Human Rights for the 2022 German Presidency of the G7. It is available in [here](#) (IOE Members’ area).

Separately, the **G7 Labour Ministerial**, which deals with the issue of Responsible Business conduct in Global Supply Chains, took place on 24 May in Wolfsburg. The G7 communiqué is accessible [here](#).

The Communiqué rightly acknowledges the need of ensuring employability with particular attention to the needs of small and medium-sized enterprises (SMEs); improving occupational safety and health (OSH); strengthening universal social protection through adequate social protection systems and ensuring respect for human rights and labour and environmental standards in corporate operations and value chains with the recognition that sustainable value chains are of paramount importance for achieving human rights, decent work for all and protecting the environment.

During this meeting, CEO Steffen Kampeter of the Confederation of German Employers' Associations (BDA) and IOE Secretary-General Roberto Suárez Santos called for bold and ambitious reforms. There is a need to create more dynamic, open, and inclusive labour markets, including through improved access to diverse forms of work, and modernising education and training systems is essential to open opportunities for both companies and employees, to support growth and employment and to address the challenges linked to digitalisation, decarbonisation and demographic challenges.

The 109<sup>th</sup> International Labour Conference adopted in June 2021 a “[Global call to action for a human-centred recovery from the COVID-19 crisis that is inclusive, sustainable and resilient](#)”. The Call to Action is an important commitment to address the longstanding flaws in labour markets and education systems that have hampered decent work, productivity growth and sustainable development.

The Call to Action highlights the critical role of the private sector for broad-based, job-rich recovery, and it stresses the importance of:

- supporting business continuity
- an enabling environment for innovation, productivity growth and sustainable enterprises
- an enabling environment for entrepreneurship
- boosting productivity through diversification and innovation
- promoting skills development opportunities that are responsive to labour market needs
- prioritisation and mainstreaming of strategies to address informality

This Global Call to Action needs to be transformed into reality. This means that resources need to be prioritised, partnerships need to be strengthened and implementing agencies need to be mobilised in coordination with employer organisations. **The G7 has a key role to play in this regard.**

# Universal Periodic Review: Overview and 4th Cycle to start in Oct.-Nov. 2022

The 4th cycle of the Universal Periodic Review will begin with the 41st session of the Working Group in October-November 2022. The Universal Periodic Review (UPR) is a unique process involving reviewing the human rights records of all UN Member States. The UPR is a State-driven process under the auspices of the Human Rights Council, which provides the opportunity for each State to declare what actions they have taken to improve the human rights situations in their countries and to fulfil their human rights obligations.

UPR recommendations cover all human rights issues: economic, social, cultural, political, civil, and the principles of International Humanitarian Law (IHL). Of note, recommendations on Business and Human Rights issues have been increasing over the past UPR cycles (199 for Cycle 3 (2017 - 2021); 89 for Cycle 2 (2012 - 2016) and 17 for Cycle 1 (2008 - 2012).

At the international level, since 2008 the UPR represents an important mechanism to report on the national human rights situations and provide recommendations. However, while this mechanism has undeniable strengths, it lacks effective implementation and follow-up, including comprehensive data. There is a need to strengthen the UPR and increase the effective implementation and follow-up regarding the UPR recommendations.

## Strengths

1. **Thematic coverage:** It is the only UN mechanism which addresses all human rights issues.
2. **Universal geographic coverage:** all UN Member States take part in the process and have been reviewed under the UPR. It is the only mechanism with a 100% participation rate.
3. **Peer-review functioning:** States make UPR recommendations and not experts (who usually carry this responsibility in other UN human rights mechanisms). Therefore, the UPR entails a different kind of leverage to strengthen accountability and promote progress on human rights.

## Main challenges

- **Lack of effective implementation** remains the most significant challenge despite some improvement over the past years. The UPR process is not as effective as it was meant to be. Governments remain reluctant to open criticised each other, preventing concrete action and human rights improvement on the ground.
  - According to *the Vienna Declaration and Plan of Action* adopted in 1993, all countries should set up a National Action Plan on Human Rights (NAP) that should also include and help to implement the UPR recommendations. As of today, only more than 40 countries have done it. Of note, NAP on Human Rights can be national or sectoral (i.e. focusing on a limited number of recommendations in a given sector, e.g., Business and Human Rights).
- **Lack of follow-up:** countries usually undertake the UPR, but then there is no effective follow-up on the recommendation; countries only wait until the next cycle. Evidence is the lack of mid-term reports by States. There is a tendency from States to focus on their report and review and then disregard the necessary follow-up to implement the recommendations.

- **The traditional high politicisation of the process** is the main weakness of the UPR. Still, at the same time, it is its main strength as it is the only process that all UN Member States allow to review their national Human Rights situation. The UPR is a political process, but it is also one of the few where the recommendations do not come from experts but from States which might create pressure to follow them.
- **Lack of data:** there is currently no international database or benchmark on the UPR or judiciary systems. The only existing databases to review the good implementation of UPR recommendations are at the national level. They are provided by OHCHR but subject to various criteria: the country must have set up an inter-ministerial committee with a Plan of Action to implement the UPR recommendations.

During a meeting organised by IOE and chaired by Ambassador Federico Villegas, Human Rights Council President of the 16th Cycle and with the key participation of Ambassador Emilio Rafael Izquierdo Miño, Chair Rapporteur of the open-ended intergovernmental working group on transnational corporations and other business enterprises concerning human rights, IOE expressed the below possible **recommendations to strengthen the UPR**:

- Development of mid-term reports
- Adoption and strengthening of a National Human Rights Plan of Action to follow-up implement the UPR recommendations by consulting with all relevant stakeholders, notably in the development phase
- Further promote the creation of National Commission of Human Rights Institutions (NHRIs) which must be independent and operate with the necessary provided resources from the State.
- Further promote a comprehensive, efficient approach to reporting and follow-up, especially by setting up or strengthening National Mechanism for Reporting and Follow-up (NMRF)
- Share, promote and replicate best practices
- Develop effective tracking methodologies to monitor progress on the implementation of UPR recommendations
- Improve the national judiciary systems worldwide to increase stronger awareness and strengthen their capacity to implement the UPR recommendations, notably the access to remedy.

#### UPR in brief

- Following the creation in 2006 of the Human Rights Council (HRC) by a resolution of the UNGA, the UPR was established on 18 June 2007 and the first UPR session was held in April 2008.
- Under the UPR, the human rights situation of **all UN Member States** is reviewed every **4.5 years**. Each 4.5-year period is called a **UPR cycle**. 42 States are reviewed each year during three sessions of the HRC's Working Group on the UPR (March/June/Sept), with 14 States reviewed at each session. We are currently in the 4<sup>th</sup> UPR cycle, which started this year (2022-2027).
- States are at the core of the UPR both as **States under review (SuR)** and **Recommending States**.

- Country reviews are based on **three documents**:
  - A 20-page national report prepared by the State under review
  - A ten-page compilation of UN information (including Special Procedures reports, human rights treaty body reports, and other relevant UN documentation) prepared by OHCHR
  - A ten-page summary of information received from stakeholders (including NHRIs, NGOs, and other civil society actors) also prepared by the OHCHR
- The UPR Working Group is responsible for conducting reviews at the HRC. The Working Group on the UPR is composed by the 47 Member States of the HRC, chaired by the HRC President. Each review is facilitated by a group of three States, known as the “troika”, that serve as rapporteurs and have to prepare an outcome document on the review, which includes a summary of the review proceedings, recommendations suggested by States, conclusions, and voluntary commitments presented by the State under review.
- During the review process, UN members and observer States make recommendations to the SuR on how to improve its human rights situation. On average, each SuR receives 200 recommendations per review. When a recommendation is made, SuR have to position themselves on the recommendation: accepted (meaning a commitment to implement in 4.5 years), noted (meaning that the country does not think it will be able to implement within 4.5 years).
- There is **no possible sanction** against a country that does not follow the recommendations. This is because it is a voluntary mechanism and that is one of the predominant reasons why the states’ participation rate is always 100 per cent. In theory, in case of persistent non-cooperation, after exhausting all efforts to encourage a State to cooperate with the UPR mechanism, the HRC can address, as appropriate, cases of persistent non-cooperation with the mechanism. But this has never happened in practice.

## Update: ISO Consultative Group of ISO TMB’s Strategic Advisory Group on ESG ecosystem

As reported in the previous BHR Newsletter edition, IOE joined the Consultative Group (CG) of ISO Technical Management Board’s (TMB) Strategic Advisory Group on the ESG ecosystem (SAG-ESG). The ISO SAG-ESG was created by ISO/Technical Management Board (ISO/TMB) decision 59 on 23 June 2021 for 12 months.

The mandate of the TMB is coming to an end this July, and according to the TMB, there is now sufficient content for the SAG-ESG leadership to prepare the report for TMB. The content will be circulated to SAG-ESG members for critical feedback on the report’s key themes, which can be provided at the final plenary meeting of the SAG-ESG to be held in hybrid format on Tuesday 19th July. IOE will take part in this meeting and provide input.

## OHCHR Accountability and Remedy Project

OHCHR sought inputs to be presented to the Human Rights Council at its 50th session (13 June to 8 July 2022) to provide an update on the **Accountability and Remedy Project (ARP)**. The [ARP project](#) aims to strengthen

accountability and access to remedy in cases of business-related human rights abuse. Since its official launch in 2014, and in response to multiple Human Rights Council mandates, guidance has been produced on how to enhance the effectiveness of each category of grievance mechanism referred to in the third pillar of the UNGPs: [judicial mechanisms](#), [State-based non-judicial mechanisms](#), and [non-State-based grievance mechanisms](#). IOE sent a response to the call for input.

IOE published a guidance document, [How can employer organisations support business respect for human rights?](#) that gives practical steps for employer and business membership organisations (EBMOs) to take action. In line with the recommended actions to improve the effectiveness of non-State-based grievance mechanisms relevant to business and human rights included in ARP III, IOE advocates for:

- Facilitating access to effective non-State-based grievance mechanisms by strengthening domestic law and policy. However, as part of the “State’s duty to protect”, States must establish and maintain an enabling legal and policy environment for non-State-based grievance mechanisms dealing with business-related human rights harms.
- The use of non-State-based grievance mechanisms, when possible, as they represent effective measures in dealing with business-related human rights harm. However, although non-State-based grievance mechanisms can be relevant, they cannot replace the importance and responsibility of effective State-based non-judicial mechanisms as the contribution of such mechanisms is part of a comprehensive State-based accountability and remedy system including the States’ duty to protect. This is rightly said in ARP I para.3: “effective State-based judicial mechanisms are “at the core of ensuring access to remedy”. In addition, there is currently a lack of policy coherence on the part of States in their approaches to non-State-based grievance mechanisms that must be firstly tackled

IOE outlines that to ensure understanding and uptake of ARP recommendations better, OHCHR should:

- Further promote and encourage States’ action to uphold human rights, notably on addressing underlying root causes, most clearly the importance of good governance and the rule of law, as well as by promoting and encouraging the further implementation of international human rights conventions, international labour standards and environmental treaties as well as a strong and efficient supervisory mechanism to strengthen the overall human rights performance.
- Have a greater focus on persistent problems common to many jurisdictions, such as fragmented, poorly designed, or incomplete legal regimes, lack of legal development, and lack of awareness of the scope and operation of the regime.
- Further increase the awareness of stakeholders on the relevance and importance of business and human rights, including making applicable global standards that are relevant to all stakeholders, notably businesses at local levels
- Further liaise and engage with the private sector (IOE, employer organisations and companies) to bring business realities and experiences to the process to ensure that laws take fully into account the opportunities and challenges companies face in their efforts to respect human rights.
- Encourage peer learning on non-State-based grievance mechanisms.

- Increase the focus on and advocacy for policies which address the root causes of many human rights challenges, such as for example informality, weak governance, corruption, that are beyond the private sector's reach.
- Support and help build the awareness and capacity of companies on human rights

Employer and business membership organisations (EBMOs) as umbrellas are well positioned to impact and know the challenges companies face in relation to the development of human rights. EBMOs have a unique role as multiplayers through their multistakeholder approach and continuous engagement in national social and economic councils and with their trade unions counterparts. Their ability to outreach and engage with the entire spectrum of the private sector, notably SMEs, positively contributes to the uptake and dissemination of ARP recommendations. IOE stands ready to cooperate and actively engage with OHCHR, UNWG and other UN agencies to promote the Business and Human Rights agenda worldwide.

## OHCHR ARDS

OHCHR has sought input contributions referring to the General Assembly resolution A/RES/76/266 adopted at its seventy-sixth session entitled “*A global call for concrete action for the elimination of racism, racial discrimination, xenophobia and related intolerance and the comprehensive implementation of and follow-up to the Durban Declaration and Programme of Action*”, for which the Secretary-General must submit to the General Assembly at its seventy-seventh session a report on the implementation of the resolution. IOE sent a brief response to the call for input.

The Covid-19 crisis and its impacts have been greatly affecting certain marginalised racial, national or ethnic communities and population groups. During times of uncertainty and economic distress, perceptions, rather than objective facts, shape people's opinions about the abilities and attitudes ascribed to individuals belonging to certain groups and can lead to increased racial discrimination in society but also in the world of work. This pervasive practise will not vanish by itself; neither will the market, on its own, take care of its elimination. Its elimination requires collective action with deliberate, focused, consistent efforts and policies by all parties concerned.

The private sector is fully aware of its role as transformative power to change and contribute to a more open, diverse and inclusive society. As such, companies have been proactive in promoting diversity in the workplace at all organisational levels to end systemic racism and potential discriminatory practices. Equally, Employers and business member organisations have been vigorously promoting equal opportunities in employment and advocating for providing access to education and new technologies, particularly for women and children. Some good practices include having gender equality, diversity and inclusion, and anti-harassment policies and programmes.

IOE highlights the following key elements for concrete action to eliminate racism, racial discrimination, xenophobia and related intolerance.



- In the workplace, individuals face unique challenges throughout various stages of employment and business development. The specific nature of these challenges and the means to address them depend on the national, social, cultural and economic contexts in which they live and work.
- Due to their life course and place of origin, migrant workers are particularly vulnerable to discrimination, racism and intolerance. Respect for cultural diversity should be encouraged together with the promotion of fair treatment of migrants and refugees, facilitating their integration into society and labour market and ensuring that migrants are treated with humanity and receive legal protection. Finding innovative solutions and resorting to information campaigns on the positive contribution of migrants to the host society should be encouraged.
- The need to promote tolerance, inclusion and respect for diversity and seek common ground among and within civilisations to address common challenges such as the fight against racism, racial discrimination, xenophobia, and related intolerance requires collective action among all relevant stakeholders. Only through cooperation, partnership and inclusion that marginalised racial, national or ethnic communities and population groups can be identified and effectively protected.
- At the international level, further adoption by States and effective implementation of existing relevant international standards such as ILO Convention No. 111 concerning discrimination in respect of employment and occupation is of paramount importance.
- At the national level, States have the duty to protect and promote the human rights of all victims and should apply a gender perspective, recognising the multiple forms of discrimination. The adoption and effective implementation of National Action Plans against discrimination; legal provisions on equality and non-discrimination, including based on race or ethnicity; and new anti-discrimination and equality provisions into the existing labour laws is central. The need to invest in health systems, quality education, housing, electricity and drinking water, which are basic needs allowing individuals to grow, thrive and contribute to society.
- Similarly, effective judicial mechanisms are at the core of ensuring access to remedy. Effective monitoring bodies and complaint mechanisms have proven to be important measures, notably when they encompass different stakeholders, such as the development of a national anti-racism strategy for instance.

## Regional News - EU

### Economic Evaluation of Due Diligence Laws

In many countries, including Germany, and also at the EU level, so-called supply chain laws are being discussed that oblige companies to monitor their suppliers about compliance with human rights and environmental standards. The Kiel Institute for the World Economy (IfW) has examined the effects of the German Due Diligence Act, which the German Parliament passed in June 2021. The planned EU directive was also addressed. This study examines the effects and side effects of such regulations and makes proposals on how the enforcement of international standards in supply chains can be achieved expediently while minimising collateral damage.

The results of [the study](#) are as follows:

- According to the research, the development of mandatory human rights due diligence laws (mHRDD) is the direct result of the lack of an effective international mechanism to enforce States to implement adequately the rules to which States have themselves committed to be bound with. As a result, “many established industrialised countries, also under pressure from non-governmental organizations, have taken two different approaches. The first approach makes use of the possibilities of international law and relies primarily on trade sanctions, positive and negative alike, to convince countries to comply with international standards; the second approach, on the other hand, starts with domestic companies and obliges them to monitor and, if necessary, sanction their trading partners under the threat of penalties.”.
- The research suggests that in accordance with the first approach, governments are attempting to set binding targets for sustainability and fair working conditions in trade and investment agreements with emerging and developing countries, but also with other industrialised countries. The second approach is through the adoption of national supply chain laws. These laws are intended to oblige companies to make demonstrable and clearly documented efforts to encourage and monitor their suppliers to comply with international agreements on the protection of people and nature and to disengage from them if they fail to do so.
- This research suggests that States, through MHRDD, are using companies as proxies to try to enforce other States to make them respect their international obligations, an effect which is indirectly trying to displace the first and central responsibility to protect human rights from States to companies, which goes against the UNGPs. As an additional side-effect and unintended consequence, companies are not only confronted with additional costs and negative reputational risks, but they will also likely disengage from countries where the governance gaps are too big and the legal uncertainty too high.
- In Germany, the mHRDD law will increase costs and risks for companies trading with suppliers in poorer countries with weak institutions. It can be assumed that German companies will reduce the number of suppliers from these countries or withdraw from them altogether.
- This development weakens the development-promoting integration of these companies into global value chains, which can reduce per capita income in developing countries. At worst, the human rights situation in some countries could worsen. Effective supply chain legislation should not increase trade costs for low-income countries in order to avoid negative effects on the ground.
- Overall, the study suggests that the current mHRDD laws: “reveal both a poor knowledge of the complexity of supply chains and of the conditions on labour markets in developing countries, as well as a lack of willingness to work together with the governments of the countries of origin of suppliers, especially from developing countries, to develop and implement consensual minimum rules for workers' rights and environmental protection in global supply chains. Options and alternatives are only discussed within the narrow framework of national supply chain laws.”
- Instead of mHRDD, the study proposes a so-called "negative list approach", i.e., sanctioning foreign enterprises that disregard human rights. This would be cheaper and more effective in strengthening human rights in third countries.

## Upcoming EU proposal on forced labour

As already presented in the February edition of the IOE's BHR Newsletter, the European Commission is currently preparing a legislative initiative on an "effective ban of products produced, extracted or harvested with forced labour", which is scheduled to be published in mid-September 2022.

The following elements will guide the legislative proposal:

- It will be comprised of an effective prohibition of the placing on the EU market of products made by forced labour (marketing prohibition).
- It will cover both domestic (EU) and imported products.
- It will be combined with a robust, risk-based enforcement framework.
- It will build on international standards.
- It will complement existing horizontal and sectoral EU initiatives, in particular the due diligence and transparency obligations.

Stay tuned for more information on the EU's proposal, provided by BusinessEurope in the next edition of the IOE Newsletter on Business and Human Rights.

*IOE thanks Sofia Boumou of the entire team of BusinessEurope for their contribution.*

## Directive on corporate sustainability due diligence - BusinessEurope comments

Following the release on 23 February 2022 of the European Commission's proposed legislation on corporate due diligence in global supply chains, BusinessEurope released important [comments](#) on the draft directive.

The main key messages are:

- The regulatory framework needs to be in line with and complement established tools such as the OECD Guidelines for Multinational Enterprises (OECD guidelines), the UNGPs, the existing or in-the-making European climate and environmental policies (e.g., the Corporate Sustainability Reporting directive proposal or CSRD) as well as sectoral schemes that strengthen the role and engagement of European companies as ambassadors of European values across supply chains. Coherence with other EU due diligence measures (adopted or ongoing) is paramount to avoid duplication.
- By extending the scope of the legal obligations to the whole value chain, including the financial sector (triggering spill over-effects), expanding disproportionately civil liability, and unjustifiably mixing due diligence with corporate governance, the proposal sets an inefficient system based on unrealistic expectations on companies harming their competitiveness. In line with the most ambitious national laws in the EU, due diligence obligations should not be extended to downstream activities such as customers and users and should remain primarily focused on first-tier direct suppliers.
- There needs to be a shift from the apparent punitive nature of the provisions to a more engagement- and learning-oriented one which recognises that companies want and can be catalysts for the positive sustainability transition by building a due diligence system within the limits of a supply chain

approach on a risk-based model. A system of “stay and behave” rather than “cut and run” must be incentivised.

- The proposal needs to target a better level playing field in its different dimensions. It leaves too much room for the Member States to add on, which could lead to a patchwork of rules undermining one of the initiative’s main objectives: fighting legal fragmentation.
- The Commission proposal includes a lot of complex, unwieldy, unclear and, to some extent, completely new terminology compared to existing international frameworks and guidelines (UN/OECD) that companies have worked with the last ten years. Legal certainty and a clear view of legal responsibilities and expectations are essential to enable companies to work for sustainability and keep applying a long-term perspective to their operations.
- Although small and medium-sized companies (SMEs) are formally not in the scope, they will be largely impacted in many ways, making it paramount to get the framework right.
- The proposed rules around a general director’s duty of care rely on wrong premises and risk leading to unnecessary and adverse interference with national company law systems, breaching the principle of subsidiarity. These rules are neither justified by the Commission’s impact assessment nor do they fit a general due diligence framework.

## News on the EU Corporate Sustainability Reporting Directive

The Council and European Parliament recently reached a [provisional political agreement](#) on the corporate sustainability reporting directive (CSRD). The proposal aims to address shortcomings in the existing rules on disclosure of non-financial information, which were of insufficient quality to allow it to be properly considered by investors. Such shortcomings hinder the transition to a sustainable economy. As the next steps, the provisional agreement reached today is subject to approval by the Council and the European Parliament.

The corporate sustainability reporting directive amends the 2014 non-financial reporting directive. It introduces more detailed reporting requirements and ensures that large companies are required to report on sustainability issues such as environmental rights, social rights, human rights and governance factors. The CSRD also introduces a certification requirement for sustainability reporting and improved accessibility of information by requiring its publication in a dedicated section of company management reports. The European Financial Reporting Advisory Group (EFRAG) will be responsible for establishing European standards, following technical advice from a number of European agencies.

### Uzbekistan: Uzbek cotton is free from forced and child labour

According to new [ILO findings](#), Uzbekistan has succeeded in eradicating systemic forced labour and systemic child labour during the 2021 cotton production cycle. The ILO found that Uzbek cotton is free from systematic forced labour and child labour. All provinces and districts had very few or no forced labour cases in 2021. The prevalence of forced labour in the 2021 harvest was so insignificant that it was exacting to detect and measure even with 11,000 quantitative and qualitative interviews conducted by the ILO TPM Project and independent civil society. As in previous years, only isolated cases of minors below the legal working age were picking cotton. Equally, the data from the study suggest that the reforms continue to have a positive impact and the rate of forced labour reduction.

An estimated two million children have been taken out of child labour and half a million adults out of forced labour since the reform process of Uzbekistan's cotton sector began in 2015.

### USA: Uyghur Forced Labour Prevention Act entered into force

On June 21, 2022, U.S. Customs and Border Protection (“CBP”) began to enforce the Uyghur Forced Labour Prevention Act (“UFLPA”), which prohibits the importation of goods produced wholly or in part in the Xinjiang Uyghur Autonomous Region (“XUAR”) of China, or by certain entities affiliated with the XUAR, absent “clear and convincing evidence” that such goods were not produced with forced labour. The Centre for Strategic and International Studies released an extensive [in-depth analysis](#) of the Act.

The United States has long prohibited the importation of goods produced wholly in part with forced labour, pursuant to Section 307 of the Tariff Act of 1930. However, the UFLPA goes beyond Section 307 by: (1) establishing a “rebuttable presumption” that goods produced wholly or in part in the XUAR or by certain identified entities are made with forced labour and are therefore subject to the import prohibition; and (2) establishing a high burden of proof for importers to demonstrate otherwise. Importantly, the UFLPA contains *no de minimis* exception, which means that if any part of a product is produced in the XUAR or by identified entities, the final product is subject to the rebuttable presumption, regardless of the product's country of origin for purposes of duties, or the country from which it was imported.

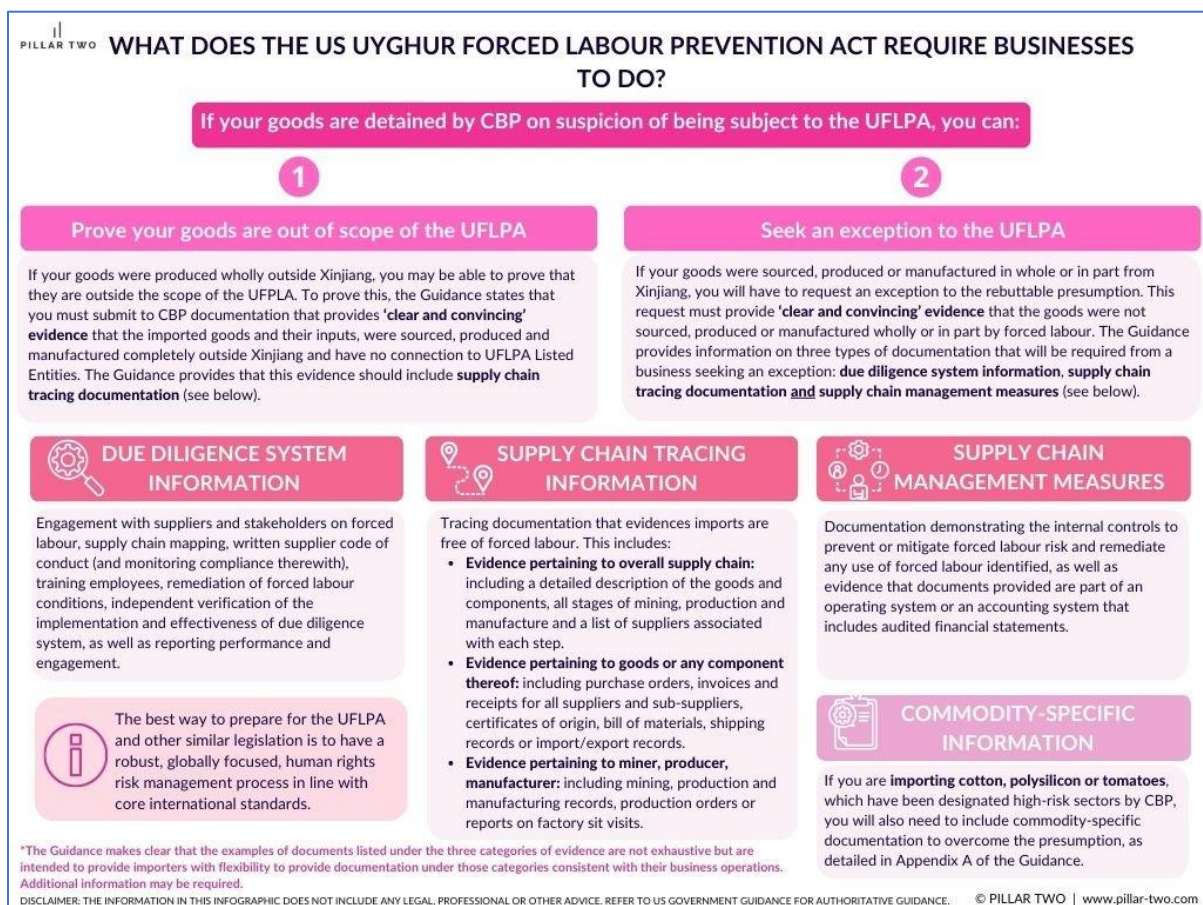
Now that the UFLPA has entered into force, importers of goods with a nexus to the XUAR face a significant risk that their shipments will be subject to enforcement actions by CBP, including seizure of such shipments for forfeiture and the imposition of civil penalties equivalent to the value of the merchandise involved. This risk will be especially high where the importer has not implemented internal procedures to identify, assess and address forced labor risks in its supply chain and demonstrate the absence of any nexus to XUAR or listed entities. However, even companies with robust compliance systems that integrate human rights/ESG may find it challenging to overcome the UFLPA's rebuttable presumption. Both CBP's Operational Guidance and the FLETF Strategy acknowledge the challenges that importers may face in gathering the required information (e.g., lack of tracing technologies and inability to obtain credible audits in China) but are clear

that such obstacles do not relieve importers of their obligations under the UFLPA and the applicable guidance.

The FLETF has identified four “high-priority sectors” for enforcement of the UFLPA: (1) apparel; (2) cotton and cotton products; (3) silica-based products (including polysilicon); and (4) tomatoes and downstream products.[9] China-origin and even third-country-origin goods falling within these categories are likely to face particular scrutiny under the UFLPA, as the U.S. government considers their supply chains to present a high risk of forced labour. The prioritization of silica-based products could affect a wide range of downstream goods such as aluminium alloys, silicones, polysilicon, automobiles, petroleum, concrete, glass, ceramics, sealants, electronics, and solar panels. CBP intends to take a “risk-based” enforcement approach with respect to the high-priority sectors, focusing on (1) goods imported directly from the XUAR and from entities on the UFLPA Entity List; (2) transhipped goods with inputs from the XUAR; and (3) goods imported by entities that, although not located in the XUAR, are related to an entity there, and likely to contain inputs from that region.

On its side, the Chinese Foreign Ministry spokesperson said that China strongly condemns and firmly opposes the so-called “Uyghur Forced Labour Prevention Act” formulated by the United States.

The Australian NGO Pillar Two has released [relevant infographics](#) to help business understand the impact the import restrictions may have on enterprises’ modern slavery risk management. Although primarily directed to Australian businesses, these can be of help for all enterprises impacted by the Act.





## Canada: Regulatory and legislative developments in preventing forced labour in global supply chains

In recent years, Canada has advanced regulatory enforcement mechanisms and proposed legislation to address modern slavery and forced labour by commercial enterprises and their supply chains. These ongoing developments reflect global efforts by the international human rights community to investigate and ensure human rights compliance in businesses' global supply chains.

### Existing Legal and Regulatory Framework

Canada is already committed to global standards against forced labour pursuant to its ratification of various international human rights instruments, such as the ILO conventions. Among other initiatives, Canada has banned the importation of goods made in whole or in part with forced labour under the Customs Tariff, in accordance with the Canada-United States-Mexico Free Trade Agreement.

The Canada Border Services Agency ("CBSA") is responsible for enforcing the import ban. It works with the Labour Program of Employment and Social Development Canada ("ESDC") to identify and detain goods suspected of being produced by forced labour. On 28 May 2021, the CBSA updated [Memorandum D9-1-6](#) on "Goods manufactured or produced by prison or forced labour" to account for the import ban of goods manufactured or produced by forced labour. The memo provides information on the ESDC's role in supporting the CBSA by identifying goods manufactured or produced by prison or forced labour.

In the Fall of 2021, the CBSA seized a shipment of clothing from China that was linked to forced labour. The CBSA's enforcement of the import ban contrasts the approach taken in the United States, where U.S. Customs and Border Protection ("CBP") exclude goods suspected of using child/forced labour from entry to the United States through Withhold Release Orders. In the fiscal year 2021, U.S. CBP intercepted more than 1,400 shipments of goods made with forced labour.

### Latest Legislative Developments

To address this issue, the ESDC released a [report](#) on labour exploitation in global supply chains on 11 March 2022. The report, which summarised stakeholder consultations conducted in 2019, concluded that more measures are required to prevent labour exploitation. Most stakeholders also recognised the value of mandatory due diligence legislation.

As reported in the past edition of the [IOE BHR's Newsletter](#), two Senate bills (Bill S-211 and S-204) are progressing through the Canadian parliamentary system. They aim to address modern slavery and forced labour in business entities' supply chains. These bills also mirror legislative developments in the United States, where the Uyghur Forced Labour Prevention Act (which came into force in 21 June 2022) prohibits the importation of goods produced using forced labour in China, especially in the Xinjiang Uyghur Autonomous Region, and imposes sanctions regarding forced labour.

In November 2021, the Canadian Senate introduced Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (Fighting Against Forced Labour and Child Labour in Supply Chains Act). If enacted, Bill S-211 would require Canadian businesses to confirm that none of their products or components are made by forced or child labour. Specifically, entities



subject to the Act would be required to provide the Minister of Public Safety and Emergency Preparedness with an annual modern slavery report on or before May 31 of each year outlining the steps the entity has taken during the previous financial year to prevent and reduce the risk that forced or child labour is used in the production of goods by the entity, or in the production of goods imported into Canada by the entity. As of June 1, 2022, Bill S-211 has been passed by the Senate and has completed its second reading in the House of Commons. It is now being considered in committee. If passed, it will enact Canada's first modern slavery disclosure legislation.

In the same month, the Canadian Senate also introduced Bill S-204, An Act to Amend the Customs Tariff (Goods from Xinjiang) (Xinjiang Manufactured Goods Importation Prohibition Act). This act would prohibit the import of goods produced, wholly or in part, in the Xinjiang Uyghur Autonomous Region of China. As of May 10, 2022, Bill S-204 has undergone first reading and is currently at second reading in the Senate.

The recent remarks made by the Minister of Labour in support of Bill S-211 suggest that the Canadian government will likely pass the bill. Businesses should be alert to these potential requirements by reviewing their compliance policies, due diligence mechanisms, and training on forced labour. They should also consider running a diagnostic on their supply chains to address and remediate human rights risks.

*IOE thanks **Brian Burkett** and **Brenda Chang** of the Canadian Employers' Council for their valuable contribution.*

## China: human rights concerns and credible international investigation to be addressed

Ahead of the 50th session of the Human Rights Council that took place from 13 June – 8 July 2022, [a group of UN experts](#) urged the Government of China to cooperate fully with the UN human rights system and grant unhindered access to independent experts who have received and addressed allegations of significant human rights violations and repression of fundamental freedoms in the country. Notably, the statement highlighted the need to protect fundamental human rights in China including freedoms of expression, cultural rights, peaceful assembly and association, religion or belief, and non-discrimination; to prevent forced labour in the formal and informal economy, protect journalists and health care workers; and to promote women's freedom from sexual violence and ensure sexual and reproductive health rights are equally guaranteed to all women and girls regardless of ethnic or religious identity.

The experts reiterate recommendations made in the June 2020 [joint statement](#), urging the Human Rights Council to convene a special session on China; consider the creation of a Special Procedures mandate, a special envoy of the Secretary General or a panel of experts to closely monitor, analyse and report annually on the human rights situation in China; and urging UN Member States and UN agencies to demand that China fulfil its human rights obligations including during their ongoing dialogues with Beijing. This statement was made in parallel to the recent visit of the High Commissioner Ms Bachelet. You can find the full statement [here](#).

# Climate change / COP 27

## COP 27 in Cairo: preparations underway

Egypt will host the COP27 United Nations Climate Change Conference from 06 to 18 November 2022 in Sharm El-Sheikh. Useful information can already be found via the [Conference website](#). IOE is looking forward to engaging and participating actively in this important Conference.

## EU Commission unveils new approach to trade agreements to promote green and just growth

On 22 June 2022, The European Commission unveiled a new plan to enhance the contribution of EU trade agreements in protecting the climate, environment and labour rights worldwide. In its [Communication](#) on “The power of trade partnerships: together for green and just economic growth”, the Commission is putting forward how to further strengthen the implementation and enforcement of Trade and Sustainable Development (TSD) chapters of the EU's trade agreements.

All EU's modern trade agreements include chapters on trade and sustainable development, with a broad set of mutually agreed commitments. The Communication identifies policy priorities and key action points, which will further enhance the effectiveness of the current engagement-based approach to TSD, grounded in the international framework and standards, with stronger implementation and enforcement. In particular, the new approach will include the use of trade sanctions for breaches of core TSD provisions. It will be applied to future negotiations and to ongoing negotiations as appropriate.

In particular, the new approach to TSD covers the following aspects:

- Results-oriented and priority-based engagement with partner countries
- More participation and support for Civil Society
- Stronger focus on implementation and enforcement, in particular the possibility to apply, as a last resort, trade sanctions for material breaches of the Paris Climate Agreement and the ILO fundamental labour principles.

## Other

### Activities of the IOE Policy Working Group on Human Rights and Responsible Business Conduct

#### IOE – UN Human Rights Council Presidency High-Level Multistakeholder Peer Learning Meeting on Business and Human Rights

IOE, together with the Presidency of the Human Rights Council, organised a High-level Multistakeholder Peer Learning Meeting on business and human rights on 25 May at the Palais Wilson in Geneva. Chaired by Ambassador Federico Villegas, Human Rights Council President of the 16th Cycle, and with the key participation of Ambassador Emilio Rafael Izquierdo Miño, Chair Rapporteur of the open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights, this high-level event brought together social partners, high-level business representatives, civil society, ambassadors and members of the UN leadership to discuss approaches to strengthen trust and a common understanding around the current challenges and opportunities related to Business and Human Rights.

This workshop is the first of a series of dialogue forums to move the business and human rights agenda forward.

### VII UN Forum Business and Human Rights in Latin America and the Caribbean (LAC)

**Panel 14 de julio, 4:10 pm GMT-5** | **Sala 3**

**RENDICIÓN DE CUENTAS A TRAVÉS DE LA ACCIÓN COLECTIVA: GENERAR CONFIANZA PARA PROMOVER LAS EMPRESAS Y LOS DERECHOS HUMANOS EN LA REGIÓN**

**Expositores/as:**

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Grupo de Trabajo de Empresas y Derechos Humanos
- Alberto Echavarría**  
ANDI Colombia
- Stephanie Fingal**  
ECATT (Trinidad y Tobago)
- Percy Oyola**  
CGT Colombia
- Gloria Gaviria**  
Ministerio del Trabajo de Colombia
- Armando Ortega**  
The Coca-Cola Company
- Reginaldo Esquer**  
COPAMERX (México)
- Jenny Vento Curi**  
Comité Empresas y Derechos Humanos, CONFIEP
- Laura Gimenez**  
Unión Industrial Argentina
- Moderadora: Carla Caballeros**  
CACIF
- Moderador: Luis Rodrigo Morales**  
OIE

Con el apoyo de:

Logos of supporting organizations: CERALC, European Union, Naciones Unidas DERECHOS HUMANOS, Organización Internacional del Trabajo, OCDE, UN Women, UNICEF, Universidad Externado de Colombia, El futuro es de todos, Gobierno de Colombia.

As part of this effort, during the upcoming VII UN Latin America and the Caribbean Forum on Business and Human Rights (LAC) taking place on 13-15 July 2022, IOE held a Business Caucus and its side-session on “Accountability through collective action: building trust to advance Business and Human Rights in the region” on Thursday 14 July 2022 (16:10 – 17:20 Bogota time) / 23:10 – 00:20 (CEST).

Under the theme of collective action, peer learning and exchanges took place during the 70-minute side session on business and human rights’ best practices in LAC. Together, participants identified common and practical ways to improve and implement the Business and Human Rights agenda.

The side-session included two panels covering the following key topics:

- Panel I – How can collective action be strengthened and how to increase trust among stakeholders in the LAC context?
- Panel II – Best practices and lessons learned from multistakeholder initiatives to foster human rights

## Annual Engaging Business Forum on Business and Human Rights

The Annual Engaging Business Forum on Business and Human Rights Conference hosted by The Coca-Cola Company will take place on 13 and 14 October 2022 in Atlanta at Coca-Cola’s headquarters. This event will be organised by USCIB, the International Organisation of Employers, and the U.S. Chamber of Commerce.

## OHCHR Africa Forum of Business and Human Rights

In autumn 2022, the OHCHR Africa Forum on Business and Human Rights will take place. Although the dates are yet to be determined, this event aims to reinvigorate the region's BHR agenda. Building on the first Africa Forum on Business and Human Rights held in 2014; the OHCHR will now organise one regional forum each year for Africa. OHCHR partnered with UNDP, UNWG on BHR and the African Union to co-organize this forum.

## Contact

If you would like to submit an article for upcoming editions of the IOE Newsletter on Business and Human Rights or ask a question about this edition, please contact:



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