



Confederation of Indian Industry



CII-ITC Centre of Excellence
for Sustainable Development

Business for Human Rights
#biz4HR



Human Rights Day 10 December

On this day, CII-ITC CESD has pledged to help companies improve their track record of human rights.

Take action:

1 Express your support to UN's initiative



2 Demonstrate your commitment by signing up CESD's Human Rights Initiative

3 De-risk your business by conducting due diligence of human rights



United Nations - A short film about Human Rights Day 2016, detailing the United Nations' relationship with Human Rights efforts and calling people to action.



“Upholding human rights is in the interest of all. Respect for human rights advances well-being for every individual, stability for every society, and harmony for our interconnected world.”

United Nations Secretary-General Ban Ki-moon



"It's time for each of us to step up for human rights. There is no action that is too small: wherever you are, you can make a difference. Together, let's take a stand for more humanity."

UN High Commissioner for Human Rights Zeid Ra'ad Al Hussein





“On the UN Human Rights Day, I am proud to announce CII’s initiative on human rights. This is our commitment to the UN on behalf of Indian business. Companies should have a due diligence process to derisk their value chains and enhance competitiveness.”

Naushad Forbes, President, CII

“It is crucial for corporate responsibility to respect human rights. CII is privileged to continue its tradition of upholding UN's values of peace, freedom, social progress, equal rights, and human dignity. Starting today, we endeavour to support our industry members to assess how they affect human rights and use that know-how to put in place appropriate policies and practices. “

Chandrajit Banerjee, Director General, CII



Call to action

TAKE THE PLEDGE

1 Express your support to UN's initiative



2 Get started by signing up CII's Business for Human Rights (#biz4HR) initiative

3 Take action: demonstrate, de-risk, disclose

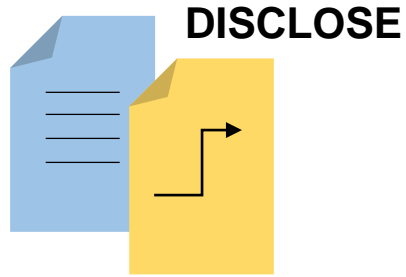
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Get started by signing up CII's Business for Human Rights (#biz4HR) initiative

CII's Business for Human Rights (#biz4HR) initiative

- Action group of business stakeholders interested in improving human rights record
- Demonstrate public commitment to human rights by
 - Publicly disclosing human rights policy
 - Signing the CII Human Rights Declaration
- Get support to
 - conduct due diligence of human rights in business value chain
 - achieve SDGs with human rights implications
 - improve disclosures on human rights in sustainability / integrated reporting

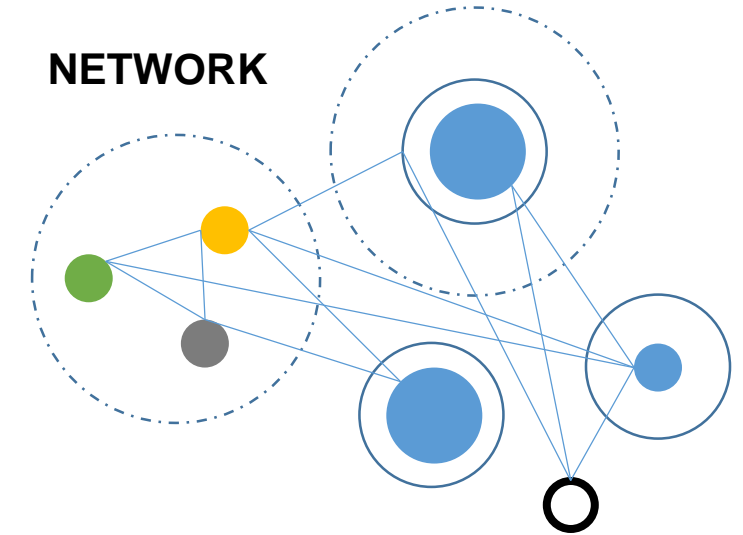
Benefits of membership



- Draft & disclose human rights policy
- Improve human rights disclosures in sustainability / integrated reporting



- Get support to conduct due diligence of human rights in business value chain
- Connect human rights and Sustainable Development Goals



- Project your actions on human rights in international networks such as UN, WBCSD, GRI
- Engage in domestic policy advocacy on matters related to human rights

Additional benefits for founding members

Founding membership open until 15 February 2017

- Co-create CII Human Rights Declaration statement
- Be identified as founding member for next three years (up to Dec 2020) on all collaterals of the Initiative
- Be auto-eligible for case studies on responsible business practices in human rights
- Become a trainer in CESD's capacity building programmes on human rights

Extra benefits for co-chairs

2 co-chairs with a validity for 1 year up to 10 Dec; only heads of companies or members of boards can be co-chairs

- Lead the governance of Business for Human Rights initiative
- Must already be signatory to UN Declaration or have Human Rights policy in the public domain
- Demonstrate “lead by action”
- Video on business & human rights as co-chair of the initiative
- Lead CII delegation on human rights at international and national events on subject matter

Benefits of different memberships

	Co-chairs	Founding members*	Regular members
One year membership	INR 10 L	INR 5 L	INR 3 L
Govern the CII initiative	√		
Videos on business & HR	√		
Lead CII delegation at international & national events on HR**	√		
Member of CII delegation at international & national events on HR**	√	√	√
Co-create CII's Human Rights Declaration	√	√	
Case studies on company's good practices	√	√	
Be a trainer / resource person in CESD's training programmes on HR	√	√	
Develop guidance document on HR	√	√	√
Receive assessment on organization's preparedness for human rights	Free	Free	Free
Receive one-day in-company training on core concepts of human rights***	Free	Free	Free
Receive help in drafting organization's human rights policy	Free	Free	Paid

*Registration closes on 15 February 2017; recognition until December 2020)

**Members will pay for their costs of travel, accommodation and conference fee

***Travel & accommodation of CESD trainers to be borne by the company

3

Demonstrate, de-risk, disclose

Demonstrate, de-risk, disclose

Demonstrate (check details on CESD training outline)	<ul style="list-style-type: none">Put a human rights policy specific to the company in placeReview the policy in the context of various legal requirements and voluntary commitmentsEngage top management and assign responsibilitiesTrain employees and other stakeholders on human rights
De-risk (check details on CESD approach to due-diligence)	<ul style="list-style-type: none">Conduct due-diligence of human rights in value chain using risk-based approachIdentify direct and indirect, and potential human rights issuesEngage internal and external stakeholders in the processOn-going process rather than a one-off attemptTrack performance & make improvements
Disclose	<ul style="list-style-type: none">Disclose the policy and performanceIdentify interfaces with various Sustainable Development GoalsImprove disclosures in sustainability / integrated / business responsibility reports



Training content outline on human rights

Training content outline on human rights

- Importance of human rights to business
- Key concepts of UN Guiding Principles
- Impacts of human rights on different stakeholders
- Putting “responsibility to respect” into practice
- Good practices of policies, structures, processes
- Importance of engaging stakeholders



De-risk your business by conducting due diligence of human rights

Risk-based approach to due diligence for human rights

- The nature of a company's business activities and relationships decides the environment of human rights risk in which the company must operate
- Companies are able to exercise greater control over their exposure to human right related risk than generally assumed possible
- An empirically-grounded, risk-based approach to due diligence permits companies to more effectively manage their responsibility to respect human rights and their responsibility to turn a profit

Why human rights

- In recent years, business has faced increasing demands for social responsibility with respect to human rights
- The debates have been transformed by the work of Harvard professor John Ruggie, in his capacity as United Nations Special Representative of the Secretary-General on Human Rights and Transnational Corporations and other Business Enterprises.
- What are the operational implications of a “corporate responsibility to respect human rights”*?
- There is now also an international consensus that good human rights performance is the conduct of company operations without causing harm to people, either directly through company activities, or indirectly through the company’s relationships to others who cause harm.

*Pillar of the framework put forward by UN SRSG John Ruggie under the title “Protect, Respect and Remedy”

THREE PILLARS of the UN GUIDING PRINCIPLES

HUMAN RIGHTS

PROTECT

STATE

duty to
protect

RESPECT

CORPORATE

responsibility
to respect

REMEDY

VICTIMS

access to
effective remedy

The conduct of human rights due diligence

A key step towards ensuring good human rights performance by the company

- What it means in practice for a company to respect human rights?
 - The Ruggie framework answers this in part, stating that “the corporate responsibility to respect human rights...in essence means to act with due diligence to avoid infringing on the rights of others.”
- Discharging “this responsibility to respect requires due diligence” and “because companies can affect virtually all internationally recognized rights, they should consider the responsibility to respect in relation to all such rights”

CESD approach

An operational approach to human rights due diligence by blending the concepts of human rights and risk

Approach



Due diligence



Human rights risks

First outline due diligence as it is understood in many companies today

Describe how the concept of human rights risk is suitable for the due diligence process

Due diligence process

concept

- Investigation of facts
- Evaluation of facts in the context of relevant standard of care*

scope

- Context
- Timing
- Normative developments
- Facts & circumstances

when

- Proposed projects
- Ongoing activities
- Periodic conduct for monitoring risks & identifying potential new risks

*Standard of care are international & domestic human rights standards, and other company standards compatible with these

Evaluative aspects of conducting due diligence

- The evaluative aspect of conducting due diligence is similar to the legal analysis method known as IRAC (issue, rule, analysis, conclusion)
- Because the hard and soft laws governing corporate human rights responsibilities are evolving, respecting the letter and the spirit of international human rights is the appropriate standard of care to apply in human rights due diligence
- This also includes a company's own values and ethical standards as part of that standard of care that due diligence should cover
- However, conducting due diligence is not in itself compliance, but a preventive measure against the potential for violating a standard of care
- The analysis and conclusion emanating from a due diligence investigation should not be strictly legal in nature, but rather one that presents a realistic assessment of the situation and offers creative ways for managing risk of harm to people as well as to the company

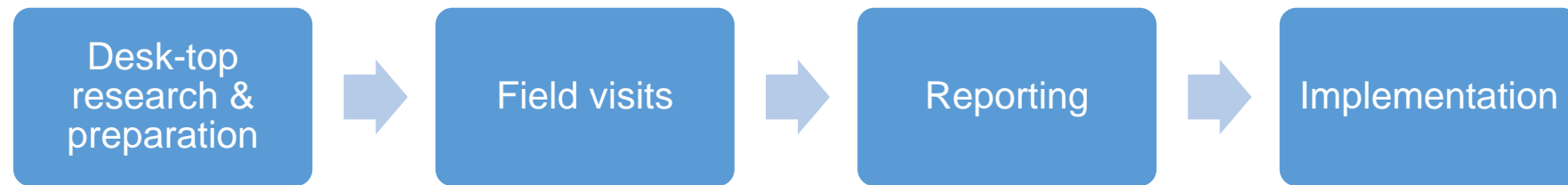
Taking a risk approach consists of 4 sets of questions

Company Operations	<p>What company activity or relationship is in question? What is the company actually doing in the region? What are its business relationships? What projects are in place or in development?</p>
Context	<p>What does the record of human rights in the region tell us about existing violations/abuses in general? Who are the most vulnerable and/or the likely victims of human rights abuse? Whose rights should we be worried about (local staff? expats? local communities? migrant workers?)? Who are the most likely perpetrators of abuse? Is there a gap between local law and international standards? Is local law effectively enforced?</p>
Involvement	<p>What company acts or relationships might result in company involvement in a human rights violations or abuse?</p>
Association	<p>What set of abuses might be associated with the company? What are the perceived impacts of company operations on people?</p>

Benefits of risk-based human right due diligence

Potential	Potential human rights abuses and even the perception human rights violations can be taken into account.
Direct and indirect involvement	Leaves no ambiguity about the scope of company involvement or association. It focuses on both direct and indirect involvement, for example through association with contractors, clients, joint venture partners and host government.
Easier prioritization	Easier prioritization of the issues a company should focus on. As a result, it has a better chance to mitigate the most important issues.
Based on international human rights standards	Some of these standards have been incorporated into various multiparty frameworks organized for corporations such as the Voluntary Principles on Security and Human Rights (VPs), the Global Compact (GC), the OECD Guidelines for Multinational Enterprises and the IFC Performance Standards.
Help integrate human rights to existing management systems	(integrity due diligence, country risk analysis, security monitoring, HSE, etc.) by strengthening the information inputs to – and outputs from – those management systems. Since the company's management systems are already risk-oriented, taking a risk approach to human rights has the best chance to resonate with company management and be absorbed into site specific practices.

Four simple steps to follow for risk-based due diligence





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