Global Affairs Canada Trade Commissioner Service

Affaires mondiales Canada Service des délégués commerciaux

# **Responsible Business Conduct Abroad**

# CSR Snapshot # 7 – Private Sector Support for Human Rights Defenders: A Primer for Canadian Businesses

## **Threats to Human Rights Defenders**

Human rights defenders working on business issues are increasingly the target of threats and intimidation (including through lawsuits), attacks and killings, a subject of growing concern at the international <u>level</u>. Environmental advocates, land defenders, and women, LGBTQ2 and Indigenous human rights defenders <u>have been identified as particularly at risk</u>. Since 2015, over <u>1400</u> <u>cases</u> of attacks have been reported worldwide that were directly or indirectly related to private sector activities.

## Who are Human Rights Defenders?

Human rights defenders

persons who peacefully act to promote or protect human rights, by calling attention to violations and abuses by any actor, including governments, businesses, individuals, groups, and non-state actors. Among others, defenders can be community members, workers, activists, indigenous leaders, business executives, journalists, and whistleblowers. By assisting in identifying problematic practices, they can also help to decrease the likelihood of more serious and widespread conflicts arising.

## Supporting Human Rights Defenders: The Right Thing to Do

The <u>Government of Canada</u> recognizes the key role played by businesses in protecting and promoting human rights and strengthening the rule of law, and expects Canadian companies operating abroad to align their practices with internationally recognized responsible business conduct standards, including the <u>UN</u> <u>Guiding Principles on Business and Human Rights</u>.

The Principles call on the private sector to respect human rights in their operations and supply chains, and encourage businesses to consult defenders as an important expert resource, while noting they may be vulnerable to attack. At the same time, the Principles call on governments to ensure that the legitimate and peaceful activities by defenders are not obstructed. Global Affairs Canada has <u>developed</u> <u>guidance for officials</u> at missions abroad\_and at headquarters, outlining how they can support human rights defenders.

#### The Business Case for Support of Human Rights Defenders

Beyond the moral case for firms standing up for defenders as the right thing to do, there is increasing recognition of the strong <u>business case for supporting</u> <u>defenders</u>. By investing in approaches that decrease the likelihood of human rights issues arising in the first place, firms can <u>decrease the risk</u> of reputational/brand harm, shareholder divestment, withdrawn financing, expensive litigation, and significant unplanned operational costs. Engaging with defenders with legitimate claims and peaceful activities can also provide early identification of problematic practices, build relationships and community support, and increase operational predictability, profitability and stability.

#### **Businesses Supporting Human Rights Defenders**

In recent years, financial institutions, companies and investors as diverse as <u>ABN</u> <u>AMRO</u>, <u>Airbnb</u>, <u>Adidas</u>, <u>AngloAmerican</u>, <u>Apple</u>, <u>Barrick Gold</u>, <u>BMW</u>, <u>Cisco</u>, <u>Daimler</u>, <u>Domini</u>, <u>Goldcorp</u>, <u>International Finance Corporation</u>, <u>Leber Jeweler</u>, <u>Microsoft</u>, <u>Nike</u>, <u>Primark</u>, <u>Tahoe Resources</u>, and <u>Unilever</u> have all -- either individually or in alliance with others -- publicly expressed support for defenders, encouraged protection of civic freedoms and vulnerable populations in the face of oppressive governmental policies and actions, put in place mechanisms to hear and protect defenders, or engaged in direct action to support those threatened for speaking out.

#### Collective Action – A Powerful Way of Supporting Human Rights Defenders

No matter the size of firm, the approach of working with other businesses -- as well as partnering with civil society organizations and governmental and intergovernmental entities -- can be a particularly effective way to engage in support of defenders and civic freedoms of speech, assembly, association, press, and movement.

Industry associations and multi-stakeholder organizations that have engaged in support of defenders and civic freedoms include the <u>Ethical Trading Initiative (ETI)</u>, the <u>Fair Labor Association (FLA)</u>, the <u>Fédération Internationale de Football</u> <u>Association (FIFA)</u>, the <u>Global Network Initiative</u> (GNI), the <u>International Council of</u> <u>Mines and Minerals (ICMM)</u>, the <u>Investor Alliance for Human Rights</u> (IAHR), and the <u>Social Accountability Initiative (SAI)</u>.

#### THE POWER OF WORKING TOGETHER

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In Thailand, criminal and civil lawsuits were launched against <u>Andy Hall</u>, a researcher who spoke out about poor corporate treatment of migrant workers in the poultry and pineapple industries. He brought together a coalition of companies, industry associations, civil society organizations, governments, and inter-governmental organizations, which spoke out against the litigation, provided financial and legal assistance, and agreed to testify on his behalf.

In 2018, FIFA launched a <u>complaints</u> <u>mechanism for defenders</u> who consider their rights to have been violated while performing work related to FIFA's activities.

In 2018, in response to a Philippine government threat against indigenous rights defenders who were wrongly accused of terrorism, the <u>IAHR</u> released a statement calling on companies to make commitments and take immediate action to protect the safety of the defenders.

In October 2017, the Fair Labor Association and identified member companies, including Mountain Equipment Co-op, submitted a letter to the Cambodian Prime Minister to express their opposition to government actions against workers' freedom of expression, and called for charges to be dropped against union leaders facing legal action stemming from worker strikes.



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In any particular situation, the decision of a firm to engage in support of defenders and the way of so engaging is highly dependent on the context, including: the nature of the relation with and connection of the company and its activities with the defender; an assessment of the legitimacy and accuracy of the defender's claims and activities; the existence of other actors who can potentially assist or detract from support of the defender; and the profile and leverage of the company for positively influencing resolution of the issue.

# Decreasing the Likelihood of Human Rights Defender Issues Arising

Business support for defenders can be usefully divided into proactive and reactive components. Working within the resource constraints of each firm, the proactive component revolves around ensuring that a firm has put in place: 1. Human rights defender policies

- 1. Human rights defender policies
  - ensuring that existing human rights policies explicitly recognize the important role played by defenders and the value of supporting civic freedoms that allow defenders to speak out without fear of reprisal;
  - adopting a zero-tolerance policy towards acts of suppression against defenders with legitimate and peaceful activities;
  - revisiting stakeholder engagement policies to ensure sensitivity to defenders who may be made vulnerable as a result of engagement; and
  - implementing international standards that decrease the likelihood of problematic human rights-related practices occurring).
- 2. Appropriate procedures
  - including performing gender and culturally sensitive <u>human rights due diligence</u> (HRDD) to assess defenders' risks, activities, and concerns associated with the firm's operations and its contractors/supply chain partners and to establish the firm's stakeholder interaction mechanisms to include consideration of defender issues, such as advisory committees, grievances, dispute resolution and whistleblowing;
  - ensuring that ongoing HRDD monitoring and indicators incorporate identification of defender issues, so that existing policies and processes can be promptly revised to reflect evolving situations; and
  - having in place a "quick-response" defenders approach that identifies partners and allies that can be turned to for prompt and effective action and assistance if a defender issue arises.
- 3. Training
  - culturally and gender-sensitive human rights training for both employees and contractors/supply chain partners and private security forces, which includes identifying risks to defenders that could be triggered by a firm's activities, and readiness role-playing exercises.

## **Responding After a Human Rights Defender Issue Arises**

Should a defender issue arise, firms can adopt a reactive four-step approach suggested by the <u>Business Network on Civic</u> <u>Freedom and Human Rights Defenders</u>:

- 1. Assess the defender's claims and activities, and the severity of any human rights harm, including the veracity of the allegations and the credibility of their source. This will likely involve consultations and interactions with the defender and others, and needs to be undertaken in a sensitive way that does not jeopardize the defender. While everyone has the right to respond to inaccurate claims made against them, firms -- as responsible corporate actors -- should refrain from making statements aimed at discrediting or denigrating human rights defenders, in recognition of their oft-times vulnerable situation.
- 2. Understand the degree of company involvement, which could range from being a cause of a human rights harm, to being a contributor, to having no direct connection but being in a position to speak out because it is the right thing to do.
- 3. Identify possible forms of support the company might take, bearing in mind the particular position that the company is in and its ability to influence. This might involve partnering with governments that champion human rights, magnifying voices through some form of collective advocacy, issuing statements or letters expressing concern, or direct action, such as providing financial or other assistance.
- 4. Consider the risks of action or inaction: to the firm, to the defender, and to the broader community. Assessment of risks may be improved through consultation with various civil society stakeholders, peers, and Global Affairs Canada officials (see information below).

It should be stressed that the safety and privacy of human rights defenders are paramount. Firms need to ensure that their activities do not worsen the situation for defenders, and wherever possible and relevant, that they consult with the defenders in question or their representatives, with consideration for the particular situations of women/indigenous rights defenders, and minority groups.

## **Further information**

Leading organizations providing resources to assist businesses on human rights defender issues include the <u>U.N. Working</u> <u>Group on Business and Human Rights, the Business and</u> <u>Human Rights Resource Centre, the International Service for</u> <u>Human Rights, and Front Line Defenders</u>.

# The Trade Commissioner Service can help!

Canada's global network of trade commissioners is available to help you prepare for and assess the market, provide key contacts, and assist in problem-solving. To reach a trade commissioner in your market, go to: www.tradecommissioner.gc.ca.

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