France’s Loi de de VigiLance

Global Compact UK
Modern Slavery WG Meeting – 12 Sept. 2017

Operationalising Human Rights in Business
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Companies covered & requirements

Stock companies headquartered in France and with employees:

- 5000 in FR or
- 10,000 worldwide

Must:

- Establish a vigilance plan
- Implement the plan
- Publish the plan
- Publish annual implementation reports
Measures of reasonable vigilance designed to identify risks & prevent serious harm resulting from the activities of:

- The stock company
- The companies it controls directly or indirectly (Art. 233-16 II. Com. Code)
- Subcontractors and suppliers with whom it has an established business relation, when those activities are linked to the relation

- Human rights and fundamental liberties
- Health and security
- Environment
Content of the vigilance plan

1. Risk mapping: Identify, analyse, prioritise
2. Procedures for “regular” evaluations of subs. & suppliers
3. Actions to mitigate risks or prevent serious harm
4. Alert/whistleblower mechanism and database of alerts (in consultation with “representative trade unions”)
5. Monitoring of implementation measures & efficiency evaluation
Liability for non-compliance

1. Formal notice from anyone
   ⇒ 3 months to comply

2. If still non-compliant, injunctive relief by a judge, who may impose a penalty per day of non-compliance
Liability for damages: tort principles

- Serious harm
- Fault (poor VP/poor implementation)
- Causal link
- Compensation

Burden of proof: Victims (& maybe others)
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**Loi de Vigilance**

- Responsible business conduct
- Plan & report
- Health and safety, environment & human rights
- All
- French companies with: 5,000 employees in France 10,000 employees in the world
- Parent company & its subsidiaries + Suppliers & contractors (1st tier ?)
- Notice & injunction + civil liability

**Modern Slavery Act**

- Transparency in supply chains
- Statement
- Slavery and human trafficking
- All
- Some sort of business in UK + Global turnover of at least £36 million
- Parent company & its subsidiaries + their supply chains (tiers?)
- Injunction
Contact Us

**Peter Herbel**, Co-Founder of Herbel Consulting
Former General Counsel of Total S.A.
peterh@herbelconsulting.com
+33 6 85 07 46 82
https://fr.linkedin.com/in/peter-herbel-709b64117

**Elodie Herbel**, Managing Consultant
Attorney in New York
elodieh@herbelconsulting.com
+33 6 95 43 51 94
https://fr.linkedin.com/in/elodie-herbel-4972123

**Morgane Losson**, Consultant
Diplômée de l’école des avocats de Paris et d’HEC Montréal
morganel@herbelconsulting.com
+33 7 69 07 05 28
https://fr.linkedin.com/in/morgane-losson-89935419