



**OHCHR CONSULTATION ON
BUSINESS AND HUMAN RIGHTS**

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OPENING STATEMENT

BY

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UNITED NATIONS HIGH COMMISSIONER FOR HUMAN RIGHTS

Mr/Mrs. Chairperson,
Excellencies,
Mr. Special Representative,
Distinguished Participants,
Ladies and Gentlemen,

I welcome you to this important consultation on business and human rights. It is the first time a multi-stakeholder consultation on this topic is convened at the request of the Human Rights Council. This is an indication that the issue of business and human rights has evolved significantly and is gaining commensurate attention. Placing business and human rights firmly on the agenda of the Human Rights Council is largely due to the important advocacy and campaigning role played by civil society.

While not all allegations made against companies for human rights violations may be true or justified, there are numerous well-founded examples from around the world of human rights being infringed as a result of corporate activity and scant public scrutiny. For example, governments' outsourcing of services without adequate oversight, including in sensitive areas, such as security and military operations, and the correctional system, has had negative—and at times even severe—repercussions on human rights in several documented instances.

For their part, many companies have also recognized the link between business activity and the enjoyment of human rights, including through signing on to the UN Global Compact which calls on companies to respect and promote human rights.

Since 2005, international initiatives on this topic have been anchored in the work of the Special Representative of the Secretary-General on business and human rights, Professor John Ruggie. As you all know, last year he presented a policy framework for business and human rights to the Human Rights Council. This framework rests on three pillars. The first pillar concerns States' duty to protect all human rights from abuses stemming

from the activities of transnational corporations and other enterprises. The second covers corporate responsibility to respect all human rights. The latter emphasizes the need to provide effective remedies, including through appropriate judicial and non-judicial mechanisms, to address corporate-related human rights violations.

The framework provided a much needed clarification of the respective roles and responsibilities of States and corporations in respecting and upholding human rights. It built on the positive obligations of States under human rights law to protect people against abuse and recognised the necessity of legal and policy measures to give effect to these obligations. I welcome the Human Rights Council's endorsement of the framework.

Further, the Human Rights Council affirmed that “transnational corporations and other business enterprises have a responsibility to respect human rights” (resolution 8/7). This may not seem to be particularly novel, since corporate social responsibility is a concept that has long entered international parlance. Yet this was the first time that States—which bear the primary obligation for the realization of human rights - recognized that business must also play its part. After more than a decade of debate, the affirmation of a corporate responsibility to respect human rights sets a new and clear benchmark and represents an important milestone in the evolving understanding of human rights in our societies.

Importantly, the framework also kept the focus on those who feel that their rights have been impacted by corporate activity by emphasizing the need for their access to more effective remedies, both judicial and non-judicial. In other words, the framework underscored that there are three parties to any corporate-related human rights issue: States that fail to protect, companies that fail to respect, and individuals and groups whose right or rights are infringed. It is therefore necessary to focus on all these pillars when discussing business and human rights.

Ladies and Gentlemen,

Our discussion over the next two days will focus on how to operationalize this framework and provide input to the Special Representative's work as he moves into the final phase of his mandate. This is an important task. The Special Representative has identified a vast array of legal and policy areas awaiting and, indeed, demanding change. He recognized that there is no single silver bullet solution to the institutional misalignments regarding business and human rights. Professor Ruggie exhorted all social actors – States, business and civil society – to learn to do many things differently.

Some of you have come here today with stories to tell – stories of your own experiences of human rights infringements arising as a result of corporate activity. The Special Representative has already convened a number of consultations involving all stakeholders on a very broad array of subjects bearing on business and human rights challenges. It is important that the evolving thought and practice on this matter continue to be informed by such wealth of experiences so that the final outcome of the process is geared towards prevention and recourse, particularly in the areas where problems are most acute. I therefore urge you not to regard this consultation as a venue for airing grievances. Rather, we must make the best of this opportunity to poll ideas in a constructive spirit. This approach is well suited to stimulate policy and legal measures aimed at preventing future grievances, and at ensuring that where problems arise there are mechanisms in place to effectively address them.

Distinguished Participants,

My Office has actively supported the Special Representative's work since the beginning of his mandate in 2005. Through our participation in the UN Global Compact and in collaboration with other partners, we have also contributed to the development of practical tools for business on human rights. The purpose of these tools is to enhance business' understanding of human rights and its ability to integrate human rights into business management. I am hopeful that these tools are of use to companies and others in understanding the substantive and operational dimension of the corporate responsibility to respect human rights.

We also co-organized a side event on how to prevent workplace discrimination during the Durban Review Conference on Racism, Racial Discrimination, Xenophobia and Related Intolerance last April, in collaboration with the Business and Human Rights Resource Center. The eminent experts who participated in this panel presented innovative and constructive ideas on this topic.

At the outset of today's important gathering, it is important to keep in mind that the issue of business and human rights does not exist in a vacuum, insulated from the global economic context in which companies operate. One year ago the world's financial system was brought to its knees, in no small measure due to irresponsible business practices-- particularly in the financial sector-- and to insufficient oversight by government regulators. Although we are seeing some signs that the global financial and economic crises are easing, their negative consequences for the world's poor and on the enjoyment of human rights generally are likely to be long-lasting.

Indeed, the crises affect most acutely the poor and migrant workers who are often employed in marginal sectors or who are the first in line to lose their job. The International Labor Organization estimates that global unemployment will rise by around 30 million this year compared with 2007. The impact of the downturn is felt in all parts of the world. Human rights continue to suffer as a result, and existing vulnerabilities and marginalization are on the increase both in developed and developing countries.

Governments have the responsibility to prevent and mitigate the impact of the global financial crisis on the enjoyment of human rights. States must ensure that domestic policy adjustments, particularly those in fiscal spending, are not taken at the expense of the poor through cutbacks in basic services and social protection mechanisms. But in the face of the current global economic contraction and widespread hardship on individuals and communities, businesses must not succumb to the temptation of lowering fundamental labor and human rights standards. Private actors, including financial institutions, have a responsibility to ensure that their operations do not violate human rights.

It is my hope that the discussions we will have over the next two days will give all actors – States, companies, and civil society – a better understanding of what is required in operational terms to secure respect for human rights in a corporate setting in the face of economic downturns.

The fact that business representatives have made the effort to come to Geneva to participate in this event is a clear and commendable recognition of the relevance of human rights to good business practices.

I also welcome civil society representatives who have joined us today. I am aware that many of you came from far afield to participate in the proceedings, including in the side events that some of you have organized.

Let me conclude by expressing my high appreciation for the crucial and pioneering work of the Special Representative. Professor Ruggie, I hope that this consultation will provide much valuable input as you move forward with implementing your mandate.

Thank you.