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UN FORUM SERIES – The Guiding Principles have been a game changer

Damiano de Felice

This post was contributed by Linda Kromjong, Secretary-General of the International Organisation of Employers (IOE).

The uptake and implementation of the UN Guiding Principles on Business and Human rights (UNGPs) has been a controversial and disputed issue for quite some time. The current debate about the need for a binding treaty on business and human rights reflects this dispute in many ways.

Supporters of the treaty process argue that implementation is too slow, whereas many other actors in the field point to progress made so far. Therefore, measuring the implementation of the UNGPs is an issue of great concern for the International Organisation of Employers (IOE).

As a result, the IOE has

- in conjunction with GBI and ICC, supported the UN Working Group in surveying companies on the implementation of the UNGPs,
- co-financed the [Economist Intelligence Unit study](#) on business and human rights; and
- engaged in regional surveys on business and human rights, such as the [CSR for All](#) project in South East Europe.

Whilst it is true that there is no global and detailed picture of the implementation of the UNGPs and the recent report to the UN General Assembly by the UN Working Group on business and human rights lists a number of gaps, emerging evidence shows that impressive progress has been made at different levels, especially in view of the fact that the UNGPs were endorsed only four years ago.

In this relatively short time we have seen many companies undertake tremendous efforts to implement the UNGPs. Efforts range from policy commitments, operational guidance, governance mechanisms related to human rights, understanding impacts across diverse functions, undertaking human rights due diligence in diverse forms, and training programmes and capacity building within companies and business partnerships. The implementation of the UNGPs is also promoted at SME level through supply chain management.

We can also see huge support for the UNGPs at the political level. More and more governments around the world are engaged in drafting National Action Plans (NAPs).

The EU for example promotes NAP implementation both within the EU and externally through the inclusion of clauses and impact assessments in trade and investment negotiations. The recently launched EU Staff [Working Document](#) on Implementing the UN Guiding Principles on Business and Human Rights provides a good overview of these efforts.

What's more, even before their official launch, the UNGPs greatly influenced other international instruments such as ISO 26000 and the revision of the OECD Guidelines for Multinational Enterprises. A new human rights chapter consistent with the UNGPs was added to the OECD Guidelines for Multinational Enterprises (MNEs) when these were updated in 2011. The OECD MNE Guidelines also provide for a non-judicial grievance mechanism, which contributes to pillar three of the UNGPs.

There have likewise been many developments on reporting the implementation of the UNGPs:

- the fourth generation guidelines of the Global Reporting Initiative strengthened the human rights section,
- the RAFI-Framework was launched this year by SHIFT and MAZARS and major companies started to use the framework, and
- the EU directive on disclosure of non-financial information requests EU companies with more than 500 employees to report on the performance, position and impact of their activities with regard to human rights.

We have of course not yet achieved all our objectives. The implementation of the UNGPs is a process and all actors need to continue their efforts to engage more governments and more businesses of all sizes from diverse industries and geographies.

However, it is too often overlooked how much the UNGPs have been a game changer and how deeply they have affected company behaviour and the political debate.

There is a huge need for more reliable data and the UN Working Group rightly emphasises its work on measurement. However, we have to be careful not to throw the baby out with the bath water.

We do not need more and new measurement tools for companies. With the Global Reporting Initiative (GRI) and the Reporting and Assurance Frameworks Initiative (RAFI) we already have dedicated frameworks to report on human rights issues.

New tools would lead to a proliferation of reporting instruments which risks burdening companies with divergent and potentially competing compliance provisions which would not necessarily improve the data. We should instead promote existing tools. The IOE is highly engaged in this and has for instance contributed to training of 500 companies in South East Europe on reporting in the last two years.

Governments can do much more by not only undertaking baseline assessments in how far their legislative framework is in line with the UNGPs, but also by reporting back to the UN Working Group about their activities, challenges and successes. Although the UNGPs address governments as well as companies, in many ways it seems that business has acted much more determinedly when it comes to implementation, reporting and transparency.

If governments are serious about their endorsement of the UNGPs, they should be more transparent about their undertakings. This would also increase peer pressure among governments to implement the UNGPs.

Finally, we have to better use and better analyse available data. Thousands of GRI Communication of Progress Reports within the Global Compact are publicly available. This wealth of data and information should be fully used to better understand challenges and successes in the implementation of the UNGPs.

It is obvious that measuring the implementation of the UNGPs is not a one-shot exercise, but a process of collecting the diverse data and studies and connecting the dots. As the biggest network of the private sector in the world, the IOE is highly committed to contribute to this endeavour.

Linda Kromjong

Linda Kromjong is the Secretary-General of the [International Organisation of Employers \(IOE\)](#). Founded in 1920, the IOE is the largest network of the private sector in the world, with more than 150 business and employer organisation members. In social and labour policy debate taking place in the International Labour Organization, across the UN and multilateral system, and in the G20 and other emerging processes, the IOE is the recognised global voice of business.



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