

Annex III

United Nations Guiding Principles on Business and Human Rights (UNGPs) approach to global supply chains

The Programme of Action will follow the “Protect, Respect, and Remedy” framework outlined in the UN Guiding Principles on Business and Human Rights (UNGPs) (2011). It will pay close attention to paragraphs 13 and 19 of the UNGPs.

UNGP 13 and the commentary to UNGP 19 sets out the approach to addressing potential or actual human rights impact in domestic or global supply chains:

UNGP 13:

“The responsibility to respect human rights requires that business enterprises: (a) Avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur; (b) Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.”

Commentary to UNGP 19:

“Where a business enterprise contributes or may contribute to an adverse human rights impact, it should take the necessary steps to cease or prevent its contribution and use its leverage to mitigate any remaining impact to the greatest extent possible. Leverage is considered to exist where the enterprise has the ability to effect change in the wrongful practices of an entity that causes a harm.”

“Where a business enterprise has not contributed to an adverse human rights impact, but that impact is nevertheless directly linked to its operations, products or services by its business relationship with another entity, the situation is more complex. Among the factors that will enter into the determination of the appropriate action in such situations are the enterprise’s leverage over the entity concerned, how crucial the relationship is to the enterprise, the severity of the abuse, and whether terminating the relationship with the entity itself would have adverse human rights consequences.”