



## **Remarks of Anita Ramasastry**

**Chair, United Nations Working Group on Business and Human Rights**

**Webinar on the “Life and Adventures of the Ruggie Principles: A Snapshot of Business and Human Rights Practice from Indonesia”**

Organized by the Institute for Policy Research and Advocacy (ELSAM)

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Distinguished Panellists, Colleagues and Participants,

Greetings from Seattle!

I extend my thanks to the organizers for inviting me to make opening remarks today at this event focusing on business and human rights in Indonesia. I address you in my capacity as Chair of the UN Working Group on Business and Human Rights. We are a group of five independent experts from different regions, including Asia.

Indonesia holds a special place in my heart. I am a law professor at the University of Washington in Seattle, and over my many years of teaching, I have had the privilege of teaching many students from Indonesia coming to study sustainable development, and business and human rights. Our Indonesian alumni are leading professors, researchers, and government officials as well as senior lawyers in the private sector. Through working with them, I have come to learn and appreciate Indonesia’s vibrancy and diversity and its importance both within the region as well as globally as a member of the G20.

Let me begin by acknowledging the major steps Indonesia has taken over the years in terms of business and human rights and responsible business conduct. First, Indonesia was one of the first countries to move into the prior decade to

embed corporate social responsibility, or CSR, in its legal frameworks, including the Company Law. Indonesia's laws made it mandatory for companies in the natural resources sector to incorporate CSR into its activities. Indonesia has also been a leader in areas such as sustainable finance with its Sustainable Finance Roadmap launched in 2014.

### **The importance and critical need for a NAP**

More recently, of course, we note the work of ELSAM and the Human Rights Commission to draft a national action plan (NAP) on business and human rights. While this was not an official State plan, it was an important step in highlighting the need for national action and focus on business and human rights a policy priority. I am pleased to learn that the Law and Human Rights Ministry has now committed to the development of a National Strategic Plan on Business and Human Rights that will focus on plantations, mining and tourism.

Thailand was the first country in the region to develop a standalone NAP, followed by Japan. Malaysia is currently also developing a NAP. We are pleased that Indonesia has indicated it will do so. In fact, we note that there is a national dialogue on business and human rights later this week on November 25.

National action plans are vital to local and regional efforts to advance business and human rights, as they allow a focus on local context and local priorities, which is key to the success of any business and human rights platform.

The Working Group understands that there may be several sectors in which the National Strategic Plan will focus but encourages the plan to also consider more general issues given the diversity of Indonesia's economic landscape.

Thus, it may be useful to consider and address broad-based issues such as the issue of gender or women in the workforce, the informal economy, global supply chains, etc. While the scope of the NAP varies from country to country, multistakeholder consultation and engagement will help identify priorities.

We encourage States to remain flexible and not predetermine the full scope of the NAP. Some countries have also included issues of corruption prevention as well as environmental considerations in their NAPs. The Working Group has addressed the connection between business and human rights and corruption in its recent report to the UN Human Rights Council. Similarly, a new topic on which we encourage States to focus on is risks to human rights defenders who speak up about business related human rights abuses and face threats and reprisals.

In general, the Working Group emphasizes that it is important that there be stronger policy coherence via a coordinated NAP.

### **The importance of the Guiding Principles during and after the COVID-19 pandemic**

The Working Group is itself just coming out of another major event, the annual UN Forum on Business and Human Rights, which took place last week. Normally it is held at the UN in Geneva, but this year it was virtual

Last week's event had the theme "Preventing business-related human rights abuses: The key to a sustainable future for people and planet."

Prevention of adverse impacts on people is fundamental for sustainable development. Prevention is also at the core of the Guiding Principles, and their emphasis on proactive, ongoing action by States and business in fulfilling their respective duties and responsibilities.

That was the Working Group's key message at the global forum last week: The UN Guiding Principles are a key tool for prevention of negative human rights impacts and as a result are essential to a strategy for a resilient recovery.

The COVID-19 pandemic has disrupted supply chains and exposed workers to greater health and economic impacts and risks. The crisis has further increased the vulnerability of certain populations such as migrant workers, women and workers in essential sectors such as agricultural and production of protective equipment.

The Guiding Principles can help governments and businesses to ensure that current business and policy decisions do not create further risks to people and the planet. COVID-19 increases risks such as forced labor for example. So now is not the time to relax labor and human right standards but to work collaboratively – locally, nationally, regionally and globally to ensure we do not treat economic recovery as a trade-off between GDP and lost lives. Responsible business conduct is not a burden – it is a wise path for sustainability.

States need to increase the social safety net while also ensuring respect for the dignity of all workers. This also means that all States need to think carefully about the impact of new legislation relating to labor and environmental regulation on rights-holders. A strategic approach to business and human rights across all sectors can lay the foundations for a resilient recovery.

The COVID-19 pandemic has created a heavy social impact across Indonesia's manufacturing sector. Multinational standards for responsible business across the whole supply chain can be a useful framework to identify solutions to

mitigate the worst impacts of COVID-19. It can allow businesses to develop useful solutions at the local level proactively. It can also help the financial sector to leverage its capital and investments towards sustainable business, including state-owned enterprises

The Guiding Principles provide an essential road map to ensure both that we navigate the current crisis with respect to safeguarding people and that we will build better forward. Their three pillars tell us what is needed in practice: States must protect human rights, business should respect human rights, and victims need access to effective remedy.

Colleagues,

16 June 2021 will mark the 10<sup>th</sup> anniversary of the Guiding Principles. Their unanimous endorsement by the UN was a landmark moment for business respect for human rights but also for better business.

This upcoming milestone presents an opportunity to reflect on progress and challenges to date and, more importantly, to plan and create a renewed push for scaled-up global implementation going forward.

This is why, in July of this year, we launched “UNGPs10+ / NextDecadeBHR,” a major project in collaboration with OHCHR and UNDP, and supported by Germany, Switzerland, and other partners.

It will result in two main outputs.

First, a stocktaking report will be presented to the UN Human Rights Council in June 2021, assessing achievements and failures to date as well as obstacles and opportunities for leveraging faster and wider change in the coming years.

This will be the groundwork for the second part where we will develop a roadmap for the next decade that will provide strategic direction to all stakeholders. The Roadmap will be launched on June 16.

The UNGPs10+ project is well underway in gathering inputs from a wide range of stakeholders globally to inform these two deliverables. I would like to draw your attention to our invitation to all interested parties in Indonesia to have their say through written contributions.

Thank you for the invitation. I hope that your discussions will be constructive, fruitful and pave the way for further action in the region.