Respect for Human Rights

8 Minute Read

Ethical supply chains must respect the human rights of people involved in and affected by commodity production and trade. This includes workers throughout the supply chain as well as indigenous peoples and local communities (IP/LC) whose land, livelihoods, or resources might be impacted by commodity production. The Accountability Framework calls on companies to commit to respect internationally-recognized human rights throughout their operations and supply chains, to implement systems that ensure such respect, and to assess and report on progress toward this goal.
What are internationally-recognised human rights?

Core internationally-recognized human rights are described in the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights) core UN human rights treaties, the International Labour Organization (ILO) eight fundamental Conventions and Declaration on Fundamental Principles and Rights at Work, and multiple other instruments. In addition, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) provides a compilation of specific rights of these groups that are affirmed in other binding and ratified treaties.

Company responsibility to respect internationally-recognised human rights has been affirmed by multiple human rights bodies and instruments such as the UN Guiding Principles on Business and Human Rights (UNGPs). This responsibility includes compliance with applicable international law and other applicable laws in the places where companies operate, but also extends beyond legal compliance.

What should be included in company commitments to respect internationally-recognized human rights?

Company commitments should specify that the company will operate in accordance with international human rights instruments listed above. This includes commitments to avoid causing or contributing to adverse impacts to internationally-recognized human rights and to prevent or mitigate such impacts linked to their operations, products, or services.

Commitments to respect the rights of indigenous peoples and local communities should specify that the company will operate in accordance with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and respect IP/LC formal and customary rights to lands, territories, and resources in the context of any company activity. Companies should also commit to securing the free, prior, and informed consent (FPIC) of IP/LC prior to any activity that may affect their rights, land, resources, or livelihoods, and to respecting the outcome of the FPIC process, including a decision to withhold consent.
Policies on respecting workers’ rights should specify the company’s commitment to:

- no child labour
- no forced or compulsory labour
- freedom of association and collective bargaining
- no discrimination
- no abusive practices or undue disciplinary procedures
- legal and decent working hours
- safe and healthy workplaces
- living wages and fair benefits

All commitments to respect human rights should also include provisions for:

- active stakeholder engagement
- effective grievance mechanisms
- remediation where the company has caused or contributed to adverse impacts to human rights
- protection of environmental and human rights defenders

How should companies implement their human rights commitments?

Companies should identify, act on, and remediate adverse human rights impacts consistent with the human rights due diligence process specified in the UNGP and other globally-recognised norms.

Companies should first conduct an assessment of actual and potential impacts to human rights that are associated with the their activities and those of their business partners, including suppliers. This typically requires supply chain mapping and traceability to identify suppliers, sourcing areas, and potentially affected rightsholders.

Companies should then take appropriate steps to address previous and ongoing impacts and associated risks, depending on their role in the supply chain and connection to those impacts. The table below describes the ways in which companies can be connected to human rights impacts.
Companies that manage production and processing operations will need to directly manage land use and labor practices in these operations. If these companies are causing or contributing to adverse impacts, then they have a responsibility to cease relevant activities and implement measures to prevent their reoccurrence. For these companies, early engagement with communities potentially affected by operations can prevent land conflicts and associated rights abuse, support improved livelihoods, build trust, and address issues that require action at the community-level, such as child labour.

Commodity buyers and other downstream companies should address impacts and risks by conducting effective due diligence on all suppliers and by engaging them through contracts and codes of conduct, action plans, provision of technical or financial support, and/or certification. As relevant, they should adjust sourcing, buying, or financing practices to eliminate the company’s contribution or link to rights violations, and use the company’s leverage with its direct and indirect suppliers to help prevent the impact from continuing or reoccurring.

The Framework identifies best practices for addressing harms to human rights in its Operational Guidance documents on the Rights of Indigenous Peoples and Local Communities; Free, Prior, and Informed Consent; Respect for Workers’ Rights; and Remediation and Access to Remedy.
When and how should companies carry out remediation?

When a company causes or contributes to adverse impacts to human rights, it is expected to provide for or cooperate in providing fair and just remedy through legitimate procedures. When a company is linked to adverse impacts through its supply chain or other business relationships, the company should use its leverage to require, support, or incentivize its suppliers and business partners to remediate harms, including credible controls to prevent future harm from happening again.

To facilitate fair and just remedy, companies must have a grievance mechanism that adheres to the effectiveness criteria of the UNGP (Principle 31). In addition to providing access to remedy, an effective grievance mechanism enables problems to be addressed early before they escalate, and to help identify patterns of abuses over time.

In line with international human rights standards, remedy must, whenever possible, include fully restoring the rights that existed before the violation. It may also include providing compensation for economic and non-economic loss, providing apology, guaranteeing non-repetition, and collaborating with government or judicial systems to provide these or other forms of remedy.

How should companies demonstrate compliance with human rights commitments?

Companies are expected to track compliance with commitments through credible monitoring and independent verification. This includes desk-based methods such as Human Rights Impact Assessments (HRIA), reviews of grievances and the status of their resolution, and the collection and analysis of grievance records and monitoring information from suppliers. It also typically requires on-the-ground methods such as rightsholder and stakeholder interviews, field visits, and independent audits.

Participatory approaches that involve affected persons and communities in monitoring and assessing outcomes can be an important part of effective monitoring processes.

Companies should report regularly on their human rights policies, processes, and performance using credible reporting tools and standards such as the UNGP Reporting Framework and the relevant standards of the Global Reporting Initiative.
How can respect for human rights be incorporated into broader company systems?

To meet their responsibility to respect human rights, companies should have in place policies, processes, procedures, and practices that embed all of the above expectations into company operations and decision-making. This can be done through a company-wide Integrated Management System that streamlines the company’s approach to addressing its myriad goals and obligations related to production efficiency, product quality, and ethical conduct. This approach can help companies ensure availability of resources for effective due diligence, reduce duplication, improve supply chain efficiencies, and better address environmental and social issues that are often interlinked.
Next steps

Review sections of the Accountability Framework on respect for human rights

Core Principles

- 2.1 Respect for All Human Rights
- 2.2 Respect for the Rights of Indigenous Peoples and Local Communities
- 2.3 Respect for Workers’ Rights
- 7 Land Acquisition, Land Use Planning, and Site Development
- 8 Land Management and Long-Term Protection
- 9 Access to Remedy and Environmental Restoration

Operational Guidance

- The Relationship Between Voluntary Commitments and Applicable law
- Respecting the Rights of Indigenous Peoples and Local Communities
- Free, Prior, and Informed consent (FPIC)
- Workers’ Rights
- Remediation and Access to Remedy

Apply the Framework

Companies can use the Framework in the following ways to work toward supply chains that respect human rights:

1. Set or strengthen company policies on human rights
   a. Assess the content and specification of your current policies and commitments
      Self-assessment tool
   b. Learn how to craft a commitment or policy that aligns with the Accountability Framework
      How to set a policy
Next steps

2. **Assess and improve implementation** systems using consensus-based best practices in the Accountability Framework

   [Implement ethical supply chains](#)

3. **Determine how to best to report on progress** using existing reporting systems and in alignment with the Framework:

   [Report on progress](#)

Find additional support

Companies are faced with an array of considerations when setting and implementing commitments to respect human rights. Along with using the Accountability Framework’s consensus-based norms and guidance, companies may wish to seek the support of a service provider whose approach and advice are aligned with the Accountability Framework. The AFi team is also available to discuss your company’s next steps. The AFi is not a fee-based service provider but can help guide you in identifying ways to apply the Framework and direct you to additional support from AFi coalition members or other sources based on your needs and interests.