



WEBINAR

Responsible business conduct, human rights due diligence, and just transition for the realization of decent work in India

23 August 2024, 14:30 – 16:30 IST

This event is organized through KOICA-funded “Promoting Sustainable Enterprises in India (PSEI)’ project.

Advancing social justice, promoting decent work



Programme

Time	Sessions
14:30 – 14:40	Opening remarks by <i>Ms Michiko Miyamoto</i> , Director of the Decent Work Team and Country Office for India
14:40 – 15:30	Responsible business conduct and labour dimension of human rights due diligence ▶ The changing landscape for business and the importance of responsible business conduct and human rights due diligence ▶ ILO's approach to responsible business conduct, guided by the principles of the ILO MNE Declaration ▶ International instruments on responsible business conduct ▶ ILO Helpdesk for Business: ILO assistance to companies in undertaking human rights due diligence Discussion: Challenges faced by Indian enterprises
15:30 – 15:50	Responsible business conduct for a just transition ▶ Responsible business conduct for a just transition – ILO guidance for business ▶ Implications for Indian enterprises
15:50 – 16:20	Questions and answers
16:20 – 16:30	Conclusions

Presenters

Emily Sims, Senior Specialist and ILO Helpdesk for Business Manager, Multinational Enterprises and Responsible Business Conduct Unit, ILO



Yeomin Kim, Technical Officer, Multinational Enterprises and Responsible Business Conduct Unit



► What does responsible business conduct (RBC) mean to you?

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What does responsible business conduct (RBC) mean to you?

In general, **responsible business conduct** is a set of business practices that align with international standards on human rights, labour rights, and the labour dimension of environmental protection, while remaining sustainable and competitive.



Drivers of responsible business conduct

Responsible business
= good business
(productivity and competitiveness)

International frameworks
on RBC

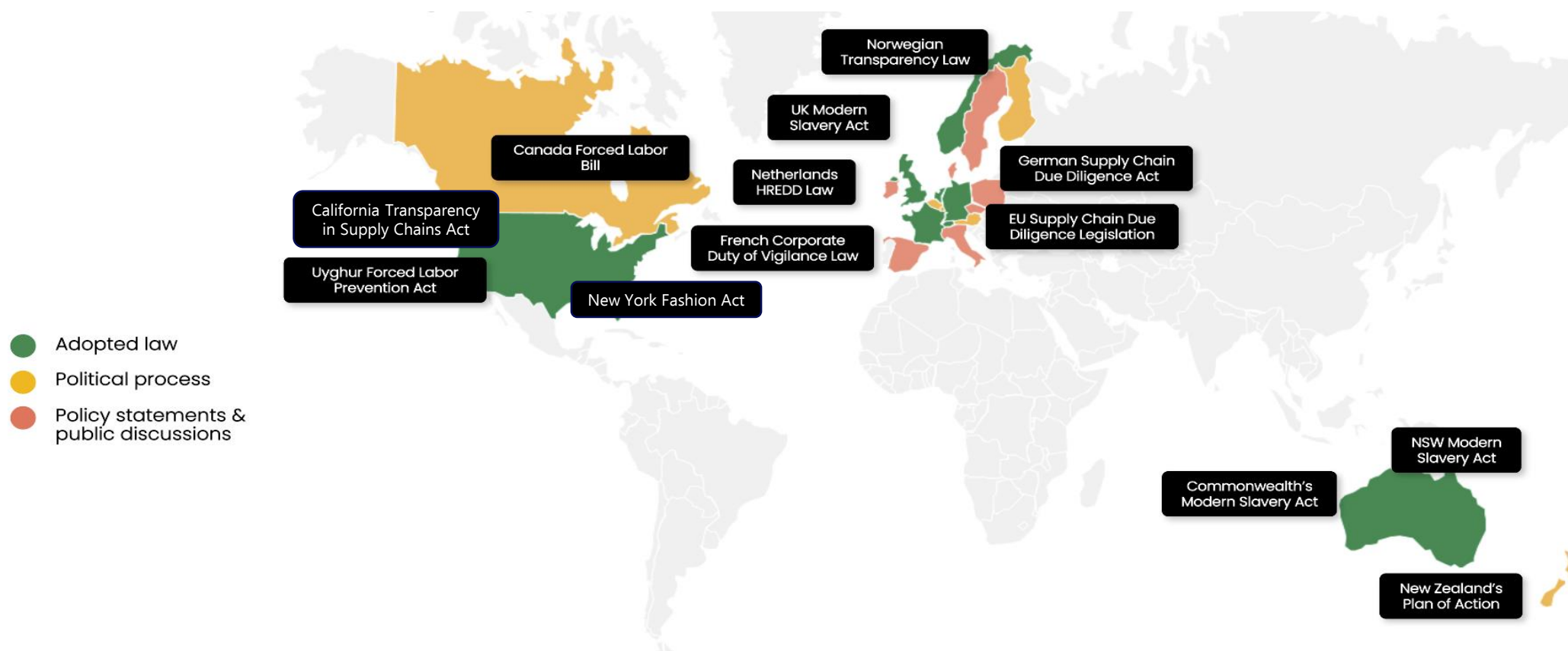
Changing discourse on trade and
investment agreements

Evolving legal and regulatory
landscape of due diligence

Market and stakeholder
expectations

Supplier requirements from MNEs

Evolving legal and regulatory landscape of human rights due diligence



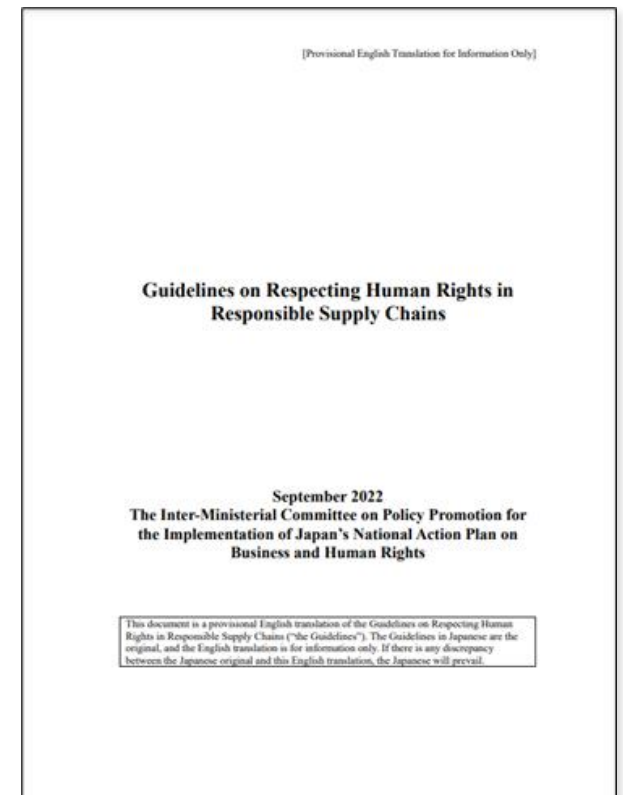
Source: <https://blog.worldfavor.com/the-complete-list-of-national-human-rights-due-diligence-laws-whos-affected-and-how-to-comply>

Advancing social justice, promoting decent work

Japan's Guidelines on Respecting Human Rights in Responsible Supply Chains

- ▶ Following the National Action Plan on Business and Human Rights (October 2020), the Japanese government published Guidelines on Respect for Human Rights in Responsible Supply Chains in September 2022.
- ▶ Although the guidelines are not legally binding, they sets a clear expectation for all companies operating in Japan to respect human rights, through formulating a human rights policy, conducting human rights due diligence, and providing remedy. The scope includes supply chains within and outside of Japan.
- ▶ The guidelines elaborate on how to conduct HRDD with reference to international standards – UNGPs, OECD Guidelines and ILO MNE Declaration.

See: [Guidelines on Respecting Human Rights in Responsible Supply Chains](#)



Responsible business conduct (RBC) today...

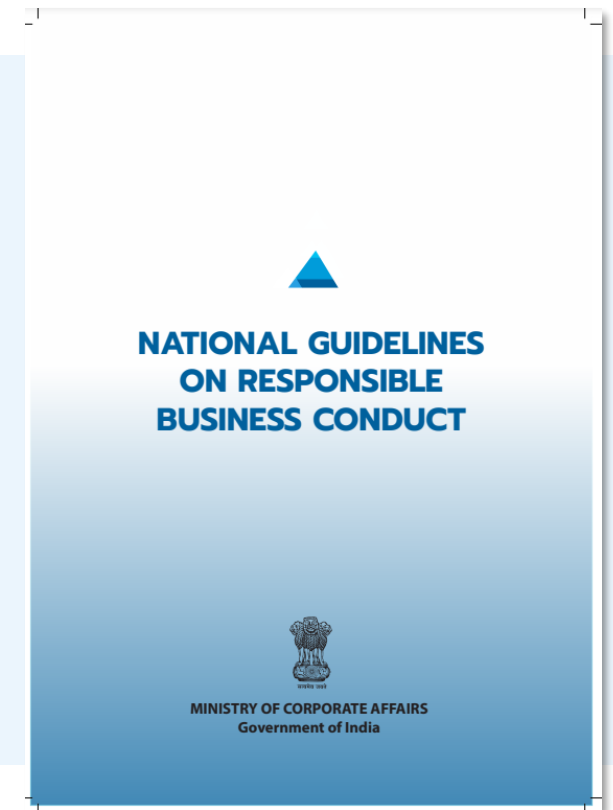
Key UN reference frameworks:

- ▶ The 2030 Agenda for Sustainable Development (2015)
- ▶ The United Nations Framework (2008) and the Guiding Principles on Business and Human Rights (2011)
- ▶ The Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) (last revised in 2022), which is founded on International Labour Standards

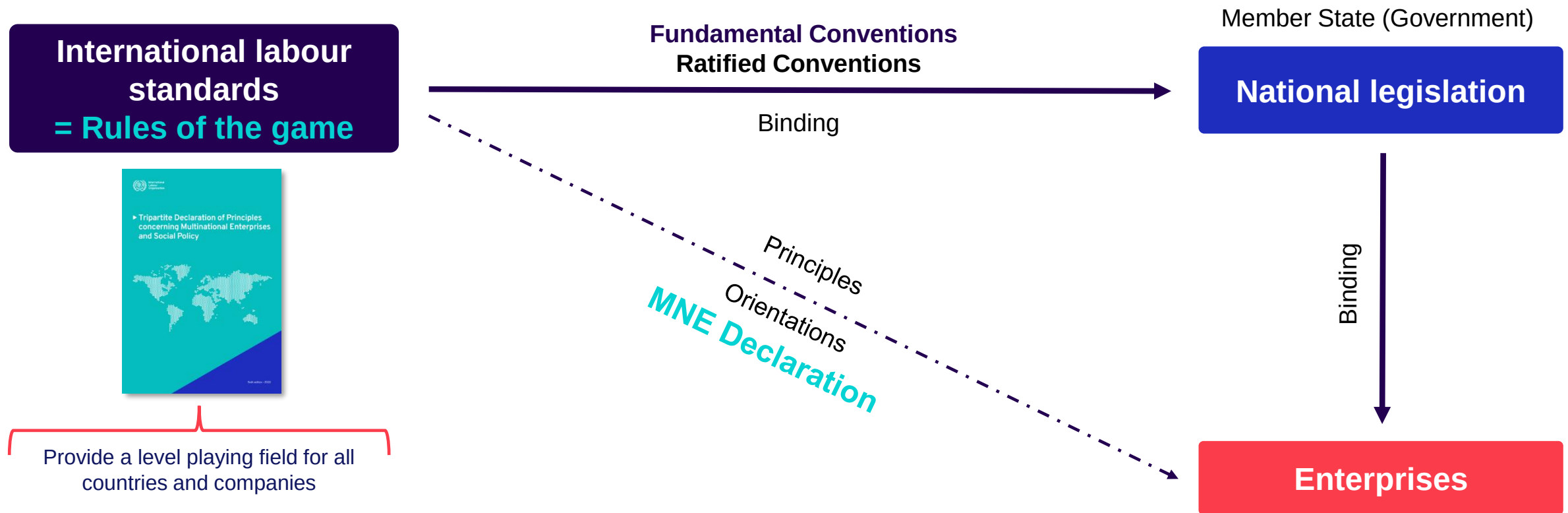


Responsible business conduct (RBC) in India

- ▶ **National Guidelines on Responsible Business Conduct (NGRBC)**, providing guidance to Indian businesses on responsible business practices, in line with the [UN Guiding Principles on Business and Human Rights](#).
- ▶ **Sector-Specific NGRBC for the Ready-Made Garments sector in India**, with a particular focus on Tier 1 and Tier 2, i.e., RMG brands and manufacturers.
- ▶ **Business Responsibility and Sustainability Reporting (BRSR)** for the top 1,000 listed companies, requiring them to disclose their ESG performance against the nine principles of the NGRBC.



International labour standards - Relationship to enterprises



Fundamental Principles and Rights at Work

Labour right	Definition	Relevant convention
Freedom of association and collective bargaining	The right of workers and employers to freely form or join organizations that promote and defend their interests at work, without interference from one another or the State.	▶ C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 ▶ C098 - Right to Organise and Collective Bargaining Convention, 1949
Elimination of forced labour	Any work or service that is exacted from a person under the threat of penalty, and for which that person has not offered himself or herself voluntarily.	▶ C029 - Forced Labour Convention, 1930 and P029 - Protocol of 2014 to the Forced Labour Convention, 1930 ▶ C105 - Abolition of Forced Labour Convention, 1957

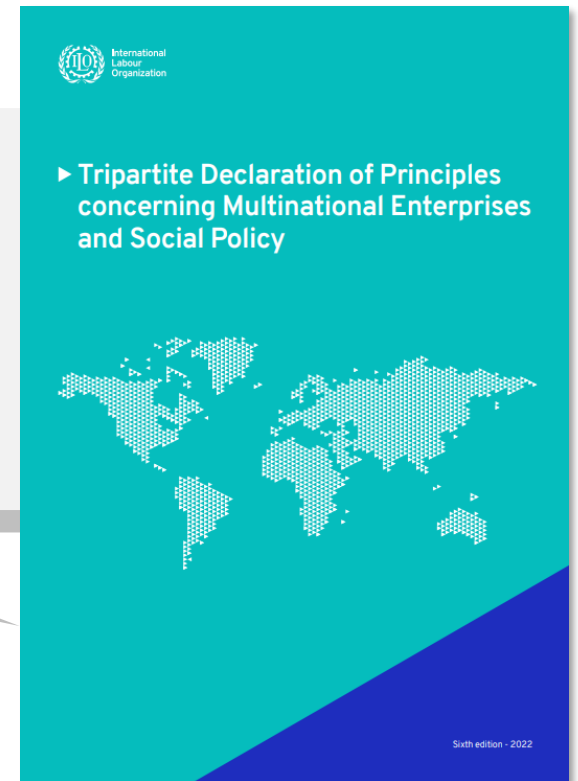
Fundamental Principles and Rights at Work, cont.

Labour right	Definition	Relevant convention
Abolition of child labour	Any work that harms the child's well-being and hinders his or her education, development and future livelihood.	▶ C138 - Minimum Age Convention, 1973 ▶ C182 - Worst Forms of Child Labour Convention, 1999
Elimination of discrimination in respect of employment and occupation	The right of workers and job seekers to be treated equally, regardless of any attributes other than their ability to do the job.	▶ C100 - Equal Remuneration Convention, 1951 (No. 100) ▶ C111 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
Safe and healthy working environment	A safe work environment, where risks to workers' health and safety are minimized and the OSH system is well managed.	▶ C155 - Occupational Safety and Health Convention, 1981 (No. 155) ▶ C187 - Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)

Framework for responsible business conduct

« **encourage the positive contribution which multinational enterprises** can make to economic and social progress and the realization of decent work for all; and to **minimize and resolve the difficulties** to which their various operations may give rise. »

MNE Declaration, paragraph 2

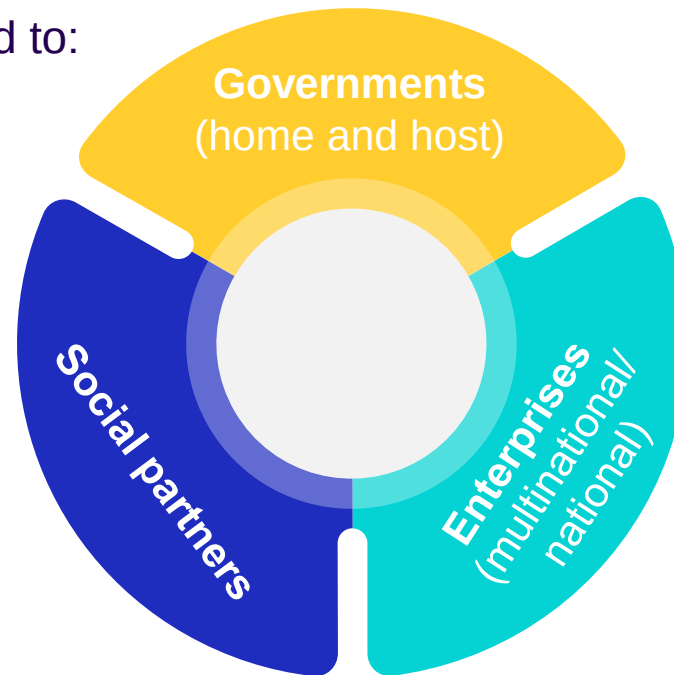


Why such a Declaration?

Challenges addressed	
Shared benefits	How can the positive contribution of multinational enterprises to development be encouraged while minimizing negative impacts in the country where they operate?
Inclusive growth	How to ensure that Foreign Direct Investment (FDI) and trade (global supply chains) contribute to decent work?
Policy coherence	What are the policies needed to achieve inclusive growth?
Sustainable enterprises and responsible business conduct	How can enterprises' initiatives be better aligned with public policies (national development objectives and decent work priorities)?

MNE Declaration – its approach

- ▶ Recommendations addressed to:



- ▶ Dialogue at all levels
 - ▶ Between government and social partners (**social dialogue**)
 - ▶ Within the enterprises between management and workers (**industrial relations**)
 - ▶ Between government, social partners and multinational enterprises (**tripartite-plus dialogue**)
 - ▶ Between home and host countries of multinational enterprises (**cross-border social dialogue**)

The MNE Declaration - recommendations in 5 areas

General policies

- ▶ Respect for the rule of law
- ▶ Realization of the FPRW
- ▶ Conduct due diligence
- ▶ Alignment with national development priorities
- ▶ Home-host country dialogues

Employment

- ▶ Employment promotion
- ▶ Social Security
- ▶ Forced labour
- ▶ Child labour
- ▶ Equality
- ▶ Security of employment

Training

- ▶ Lifelong-learning
- ▶ Access to training opportunities

Conditions of work and life

- ▶ Wages, benefits and conditions of work
- ▶ Occupational safety and health

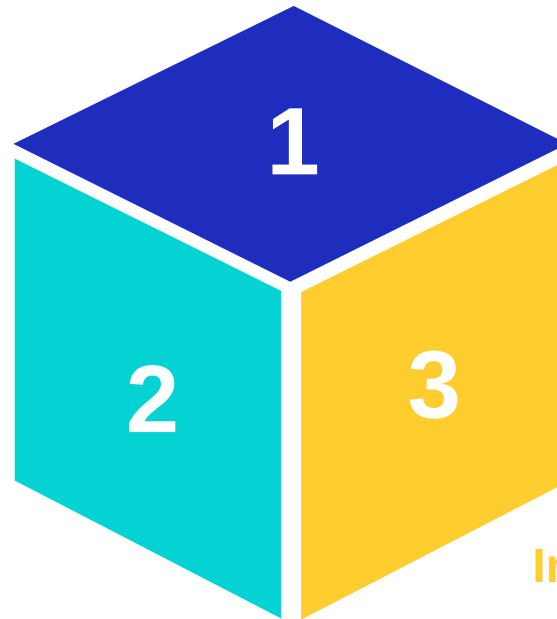
Industrial relations

- ▶ Freedom of association
- ▶ Collective bargaining
- ▶ Consultation
- ▶ Access to remedy and examination of grievances
- ▶ Settlement of industrial disputes

MNE Declaration Operational tools

Company-union dialogue

- ▶ ILO support to discuss issues of mutual concern
- ▶ Voluntary and confidential



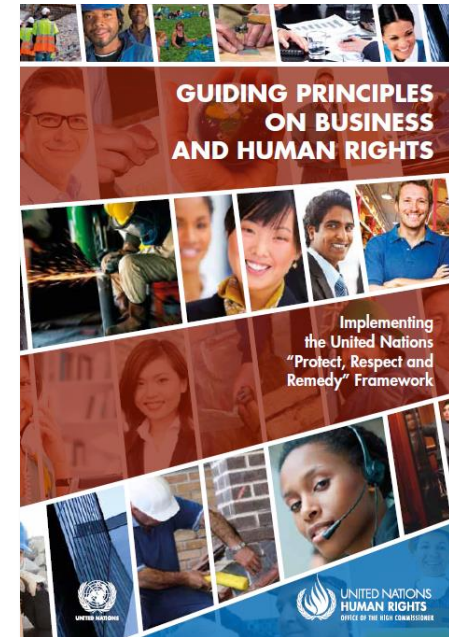
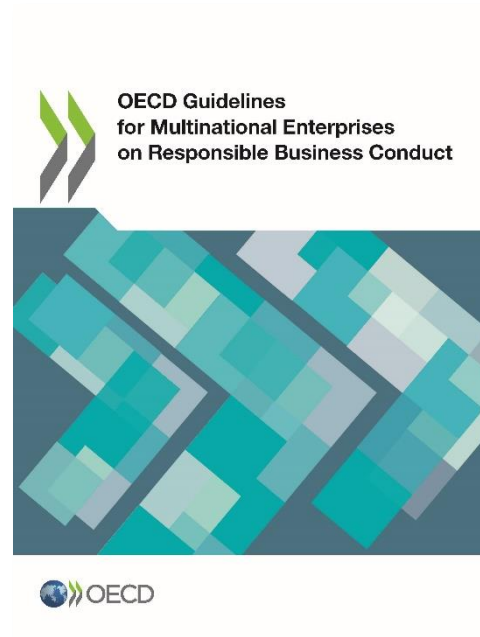
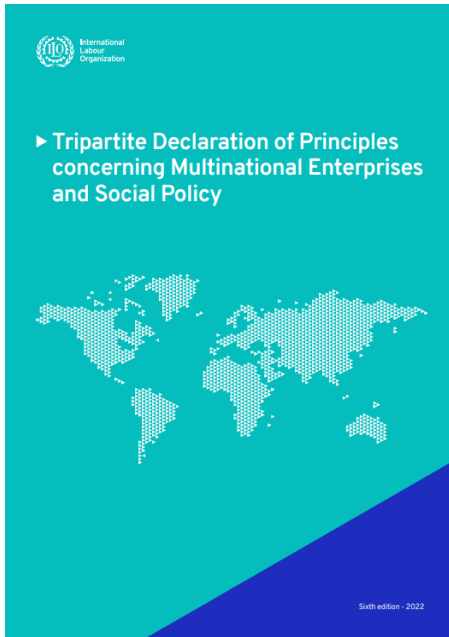
Promotion

- ▶ Regional follow-up
- ▶ National tripartite-appointed focal points
- ▶ ILO technical assistance to constituents
- ▶ [ILO Helpdesk for Business](#)

Interpretation procedure

- ▶ Governing Body to resolve a disagreement of the meaning
- ▶ Application of the principles in a real situation

International instruments on RBC



UN Guiding Principles on Business and Human Rights – Three pillars

UN Guiding Principles on Business and Human Rights (2011)

The State duty to protect against human rights abuses by businesses: regulations, policies, enforcement

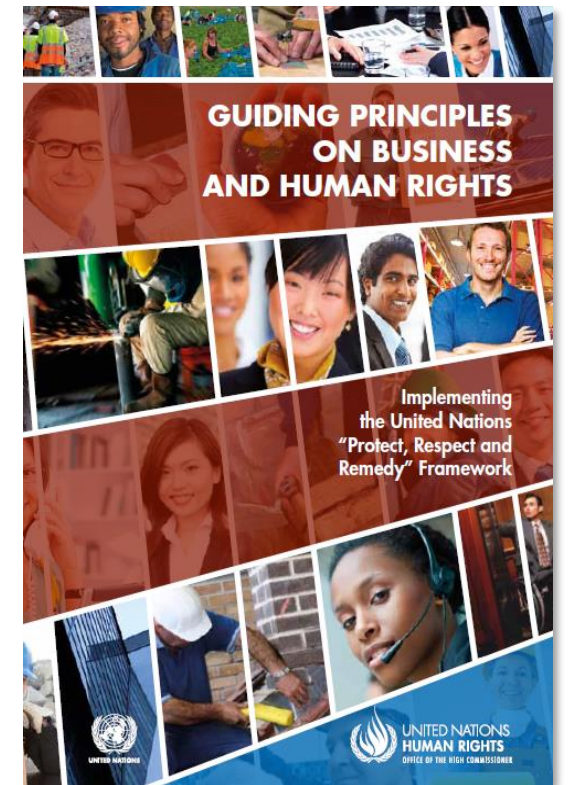
Protect

The corporate responsibility to respect human rights : act with due diligence to avoid infringements and address adverse impacts on human rights

Respect

Access to effective remedy for victims through judicial and non-judicial grievance mechanisms

Remedy



UN Guiding Principles on Business and Human Rights

UN Guiding Principles on Business and Human Rights (2011)

The State duty to protect against human rights abuses by businesses: policies, regulation, adjudication

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The corporate responsibility to respect human rights : act with due diligence to avoid infringements and address adverse impacts on human rights

Respect

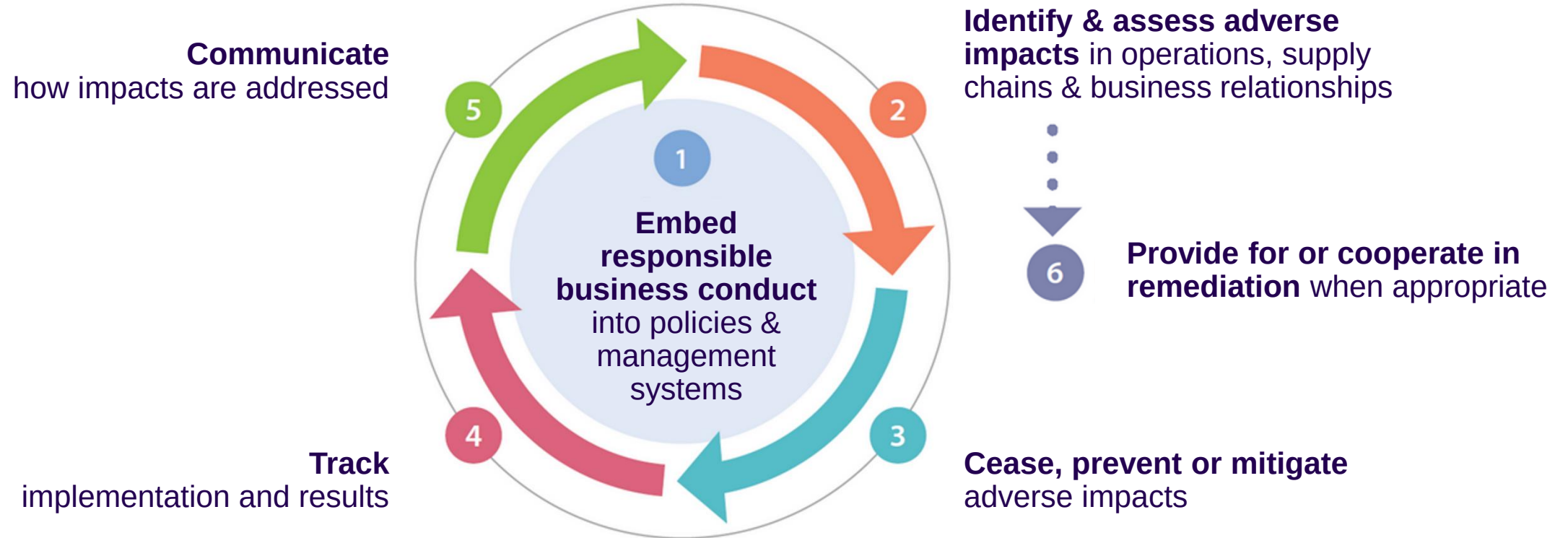
Access to effective remedy for victims through judicial and non-judicial grievance mechanisms

Remedy

- a) A policy commitment to meet their responsibility to respect human rights;
- b) A **human rights due diligence process to identify, prevent, mitigate and account for how they address their impacts on human rights;**
- c) Processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute.

Guiding Principles on Business and Human Rights, Paragraph 15

Due diligence process



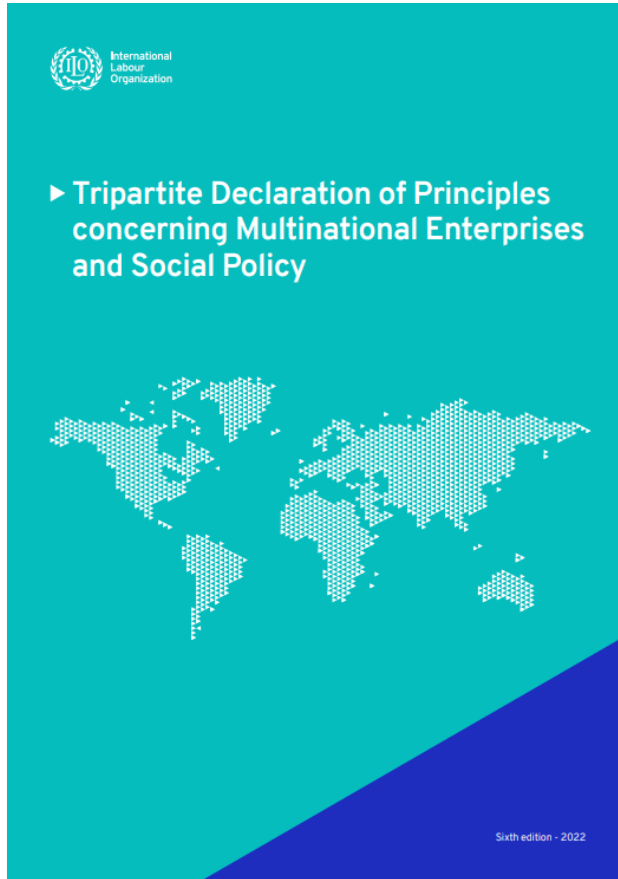
Source: OECD Due Diligence Guidelines

Good practices in human rights due diligences

1	Embed responsible business conduct	▶ Develop human rights policies with reference to UNGPs, ILO MNE Declaration, and OECD MNE Guidelines ▶ Disseminate human rights policies through handbooks or training in local languages to ensure company-wide understanding.
2	Identify & assess adverse impacts	▶ Conduct supplier audits and worker interviews in their native languages to better understand labour conditions. ▶ Implement regular assessments through self-reports, factory visits, or weekly reports to monitor working conditions.
3	Cease, prevent or mitigate	▶ Engage in dialogue with employees to foster a culture of respect for workers' rights, e.g., a safe and healthy work environment. ▶ Support suppliers in implementing corrective measures, ensuring compliance with BRH/CSR procurement guidelines.
4	Track	▶ Monitor key performance indicators (KPIs) to evaluate human rights risk management. ▶ Conduct regular supplier surveys to track adherence to procurement policies and improve monitoring methods.
5	Communicate	▶ Disclose salient human rights risks and actions taken, ensuring the information is clear and accessible to stakeholders. ▶ Report on grievance mechanisms, including the number and outcomes of cases, to enhance transparency.
6	Provide for or cooperate in remediation	▶ Ensure grievance mechanisms are effective, predictable, and transparent by keeping complainants informed about case status. ▶ Support suppliers in establishing grievance mechanisms and assist in resolving issues identified through these channels.

Source: ILO. Responsible Business Conduct and Human Rights Due Diligence: Good Practices of Japanese Companies

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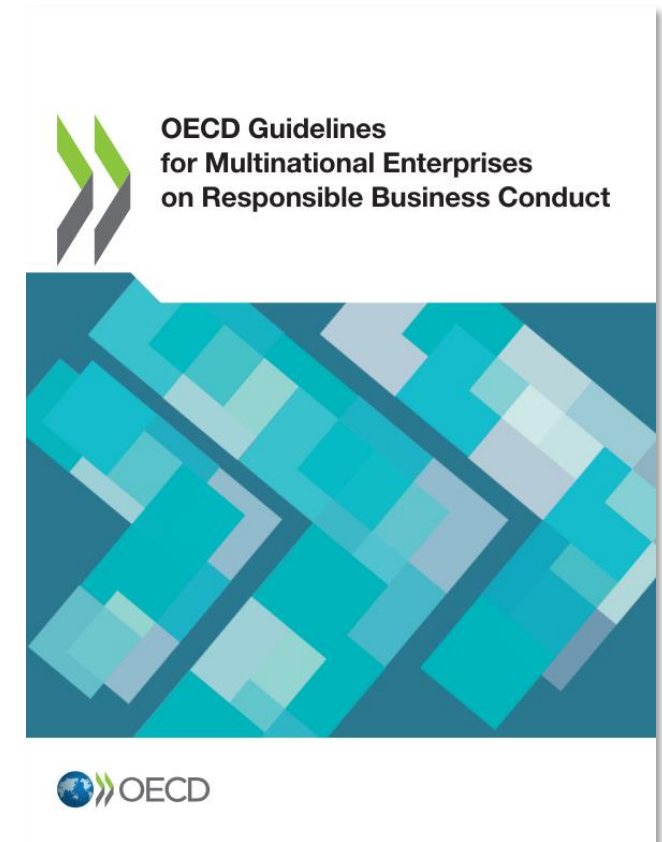
Role of workers in due diligence

- Undertake meaningful consultation with potentially affected groups and other relevant stakeholders, including workers' organizations, as appropriate to the size of the enterprise and the nature and context of the operation.
- Take account of the central role of freedom of association and collective bargaining as well as industrial relations and social dialogue.
- Establish as an ongoing process.

MNE Declaration, Paragraph 10 e)

OECD Guidelines for Multinational Enterprises on RBC

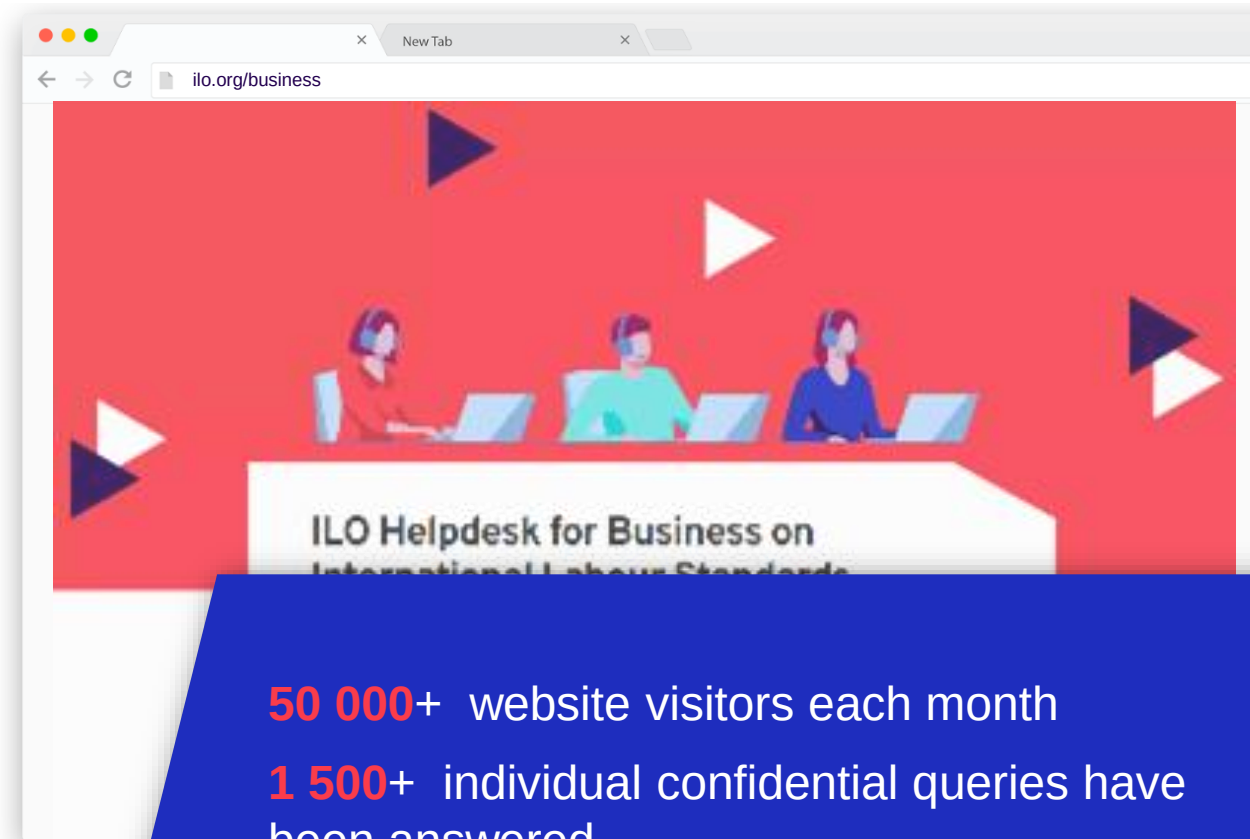
- ▶ Addressed to governments concerning multinational enterprises operating in or from adhering countries
- ▶ Covers human rights, employment relations, environment, taxation, bribery, among other topics.
- ▶ Refers to the ILO MNE Declaration and international labour standards for all labour issues.
- ▶ OECD has also developed due diligence guidelines (both general and sector-specific)
- ▶ National Contact Points (NCPs), agencies established by governments to promote the OECD Guidelines for Multinational Enterprises. They provide a mediation and conciliation platform to resolve issues raised by allegations of non-observance of the Guidelines (referred to as “specific instances”)



ILO Helpdesk for Business

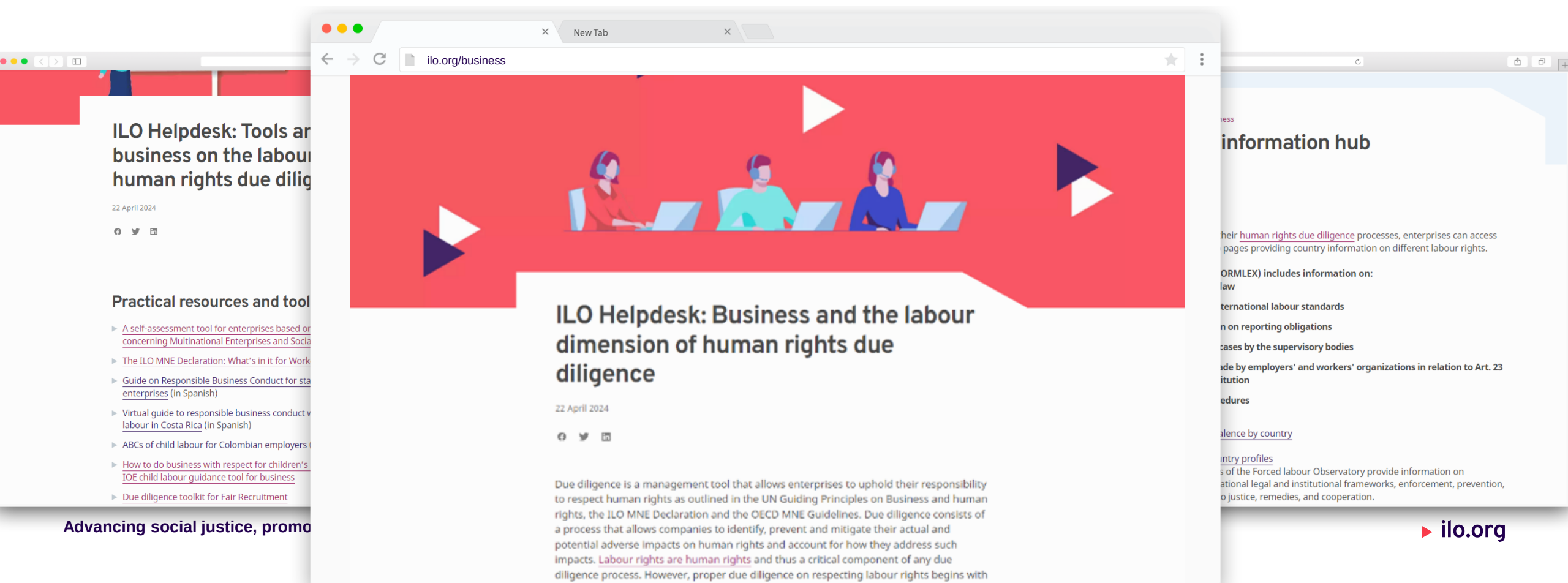
- ▶ for companies, trade unions and others seeking information on the application of principles of international labour standards and the MNE Declaration to company operations
- ▶ **free** and **confidential** expert advice service for individual questions
- ▶ dedicated website organized by topic with Q&As, tools and resources, training opportunities, engagement through ILO business platforms - to help them put the principles of the MNE Declaration into practice.

www.ilo.org/business and assistance@ilo.org



50 000+ website visitors each month
1 500+ individual confidential queries have been answered

ILO assistance to enterprises to undertake human rights due diligence



The screenshot displays the ILO Helpdesk website interface. The main header features a red banner with an illustration of three people working at laptops. Below this, the article title 'ILO Helpdesk: Business and the labour dimension of human rights due diligence' is prominently displayed, along with the date '22 April 2024' and social media sharing icons. The article's introductory text explains that due diligence is a management tool for upholding human rights responsibilities. To the left, a sidebar lists 'Practical resources and tools' such as a self-assessment tool, the ILO MNE Declaration, and a guide on responsible business conduct. To the right, an 'information hub' section provides links to country-specific information and legal frameworks.

ILO Helpdesk: Tools and resources for business on the labour dimension of human rights due diligence

22 April 2024

Practical resources and tools

- ▶ [A self-assessment tool for enterprises based on the ILO MNE Declaration concerning Multinational Enterprises and Social Issues](#)
- ▶ [The ILO MNE Declaration: What's in it for Workplaces?](#)
- ▶ [Guide on Responsible Business Conduct for stakeholders \(in Spanish\)](#)
- ▶ [Virtual guide to responsible business conduct with respect to labour in Costa Rica \(in Spanish\)](#)
- ▶ [ABCs of child labour for Colombian employers](#)
- ▶ [How to do business with respect for children's rights: IOE child labour guidance tool for business](#)
- ▶ [Due diligence toolkit for Fair Recruitment](#)

ILO Helpdesk: Business and the labour dimension of human rights due diligence

22 April 2024

Due diligence is a management tool that allows enterprises to uphold their responsibility to respect human rights as outlined in the UN Guiding Principles on Business and human rights, the ILO MNE Declaration and the OECD MNE Guidelines. Due diligence consists of a process that allows companies to identify, prevent and mitigate their actual and potential adverse impacts on human rights and account for how they address such impacts. Labour rights are human rights and thus a critical component of any due diligence process. However, proper due diligence on respecting labour rights begins with

information hub

For their human rights due diligence processes, enterprises can access pages providing country information on different labour rights.

ORMLEX) includes information on:

- law
- international labour standards
- on reporting obligations
- cases by the supervisory bodies
- made by employers' and workers' organizations in relation to Art. 23 of the ILO Declaration on Fundamental Principles and Rights at Work
- institutions
- measures

[Information by country](#)

[Country profiles](#)

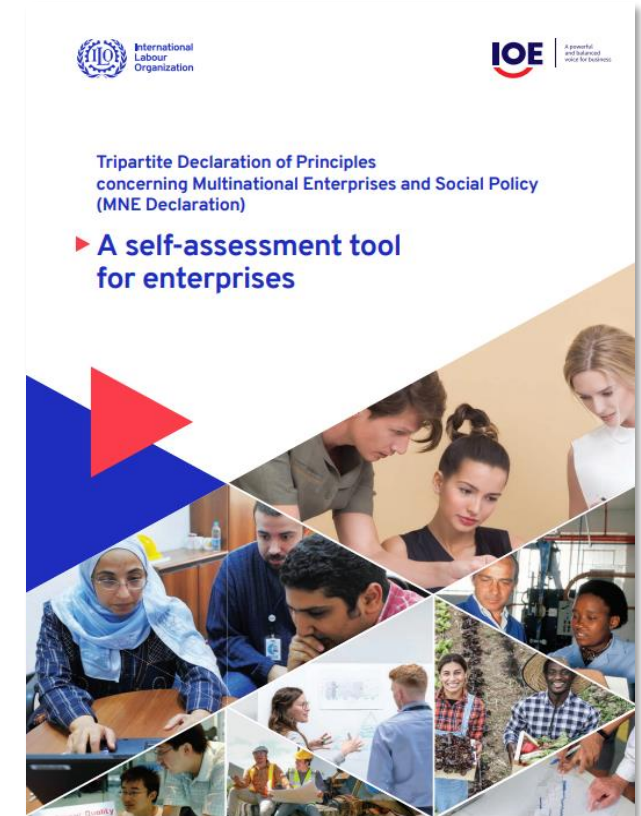
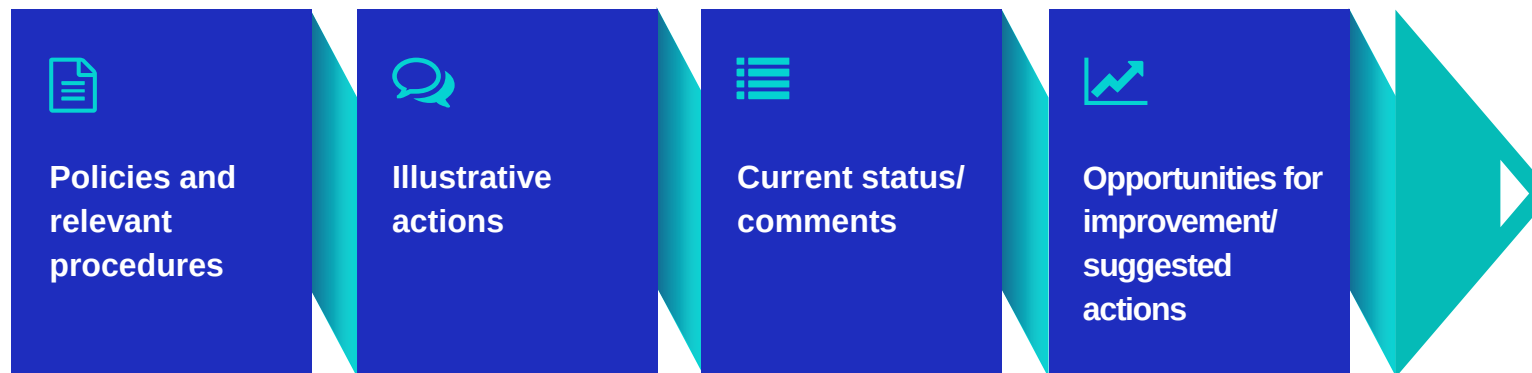
The profiles of the Forced labour Observatory provide information on national legal and institutional frameworks, enforcement, prevention, remedies, and cooperation.

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ilo.org

A self-assessment tool for enterprises

- ▶ This self-assessment tool is to help enterprises **benchmark existing policies and practices against the principles of the MNE Declaration** and to **identify potential gaps or opportunities for improvement**.
- ▶ Enterprises are encouraged to conduct this self-assessment and develop the improvement action plan in consultation with the workers and their representatives.



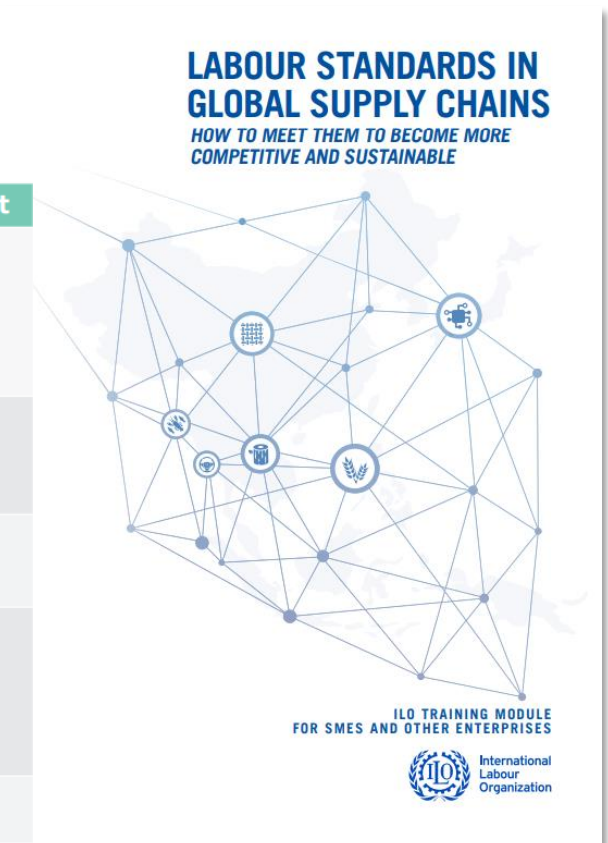


Self-assessment for labour rights in supply chains

This provides a practical training guide and self-assessments on key labour issues:

- ▶ Responsible business
- ▶ Occupational safety and health
- ▶ Wages and benefits
- ▶ Hours of work
- ▶ Child labour
- ▶ Forced labour
- ▶ Discrimination
- ▶ Harassment
- ▶ Freedom of association
- ▶ Grievance

Question	Yes	No	Part
Do you have an OSH policy that details your organisations commitment, Major OSH risks, key prevention programmes and responsibilities of managers and workers?			
Have you appointed someone to oversee OSH with the time, seniority and expertise to fulfill the role?			
Do you have and OSH Committee that meets regularly and effective?			
Are workers active in the OSH committee and on the shop floor, point out unsafe practices and come forward with suggestions to improve work safety?			
Do you assess OSH atleast annually? ①			



Examples

Sector-specific compliance assessment tool



The [Better Work Compliance Assessment Tool \(CAT\)](#) is designed to assess compliance with core international labour standards and national labour laws.

- ▶ **Level 1:** Clusters – four on core international labour standards and four on working conditions.
- ▶ **Level 2:** Compliance Points – each cluster comprises a set of compliance points.
- ▶ **Level 3:** Questions – each compliance point has a set of associated questions.



Better Work Compliance Assessment Tool Global Template

CHILD LABOUR

Overall Guidance: Child labour is work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. It refers to work that is mentally, physically, socially or morally dangerous and harmful to children and interferes with their schooling by depriving them of the opportunity to attend school, by obliging them to leave school prematurely, or by requiring them to combine school attendance with excessively long and heavy work. In its most extreme forms, children are involved in illegal activities, or in work that exposes them to physical, sexual or psychological abuse. However, not all work done by children is classified as child labour that should be eliminated. Work that does not affect children's health and personal development or interfere with their schooling can be constructive. This includes activities such as helping parents around the home, helping in a family business or earning pocket money outside school time. Whether or not work being carried out by children constitutes child labour depends on the child's age, the type and hours of work performed, and the impact of the work on the child's health, development and access to education. In addition to determining whether there are child labourers working at the factory premises, the possibility of workers taking work home should be monitored. If work is performed outside the factory premises, determine whether it is being done by underage family members.

Core Conventions: C138 Minimum Age Convention, 1973 and C182 Worst Forms of Child Labour Convention, 1999

Other relevant ILO documents: R146 Minimum Age Recommendation, 1973; R190 Worst Forms of Child Labour Recommendation, 1999

Cluster	Compliance Point	Question	Child Question	Reference
Child Labour	Child Labourers	Have you found any workers under the age of 15?		
Child Labour	Hazardous Work and other Worst Forms	Does the employer subject any workers under age 18 to the worst forms of child labour (including hazardous work, work at night, or work for long hours)?		C138, C182, R190
Child Labour	Hazardous Work and other Worst Forms		Option 1: Are all workers who are under age 18 and doing hazardous work (i) at least 16 years old; (ii) working in accordance with national laws, regulations, or authorization of the competent authority; (iii) working in such a way that their health, safety and morals are fully protected; and (iv) adequately trained to do the work safely?	C138, C182, R190
Child Labour	Hazardous Work and other Worst Forms		Option 2: Do workers who are under age 18 perform work that is hazardous by nature?	C138, C182, R190
Child Labour	Hazardous Work and other Worst Forms		Do workers who are under age 18 work overtime, at night, or more hours than allowed by law?	C90, C138, C171, C182, R190
Child Labour	Hazardous Work and other Worst Forms		Does the employer subject any workers under age 18 to the unconditional worst forms of child labour?	C182
Child Labour	Documentation and Protection of Young Workers	Does the employer have a reliable system in place to verify the age of workers prior to hiring?		C138, R146

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Challenges faced by Indian enterprises

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Challenges faced by Indian enterprises in seafood processing industry

Occupational safety and health

Wages and benefits

Working hours

Social protection

Forced labour

Informality



A Just Transition

The **triple planetary crises affects all** – countries, workers and enterprises in a variety of ways.

Greening of the economy in a way that is as fair and inclusive as possible to everyone concerned, **creating decent work opportunities**, and **leaving no one behind**.

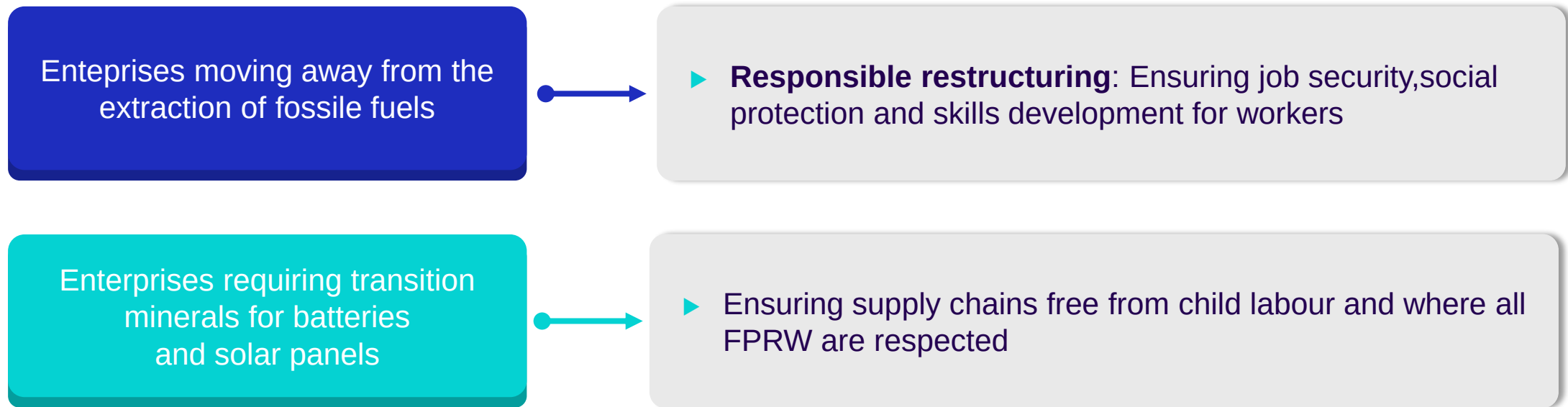
Maximizing the social and economic opportunities of climate action and **minimizing** and carefully managing any challenges — including through effective **social dialogue** among all groups impacted, and **respect for fundamental labour principles and rights**.

Just Transition to environmentally sustainable economies and societies for all

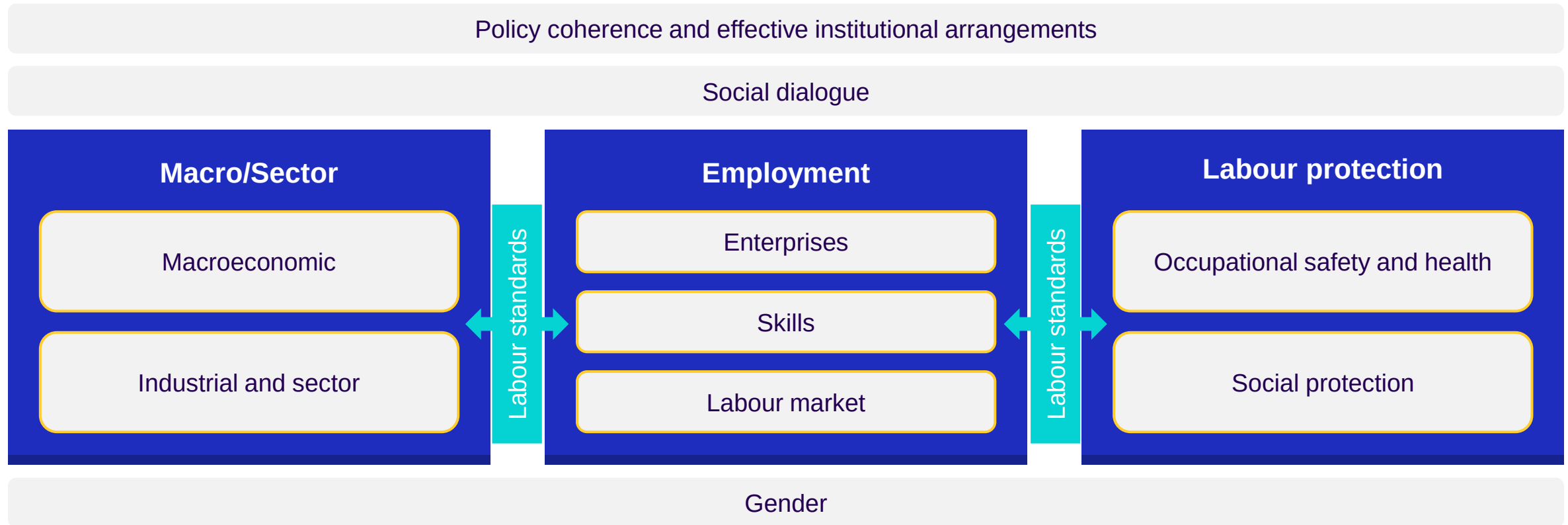
Planning for a just transition has a clear positive impact on the labour *market*



Some RBC issues that relate to Just Transition



The ILO Just Transition Guidelines

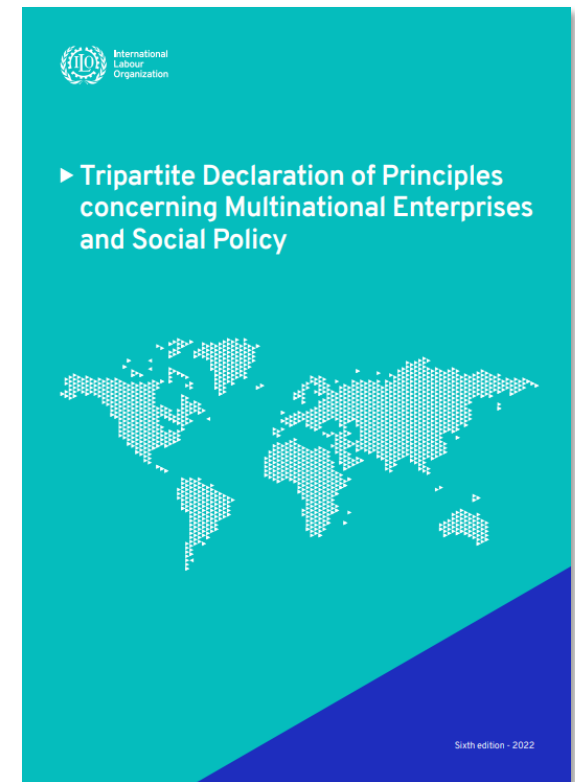


► ILC Conclusions concerning a just transition towards environmentally sustainable economies and societies for all

- 9. The International Labour Conference **endorses the ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all (2015)** which provides the central reference for policymaking and a basis for action.
- 14. Ensuring a just transition is important for all countries at all levels of development, and for all economic sectors, the formal as well as the informal economy, and should be in line with national development priorities.
- 19. The promotion of sustainable public, private and social enterprises by fostering an enabling environment, such as through supportive policies, incentives, and clear regulatory frameworks is key for a just transition. Such policies and incentives should be coupled with **the promotion of effective social dialogue, advancement of decent work** and the promotion of environmentally sustainable business models.
- 21. Governments, in consultation with the most representative employers' and workers' organizations should: (i) foster inclusive and sustainable trade and investment frameworks, value chains and supply chains that contribute to a just transition and decent work; and **effectively implement the ILO MNE Declaration** and UN Guiding Principles on Business and Human Rights.

► The ILO MNE Declaration – a relevant instrument for a just transition

- Provides **direct guidance to enterprises** on social policy and inclusive, responsible and sustainable workplace practices.
- The MNE Declaration and the Just Transition Guidelines: **common roots and underlying principles** (International labour standards, fundamental principles and rights at work, social dialogue, policy coherence).
- The MNE Declaration covers areas put forward by the Just Transition Guidelines (including social protection, skills development and training, OSH,...)



Principles of ILO MNE Declaration directed to enterprises particularly relevant in the context of a just transition

Obey to national laws and align enterprises activities with public policies and initiatives

(para 8 & 11)

Contribute to the realization of the fundamental principles and rights at work

(para 9)

Carry out due diligence and provide means of remediation for negative impacts of their activities

(para 10, 65, 66 & 68)

Respect freedom of association and the right to collective bargaining

(para 47, 48, 57 & 61)

Contribute to employment security

(para 33-36)

Complement public social security systems

(para 22)

Contribute to the creation of direct and indirect employment

(para 16, 18, 19 & 20)

Be guided by the principle of non-discrimination

(para 30)

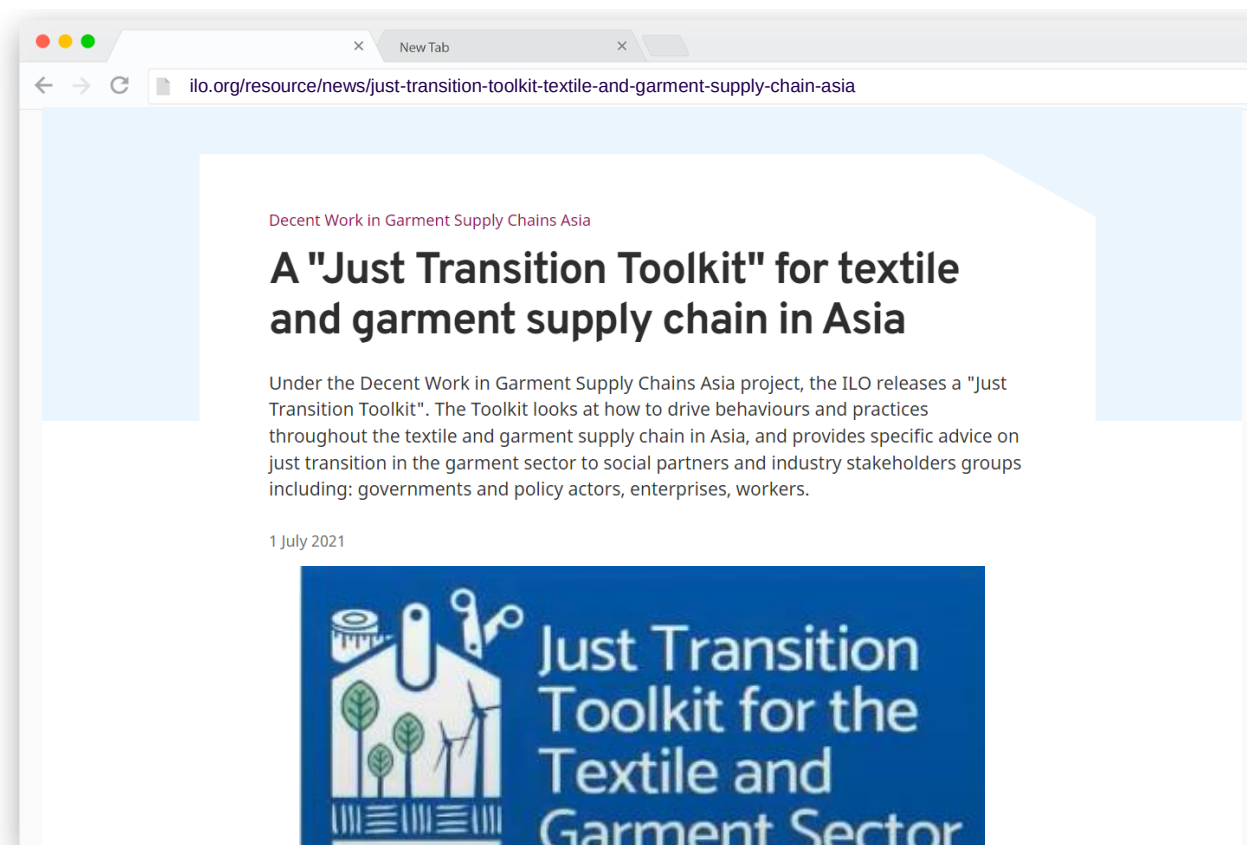
Contribute to skills development and promote lifelong learning

(para 38 & 39)

▶ Just Transition Toolkit for the Textile and Garment Sector

The Toolkit consists of reports, briefs, highlights, videos and infographics on the following topics:

- ▶ best practice environmental regulation and policy settings;
- ▶ eco-innovation processes and barriers to uptake;
- ▶ multi-stakeholder initiatives; and
- ▶ just transition in the sector.



Upcoming trainings



Human Rights Due Diligence for Decent Work

30 September – 13 October, 2024



ILS and RBC: labour dimension of human rights due diligence

4 – 8 November, 2024



Gender equality, RBC and HRDD

18 – 22 November, 2024

► More information can be found on the website:
ilo.org/mnedecclaration

