

Statement MVO Platform
Round Table on Business & Human Rights
with Gerald Pachoud (Special Adviser to John Ruggie)
The Hague, 9 November 2009

Introduction

The MVO Platform (Dutch CSR Platform) is a network of 35 Dutch civil society organizations and trade unions that are working together to promote corporate social responsibility (CSR). The MVO Platform has been following the work of the Special Representative of the United Nations Secretary-General on business & human rights, John Ruggie, with great interest, and we welcome the Protect, Respect and Remedy Framework drafted by Mr. Ruggie.

The work of John Ruggie has generated momentum for discussing in-depth issues related to business and human rights with all relevant actors. Since its founding in 2000, the MVO Platform has called for the implementation of internationally adopted standards and agreements in the field of labour and human rights. The Ruggie Framework has helped the MVO Platform in reinforcing this message. Today, the human rights aspect of CSR is a priority for a number of Dutch government ministries, including the Ministry of Economic Affairs, which has the lead on CSR.

Recognition of the global governance gap

An important aspect of Ruggie's work is the recognition of a 'global governance gap'. Until recently, the dominant argument was that the market could regulate itself and that monitoring of compliance with labour and human rights standards could be done solely by NGOs. However, it is far beyond the capacity and resources of NGOs to be fully responsible for monitoring all potential violations. Therefore, the MVO Platform continues to call for a stronger, clearer and more coherent role for governments and intergovernmental institutions.

Due diligence

The concept of due diligence is another important element of the Framework. The MVO Platform welcomes Ruggie's statement that "a pure model of self-regulation beyond compliance with national laws lacks *prima facie* credibility".¹ This means that guidance is needed for companies to perform due diligence in a manner that is credible and effective. It also implies that the four components of due diligence mentioned by Ruggie should be further elaborated.

The MVO Platform believes that due diligence should be practiced throughout a company's entire supply chain; due diligence should not end at the first-tier supplier as is now common practice. A continuous and thorough assessment of actual and potential suppliers is essential to prevent human rights violations from occurring in the supply chain. To this end, the MVO Platform would welcome a clearer and further-reaching description of due diligence.

Access to remedy

Much of the debate about the Framework is focused on the first two pillars: the *duty to protect* and the *responsibility to respect*. However, more attention is needed for the third pillar: *access to remedy*. This element requires a greater degree of involvement from NGOs in developing countries and the victims of human rights abuses than is currently the case.

¹ Statement by John Ruggie during the Consultation on operationalizing the framework for business and human rights presented by the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises, Geneva 5-6 October 2009.

Looking towards the future: What should the outcome of the Ruggie mandate be?

Although Ruggie's work has generated a robust debate on business and human rights, the Framework in itself is not yet the solution for the problems we face. It needs to be translated into concrete legal and policy measures. Both states and business should take on an active role in this debate.

Recommendations from the MVO Platform:

- First, governments, in particular the Dutch government, should be **much clearer about what is expected from corporations in relation to human rights**, including within their supply chain. The MVO Platform commends the Dutch government for showing renewed interest on this subject. Signs of this renewed dedication include the announcement of the Dutch Minister of Foreign Trade, Mr. Heemskerk, about looking for new ways to advance supply chain responsibility. Heemskerk has indicated his disappointment with the lack of results and clear plans of the Socio-Economic Council, which has undertaken an initiative on promoting supply chain responsibility among Dutch companies. Another example is that the Dutch Minister of Foreign Affairs, Mr. Verhagen, has made the promotion of human rights, including human rights in the context of business activities, especially where child labour is concerned, one of his priorities. The MVO Platform welcomes these steps and is willing to discuss its ideas on how to further supply chain responsibility with Ministers Heemskerk and Verhagen at any time
- Second, there is an urgent need for **access to remedy for victims to be improved**. We think several solutions - by various actors and at various levels – are needed. Companies themselves can establish or improve complaint mechanisms. However, it is important to note that the existence of private complaint mechanisms does not preclude the need for access to well-functioning, independent and legally-based grievance mechanisms. Legal initiatives and solutions such as an ombudsman are absolutely essential. To effectively make use of redress mechanisms, victims, or their representatives (NGOs or trade unions) need assistance, training, capacity building and resources.
- Finally, there is consensus among NGOs that ultimately **more binding international normative frameworks** are needed. The MVO Platform is aware of Ruggie's objections to an international treaty as this will be a long-term process that should not stop us from acting now. Nevertheless, the MVO Platform continues to stress that global problems require global solutions. The final recommendations on operationalization must contain international proposals as well. This is without a doubt one of the most controversial and most difficult parts of the actual Ruggie mandate but also a very challenging, important and necessary step in closing the global governance gap.

The MVO Platform would like to reaffirm its willingness to continue its engagement with John Ruggie and his team. In the Dutch context, this meeting has taken us one step further. We hope - and we propose - that this will not be the last opportunity to talk with each other.