

HUMAN RIGHTS AND BUSINESS

A Primer for Business in India



BLIHR
BUSINESS LEADERS INITIATIVE ON HUMAN RIGHTS



PARTNERS IN CHANGE
Making Corporate Social Responsibility Your Business



Global Compact Society, India

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Foreword...

Message from Mr. R. S. Sharma, Chairman, ONGC and President, Global Compact Society, India

I am very pleased to be associated with the release of this Primer on Business and Human Rights. The endeavour undertaken by Partners in Change, Business Leaders Initiative on Human Rights and Global Compact Society, India commemorates the 60th Anniversary of the signing of the Universal Declaration of Human Rights (UDHR) on 10th December 1948.

The UDHR has been one of the cornerstones of Human progress, yet Human Rights is a concept that continues to be evolved and is patronised in a more pronounced way. Business plays an important role in modern societies. It is one of the crucial vehicles for ushering in development. It is thus necessary that the idea of Human Rights is well entrenched within the business community. The Policy Framework for Business and Human Rights as suggested by the Special Representative of UN Secretary General on Business and Human Rights, Prof. John Ruggie, provides the foundational principles for greater engagement of Business within the Human Rights discourse. It also provides the ethical and inclusive framework for ensuring wider development.

The engagement of Business within the Human Rights discourse is still in its early stage of evolution and there is a dearth of adequate literature on the issue. The Primer, I am sure will prove to be an important tool at this juncture. I hope that it will help individuals and companies to get familiar with the issue at hand and help them to have a greater understanding of roles and responsibilities that they have. I also hope that it would help companies in achieving growth with responsibility.

Lastly I would like to commend the individuals who have worked hard to develop this tool.

Mr. R. S. Sharma

Foreword...



Message from Prof. John Ruggie, SRSG, Business and Human Rights

From traditional garment manufacturing to the most advanced IT industry, Indian businesses are a prime example of the increased integration of economic forces. Firms increasingly operate globally, and even many local firms increasingly view themselves as part of a global whole. But the scope and power of market forces have expanded much more rapidly than the ability of societies to manage their adverse effects and to produce the public goods that markets undersupply. History teaches us that such misalignments can trigger grave consequences for business and society—as witnessed by the collapse in previous eras of open world markets that lacked adequate institutional underpinnings and safety nets, and by today's meltdown in America's financial system.

Business is the major source of investment and job creation, and markets can be highly efficient means for allocating scarce resources. Business also has the potential to be a powerful force for Human Rights by generating economic growth, reducing poverty, and increasing demand for the rule of law. But business can also do harm to the realization of Rights by individuals and communities, or abuse Rights altogether. No industry, and no region, has a monopoly on corporate-related Human Rights abuse. And companies can have adverse effects on virtually all internationally recognized Rights, not only a relatively narrow range of labor standards or issues related to communities in the proximity of a business operation.

There is no single silver bullet solution to the many challenges in the business and Human Rights domain. Instead, all social actors—states, businesses, and civil society—must learn to do many things differently. But those things must cohere and become cumulative, if they are to make a difference. This is why I have proposed, and the UN Human Rights Council has unanimously “welcomed,” an overall policy framework for business and Human Rights.

True leadership means looking not only at day-to-day issues but also at the next major challenge. Corporate leaders increasingly recognize that the next major challenge is for companies to make sure they respect Human Rights, and that doing so requires them not only to ensure compliance with the law but also to manage the risk of Human Rights harm with a view to avoiding it.

60 years ago, India played a key role in developing and adopting the Universal Declaration of Human Rights and Dr. Hansa Mehta was one of the most important contributors to the framing of the UDHR. Today, Indian companies have the opportunity to carry on this legacy by endorsing this true leadership and by reaching their full potential to be a powerful force for Human Rights.

Prof. John Ruggie

Overview...

What is the purpose of the Primer?

This Primer responds to the request from business as well as development practitioners, expressed in a consultation on the subject, for guidance in this area. It is designed for any business and/or industry at any stage in its business cycle, operating anywhere in the world. The Primer is based on information collected and analyzed from various resources and understandings of practitioners working in the field of Human Rights and Business. The primary audience is business from and operating in India - both state owned as well as private. The objectives of this Primer can be understood on three-levels:

- A short, simple resource for business managers and leaders wanting to learn the basics of the agenda
- A sign-post to the leading works and tools in this area
- A document to support conversations in India, in the coming months and years

The Primer celebrates the 60th anniversary of the most important document in the history of global campaign to make Human Rights a reality for all, the Universal Declaration of Human Rights (UDHR), which has today become the common goal of humanity and endorses the first two principles of the UN Global Compact on Human Rights. The Primer should be understood as an introductory document - more comprehensive and detailed guidance can be found in complementary resources or by subsequent requests. In the coming months, a number of revised tools and guidance documents will be available for businesses from around the world to test, benefit from and contribute to. The basis guidance on:

- The Human Rights and Business Agenda
- Benefits for business in respecting and promoting Human Rights
- The current set of global initiatives in this area
- What are Human Rights?
- An example of Rights as they relate to common business issues?
- Examples of Indian origins in Human Rights

1

Mapping the Agenda

After reading the next few pages, you will become familiar with the status and recent developments regarding Human Rights and Business. The agenda is relatively new but is fast becoming one of the most widely accepted and credible approach to understand and implement corporate responsibility. As you read this section, we invite you to consider:

- How does Human Rights and Business connect to what your business already does?
- What questions, concerns and contributions could you and your company make to this global debate?
- Can you begin to see the benefits of Human Rights and Business to your industry?

Why businesses are taking up this agenda?

There is now a recognised responsibility to respect Human Rights which applies to business actors. Governments affirmed the existence of this responsibility at the United Nations in 2008. The responsibility to respect essentially means “not to infringe upon the rights of others - put simply, to do no harm”. The business responsibility to do no harm, which resonates strongly with the concept of due diligence, is not simply a negative obligation but also includes positive steps. But why is a Human Rights approach beneficial to business:

- Businesses already do a great deal to support and realise rights in their operations
- Human Rights are particularly concerned with protecting the most vulnerable in society, the treatment of whom is often at the root of reports of corporate misconduct
- International standards exist which offer a basis for harder, clearer and universally accepted benchmarks
- Responsibility for denial of economic, social and cultural rights frequently lies not only with governments but also with individuals, groups and enterprises.
- While the primary responsibility lies with States, the Universal Declaration of Human Rights recognizes duties of "every organ of society", including corporations.
- The spirit and values of Human Rights – accountability, equality, transparency – provide a sound basis for corporate decisions and behaviours
- A world in which the rights of every individual and group are upheld and realised is an ideal environment for doing business

What Companies have been doing on the agenda?

1. 14 global brands have been working together since 2003 as part of the Business Leaders Initiative on Human Rights, a cross-sector collaboration. These are ABB, Areva, General Electric, Newmont Mining, GAP Inc, Hewlett Packard, National Grid, Zain, Ericsson, Barclays Plc, Coca-Cola, Statoil Hydro, Novartis, and Novo Nordisk
2. Around 4500 Companies also have chosen to commit to the ten Universal Principles of the United Nations Global Compact.
3. According to the Business and Human Rights Resource Centre, nearly 314 major global companies across a range of industries have adopted explicit Human Rights policies.
4. A number of sector specific initiatives have been developed with a central focus on Human Rights e.g. the Voluntary Principles on Security and Human Rights led by the extractives and O&G sectors
4. A growing number of major companies – including Anglo American, BP, Codelco, GE, HSBC and Mitsubishi – have made a public commitment to Human Rights as part of their corporate responsibility initiatives.
5. The new Institute for Human Rights and Business has been created the role of which will be formally announced at the International Business and Human Rights Seminar in Paris on 4th and 5th December which will mark the 60th birthday of the Universal Declaration of Human Rights (UDHR) on Human Rights Day 2008. The latest developments can be found at www.institutebhr.org

EXAMPLES FROM COMPANY'S WEBSITE

GENERAL ELECTRIC | Statement of Principles on Human Rights

This Statement represented a substantial first step in a journey toward supporting and advancing Human Rights within GE's sphere of influence. As compared to many other companies whose predominant Human Rights issues are confined to supply chain management, GE's Human Rights venues include project finance, consumer and employee privacy, supply chain, freedom of thought and speech, healthcare products and delivery, to name just the most obvious areas where Human Rights concerns intersect with GE business operations.

NOVO NORDISK | Right to Health

Novo Nordisk wants to use its position as a world leader in diabetes care in its proactive efforts to promote Human Rights. Novo Nordisk's strategy for improved access to diabetes care is built on the World Health Organisation's (WHO) four priorities for access to health. We believe that Novo Nordisk can play a leading role in helping people with diabetes around the world achieve greater access to health. As part of its Global Health Strategy, Novo Nordisk has established a best possible pricing scheme. It allows least developed countries to purchase insulin at a price not to exceeding 20% of the average price in the industrialised countries. Even at significantly reduced prices, the availability cannot in itself provide treatment to the poorest people. In a special effort to reach out to all people with diabetes we have in 2001 established the World Diabetes Foundation.

NEWMONT MINING | Indigenous Rights

Newmont respects the social, economic and cultural rights of indigenous people. We recognize that respect for fundamental Human Rights must include social, economic and cultural rights. Our extraction operations are frequently in the vicinity of indigenous communities, and we are sensitive to the impact our business has on them. We believe that success in our business is integrally linked to the capacity of local indigenous communities to develop and maintain sustainable livelihoods. We are committed to supporting and promoting the rights and cultures of these communities.

What is the latest development in the Human Rights and Business Agenda?

Professor John Ruggie was appointed as United Nations Special Representative for Business and Human Rights in 2005 to provide a framework for the Business and Human Rights agenda. His final report on the mandate was presented to the Human Rights Council in April 2008. He introduced the elements of a framework in multi-stakeholder consultations which rests on differentiated but complementary responsibilities. It comprises three core principles: the State duty to protect against Human Rights abuses by third parties, including business; the corporate responsibility to respect Human Rights; and the need for more effective access to remedies. The three principles form a complementary whole in that each supports the others in achieving sustainable progress. However, the framework by itself does not constitute a solution. But what it does is to provide all parties a common baseline from which to achieve greater coherence and guidance, and it thereby facilitates cumulative progress towards a solution. He gave the UN Draft Norms a very close and detailed reading, and they came up short in ways that were irreparable and so his recommendations are much broader in scope than them and cover the full range of internationally recognized Human Rights. He has focussed in greater detail on the more difficult question of what precise responsibilities companies have in relation to Rights. He has identified the distinctive responsibilities of companies in relation to Human Rights, and how they can discharge those responsibilities. His mandate has been further extended to work in elaborate on the three key core principle of his report and also to integrate a gender perspective throughout his work and to give special attention to the marginalized. All reports and submissions have been posted on the mandate's website, kindly hosted by the Business and Human Rights Resource Center.

(<http://www.business-humanRights.org/Gettingstarted/UNSpecialRepresentative>).



Essentials

The purpose of engaging in this agenda is not to become an expert on Human Rights. The Human Rights and Business agenda exists to improve the sustainability and longevity of industries, and to highlight where a company's responsibility starts and stops. However, a basic understanding of the key concepts is important to support effective risk management and identify business opportunities. As you read this section, we invite you to consider:

- How do the underlying principles of equality and dignity connect with your own company values?
- Is the distinction between Civil/Political and Economic, Cultural and Social plus 'third generation' Rights clear?
 - How can Human Rights contribute to, not stop, inclusive and sustainable growth?

What are Human Rights?

Human Rights are the basic Rights of each human being, independent of race, sex, religion, political opinion, social status, or any other characteristic. Through international Human Rights Conventions, governments commit to respect, protect, promote and fulfil the Human Rights of their citizens.

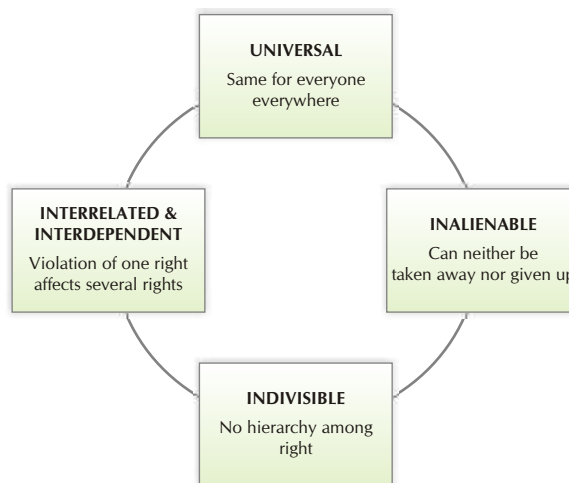
International Bill of Human Rights

The Universal Declaration of Human Rights and the two international covenants which entered into force in 1976 from the International Bill of Human Rights. Numerous laws, conventions and treaties on Human Rights have been drawn from the Rights contained in these documents.

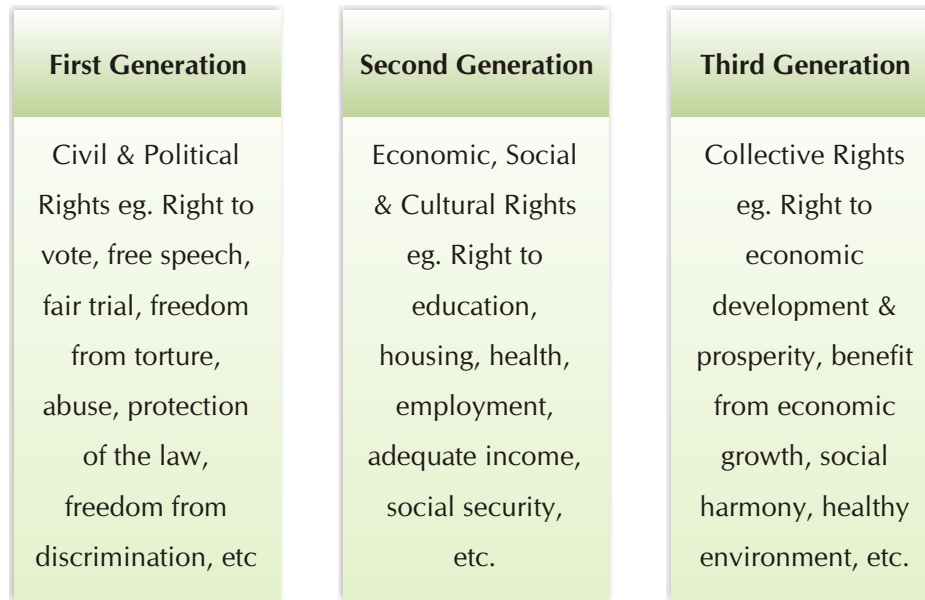
Universal Declaration of Human Rights

The Universal Declaration of Human Rights defines itself as “a common standard of achievement for all peoples and all nations.” It both proclaims a set of fundamental values shared by the international community and sets standards recognizing rights and the corresponding duties to protect these rights. By its resolution 217 A (III) of 10 December 1948, the General Assembly adopted the Universal Declaration of Human Rights

The Universal Declaration of Human Rights (supported by the accompanying international covenants) is widely recognized as the definitive statement of Human Rights. The UDHR draws life-preserving messages from the past, and is seen as an essential foundation for building a world in which all human beings can, in the centuries to come, look forward to living in dignity and peace. The UDHR was drafted by the United Nations Human Rights Commission comprising members from multiple and diverse countries (India was represented by the educationalist, writer, orator, politician and women's Rights activist Hansa Mehta). It is not an exaggeration to say that, despite the ongoing implementation challenges, it is a statement of a 'common standard for humanity' that has gained the most global and diverse support in history. Further, it is relatively young and so its language is updated to engage many issues of our time (multiculturalism, distribution of resources, physical and environmental health, education, poverty, religious tension, conflict, gender discrimination and more).



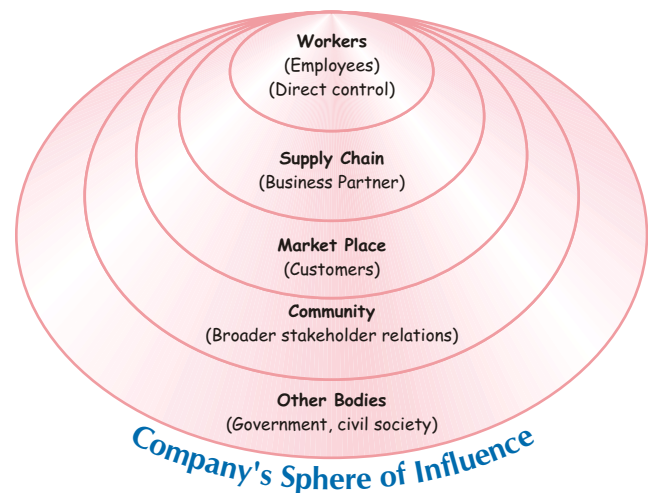
What are the different broad categories in which Human Rights can be divided into?



Core and Evolving Concepts

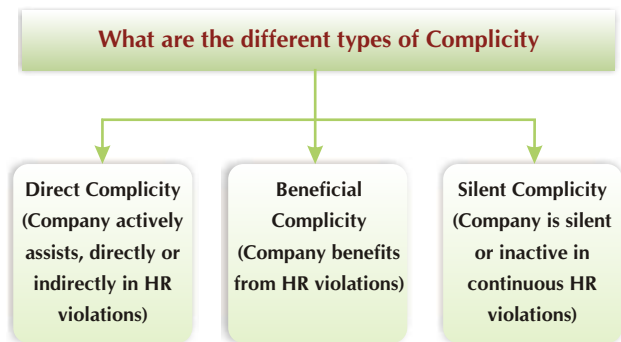
What defines a company's sphere of influence?

The concept is not vividly explained by international Human Rights standards, however, in general it tends to include the individuals with whom the company has a certain political, contractual, economic or geographic proximity. The core firm plays a key role as the driver of change within its global value chain. It has substantial influence not only on its own employees, but also on upstream suppliers and downstream customers.



What is understood by the term 'Corporate Complicity'?

Corporate complicity is the idea that a company is contributing in some way to the Human Rights abuses committed by another, be it the government, a rebel group, another company or an individual. It is not similar to the situation when company is engaging in Human Rights abuse, itself. The concept usually comes into play where companies operate in countries where conflict and Human Rights abuses are prevalent and in sectors with greatest potential impacts e.g. the extractives sector.



(The concepts, though developed much from their embryonic stage in 2005, are still evolving and will keep on changing their shape, with progress in the agenda. However, they are the basic concepts and very useful tools for business to understand their impact).

3

Human Rights Responsibilities of Business

One of the biggest challenges for a business is to understand how they impact Human Rights – both positively and sometimes negatively. As outlined in the earlier section, the primary bearer of Human Rights responsibilities is the government and Human Rights instruments (domestic and international) are written for States. However, on close examination, business is an important player.

When reading the next few pages, we invite you to consider:

- How your business and industry already contributes to Human Rights?
- How some of your business activities create Human Rights 'dilemmas' and potentially undermine Human Rights?

These two-pages provide some examples of how Human Rights are connected to your core business activities. Most companies the past few decades. These pages also provide examples of rights in your wider 'Sphere of Influence'. Not all rights listed here

are familiar with the connection of labour rights with their own workplace and business have done a great deal on this front in will be relevant to your company as this depends on your industry sector and value chain.



Dilemmas

Key issues and dilemmas that business leaders face in their business environment can often be resolved or aided through a Human Rights approach. This DOES NOT mean that a business is the sole responsible party in any of these challenging issues. Nor does it mean that all rights will be realized as some rights compete with each other. What it does mean is that Human Rights can provide a fair, balanced and common basis to navigate complex issues. Here are two examples:

LAND, RELOCATION AND REHABILITATION

- Right to work
- Right to livelihood
- Right to life, liberty and security
- Right to Information
- Right to peaceful assembly
- Right to participate in cultural and religious practices
- Right to benefit from scientific and technological progress

DECENT WORK & LIVING WAGES

- Right to work
- Right to an adequate standard of Living
- Freedom of Association and Collective Bargaining
- Right to Health
- Right to Non-Discrimination

Increase in Business Opportunities

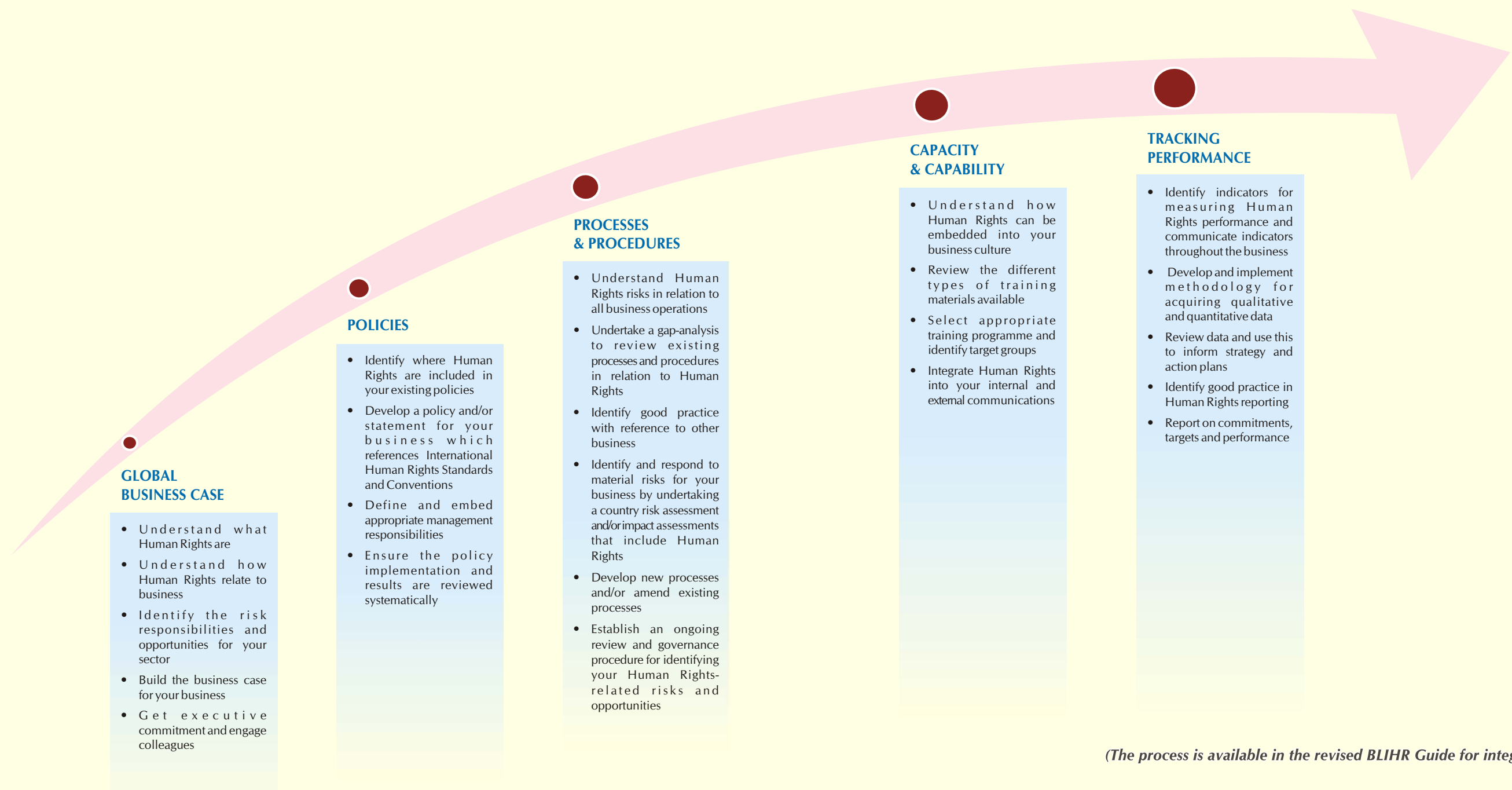
As well as being connected to core business activities and processes, Human Rights also have a strong connection to wider sustainable development especially in areas that impact vulnerable groups or those in poverty. Business and entrepreneurship are the key drivers of economic growth. It is widely agreed that economic growth is critical for the realisation of rights. In India, this has certainly been the case in the past decade. This can then lead to a trickle down impact as more people are able to work and included in the economy. However, it is also true that business models and wealth can often not have the biggest impact possible. Human Rights principles can guide new business models and economic growth. A few examples:

- Non-Discrimination | This is a strong principle to support 'BOP' models and wider access (and new customers) for products and services
- Right to work and education | These can be the basis for skills development and strategic philanthropy
- Right to Health, Food, Information or Water | Certain specific rights can be the basis for technological innovation and business strategies
- Right to adequate standard of living | This can be the basis for enhanced infrastructure e.g. electrification of rural areas

4

Process of Engagement

This section provides an overview of an approach to integrate Human Rights into business management. It is directly taken from an online tool developed by the Business Leaders Initiative on Human Rights in partnership with the United Nations Global Compact and the Office of the UN High Commissioner for Human Rights.



GLOBAL BUSINESS CASE

- Understand what Human Rights are
- Understand how Human Rights relate to business
- Identify the risk responsibilities and opportunities for your sector
- Build the business case for your business
- Get executive commitment and engage colleagues

POLICIES

- Identify where Human Rights are included in your existing policies
- Develop a policy and/or statement for your business which references International Human Rights Standards and Conventions
- Define and embed appropriate management responsibilities
- Ensure the policy implementation and results are reviewed systematically

PROCESSES & PROCEDURES

- Understand Human Rights risks in relation to all business operations
- Undertake a gap-analysis to review existing processes and procedures in relation to Human Rights
- Identify good practice with reference to other business
- Identify and respond to material risks for your business by undertaking a country risk assessment and/or impact assessments that include Human Rights
- Develop new processes and/or amend existing processes
- Establish an ongoing review and governance procedure for identifying your Human Rights-related risks and opportunities

CAPACITY & CAPABILITY

- Understand how Human Rights can be embedded into your business culture
- Review the different types of training materials available
- Select appropriate training programme and identify target groups
- Integrate Human Rights into your internal and external communications

TRACKING PERFORMANCE

- Identify indicators for measuring Human Rights performance and communicate indicators throughout the business
- Develop and implement methodology for acquiring qualitative and quantitative data
- Review data and use this to inform strategy and action plans
- Identify good practice in Human Rights reporting
- Report on commitments, targets and performance

(The process is available in the revised BLIHR Guide for integrating Human Rights into Business Management)

CASE STUDIES

Human Rights in Policy | Finance and Power Automation Sectors

ABB's Human Rights policy is embedded in its social policy and is the responsibility of the head of the Sustainability Affairs group. He reports on the economic, environmental, and social aspects of the group's business activities and the Human Rights policies and commitments to a member of the group executive committee who has overall responsibility for sustainability issues. Environmental and social policies are monitored and enforced by country and regional sustainability controllers in the 100 countries where ABB operates.

Barclays developed a Human Rights framework in 2004 to draw together a wide range of existing policies relevant to its rights impact as an employer, purchaser of goods and services, and provider of financial services to customers. The framework was formally approved by the heads of each business line and supports the Corporate Responsibility Board Governance Standard, one of a series of standards through which the Barclays Board tracks compliance with desired business objectives and regulatory requirements. Since adoption of the framework, work has continued in integrating Human Rights considerations into practice. The Human Rights impact of lending, however, is the area where most dilemmas arise, as the impact is indirect. Here, Barclays' Human Rights framework focuses on risk management and the identification of social and environmental risks in assessing and sanctioning financial propositions.

Mapping Against Human Rights | Energy Utility and Pharmaceutical Sectors

National Grid has produced a variation of the Human Rights Matrix, which relates the different Human Rights areas of the company's responsibilities to different stakeholder groups such as government, business and domestic customers, local communities, investors, employees, and suppliers.

Novartis has used a corporate citizenship matrix containing Human Rights principles to help define the sphere of influence of the pharmaceutical sector as it relates to the Access to Medicines policy and the ethical principles of the Declaration of Helsinki on clinical trials. See the tools and resources section for more on The Matrix

Human Rights in the Supply Chain | Electronics and Textiles Sectors

Human Rights are a central focus of **Hewlett-Packard's** Supply Chain Social and Environmental Responsibility (SER) Program. One of HP's biggest challenges is to apply its Human Rights Policy in its supply chain, where it does not have direct control. One way HP is addressing this is through the Electronic Industry Code of Conduct (EICC), which HP co-developed with Dell, IBM, and several large contract manufacturers in 2004. The Code provides an important foundation for ongoing supplier audits and other efforts to ensure compliance with the HP Human Rights Policy. Most importantly, it makes supplier performance easier to audit and verify.

Gap Inc. views SA8000 as a premier set of global labour standards towards which they hope garment manufacturers will aspire. A few of their suppliers have already received SA8000 certification. As a member of Social Accountability International's Corporate Involvement Program, Gap Inc. recently conducted a gap analysis of their Code of Vendor Conduct relative to the SA8000 standard and are examining areas in which they can bring their policies and program into closer alignment with SA8000. In addition, they have asked their entire internal monitoring team to take the SA8000 auditor course.

5

Human Rights : Indian Origin

Whilst the language of Human Rights may be new to you and your colleagues, all cultures, religions and histories across the world have beliefs, norms and values that connect to the spirit and letter of International Human Rights. This is what makes this approach very powerful for business that is global yet will always be producing, selling, and operating in local contexts. The following pages are a simple exploration into how, 'Universal Human Rights' are connected to the Indian context. When reading the short list we incite you to consider:

- How do Human Rights connect to your own personal beliefs and ideas?
- What examples would you give from India that are not mentioned on these pages?

Human Rights in India: Origins and Beliefs

One needs to be slow to form convictions, but once formed they must be defended against the heaviest odds - Mahatma Gandhi

The Universal Declaration of Human Rights (supported by the accompanying international covenants) is widely recognized as the definitive statement of Human Rights. The UDHR draws life-preserving messages from the past, and is seen as an essential foundation for building a world in which all human beings can, in the centuries to come, look forward to living in dignity and peace. The UDHR was drafted by the United Nations Human Rights Commission with members from multiple and diverse countries (India was represented by the educationalist, writer, orator, politician and women's rights activist Hansa Mehta). It is not an exaggeration to say that, despite the ongoing implementation challenges, it is statement of a 'common standard for humanity that has gained the most global and diverse support in history. Further, it is relatively young and so its language is updated to engage many issues of our time (multiculturalism, distribution of resources, physical and environmental health, education, poverty, religious tension, conflict, gender discrimination and more).

While international norms are to some extent homogenizing the practices of large companies regarding Human Rights, the roles of organization will be tinted by deeply rooted cultural and spiritual traditions of the respective States. For India and Indian Businesses, the UDHR and the institutions that guard it, have a basic resonance – especially as India and Indian industry has moved from being a participant to a leader in the area of global citizenship and in the global economy. "We are a fusion society," says Prof. Rakesh Khurana of Harvard Business School. As a result, many Indian management theorists "tend to look at organizations as complex social systems, where culture and reciprocity are important," he says. "You won't hear too many of us say the only legitimate

stakeholders in a company are stockholders." What's more, India's extreme poverty imposes a natural pressure on its companies to contribute more to the common good.

The following list is written as an exposition of Human Rights in India.

- **The Rig Veda** cites three rights as basic Human Rights, namely, Body, Dwelling place and Life. The Atharvaveda proclaims that all human beings have equal rights over food and water. The Vedas were the primordial source of the concept of "Dharma", a compendious term for all Human Rights and duties.
- **Themes in Ramayana** a central theme is the sacrifice of freedom for the sake of duty or honor. The Sanskrit word approximating duty is 'dharma' – roughly translated it means 'the essential purpose of life'. In Hindu societies this manifests as a set of principles governing behavior. Some of the principles governing the lives of the characters of Ramayana can seem oppressive in a modern context. However, the important thing to take forward is that on a higher level they attempt to embody a spirit of service that can be an expression of love.
- **The Mahabharata** speaks about the importance of freedoms of individuals in a State. It also sanctions revolt against the king who is oppressive and fails to perform his functions of protection. The entire modern Human Rights protection could be said to have its roots in four fundamental duties as enshrined in Mahabharata i.e. duties to God, to parents, to teachers and above all to the humanity.
- **The Smritis:** These were ancient Indian scriptures dealing with law, society, history and philosophy. The ancient India ethos of tolerance, pluralism and freedom of religion in contrast to western concept of secularism, referred to in Narad Smriti, lays down, "the disbelievers

to the Vedas should be protected in the same way as a believers in Vedas." In Manu Sanghita, Manu developed three notions of Civil, Legal and Economic rights

- **Islam-Qur'an** is the Magna Carta of Human Rights and that a large part of its concern is to free human beings from the bondage of traditionalism, authoritarianism (religious, political, economic, or any other), tribalism, racism, sexism, slavery or anything else that prohibits or inhibits human beings from actualizing the Qur'anic vision of human destiny embodied in the classic proclamation: "Towards Allah is thy limit" (Surah 53: An-Najm: 42). Without the elimination of the inequities, inequalities, and injustices that pervade the personal and collective lives of human beings, it is not possible to talk about peace in Qur'anic terms. It is important to note that there is more Qur'anic legislation pertaining to the establishment of justice in the context of family relationships than on any other subject. This points to the assumption implicit in much Qur'anic legislation, namely, that if human beings can learn to order their homes justly so that the Human Rights of all within its jurisdiction - children, women, and men - are safeguarded, then they can also order their society and the world at large, justly.
 - **Guru Granth Sahib** a scripture of it's kind which not only contains the works of it's own religious founders, the Sikhs, but also writings of people from other faiths, is said to be the Guru or Supreme teacher of the Sikhs. Not only does it lay down moral and ethical rules for development of the soul, spiritual salvation and unity with God, but has well espoused the theory of oneness and equality. It says: "In the dwelling of the womb, there is no ancestry or social status. All have originated from the Seed of God."
 - **Buddhism and Jainism** emphasized the principles of equality and non-violence.
 - **The Freedom Movement:** In India, businessmen were
- always active in the freedom movement. Cooperative banks were set up to fight the British money lending system. Take, for example, V. O. Chidambaram Pillai was a noted lawyer, trade union leader and the first to unveil an indigenous Indian shipping service that sailed between Tuticorin and Colombo. He got into the shipping business to provide for a level playing field to Indian businessmen.
- **Mahatma Gandhi:** Gandhiji first employed non-violent civil disobedience as an expatriate lawyer in South Africa, in the resident Indian community's struggle for civil rights. After his return to India in 1915, he set about organizing peasants, farmers, and urban laborers in protesting excessive land-tax and discrimination. Assuming leadership of the Indian National Congress in 1921, Gandhiji led nationwide campaigns for easing poverty, for expanding women's rights, for building religious and ethnic amity, for ending untouchability, for increasing economic self-reliance, but above all for achieving Swaraj - the independence of India from foreign domination. Gandhiji influenced important leaders and political movements. He described businesses as "trusts" of the people's wealth and emphasized on the larger social purpose that industrial wealth should serve in independent India. He called for them to act as stewards to manage resources on behalf of societal good. This view led to huge contributions by the corporate sector to support education, health and rural development works. The goal was not simply to improve physical infrastructure and education, but to target deeply entrenched social inequities by making changes such as elevating the social status of the dalits and empowering women. Thus trusteeship became part of the larger political changes sweeping the country in years before, during and after independence.
 - **Constitution of India:** Coming close on the heels of the UDHR, the Bill of Rights was enunciated in the Constitution of India in 1950. The preambular assurance

of the dignity of the individuals more eloquently proclaimed by the extensive ideas of economic and social justice, which in fact, happens to be the cardinal principles underlying the UDHR is sought to be implemented through the various provisions of Part III-Fundamental Rights and Part IV-Directive Principles of State Policy of the Constitution of India. Consequently, the Constitution of India, 1950 set out the most elaborate declaration of Human Rights. These Rights were broadly divided into two compartments (i) Political and Civil Rights, and (ii) Economic Social and Cultural Rights, that were contained in Chapter III enumerating the Fundamental Rights and Chapter IV dealing with the Directive Principles of State Policy respectively. The Fundamental Rights substantially cover almost all the Civil and Political Rights enumerated in Article 2 to 21 of the UDHR, and hence can truly be designated as Fundamental Human Rights of India.

- **Domestic Legislation:** In India, some Economic, Social and Cultural Rights are contained both in the law and the Constitution, enforceable through legal remedies. These include legislations for minimum wages, the Rights of workers, the Cultural and Educational Rights of Minorities, and restraints on bonded and child labour.
- **International Commitments:** Next to being a founding signatory of the UDHR, India has also supported a range of International Human Rights Instruments. These include International Covenant on Civil and Political Rights (1976), International Covenant on Economic Social and Cultural Rights (1976), Convention Against Torture and Other Cruel Inhuman or Degrading Treatment or Punishment (1987), Convention on the Elimination of All Forms of Discrimination against Women (1981), International Convention on the Elimination of All Forms of Racial Discrimination (1969), Convention for the Suppression of the Traffic in Persons

and of the Exploitation of the Prostitution of others (1949), Optional Protocol to the Convention on the Rights of the Child on the sale of children child prostitution and Child pornography (2000), etc.

- **Supreme Court:** The role of the Supreme Court of India is indeed commendable in protecting, enforcing and expanding the scope of Human Rights through its various judicial pronouncements. According to the Supreme Court, the right to life and liberty includes right to human dignity, especially to women, right to privacy, right to know, right to education, right to protection of health, medical care and environment.
- **1993 Human Rights Act:** The Government of India enacted the Protection of Human Rights Act, 1993 to provide for the setting up of National Human Rights Commission, Human Rights Commission in States and the Human Rights Courts for the better promotion and protection of Human Rights. Under the Act, so far the NHRC at New Delhi and SHRCs in 19 states have been set up. The NHRC along with the SHRCs has, time to time, come out with wide measures and various suggestions for the protection of Human Rights and has immensely contributed to the field of Human Rights awareness and education in India.
- **Statutory Bodies:** Creation of various other statutory bodies for the protection of the Rights of women, children, minorities, scheduled castes, scheduled tribes and backward classes have further strengthened the cause of humanitarian principles and social justice. As we celebrate the 60th anniversary of the UDHR, we can in India be proud of a whole gamut of laws and judicial precedents that elaborate the principles enshrined in it.

6

TOOLS AND RESOURCES

There are many readily available resources and tools for business managers and leaders in this area. They range from general guidance to informative websites to assessment frameworks for your company. Many of these tools are already used by business and some have been developed by business themselves. However, none of them are perfect and all of them are constantly evolving and improving. Experts in this field are always looking for companies to join in the testing and development.

So, whilst reviewing the breadth of resources, we invite you to consider:

- What tools do you think could help your company, and are there any you could test?
- Should more tools be developed with the Indian and South Asian context in mind?

Key Tools And Resources

1. Core Tools and Resources

Business and Human Rights Resource Centre

<http://www.business-humanrights.org/Home>

The Centre has become the world's leading independent resource on the subject. The website covers over 4000 companies in over 180 countries. It receives over 1.5 million hits per month. Topics include discrimination, environment, poverty & development, labour, access to medicines, health & safety, security, trade. They have a South Asia researcher now based in Delhi, India.

Guide for Integrating Human Rights into Business Management

<http://www.ohchr.org/Documents/Publications/GuideHRBusinessen.pdf>

A joint publication by the Business Leaders Initiative on Human Rights (BLIHR), the United Nations Global Compact Office, and the Office of the High Commissioner for Human Rights (OHCHR). The Guide is principally meant for business leaders and managers in large and medium-sized private and public sector enterprises and offers practical guidance to companies that want to take a proactive approach to Human Rights within their business operations.

Human Rights Compliance Assessment – The Danish Institute on Human Rights

<https://www.humanrightsbusiness.org/>

The HRCA is a diagnostic tool, designed to help companies detect potential Human Rights violations caused by the effect of their operations on employees, local residents and all other stakeholders. The interactive web-based computer programme allows each company to select questions in the database to suit their type of business and area of operations.

Human Rights Compliance Assessment Quick Check – The Danish Institute on Human Rights

www.humanRightsbusiness.org/pdf_files/Quick%20Check%20English%20.pdf

It is a practical tool that has been mapped against the guidelines of the Global Reporting Initiative (GRI) and can assist companies with GRI and Global Compact reporting.

Human Rights Impact Assessment – IBLF/IFC/UNGC

http://www.unglobalcompact.org/docs/news_events/8.1/HRIA_final.pdf

This Guide provides a toolkit that business managers can use to identify, assess and implement responses to Human Rights challenges in new or evolving business projects. It is a practical tool to bring Human Rights impact assessment into core business planning and management processes.

Human Rights Matrix- Business Leaders Initiative on Human Rights

http://www.blihr.org/Reports/GIHRBM_Matrix.pdf

The Matrix provides a simple indication of current performance, allowing the user to assess gaps, shortfalls and action points. It also supports a company to map all policy and practices beyond compliance in relation to international Human Rights. An electronic version of the tool will be available at the start of 2009.

Human Rights Monitoring Mechanism – Maplecroft

http://www.maplecroft.net/hr_mechanism.php

The Human Rights monitoring mechanism introduces a straightforward Human Rights survey, which can be used and adapted by companies to provide a basic overview of Human Rights in its operations and countries of operation around the world. The aim of the survey is to locate and analyse areas of operations where there have been Human Rights violations or where there is a high risk of such violations in the future.

Red Flags: Liability risks for companies operating in high-risk zones

<http://www.redflags.info>

The web of liability is expanding. The legal liabilities of a company operating internationally are not limited to the domestic laws in host countries. Laws at home and in third countries may also apply. This web site lists activities which should raise a 'red flag' of warning to companies of possible legal risks, and the need for urgent action. Each red flag is hyperlinked to a summary of the relevant laws and a selected case or two. Additional resources for companies, governments, affected communities and researchers can be found here as well.

Business and Human Rights: A geography of corporate risk

<http://www.iblf.org/resources/general.jsp?id=69>

Amnesty International and IBLF have collaborated to produce a series of seven detailed world maps, which depict where Human Rights abuses and violations exist. The purpose of this series of maps is to illustrate where companies are most vulnerable to the cost and reputational damage associated with Human Rights violations. The extent to which a particular company is exposed to risk depends on where the company operates and the types of activity in which it engages.

Global Leadership Network Implementation Tool

www.globalleadershipnetwork.org

An interactive learning and benchmarking resource that helps UN Global Compact signatories identify how the Global Compact principles and other core citizenship issues function as a driver of business success.

Global Compact Business Guide for Conflict Impact assessment and Risk Management

www.unglobalcompact.org/docs/issues_doc/7.2.3/BusinessGuide.pdf

The goal of this business guide is to aid companies in developing strategies that minimize the negative effects and maximize the positive effects of investing in areas of conflict or potential conflict.

Human Rights and business learning tool: Office of the United Nations High Commissioner for Human Rights

http://www2.ohchr.org/english/HR_Learning.htm

Prepared by the Office of the United Nations High Commissioner for Human Rights (OHCHR), in collaboration with the United Nations Global Compact Office and the United Nations System Staff College (UNSSC), the course is designed to help managers in companies participating in the UN Global Compact to understand the importance and relevance of Human Rights in relation to their business operations.

OECD Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones

www.oecd.org/dataoecd/26/21/36885821.pdf

The OECD Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones aims to help companies

that invest in countries where governments are unwilling or unable to assume their responsibilities. It addresses risks and ethical dilemmas that companies are likely to face in such weak governance zones, including obeying the law and observing international instruments, heightened care in managing investments, knowing business partners and clients and dealing with public sector officials, and speaking out about wrongdoing.

Sustainability Reporting guidelines

<http://www.globalreporting.org/ReportingFramework/G3Online/>

GRI Sustainability Reporting is the practice of measuring, disclosing, and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable development. Sustainability reports based on the GRI Reporting Framework disclose outcomes and results that occurred within the reporting period in the context of the organization's commitments, strategy, and management approach.

Overview of the ISO 26000 Social responsibility code

<http://www.iso.org/iso/socialresponsibility.pdf>

It is a guidance document being developed for all types of organizations on issues relating to social responsibility. It aims to encompass issues relating to the environment, Human Rights, labour practices, organizational governance, fair business practices, community involvement, social development, and consumer issues. It is at a developmental stage and is expected to be ready by 2010.

2. Sector specific initiatives

There are a number of sector-specific initiatives where companies are working together with their peers within their sectors on Human Rights issues. Some examples of sector-specific initiatives encompassing Human Rights codes and procedures can be seen below:

Retail

- **Ethical Trading Initiative**

<http://www.ethicaltrade.org/>

The Ethical Trading Initiative (ETI) is an alliance of companies, non-governmental organisations (NGOs) and trade union organisations to ensure that the working conditions of workers producing for the UK market meet or exceed international labour standards.

- **Fair Labour Association**

<http://www.fairlabor.org/>

It is a non-profit organization dedicated to ending sweatshop conditions in factories worldwide and building innovative and sustainable solutions to abusive labour conditions.

- **Social Accountability 8000**

<http://www.sa-intl.org/>

It is a comprehensive and flexible system for managing ethical workplace conditions throughout global supply chains.

- **Clean Clothes Campaign: Model Code**

<http://www.cleanclothes.org/>

It is an international campaign, focused on improving working conditions in the global garment and sportswear industries, and empower the workers in it.

Oil, Gas And Mining

- **The Voluntary Principles on Security and Human Rights**

<http://www.voluntaryprinciples.org/>

The Voluntary Principles have been developed to guide companies in balancing the needs for safety while respecting Human Rights and fundamental freedoms.

- **Kimberley Process**

<http://www.kimberleyprocess.com/>

It is a joint governments, industry and civil society initiative to stem the flow of conflict diamonds – rough diamonds used by rebel movements to finance wars against legitimate governments.

- **The Extractive Industries Transparency Initiative**

<http://www.eitransparency.org/>

The Extractive Industries Transparency Initiative (EITI) aims to strengthen governance by improving transparency and accountability in the extractives sector. The EITI sets a global standard for companies to publish what they pay and for governments to disclose what they receive.

FINANCIAL SERVICES

- **The Equator Principles**

<http://www.equator-principles.com/index.shtml>

A financial industry benchmark for determining, assessing and managing social & environmental risk in project financing.

INFORMATION TECHNOLOGY

- **Electronic Industry Code of Conduct**

<http://www.eicc.info/>

The Electronic Industry Citizenship Coalition (EICC) is a group of companies working together to create a comprehensive set of tools and methods that support credible implementation of the Code of Conduct throughout the Electronics and Information and Communications Technology (ICT) supply chain.

- **Global e-Sustainable Initiative (GeSI)**

<http://www.gesi.org/>

GeSI fosters global and open cooperation, informs the public of its members' voluntary actions to improve their sustainability performance, and promotes technologies that foster sustainable development.

3. LINKS

- www.Accountability21.Net/
- www.Beyondgreypinstripes.Org/
- www.business-HumanRights.Org
- www.Blihr.Org/
- www.Bsr.Org/
- www.Businessethicsnetwork.Org/
- www.Corpwatch.Org/
- www.Csr-Asia.Com
- www.Csrwire.Com
- www.Eldis.Org/Csr/
- www.Ethicalcorp.Com
- www.Ethicaltrade.Org/
- www.Fairtrade.Org
- www.Global100.Org/
- www.Globalcompact.Org
- www.Globalreportinginitiative.Org
- www.Iblf.Org
- www.lisd1.lisd.Ca/Business/
- www.Ilo.Org/
- www.international-alert.org
- www.Isealalliance.Org/
- www.Iso.Org/
- www.Marketresearch.Com
- www.Sa-Intl.Org/
- www.Sustainability.Org
- www.Unctad.Org/
- www.Undp.Org
- www.Unrisd.Org/

About The Authors

Partners in Change

Partners in Change (PiC) is a not for profit Indian organization that has been pioneering the development and practice of Corporate Social Responsibility (CSR) in the country since its formal establishment in 1995 under the Societies Registration Act 1860. PiC is committed to the promotion of responsible business practices through encouraging partnerships between business and stakeholders in its sphere of influence, especially the vulnerable and marginalized communities, to achieve sustainable development. The organization is advocating for global standards on Business and Human Rights and stronger legal frameworks at both national and international level to hold companies to account for their Human Rights impact. PiC calls on companies to respect Human Rights and make it an integral component of their business operations. For further details, please visit www.picindia.org, or contact **Smita Singh** at smita.singh@picindia.org

Global Compact Society, India

The Global Compact Society was formed by some of the organizations from India who were participating in the United Nation's Global Compact Programme. The Society acts as an all India Apex level nodal agency representing various Indian Corporate bodies, Institutions/ SMEs/ NGOs, who are committed to UN 's Global Compact principles on Human Rights, Labour standard, the environment & anti-corruption. As the Global Compact Society is meant to spearhead the Global Compact Programme in India, it would be only appropriate that all the organizations participating in the Global Compact Programme join the Society as its Members. GCS's Membership is open to the organizations, Institutions, SMEs, NGOs, who comply to the UNGC Principles. For further details, please visit GCS's website: www.globalcompactindia.org, or contact **Pinaki Roy** at pinaki.gcs@gmail.com

BLIHR

The Business Leaders Initiative on Human Rights (BLIHR) is a programme to help lead and develop the corporate response to Human Rights. It is a business-led programme with 13 corporate members. BLIHR is chaired by Mary Robinson, President of Realizing Rights: The Ethical Globalization Initiative, former President of Ireland and former UN High Commissioner for Human Rights. The programme was created in 2003 and will end in March 2009. Our principal purpose is to find "practical ways of applying the aspirations of the Universal Declaration of Human Rights within a business context and to inspire other businesses to do likewise". In our second three-year period until 2009 we are committed to sharing our tools and experiences not only within the group but with all interested companies. . For further details, please visit www.blihr.com or contact **Mark Hodge** at mark.hodge@blihr.org



www.picindia.org
www.globalcompact.org
www.blihr.com