

Handbook of Responsible Business Practices

Promoting Responsible Business Practices of
Chinese Investment Overseas for the Contributions
to the SDGs



About the Project of "Promoting Responsible Business Practices (RBPs) of Chinese Investment Overseas for the Contributions to the SDGs"

Since 2000, Chinese enterprises have accelerated the pace of going out. It is becoming increasingly important to establish a knowledge-sharing network for Chinese enterprises that focuses on responsible business practices to support and encourage Chinese enterprises operating overseas to respect internationally recognized norms and Standards and UN instruments.

In this context, ILO, UNDP, UNICEF, UN Women and Resident Coordinator Office (RCO) in China have established an inter-agency collaboration to jointly develop knowledge products to advocate and promote the UN Standards for responsible business practices, with a common aspiration to promote the Sustainable Development Goals in China and around the world.

The primary aim of this collaboration is to enhance the role of Chinese businesses in advancing the Sustainable Development Goals (SDGs) by fostering their understanding of UN standards and practices and subsequently enhancing their operational practices in alignment with these standards.

This Handbook of Responsible Business Practices serves as a valuable learning resource, designed to introduce a wide range of instruments, standards, principles, tools, etc., established by United Nations agencies in the realm of responsible business practices. Within this handbook, exemplary enterprises or industries are featured, illustrating potential best practices for specific topics. The designations employed in the Handbook, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion of UN agencies concerning the legal status of any country, area, or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in the Handbook rests solely with their authors, and publication does not constitute an endorsement by the UN agencies of the opinions expressed in them. Reference to names of firms and commercial products and processes does not imply their endorsement by the UN agencies, and any failure to mention a particular firm, commercial product, or process is not a sign of disapproval.

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Experts from ILO, UNDP, UNICEF, UN Women, and Residence Coordinator Office have provided professional and informative technical advice to this Handbook.

Preface

Promoting responsible business practices in global supply chains. It will encourage Chinese businesses to abide by the UN Guiding Principles on Business and Human Rights in their foreign trade and investment, to conduct due diligence on human rights, and to fulfill their social responsibility to respect and promote human rights. It will participate and play a constructive role in negotiations on the UN business and human rights treaty.

From China's National Action Plan of Human Rights (2021-2025)

Human rights are a force for good multiplier, a driver of business growth and responsible business practices that leads to healthier and more profitable companies, well-respected employees, satisfied customers, as well as advancing human development and humanity and, above all, are a key tool to help us achieve the ambitions of the 2030 Agenda.

Siddharth Chatterjee

UN Resident Coordinator, United Nations in China

The 2030 Agenda for Sustainable Development calls for robust involvement of the private sector in realizing societies without poverty where no one is left behind, and a planet that can sustain future generations. The application of responsible business conduct practices by companies is vital for the private sector to make a meaningful contribution to the 2030 Agenda and its 17 Sustainable Development Goals (SDGs).

Beate Trankmann

Resident Representative of UNDP China

UNICEF calls on all businesses to incorporate a child-rights, family-friendly perspective both for their employees as well as in relation to their investment decisions and operational activities. Children are the most vulnerable in society. Ensuring businesses uphold their responsibility to do no harm towards children, contributes to the development of young people; enhances a positive business brand and is essential for long-term sustainability.

Amakobe Sande

Representative of UNICEF China

Multinational enterprises face multiple challenges in today's unpredictable environment. Socially responsible labour practices will help enterprises in the supply chain to improve their economic performance by addressing social risks in a proactive manner and by engaging key stakeholders, including workers and their representatives, through social dialogue for harmonious labour relations.

Chang-Hee Lee

Director of ILO Country Office for China and Mongolia

As an employer, producer, and community member, the private sector plays an indispensable role in advancing the gender equality agenda. Advancing women's empowerment in the workplace, marketplace, and community is not only necessary but good for business.

Smriti Aryal

Country Representative, UN Women China

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Abbreviations

CSR	Corporate Social Responsibility
ESG	Environmental, Social, and Governance
ILO	International Labour Organization
MNE	multinational enterprise
OECD	Organisation for Economic Co-operation and Development
OHCHR	Office of the United Nations High Commissioner for Human Rights
PRI	Principles for Responsible Investment
RBP s	Responsible Business Practices
SDG s	Sustainable Development Goals
UN	United Nations
UNDP	United Nations Development Programme
UNGPs	United Nations Guiding Principles on Business and Human Rights
UNICEF	United Nations Children's Fund
WEP s	Women's Empowerment Principles

Part One

A Close Look at Responsible Business Practices

Chapter Objectives

In this part, enterprises can learn about what responsible business practices (RBPs) mean, why and how can enterprises integrate RBPs into their operations and business relationships.

Main Standards

United Nations Guiding Principles on Business and Human Rights (UNGPs)

ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)

OECD Guidelines for Multinational Enterprises (MNE Guidelines)

Core Content

What are RBPs ?

Why should enterprises embrace RBPs?

How can enterprises integrate RBPs into their operations and business relationships?

Resource Platforms

United Nations Platform for Business and Human Rights <https://www.ohchr.org/en/topic/business-and-human-rights>

ILO MNE Declaration Portal <https://www.ilo.org/empent/areas/mne-declaration/lang-en/index.htm>

ILO Helpdesk for Business <https://www.ilo.org/empent/areas/business-helpdesk/lang-en/index.htm>

OECD Centre for Responsible Business Conduct <http://mneguidelines.oecd.org>

What Are RBPs

Enterprises are widely recognized as the driving force behind economic progress throughout history. They contribute to economic and social development by creating jobs, advancing technology, fostering skills, and providing goods and services. However, it is important to acknowledge that corporate activities can also have negative effects on people, the environment, and the society.

Today, there is a global consensus that all enterprises, regardless of their location, size, industry, or ownership, have a responsibility to proactively identify and responsibly manage the risks associated with their operations, products, and services. This includes addressing risks in the supply chain and other business relationships. RBPs require enterprises to take steps to prevent and mitigate the adverse impacts of their business activities while promoting the sustainable development of the countries they operate in.

What are RBPs?

A fundamental aspect of RBPs is the implementation of due diligence measures to reduce the risk of adverse impacts. By establishing a due diligence system, an enterprise can effectively identify, prevent, and mitigate both actual and potential adverse impacts in alignment with its due diligence policies and commitments that outline its responsibility in addressing adverse impacts. Moreover, RBPs emphasize the obligation to provide remedies in cases where adverse impacts have been caused or contributed to by the business.

What is the relationship between RBPs and the Sustainable Development Goals (SDGs) ?

In 2015, all member States of the United Nations adopted the 2030 Agenda for Sustainable Development and the 17 SDGs.

Enterprises may recognize the SDGs and use them as an important reference for formulating sustainable development policies. The 2030 Agenda for Sustainable Development calls on businesses to actively participate in global development, and the implementation of standards of RBPs is essential to guide businesses to maximize their contribution to the SDGs.

RBPs encompass a wide range of issues related to the SDGs. By operating responsibly, in reference to and in response to international instruments on RBPs, as well as managing the impact of their activities and business relationships, enterprises can ensure that they do not undermine their commitment or capacity to contribute to the SDGs and make positive contributions to the economic and social development of the host countries.

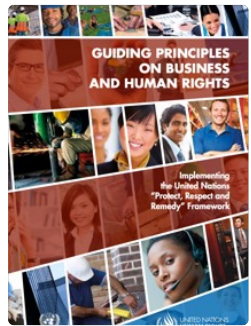
To promote the sustainable development of businesses and enable them to make positive contributions while effectively preventing and mitigating adverse impacts,

international organizations such as the UN, the ILO, and the OECD have developed a comprehensive set of documents. These documents serve to clarify the expectations of RBPs from enterprises and offer guidance on the development of RBPs.

The three key international documents on RBPs are normative documents based on international consensus. They often receive broad support or endorsement from governments, as well as employer organizations and labour unions, which give them high authority. These three major international documents are the "ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy" (MNE Declaration), the "OECD Guidelines for Multinational Enterprises," and the "UN Guiding Principles on Business and Human Rights" (UNGPs). They serve as essential reference points for RBPs, outlining how enterprises can operate and engage in business cooperation responsibly. These documents support and complement each other.

Click [here](#) to learn about the compatibility and consistency of the three international instruments.

The three major international instruments on RBPs



The United Nations Guiding Principles on Business and Human Rights

focus on avoiding and eliminating negative human rights impacts associated with business.

The guiding principles are

based on three pillars: 1) the obligation of States to protect human rights from violations by third parties, including business; 2) Business enterprises have an independent responsibility to respect human rights, which means that

they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved; And 3) the need for effective remedies for those victimized by business activities. These principles were unanimously endorsed by the United Nations Human Rights Council in 2011. The Office of the United Nations High Commissioner for Human Rights (OHCHR) and the United Nations Working Group on Business and Human Rights (UNWG) are responsible for promoting the UN Guiding Principles and their implementation, including analysing their practical implications on different human rights issues, sectors and types of actors.



The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy

(MNE Declaration) is the only

ILO instrument that provides direct guidance to enterprises (multinational and national) on social policy and inclusive, responsible and sustainable workplace practices.

Its principles are applicable to both multinational and national enterprises. They provide guidance to governments of home and host countries, as well as employers' and workers' organizations, in various areas including employment, training, working and living conditions, industrial relations, and general policies. These principles are firmly rooted in International Labour Standards and are supported by the ILO Declaration on Fundamental Principles and Rights at Work which addresses issues such as forced labour, child labour, non-discrimination, freedom of association, and collective bargaining.



The OECD Guidelines for Multinational Enterprises

are recommendations from OECD member governments and other ratifying countries to

business enterprises on how to operate responsibly. The Guidelines recognize and encourage the positive contribution of business to economic, environmental and social progress.

The Guidelines also recognize that business activities may have adverse impacts related to labour, human rights, the environment, bribery, consumers, and corporate governance. The OECD Guidelines recommend that businesses implement risk-based due diligence to avoid and eliminate these adverse impacts related to their own operations, supply chains, and other business relationships. The National Contact Points, the OECD Working Party on Responsible Business Conduct, and the OECD Centre for Responsible Business Conduct are responsible for the implementation of the Guidelines.

Why Should Enterprises Practice RBPs?

The United Nations, alongside other international organizations and civil society, acknowledges that businesses wield significant influence on social, environmental, and economic development. Their impacts can be both positive and negative. On one hand, businesses generate employment opportunities, foster technological innovation, provide essential services, and contribute to economic prosperity. On the other hand, their actions can lead to conflicts, land dispossession of indigenous communities, deforestation, ecological damage, bribery, and corruption.

While international expectations for human rights primarily place the obligation on states, there has been contemplation and exploration regarding the responsibilities that enterprises should assume in relation to human rights. This includes determining how the content and implementation of enterprises' responsibilities should differ from states' obligations.

Many of the components encompassed within RBPs are becoming fundamental requirements for engaging in global trade and investment. Multinational enterprises must be mindful of the pertinent provisions outlined in trade and investment agreements.

According to the ILO MNE Declaration, a multinational enterprise (MNE) is defined as an enterprise operating in more than one country/territory, with its headquarter in the home country and at least one branch established in another host country. The OECD MNE Guidelines, although not providing an exact definition, outline certain characteristics of multinational enterprises. These characteristics include the obligations of such enterprises across all sectors of the economy, typically involving the presence of the enterprise or other entities in multiple countries that are interconnected and capable of coordinating their business operations through various methods. With the rapid expansion of transnational corporations, the network of transnational economic activities has become increasingly complex and interconnected.

Economic globalization and trade liberalization have promoted rapid social development, as well as new patterns of enterprise organization and division of labour. Multinational enterprises are the product of the new organizational form of this era. However, the huge global economic network and the process of enterprise globalization are also the causes of part of the crisis. Multinational enterprises have become the core subject of concern due to their size, and are gradually criticized and even resisted for their adverse impacts on some vulnerable groups. In reflecting on the claims of the activists and victims, RBPs are now included as part of national government recommendations for multinational enterprises, such as the OECD member countries and some non-members. RBPs are also recognized by employers and union organizations, as reflected in ILO instruments and multinational enterprise expectations. Many of the elements of RBPs have been adopted by international organizations in various fields, including

financial institutions such as the International Finance Corporation, the European Investment Bank, and the European Bank for Reconstruction and Development. By developing or updating the instruments they hold, these international organizations provide guiding principles for multinational enterprises and transnational economic investment and trade.

RBPs have gradually become the integrated framework and focus of civil society to monitor the governance and influence of multinational enterprises.

In the process of deepening globalization, non-governmental organizations, community groups, and individuals are forming value alliances and using tools such as international instruments and standards to express their demands for responsible behavior by Multinational enterprises. These demands often take the form of inquiries about the adverse impacts of multinational enterprises, human rights campaigns to expel multinational enterprises, strikes to improve labour conditions, and legal cases involving victims' accusations and claims. Multinational enterprises need to think about how to deal with these demands and how to obtain a "social license" and thus the basis for sustainable business development in their locality.

Many countries have adopted guidance and even mandatory measures concerning RBPs. This demonstrates a growing trend where the public governance system is actively endorsing and reinforcing the adoption of RBPs by enterprises.

Countries are increasingly enacting legislation or formulating national action plans in the realm of RBPs. These measures serve as guiding frameworks for enterprises operating within their jurisdictions to promote RBPs. Importantly, these laws and actions have an impact not only on domestic enterprises but also on their business partners operating in other countries.

Over the past decade, an increasing number of countries have committed themselves to the UNGPs by developing, adopting, and implementing National Action Plans on business and human rights. As of August 2022, 26 countries had such plans in place, three had incorporated dedicated chapters on business and human rights within their broader human rights strategies, while another 20 countries were active in the process of developing specific plans in this regard.

Significant advancements have been made in the legislative landscape concerning RBPs. Examples include the California Transparency in Supply Chains Act (2010), and the Modern Slavery Act of the UK (2015). Furthermore, several new mandatory due diligence laws have emerged, mandating enterprises to effectively manage human rights risks throughout their operations and supply chains. For instance, France's Duty of Vigilance Law (2017), Dutch Child Labour Due Diligence Law (2019), and Germany's Supply Chain Due Diligence Act (2021) serve as prime examples of these legislative developments. As a result of these legal advancements, enterprises headquartered in specific countries will require their global business partners and suppliers to commit to and demonstrate their efforts in preventing and mitigating such risks.

In China, the public governance system is also supporting key aspects of RBPs. The Chinese government, realizing the importance of RBPs in promoting sustainable investment and development as well as the importance of risk management, has promulgated a series of laws and regulations to guide Chinese enterprises operating overseas, and has provided guidance for the enterprise overseas in the field of compliance systems of enterprises, corporate social responsibility, environmental protection, safeguard the rights and interests of local labour and so on.

Enterprises operating within diverse national contexts complement established corporate governance systems by implementing RBPs that comprehensively identify and manage risks and positively impact business operations and continuity.

Enterprises operating globally should develop an overall strategy and system, such as the overall risk management system of the group. Multinational enterprises, operating across different countries, may face a greater number of risks and responsibilities due to the presence of their various branches and subsidiaries. For many enterprises, "risk" mainly refers to the risks in terms of corporate governance, such as financial risk, market risk, operational risk, reputation risk, and so on. Today, however, there is growing international concern regarding the adverse human, environmental, and social impacts that are caused by, contributed to, or directly linked to business activities. It has become crucial for enterprises to identify the risks associated with RBPs in order to enhance their overall risk management systems.

International instruments on RBPs emphasize that all enterprises have a responsibility to prevent and eliminate adverse impacts arising from their own activities, their supply chains, and other business relationships. These expectations of responsible behavior can be reflected in the legal requirements of the host country, but may also extend beyond such requirements and can be considered as global standards applicable to enterprises operating in diverse geographical contexts. Failure to meet these expectations may lead to adverse legal, financial, or reputational consequences. It may also result in loss of human resources, reduced ability to obtain a social license, and reduced likelihood of international investment institutions approving loan applications, which are internalized as risks for the enterprise itself.

The advantages of implementing RBPs are evident. For example, they assist enterprises in establishing a comprehensive early warning system for risks, enabling them to effectively identify risks related to human rights, labour rights, corruption, transparency, etc. They also enhance the performance of the enterprise's risk management and have a positive impact on ensuring the stability and continuity of business operations.

How Can Enterprises Integrate RBPs into Their Operations and Business Relationships?

From the above, we have learned about three international instruments on RBPs, which provide a framework for enterprises to integrate responsible behavior into their business operations and business relationships.

In addition, international organizations have developed thematic or sector-specific standards or guidelines, including the UNICEF's Children's Rights and Business Principles, the UN Women's Women's Empowerment Principles, the Ten Principles of the UN Global Compact, the Principles for Responsible Investment and International Labour Standards by the ILO, OECD's supply chain due diligence guidance in diverse sectors such as mineral, garment and footwear, finance and agriculture.

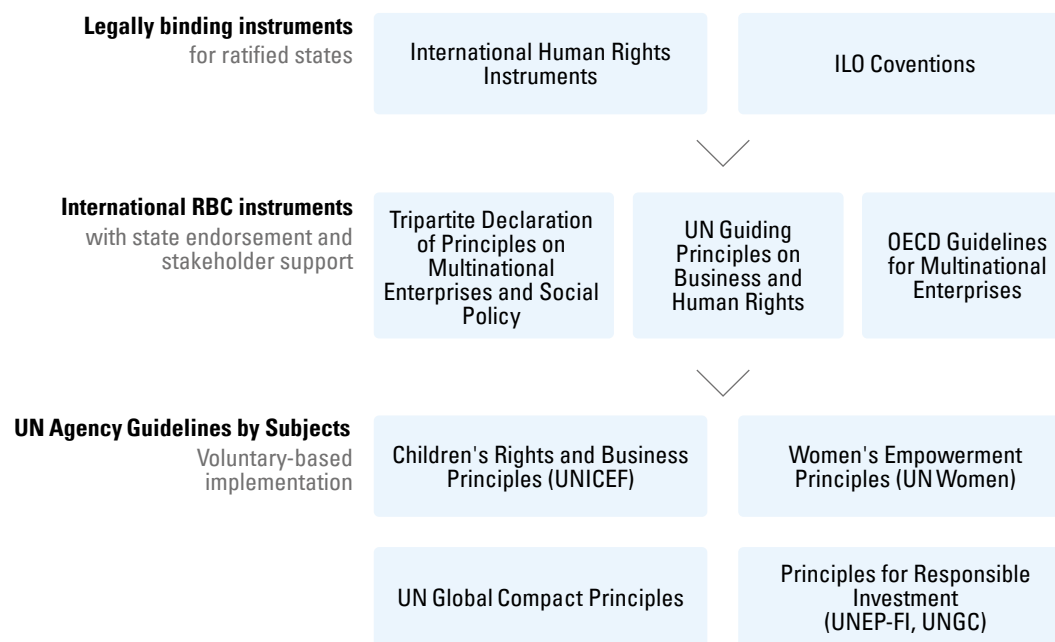
RBPs cover a wide range of themes, including internationally recognized fundamental human rights, as well as others such as community relations, environmental protection, integrity and anti-corruption, and consumer rights. This handbook covers multiple topics within this broad spectrum.

How can enterprises respect the human rights and other rights involved in RBPs?

RBPs represent a shared set of expectations, as reflected in the three international RBPs instruments mentioned earlier and other principles put forth by UN agencies (refer to the chart right). Overall, these expectations emphasize that all enterprises should proactively prevent and mitigate adverse impacts resulting from their operations and business relationships, while simultaneously making positive contributions to the social, environmental, and economic development of the countries in which they operate.

Hence, the initial step for businesses to uphold human and other rights encompassed by RBPs is to gain knowledge from these international instruments and UN agency principles regarding the specific rights that should be respected.

Based on the local context or actual circumstances, impact evaluation should be conducted. Prioritization against the most salient human rights and severe impacts should be carried out and the following action plan should be developed. Remedial measures should be provided in the case that the adverse impacts are caused or contributed to by the enterprise's operation and business



relationships.

Tracking, monitoring, and evaluating the performance should adapt to the change. Continuous improvement is essential for sustaining corporate behavior change towards RBPs and addressing systemic root causes when necessary.

What is the difference between RBPs, CSR, and ESG?

RBPs, CSR, and ESG are management systems that can be used by enterprises to operate responsibly and help them contribute to the SDGs.

According to the European Commission's definition, CSR is "the responsibility of enterprises for their impacts on society, and, therefore, it should be company-led". Hence, within the context of CSR, the relationship between government and enterprises is perceived as enterprise-led, with the government assuming a supporting role by utilizing policy tools to encourage voluntary actions and implementing supplementary regulations when deemed necessary. CSR, therefore, implies a secondary role for business and government, and is voluntary and market-driven in nature, in some cases focusing on philanthropy. ESG originated from the evolution of the understanding of "risk" in the responsible investment and financial industries. It emphasizes enhancing internal management practices within enterprises and managing external environmental and social risks to prevent or mitigate adverse impacts on business operations.

RBPs differ significantly from CSR and ESG in terms of the role of the state and the business, as well as the definition of the risk of adverse impacts. RBPs articulate the distinct but complementary roles of the state and business. For example, the UNGPs clarify the obligation of States to protect human rights and the responsibility of business enterprises to respect human rights. The ILO MNE Declaration also clarifies the roles and responsibilities of government and business regarding workers' human rights. Business enterprises have the responsibility to respect human rights even when the state fails to fulfill its obligations. Therefore, RBPs are more about the accountability and responsibility of enterprises. Although RBPs are partially reflected in legal requirements, they often go beyond legal obligations and manifest as global standards. Therefore, enterprises face more social supervision in different operating environments. At the same time, RBPs emphasize the external impacts that enterprises are involved in (as opposed to the external impacts on enterprises themselves) and require enterprises to take measures against the adverse impacts of their operations and business relationships.

At the same time, all three have something in common and ultimately contribute to the achievement of the SDGs. While CSR focuses on the well-being of corporate stakeholders, ESG emphasizes the internalization of external impacts and corresponding governance measures, and RBPs emphasize the importance of prioritizing the most significant external impacts and providing redress to victims. All three approaches enable business enterprises to make positive contributions to social development, environmental protection, and economic growth, thereby transforming businesses into a driving force for achieving SDGs.

Part Two

Key Themes of Responsible Business Practices

“The Guiding Principles’ normative contribution lies not in the creation of new international law obligations but in elaborating the implications of existing standards and practices for States and businesses; integrating them within a single, logically coherent and comprehensive template; and identifying where the current regime falls short and how it could be improved.”

Professor John Ruggie

The Special Representative of the UN Secretary-General on the Issue of Human Rights and Transnational Corporations and Other Business Enterprises (2005-2011)

A blue-tinted photograph of three workers in a factory setting. They are wearing white long-sleeved uniforms with a small logo on the chest and white face masks. They are standing in front of a large pile of scrap metal. To the left, there is a metal structure with signs, including one that says 'AUNAWA' and another with a skull and crossbones symbol. The background shows the interior of a large industrial building with a high ceiling and some lighting fixtures.

01 Human Rights Due Diligence

Chapter Objectives

This section aims to help enterprises understand their responsibility to respect human rights, develop human rights policies, conduct human rights due diligence, and provide remedies for adverse impacts. It also provides a wealth of resources from UN agencies, which enterprises can utilize after conducting specific analysis of their operating context, industry, and specific business characteristics.

Main Standards

United Nations Guiding Principles on Business and Human Rights (2011)

OECD Guidelines for Multinational Enterprises (2011)

ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (2022)

Core Content

Why should enterprises understand and respect human rights?

Why should enterprises carry out human rights due diligence?

Do business operations and business relationships have impacts on human rights?

What are the impacts of business operations and business relationships on human rights?

How can enterprises use external resources to carry out human rights due diligence?

Resource Platforms

United Nations Platform for Business and Human Rights <https://www.ohchr.org/en/topic/business-and-human-rights>

ILO MNE Declaration Portal <https://www.ilo.org/empent/areas/mne-declaration/lang-en/index.htm>

ILO Helpdesk for Business <https://www.ilo.org/empent/areas/business-helpdesk/lang-en/index.htm>

OECD Centre for Responsible Business Conduct <http://mneguidelines.oecd.org>

UNDP's platform on Business and Human right <https://www.undp.org/rolhr/business-and-human-rights>

United Nations Global Compact <https://www.unglobalcompact.org/what-is-gc/mission/principles>

UN Principles for Responsible Investment <https://www.unpri.org/policy/china-policy/stewardship-in-china>

Why Should Enterprises Understand and Respect Human Rights?

Enterprises have the potential to influence nearly all internationally recognized human rights. Therefore, it is crucial for enterprises to have a comprehensive understanding of and respect for human rights.

Human rights are commonly expressed and protected through international human rights treaties, customary law, and other international legal frameworks. While these international instruments, such as international human rights treaties, may not directly impose legal obligations on enterprises, it is important to recognize that enterprises have a significant impact on human rights. Therefore, enterprises should proactively understand human rights principles and strive to avoid any actions that may infringe upon or violate human rights.

What are human rights?

Human rights are the birthright of all people, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. Human rights include the rights to life and freedom, freedom from slavery and torture, freedom of opinion and expression, access to work and education, and many more.

You can learn more about enterprises and human rights by clicking [the Interpretation of Human Rights- Reference Guide for Business Enterprises \(second edition\)](#).

What are the internationally recognized human rights?

Internationally recognized human rights, as a minimum, can be understood as fundamental rights and principles as stated in the International Bill of Human Rights, international human rights treaties, and the ILO Declaration on Fundamental Principles and Rights at Work.

The Universal Declaration of Human Rights, formulated in 1948 by representatives from numerous countries, stands as the fundamental basis of contemporary human rights law. The International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, which were both promulgated in 1966, and the Universal Declaration of Human Rights were incorporated into international law at the same time. These three instruments are collectively called the International Bill of Human Rights. Internationally recognized human rights are also embodied in UN human rights instruments on specific groups or topics, which are listed in the table on the right.

In the field of labour rights, the 1998 ILO Declaration on Fundamental Principles and Rights at Work requires all its member States to commit themselves to four categories of principles and rights: freedom of association and the right to collective bargaining; Elimination of forced labour; Abolition of child labour; Elimination of discrimination in employment and occupation. In 2022, the Declaration was amended and occupational health and safety became the fifth fundamental principle and right. The five principles derive from the 10 ILO fundamental conventions and the Protocol of 2014 to the Forced Labour Convention.

The rights contained in these documents together constitute the minimum reference point for internationally recognized human rights.

Background: United Nations human rights law system

International human rights law imposes obligations on governments, compelling them to take appropriate measures or abstain from certain actions in order to advance and safeguard the human rights and fundamental freedoms of individuals and groups. Click [here](#) to view the approval status of the host country.

Foundations of the United Nations human rights law system

The United Nations human rights law system is based on the Charter of the United Nations adopted by the General Assembly in 1945 and the Universal Declaration of Human Rights adopted in 1948. Since then, the United Nations has gradually expanded the scope of human rights law, set up rights standards for women, children, the disabled, ethnic minorities, and other vulnerable groups, and protected them from discrimination that has been prevalent in many societies for a long time.

International Bill of Human Rights

(The Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and its two Optional Protocols (on the complaint procedure and the death penalty), as well as the International Covenant on Economic, Social and Cultural Rights and its Optional Protocols, together constitute the International Bill of Human Rights.)

The Universal Declaration of Human Rights is a landmark document in the history of human rights. The Universal Declaration of Human Rights was drafted by representatives from all regions of the world with different legal and cultural backgrounds. It was proclaimed by the United Nations General Assembly through its resolution 217 A (III) on 10 December 1948 in Paris, as a shared benchmark for evaluating the progress and accomplishments of nations and peoples worldwide. It was stipulated for the first time that the basic rights of human beings should be universally protected. Since its adoption in 1948, the Universal Declaration of Human Rights has served as the ideological foundation for the constitutions of numerous newly independent and emerging democracies.

The International Covenant on Economic, Social, and Cultural Rights was adopted in 1966 and entered into force in 1976. It is to promote and protect the following human rights: the right to just and favourable conditions of work; The right to social protection, an adequate standard of living and the highest attainable standard of physical and mental health; The right to education and to enjoy the benefits of cultural freedom and scientific progress.

The International Covenant on Civil and Political Rights (adopted in 1966) and its First Optional Protocol entered into force in 1976, and its Second Optional Protocol was adopted in 1989. The International Covenant on Civil and Political Rights stipulates: liberty of movement; All persons are equal before the law; Fair trial and presumption of innocence; Freedom of thought, conscience, and religion; Freedom of opinion and expression; Right of peaceful assembly; Freedom of association; Participation in public affairs and elections; To protect the rights and interests of ethnic minorities. The Convention prohibits arbitrary deprivation of life; Torture, cruel or degrading treatment or punishment; Slavery or forced labour; Arbitrary arrest or detention; Arbitrary interference with privacy; War propaganda; Discrimination; Advocacy of racial or religious hatred.

Other seven core human rights conventions

International Convention on the Elimination of All Forms of Racial Discrimination (1965), Convention on the Elimination of All Forms of Discrimination against Women (1979), Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1984), Convention on the Rights of the Child (1989), International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (1990), Convention on the Rights of Persons with Disabilities (2006), International Convention for the Protection of All Persons from Enforced Disappearance (2006).

Background: Implementation of the United Nations human rights law system

Human Rights Council

On March 15, 2006, the Human Rights Council, established by the UN General Assembly and directly accountable to it, replaced the UN Human Rights Commission, which had been in existence for 60 years, becoming the primary intergovernmental body responsible for human rights within the United Nations. The Council, composed of representatives of 47 member States, is entrusted with the task of strengthening the promotion and protection of human rights around the world, responding to human rights emergencies and other human rights violations and making recommendations on these issues.

The most innovative feature of the Human Rights Council is the Universal Periodic Review mechanism. Through this unique mechanism, the Council assesses the human rights situation of 192 member States of the UN every four years.

The UN Office of the High Commissioner for Human Rights

Founded in 1993, the UN Office of the High Commissioner for Human Rights is the focal point for UN human rights activities and the secretariat of the Council, as well as the special procedures, Universal Periodic Review and treaty bodies. It is responsible for carrying out UN human rights activities, responding to serious human rights violations, and taking preventive action.

The Office of the United Nations High Commissioner for Human Rights (OHCHR) has summarized the recommendations obtained from treaty bodies, Universal Periodic Review, and Special Procedures. Recommendations on the SDGs by different countries can be [accessed](#). This resource may provide some thoughts for enterprises to carry out background/factual circumstances assessment of certain countries.

Human rights, as a cross-cutting theme, are encompassed in all the policies and initiatives of the United Nations in key areas including peace and security, development, humanitarian assistance, as well as economic and social affairs. Therefore, to some extent, almost all UN agencies are involved in the protection of human rights. 10 December of every year is Human Rights Day.

The United Nations system provides resources to learn about the UN human rights law system and its implementation. Click [here](#) to learn about this knowledge. In addition, the ILO has formulated 190 labour conventions and protocols, which, once ratified by the State, will be legally binding and become an authoritative instrument to safeguard labour rights. For these rules, please refer to the second theme "Labour rights" in this manual. For those enterprises operating in conflict-affected environments, click [here](#) for more information on International Humanitarian Law (IHL).

Why Should Enterprises Carry Out Human Rights Due Diligence?

At present, the United Nations and the international community have reached a consensus that enterprises have the responsibility to respect human rights, and the practice or implementation of this responsibility is particularly reflected in the corporate responsibility for human rights.

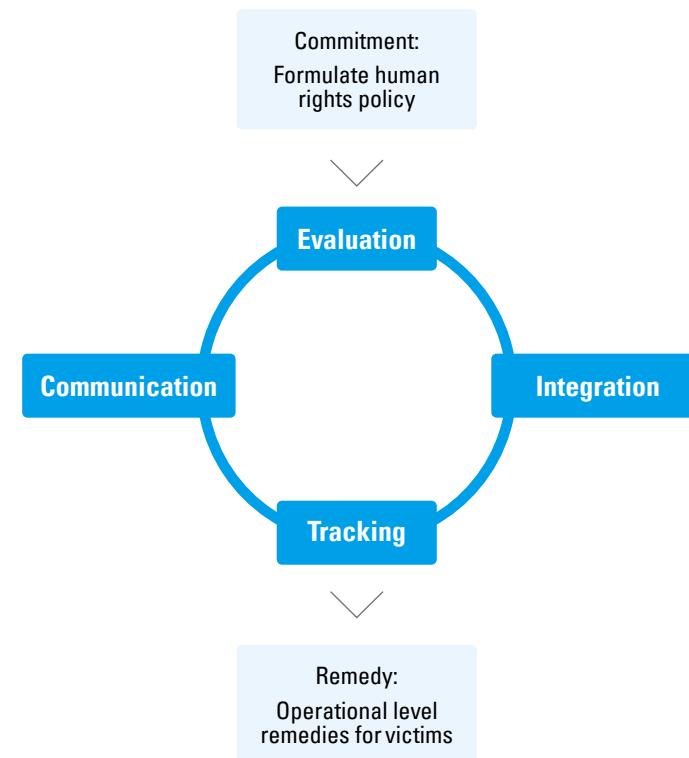
In 2011, the United Nations Human Rights Council approved the UNGPs. Before that, generally speaking, the responsibility for protecting human rights was mainly borne by the state. When a country signs and ratifies an international human rights treaty, the treaty becomes legally binding upon the country. At the same time, in the process of human rights development, business enterprises have also been identified as the main body of respect for human rights and should carry out human rights due diligence to show respect for human rights. This is reflected in the UNGPs, as well as in some documents formulated by the ILO and the OECD. These documents are not legally binding or mandatory but have undeniable moral power and authority.

What is human rights due diligence?

According to the UNGPs, human rights due diligence refers to a process of identifying, preventing, mitigating, and accounting for human rights. The process should include assessing actual and potential human rights impacts. Effective engagement with stakeholders is a key component of human rights due diligence, particularly rights holders, such as employees, community members, human rights defenders, supply chain workers, and consumers.

The process of due diligence includes:

- > Formulate human rights policies and commitments as responsibilities embedded in business management and demonstrating respect for human rights;
- > Conduct a human rights due diligence process to identify, prevent, and mitigate adverse impacts and be accountable for how to manage such impacts;
- > Provide remedies to the victims when businesses cause or contribute to adverse impacts.



Background: What obligations should the State undertake with regard to human rights?

Human rights are the fundamental rights inherent to all individuals. It is the obligation of the State to safeguard individuals from human rights abuses committed by others, including enterprises. To fulfill this obligation, the State must take appropriate measures to prevent, investigate, punish, and provide remedies for such abuses through effective policies, laws, regulations, and judicial decisions. This obligation arises from the human rights commitments made by States when they ratify one or more international human rights treaties.

The ratification of human rights treaties serves as a significant mechanism for a country to demonstrate its commitment to human rights obligations to both the international community and domestic stakeholders. Ratification or accession signifies the State's consent to be legally bound by the provisions of the treaty. By ratifying or acceding to a convention or treaty, the State acknowledges its responsibility to respect, protect, and fulfill the specified rights, which may entail adopting or revising laws and policies necessary for implementing the terms of the agreement. The obligation to respect means that States must refrain from interfering with or restricting the enjoyment of human rights. The obligation to protect necessitates the State to protect the human rights of individuals and groups from violations. Fulfilling these obligations requires States to take affirmative actions in promoting the realization of basic human rights. Moreover, as a State party, regular reports on the implementation of human rights are submitted to the monitoring committees established under the respective treaties.

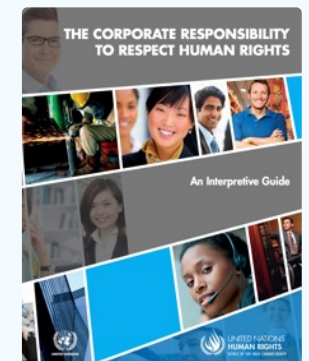
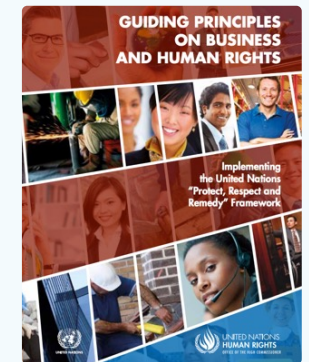


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Background: What responsibilities should enterprises undertake with regard to human rights?

Before 2011, while there was growing awareness of the significant impact of enterprises on human rights, the international human rights system primarily emphasized the obligations of states to promote and protect the human rights of individuals or groups. Generally, direct legal obligations on enterprises and individuals were not commonly imposed.

In the process of international human rights, the role and function of enterprises have been concerned and valued. In 2005, the UN Human Rights Committee requested the then Secretary General of the United Nations, Kofi Annan, to appoint the Special Representative of the Secretary-General, John Ruggie, to clarify the different responsibilities and obligations of enterprises and countries towards business and human rights. After a global consultation from 2005 to 2011, in June 2011, the Special Representative presented the UNGPs to the UN Human Rights Council, and the UNGPs were approved. Since then, enterprises have had an authoritative framework outlining their responsibilities in respecting human rights, along with a blueprint for taking action to fulfill their obligations through human rights due diligence, remedy, and accountability. Click [here](#) to learn about enterprises respecting human rights.



The UNGPs are the first global human rights standard to prevent and mitigate risks of adverse human rights impacts related to business activities.

Do Business Operations and Business Relationships Have Impacts on Human Rights?

Enterprises may face the challenge of lack of clarity regarding the impact of their operations and business relationships on human rights, with some even being unaware of their potential influence on human rights altogether. In light of this, we aim to provide clarification and explanation here, with the hope of assisting enterprises in developing a foundational understanding. However, it is essential to note that conducting a comprehensive impact assessment of enterprises on human rights often necessitates professional analysis that takes into account specific geographical environments, industries, enterprise scales, risk types, and other relevant factors. Undertaking a proper impact assessment is a crucial step for enterprises to effectively carry out human rights due diligence.

Example 1: Stakeholder-centered impact analysis approach

Corporate activities	Examples of specific activities	Examples of responsible departments	Relevant stakeholders	Enterprise activities that may have adverse impacts on stakeholders
Investing in the establishment of factories (set up subsidiaries or branches in China or overseas)	Site selection	Infrastructure Department	Surrounding communities and indigenous people	Demolition and migration, destruction of cultural heritage and migration of indigenous people
	Plant construction		Surrounding communities	Noise, dust and water pollution caused by the project or plant construction
	Material transportation	Transportation Team	Surrounding communities	Traffic congestion and road damage
	Workers	Infrastructure Department	Surrounding communities	Stealing and resident harassment
Raw material procurement	Purchasing raw materials and supplier selection	Procurement Department	Supplier	Purchasing raw materials processed by children
Chemical procurement	Purchasing	Procurement Department	Supplier	Hidden product danger caused by chemical procurement not meeting product quality requirements
	Using	Procurement Department	Employees and consumers	Occupational health and safety hazards to employees caused by non-compliant practices, as well as consumer health and safety hazards resulting from excessive residue levels
	Discharging		Surrounding communities	Hidden danger of water safety to people in surrounding communities
Discharge of "three wastes"	Waste water discharging	Production Department	Surrounding communities, sewage treatment plants, and even the whole basin	Water pollution to surrounding communities and even the whole basin caused by illegal or excessive discharge; Pressure of large amount of discharge on the treatment capacity of the treatment plant
	Waste gas emission		Surrounding communities	Hidden danger of excessive waste gas or toxic gas to the health and safety of people in surrounding communities
	Solid waste discharge		Surrounding communities and incineration plants	Soil pollution to surrounding communities caused by burying secretly; Pressure on incineration plant due to excessive solid waste or nonstandard classification
Product transportation	Transporting the product to the port	Sales Department and Transportation Team	Villages around the transportation route	Problems of dust, noise and traffic accidents during transportation on the normal life of residents in surrounding communities

Example 2: Analysis method focusing on human rights impact

Corporate activities	Examples of specific activities	Examples of responsible departments	Relevant stakeholders	Enterprise activities that may have adverse impacts on stakeholders
Employment and dismissal	Recruitment	Everyone has the right to earn a living through freely chosen and accepted work	Employees and special groups such as children, young workers, women, people with disability/ disabilities, ethnic minorities, immigrants or migrant workers	Discrimination and injustice caused by recruitment policies and procedures against ethnic minorities or vulnerable groups
	Manpower use (salary, working hour calculation, vacation, social welfare, training, industrial accident)	Equal pay for equal work, discrimination, lack of rest and access to leisure	Employees and their families	Discrimination against employees, failure to provide family-friendly salary and benefits, inadequate consideration for work-time arrangements, and employees being unable to take normal leave.
	Special manpower use methods such as labour dispatch	Everyone has the right to just and favourable working conditions	Labour dispatch enterprises and dispatched employees	The legitimate rights of dispatched workers, such as salary, welfare and vacation, cannot be guaranteed.
	Job transfer and dismissal	Working mothers are given paid leave or appropriate social security	Female employees	Female employees are passively transferred or dismissed during pregnancy
Production	Some employees engaged in dangerous posts	Safe and hygienic working conditions for all	Employees	Potential health and safety hazards of employees due to insufficient warning of hazard source information and insufficient provision of first-aid supplies
Subcontract	Give part of the order to the subcontractor	Safe and hygienic working conditions for all	Subcontractors and employees	There are compliance risks in subcontractors' production facilities and conditions, posing health risks to employees.
Outsourced processing	Entrusted processing of designated raw materials	Everyone has the right to earn a living through freely chosen and accepted work; Safe and hygienic working conditions for all	Outsourcing factory	The outsourcing factory forces employees to work overtime, and there are hidden dangers in the safety conditions of the outsourcing factory's production site
Plant project contracting	Contracting the project contractor to build the plant	Everyone has the right to earn a living through freely chosen and accepted work	Contractor's employees	Contractors use illegal immigrants and force employees to work
Labour Union	Free association and collective bargaining	Everyone has the right to form trade unions and to join trade unions of his or her choice	Workers	Workers are unable to participate in trade union activities or collective bargaining with enterprises
Safeguard	Hire security service enterprises, local police, etc	Everyone is entitled to the right to life, liberty, and personal security	Security forces, employees and surrounding communities	Employees are extorted by security personnel; Security personnel harass residents in the surrounding communities.

What resources are available to assist enterprises in comprehending the impacts on human rights?

The UN agencies provide rich resources to assist enterprises in comprehending the possible impacts of business activities on human rights. For example, the Guide to Human Rights Impact Assessment and Management (HRIAM) supported by the United Nations Global Compact provides specific examples to help enterprises quickly understand the relationship between enterprise activities and human rights. Click [here](#) to view. Implementing Human Rights: A Business Reference Guide (Monash University, International Business Leaders Forum, OHCHR, and the United Nations Global Compact, 2008) provides specific examples of enterprises' impact on human rights with reference to the International Bill of Human Rights and the core conventions of the ILO.

Enterprises operating in conflict or high-risk areas also have the responsibility to avoid contributing to human rights violations in complex situations. In 2006, the International Committee of the Red Cross issued the "Business and International Humanitarian Law: An Introduction to the Rights and Obligations of Business Enterprises under International Humanitarian Law", and the "Addressing Security and Human Rights Challenges in Complex Environments" Toolkit jointly developed by the Geneva Democratic Control of Armed Forces(DCAF) and the International Committee of the Red Cross (ICRC) to help enterprises promote collaboration and avoid violations. Click [here](#) to download the toolkit.

In the field of finance, the UN Principles for Responsible Investment have proposed to carry out human rights impact assessment for projects financed by financial institutions. Click [here](#) to view.

There are also some specific industries, such as the security service industry, which has a high correlation with the adverse impacts of human rights and has also developed a guide to guide security service enterprises. Click [here](#) to view it.

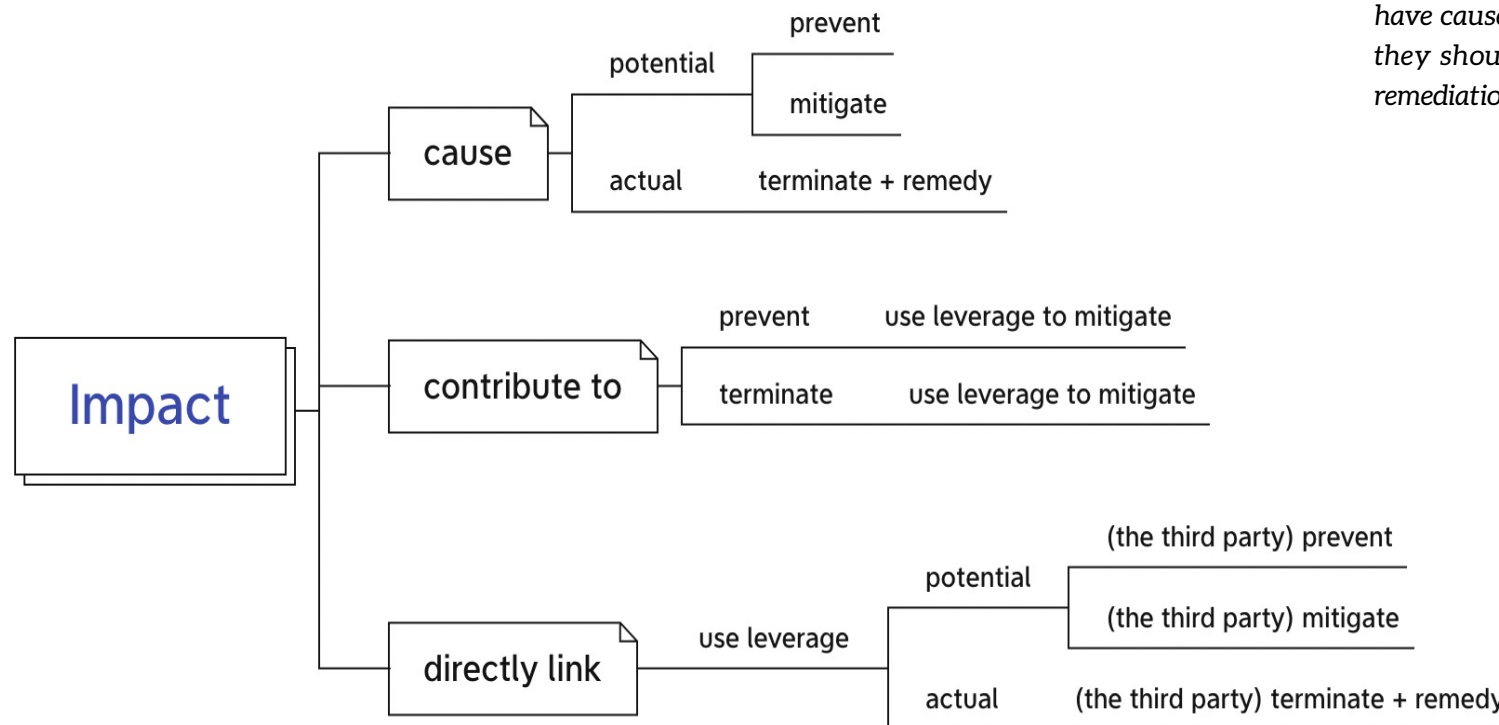
What Are the Impacts of Business Operations and Business Relationships on Human Rights?

It is crucial to acknowledge the various ways in which business operations and relationships can contribute to human rights impacts. Some enterprises may believe that they are only responsible for their own activities, such as protecting the rights and interests of their employees within the enterprise. However, human rights due diligence extends beyond this scope and encompasses the respect for internationally recognized human rights of a wide range of stakeholders. Hence, in addition to assessing business activities and workplaces, it is essential to pay attention to the human rights impacts of broader business relationships.

The human rights risk of an enterprise is any risk that its activities and business relationships may lead to adverse human rights impacts, including potential human rights impacts and actual human rights impacts. It can also be divided into human rights impacts caused by an enterprise and human rights impacts contributed to by and linked to an enterprise (see the chart below). In addition, adverse human rights impacts can also be classified according to severity and likelihood. "Likelihood" determines the priority of enterprises to take measures, while "serious human rights impact", defined according to scale, scope, and irremediability, signifies the scale and complexity of due diligence procedures and actions taken by enterprises.

"Where business enterprises identify that they have caused or contributed to adverse impacts, they should provide for or cooperate in their remediation through legitimate processes."

Principle 22 of the UNGPs



FAQ: What are the impacts of business operations and business relationships on human rights?

The Corporate Responsibility To Respect Human Rights - An Interpretive Guide contains all the key concepts and important interpretations of human rights in the UNGPs. Click [here](#) to download this important file.

1. How do enterprises get involved in adverse human rights impacts?

There are three basic forms for enterprises to be involved in adverse human rights impacts: they may cause impacts through their own activities or may contribute to impacts through their own activities, directly or through external entities (governments, enterprises, or others), or may neither cause nor contribute to impacts, but linked to impacts which are caused by entities with which they have business relationships and are related to the enterprises' own businesses, products or services.

2. What are the "salient human rights"?

For enterprises, the most significant human rights issues typically correspond to the highest risks involved. This can vary depending on the industry and business context.

The industry in which an enterprise operates often determines its activities, some of which may carry specific human rights risks. For instance, agribusiness enterprises may acquire land for new agricultural activities, potentially impacting communities that rely on that land for their homes and livelihoods, even if their legal rights are not recognized. This poses a particular risk to the affected individuals' right to an adequate standard of living. ICT enterprises may face specific risks regarding privacy violations and the right to information due to data sharing or surveillance practices. Enterprises in sectors dealing with hazardous substances on a daily basis, such as chemical, manufacturing, and mining enterprises, may encounter specific risks concerning the right to safe water. (These examples serve to illustrate the potential risks to certain rights within these sectors, but other rights may also face risks in these industries as well.)

The business background of enterprises can also vary significantly. In cases where national authorities fail to effectively implement and enforce labour laws, engaging with suppliers in such regions carries a higher risk of involvement in labour rights violations. Regions affected by conflict or prone to conflict present specific risks concerning security, the right to life, and racial discrimination. Water-scarce regions entail a heightened risk of negatively impacting the right to safe water. Moreover, if affected communities include indigenous peoples, their rights, including cultural rights, may face particular risks.

Hence, these industry and business background factors play a crucial role in determining which human rights face the highest risks within a specific enterprise. For instance, a toy or footwear enterprise typically faces significant risks related to labour rights violations within its supply chain. Beverage or food enterprises often encounter risks involving labour rights, as well as impacts on water or land use and consumer health. Pharmaceutical enterprises face prominent risks related to the right to health, while information and communication technology enterprises face challenges concerning freedom of expression and privacy. Logging or construction enterprises frequently operate in areas inhabited by indigenous peoples, necessitating careful consideration of potential impacts on these communities. Electronic commodity enterprises must be mindful of sourcing from countries or regions with weak labour laws or enforcement. Oil enterprises exploring new oil fields in conflict-affected areas need to address security-related risks proactively.

3. What are "severe human rights impacts"?

There is no universally agreed-upon definition of severe human rights violations in international law. However, the following practices are commonly encompassed: genocide, slavery and slavery-like practices, summary and arbitrary executions, torture, enforced disappearances, arbitrary and prolonged detention, and systematic discrimination. Other forms of human rights violations, including violations of economic, social, and cultural rights, can also be deemed as serious human rights violations if they meet certain criteria. These criteria typically involve the seriousness and systematic nature of the violations, such as large-scale or targeted abuses against specific population groups.

The commentary in the UNGPs defines severe human rights impacts in terms of scale, scope, and irremediability.

Depending on the business environment, individuals from highly vulnerable or marginalized groups, such as children, women, indigenous peoples, minority groups, or other marginalized populations, may experience the most severe human rights impacts. If an enterprise decides that it needs to prioritize its human rights impacts, it should take into account the vulnerability of these groups and the potential excessive impact on these individuals that may result from postponing the handling of certain impacts.

Stage 01

Raise Awareness

Step 1: Form understanding



Enterprises have impacts on all internationally recognized human rights, so they need to respect human rights. Although this responsibility is not legally mandatory, [the UNGPs](#), the international instrument that recognize this responsibility, is authoritative and influential. Enterprises need to have a correct understanding of human rights and the role of enterprises, which is the premise of human rights due diligence. The difference between the roles of enterprises and that of the state means that the responsibilities and commitments of these two important subjects in the field of human rights are different. Click [here](#) to learn about the responsibilities of enterprises and human rights. The expectations of the international community for enterprises to fulfill their responsibilities for human rights are embodied in the UNGPs, which is the first international instrument in the world to define the role of enterprises in the cause of human rights. It is recommended that enterprises first learn about this important document, and also refer to the [common questions](#) about the UNGPs.

Step 2: Define the scope



Enterprises should first formulate human rights policies and commitments to show respect for internationally recognized human rights. In this regard, the UN Global Compact provides [A Guide for Business - How to Develop a Human Rights Policy](#). Enterprises also need to carry out human rights due diligence, including identifying salient risks and integrating human rights into business management. The UN Human Rights Office and the UN Global Compact provide specific [A Guide for Integrating Human Rights into Business Management](#), based on the experience of 10 enterprises that have joined the Business Leaders Human Rights Initiative in implementing human rights. Enterprises need to identify various stakeholders involved in human rights due diligence, including internal employees, business partners including suppliers, engineering contractors, outsourcing processors, community groups, ethnic minorities, local governments, etc. Reference can be made to [Stakeholder Engagement in Human Rights Due Diligence - A Business Guide](#), provided by the UN Global Compact Germany Network.

Step 3: Collect resources



Since the approval of the UNGPs in 2011, UN agencies and others have provided rich resources for the implementation of the Principles. For example, [the business and human rights website](#) of the OHCHR and the [Global Compact Academy of Business and Human Rights](#). The "B+HR in Asia" project launched by the UNDP provides enterprises with an [interactive guide](#) on due diligence, [a training manual](#) on due diligence and corresponding training, and [guidance](#) on due diligence in conflict-affected areas. The Responsible Investment Initiative provides many [resources](#) for financial institutions to carry out human rights due diligence. In addition, through the ["Centre for Responsible Business Conduct"](#), the OECD helps enterprises in mining, textile, footwear, agriculture, finance and other sectors understand the guidelines and methods of due diligence, including human rights topics, which are important knowledge networks for enterprises to understand and access resources.

Start the Journey of RBPs

How Can Enterprises Use External Resources to Carry Out Human Rights Due Diligence?

Note: Based on their representativeness, authority and relevance, certain resources from UN agencies are provided for enterprises to understand and work on the topic. Additionally, a few significant resources from non-UN agencies may also be included. Please note that these resources do not encompass the entire range of available materials on the topic. Enterprises are also encouraged to explore additional relevant resources provided by both UN agencies and non-UN agencies.

Stage 02

Take Action

Step 4: Carry out impact assessment

The activities and businesses of enterprises may have human rights impacts on various groups. It is crucial for enterprises to identify and assess these impacts. UN agencies have provided rich resources to help enterprises assess impacts, such as the UN Global Compact, the International Business Leaders Forum and [Guide to Human Rights Impact Assessment and Management](#) supported by the International Financial Corporation, and the "five steps" provided by the UN Global Compact Germany Network, aiming to help enterprises analyze human rights impacts correctly.

Step 5: Analyze prioritization and formulate action plan

Enterprises need to analyze the priority of action according to the severity and likelihood of human rights impacts, and also need to consider the country context, industry, enterprise scale, ownership, enterprise structure and other factors. In combination with enterprise activities, business relationships and specific risk issues, the online information platform of the "[Human Rights and Business Dilemmas Forum](#)" provided by the UN Global Compact is a series of interrelated procedures involved in the human rights due diligence process. This series of procedures should include core components, such as risk identification and assessment, making risk action plans based on impacts, tracking effectiveness, and stakeholder communication and disclosure. Enterprises can refer to Principles 17-21 of [the UNGPs](#) and [A Business Reference Guide](#) of the OHCHR to formulate and implement human rights due diligence procedures

Stage 03

Continuous Improvement

Step 6: Track, monitor and evaluate

It is very important to track the effectiveness of enterprises' human rights policies and other measures. Enterprises need to set up tracking procedures, which are embedded in their internal management, to monitor and evaluate the effect of action plans in real time or periodically. Setting up a clear set of indicators is essential to help track results. Indicators can be both qualitative and quantitative. Indicators can be categorized into different human rights issues, such as health and safety, environmental impact and community. For example, the [Human Rights Indicators: A Guide for Measurement and Implementation](#) developed by the OHCHR, although not specifically designed for enterprises, can be referenced by businesses because it encompasses internationally recognized human rights outlined in international human rights conventions. In addition, the Danish Institute of Human Rights has prepared the Enterprise Human Rights Indicators, which is an open source database of 1,000 indicators. The Human Rights Matrix, which is developed by human rights business leaders through online data platform, helps enterprises carry out self-assessment based on enterprise activities and issue indicators.

Step 7: Performance management and continuous improvement

Human rights due diligence is not a one-time due diligence. Enterprises need to take measures to maintain momentum, and carry out root cause analysis in this process to understand the ways and reasons of enterprises involved in adverse human rights impacts and make continuous improvement. Enterprises should disclose their human rights impacts and actions, and the preparation of a comprehensive human rights report is the premise of the disclosure. The Human Rights Reporting and Assurance Frameworks Initiative (RAFI) provides [a reporting framework and guidelines](#) developed in accordance with the UNGPs.

A person is running through a field of large, stacked metal drums. The drums are arranged in rows, and the person is running between them. The image is overlaid with a green tint.

02 Labour Rights

Chapter Objectives

In this section, enterprises can learn about the fundamental labour principles and rights in the era of globalization, as well as knowledge of the rules on the topics of freedom of association and collective bargaining, forced labour, child labour, discrimination and safe and healthy working environment, and the prevailing expectations towards business conduct. This section also provides a wealth of resources related to the UN agencies, specifically the ILO, which can be referenced under specific contexts.

Main Standards

ILO Declaration on Fundamental Principles and Rights at Work (1998)

ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (2022)

11 ILO Fundamental Instruments (10 Conventions, 1 Protocol)

Core Content

What labour rights do enterprises need to know?

Why do enterprises need to respect labour rights?

How can enterprises promote respect for labour rights in their operations and business relationships?

How can enterprises use external resources to respect labour principles and rights?

Resource Platforms

ILO MNE Declaration Portal <https://www.ilo.org/empent/areas/mne-declaration/lang-en/index.htm>

ILO Helpdesk for Business <https://www.ilo.org/empent/areas/business-helpdesk/lang-en/index.htm>

ILO Basic Principles and Rights website <https://www.ilo.org/global/about-the-ilo/how-the-ilo-works/departments-and-offices/governance/fprw/lang-en/index.htm>

The Ten Principles of the UN Global Compact – Labour Rights <https://unglobalcompact.org/what-is-gc/mission/principles/>

UN Global Compact Decent Work Toolkit for Sustainable Procurement <https://sustainableprocurement.unglobalcompact.org>

"Economic, environmental and social pillars are interdependent and must be addressed together. A new social contract can establish that holistic approach and put societies on a just transition path to a sustainable future."

Mr. Gilbert Houngbo

Director-General of the International Labour Organization



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What Labour Rights Do Enterprises Need to Know?

The protection of labour rights and improvement of working conditions were initially reflected in the Industrial Revolution. World War I intensified the desire for lasting peace, and social justice to promote peace was a universal appeal. In this regard, the International Labour Organization was founded and undertook the mission of promoting social justice in the world of work. Since then, although the world has experienced major changes such as economic depression and decline, political discord and war, the Cold War and globalization, people have always insisted on maintaining and promoting social justice by formulating labor standards adapted to different times.

In today's world of work, we need to first take into account the current context of globalization in order to understand the labour rights that enterprises need to follow and promote the goal of decent work. In the late 1990s, the end of the Cold War removed obstacles to the development of a global market economy, and emerging communication technologies and free-market economic policies accelerated international trade and capital flows. The emergence of transnational organizations has led to the establishment of complex global supply chains. While the global economy has fostered economic development and prosperity, it has also given rise to a multitude of challenges, such as global production and subcontracting, child labour, forced labour, discrimination, etc.

The International Labour Organization (ILO) is dedicated to promoting social justice and internationally recognized human and labour rights. Its mission is rooted in the belief that social justice is crucial for achieving universal and lasting peace. As the only tripartite UN agency, the ILO brings together governments, employers, and workers' representatives from 187 member States. Its objective is to establish labour standards, develop policies, and implement programs that advance the concept of decent work for all individuals, regardless of gender. Among the numerous International Labour Standards, enterprises should prioritize ILO Declaration on Fundamental Principles and Rights at Work (1998), ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (2022), and the corresponding 10 Fundamental Conventions.

ILO Declaration on Fundamental Principles and Rights at Work (1998)

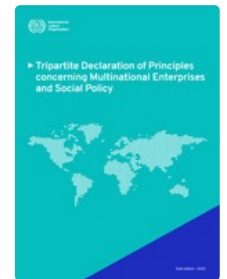
The Declaration was introduced at the International Labour Conference in 1994 and adopted in 1998. The Declaration states that all ILO member States should respect the principles of freedom of association, the right to collective bargaining, the abolition of forced labour, the elimination of child labour and discrimination in employment and occupation. In 2022, the ILO also recognized the right to a safe and healthy working environment as one of the fundamental rights. These principles are embodied and reinforced in the core conventions of the ILO. Once ratified by governments, the Conventions create legal obligations and, even in the absence of ratification, member States are obligated under the ILO Constitution to respect them.

Click [here](#) to download the Declaration.

ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (2022)

The Declaration reflects good practices that apply to all businesses. It provides guidance to multinational and national enterprises, governments of home and host countries, and employers' and workers' organizations in five areas. Click [here](#) to download the Declaration.

1. General policies: rule of law and realization of fundamental principle and rights at work; due diligence; alignment with national development priorities engage in; home-host country dialogue.
2. Employment: employment promotion; social security; elimination of forced or compulsory labour; effective abolition of child labour; minimum age and worst forms equality of opportunity and treatment; security of employment.
3. Training: promote skills development; improve employability of the workforce, national policies on vocational training and guidance.
4. Conditions of work and life: wages, benefits and conditions of work; safety and health.
5. Industrial relations: freedom of association and the right to organize; collective bargaining; consultation; access to remedy and examination of grievances.



Name of 11 ILO Fundamental Instruments

Number of ratifications
as of date: 21 May 2023

Freedom of Association and Protection of the Right to Organise Convention, 1948(No.87)	157
Right to Organise and Collective Bargaining Convention, 1949 (No.98)	168
Forced Labour Convention, 1930(No.29)	180
Abolition of Forced Labour Convention, 1957 (No. 105)	178
Protocol to the Forced Labour Convention of 1930, 2014	59
Minimum Age Convention, 1973 (No. 138)	175
Worst Forms of Child Labour Convention, 1999 (No. 182)	187
Equal Remuneration Convention, 1951 (No. 100)	174
Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	175
Occupational Safety and Health Convention, 1981 (No. 155)	76
Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)	60

China has ratified seven of the 10 Fundamental Conventions until 2022:

- C029- Forced Labour Convention, 1930 (No. 29)
- C100- Equal Remuneration Convention, 1951 (No. 100)
- C105- Abolition of Forced Labour Convention, 1957 (No. 105)
- C111- Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
- C138- Minimum Age Convention, 1973 (No. 138)
- C155- Occupational Safety and Health Convention, 1981 (No. 155)
- C182- Worst Forms of Child Labour Convention, 1999 (No. 182)

Background:

What is the International Labour Organization?

The International Labour Organization (ILO) was founded in 1919 as part of the Treaty of Versailles that ended World War I, reflecting the belief that lasting world peace can only be based on social justice. In 1946 it became a specialized United Nations agency dealing with labour issues. It sets International Labour Standards, promotes rights at work, fosters decent employment opportunities, strengthens social protection and facilitates dialogue on work-related issues. The ILO has a unique structure that brings together governments, employers and workers' representatives. The ILO has 187 member States, a secretariat headquartered in Geneva, Switzerland, and a network of experts and local offices in more than 40 countries.

Click [here](#) to learn about the ILO.



What are International Labour Standards and what are the issues? How can they be effectively developed and implemented?

There are already 190 Conventions on a wide range of subjects in the field of work, including freedom of association, collective bargaining, child labour, employment policy, social policy, working hours and so on. There are also six Protocols and 206 Recommendations.

Generally, the Governing Body of the ILO puts forward the issues, and the International Labour Office conducts research and makes a report. After two full discussions of the tripartite delegates of the International Labour Conference, the International Labour Office drafts the labour standards on a specific theme and the tripartite delegates of the International Labour Conference vote. For a standard to be adopted, it requires a two-thirds majority vote in favor. Once a country has ratified an International Labour Standard, regular monitoring of its implementation will be delegated to an independent body (Committee of Experts on the Application of Conventions and Recommendations) and a tripartite body (Conference Committee on the Application of Standards). In addition, the ILO Constitution provides for "special procedures" based on complaints and involving the Committee on Freedom of Association, the Ad hoc Tripartite Committee to examine complaints and the Committee of Inquiry. Click [here](#) to learn more about the types of International Labour Standards and how they are developed and implemented through the online course.

What is the difference between a Convention, a Recommendation and a Protocol?

International Labour Standards are legal instruments addressed to Governments, including Conventions, Protocols and Recommendations. Conventions and Protocols are legally binding international treaties, and countries that have ratified them commit to aligning their domestic laws and enforcement with the provisions of these instruments. They are also required to report regularly on their progress. States report every three years on the application of the Fundamental Conventions they have ratified, and every six years on the application of the other Conventions.

Recommendations are not intended for national ratification but rather offer general guidance to all member States. They are not legally binding but carry authority and expertise in their content.

Click [here](#) to find out which labour conventions have been ratified in your country. Click [here](#) to find out labour rights and social security legislation in 196 countries.

Why Do Enterprises Need to Respect Labour Rights?

Enterprises often question their role in International Labour Conventions, given that the implementation primarily relies on the ratification and enforcement by countries. What is the role of enterprises?

Labour rights are also human rights and, as described in the section on human rights due diligence, businesses have a responsibility to respect human rights, which encompasses respecting labour rights as well.

In the process of global development, especially in the context of globalization, enterprises now face greater expectations. The concept of “decent work” was first introduced in 1999, in the Report of the Director-General to the International Labour Conference meeting during its 87th Session. The Declaration on Social Justice for a Fair Globalization, adopted in 2008, reaffirmed values and shaped the concept of “decent work” in the context of globalization. The ILO calls for the achievement of 4 pillars of the decent work agenda including employment creation, protection of workers' rights, social protection and social dialogue, as well as the integration of gender equality and development into each of these goals.

The ambition of the UN Global Compact is to:

Accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the SDGs through accountable enterprises and ecosystems that enable change.

To make this happen, the UN Global Compact supports enterprises to:

- Do business responsibly by aligning their strategies and operations with [Ten Principles](#) on human rights, labour, environment and anti-corruption;
- Take strategic actions to advance [broader societal goals](#), such as the [UN SDGs](#), with an emphasis on collaboration and innovation.

Click [here](#) to learn more about the UN Global Compact, and click [here](#) to learn how enterprises participate in the UN Global Compact.

Principles on labour in the Ten Principles of the UN Global Compact include:

Principle3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle4: the elimination of all forms of forced and compulsory labour

Principle5: the effective abolition of child labour

Principle6: the elimination of discrimination in respect of employment and occupation

Members of the UN Global Compact commit themselves to The Ten Principles of the UN Global Compact, which are based on UN conventions and cover the areas of human rights, labour standards, the environment and anti-corruption, and [communicate their progress](#) on The Ten Principles.

Comply with the legal requirements of the host country

Governments ratify ILO Fundamental Conventions and translate them into national laws (a small number of countries automatically take effect upon ratification, meaning that courts can directly invoke international standards for judgment). Other ILO normative instruments, include declarations, which are not designed for ratification but rather provide guidance. These fundamental principles and rights will affect the operation of enterprises through the legislation, enforcement and national action plans of the host countries.

In recent years, labour rights have also become part of bilateral and multilateral trade agreements, such as the U.S.-Mexico-Canada Agreement that emphasizes the right to freedom of association. Violations of such requirements are subject to procedural inquiry or investigation.

Enterprises operating within global supply chains may also be subject to the laws of various countries. An illustrative example is the California Transparency in Supply Chains Act(2010), which mandates that manufacturers or retailers with operations in California and global revenues exceeding \$100 million must disclose information about their efforts to combat slavery and human trafficking within their supply chains. Similarly, the UK Modern Slavery Act(2015) requires disclosure in six areas: organizational structures, operations and supply chains; policies relating to the elimination of slavery and human trafficking; due diligence procedures on slavery and human trafficking in their operations and supply chains; risks in its business and supply chain and the steps it has taken; Assurance of the effectiveness of measures and performance indicators; and provision of training to its staff on the elimination of slavery and human trafficking. An increasing number of countries are actively developing and implementing legislation pertaining to supply chain practices.

Become a responsible enterprise

Numerous social organizations worldwide actively monitor corporate labour practices, such as the Business and Human Rights Resource Centre that asks enterprises to respond to labour rights violations, and responsible procurement platforms that list dozens of commodities of high-risk industries and countries. International and regional trade unions have also campaigned to demand respect for labour rights through criticizing by name and organizing strikes.

At the same time, there are many organizations or platforms around the world that encourage enterprises to continuously improve and enhance their capabilities. These entities offer RBPs initiatives and programs that require enterprises to meet certain standards to qualify for membership or participation. Enterprises can join these initiatives to bolster their commitment to RBPs and to further develop their capabilities. If enterprises want to join the UN Global Compact, for instance, they must commit to the Labour Principles of The Ten Principles at a new Communication on Progress (CoP) platform, effective in 2023.

In recent years, there has been a growing trend among financial institutions and investors to demand that project operators uphold the fundamental rights of workers. Initiatives such as the Equator Principles, Principles for Responsible Investment have emerged as social benchmarks for enterprises seeking project financing. Almost all ESG rating systems recognize labour standards as an essential component in assessing an enterprise's performance.

Enhance the sustainable competitiveness of business

The normal operation of all enterprises requires human resources, which are one of the most valuable assets of enterprises. Safeguarding employees' rights and interests is a key measure to improve their productivity and sense of belonging, as well as an inevitable measure to avoid and prevent labour disputes.

Many enterprises want to contribute to the SDGs of the UN and take them as a strategic goal of CSR. Decent work established by the ILO is both a goal of development and a driving force for sustainable development. In the United Nations 2030 Agenda for Sustainable Development, Goals 8 and 17, especially Goal 8, "Decent Work and Economic Growth", are adopted. It reaffirmed that business can be an important development partner in promoting decent work.

The protection of labour rights is also reflected in the audit plans of many customers, such as SA8000, BSCI, ETI, etc., whose labour rights are formulated in the framework of ILO International Labour Standards, and the labour rights content in the code of conduct of suppliers of a large number of customers are also based on this, such as the clause of zero tolerance for forced labour. Its definition and requirements for forced labour are drawn from ILO Conventions No. 29 and No. 105.

The preparation of corporate social responsibility reports and sustainable development reports is a way for many enterprises to communicate with external stakeholders. The international guidelines or indicator systems that guide enterprises to prepare reports also refer to ILO International Labour Standards in terms of labour rights and working conditions. It is a universal expectation to respect and practice internationally recognized labour rights standards.

How Can Enterprises Uphold the Right to Freedom of Association and Collective Bargaining in Their Operations and Business Relationships?

International Labour Conventions, Recommendations and Protocols cover a wide range of rights-related topics, such as employment policy, freedom of association, child labour, equality, occupational health and safety, etc. Enterprises of varying operating backgrounds, industries, sizes and ownership may seek guidance on where to begin addressing these rights issues. While ideally all rights issues should be given attention, it is crucial to prioritize and actively practice the fundamental labour principles and rights. These fundamental principles include freedom of association and collective bargaining, elimination of forced labour, eradication of child labour, and prevention of discrimination. Notably, in 2022, the ILO officially recognized the right to a safe and healthy working environment as a fundamental right. In this section, we will specifically focus on the right of freedom of association and collective bargaining.

Freedom of association and collective bargaining

What are the challenges worldwide

26% of countries acknowledge the right to form and join unions.

What are the standards?

Freedom of Association and Protection of the Right to Organise Convention (No. 87) and Right to Organise and Collective Bargaining Convention (No. 98).

Others include Workers' Representatives Convention, (No. 135), Workers' Representatives Recommendation (No. 143) and Collective Bargaining Recommendation (No. 163).

What is it?

At work, freedom of association means respect for the right of all employers and all employees to form and join groups of their own choosing freely and voluntarily in order to promote and defend their professional interests. Both employees and employers have the right to establish, participate in and operate their own organizations without interference from the State or other entities.

"Association" includes rule formation, administration and the activities of electing representatives. Freedom of association includes the freedom of employers, trade unions and other workers' organizations to discuss in order to reach legally recognized and binding agreements.

Collective bargaining is a voluntary process through which employers and employees discuss and negotiate their relationship, particularly with regard to terms of work, working conditions and the relationship between employers, employees and their organizations through grievance procedures. The principle of good faith constitutes a crucial element in ensuring the meaningful implementation of collective bargaining. Employers are expected to come to the table to bargain in good faith; however, agreement is voluntary and both parties must willingly accept the outcome (with some exceptions in national law involving arbitration). [Click](#) for an online course on industry relations.

What are the reasons?

Freedom of association and the exercise of collective bargaining provide opportunities for constructive rather than confrontational dialogue, and this harnesses energy to focus on solutions that result in benefits to the enterprise, its stakeholders, and society at large.

Collective bargaining is a voluntary process used to determine terms and conditions of work and regulate relations between employers, workers and their organizations, leading to the conclusion of a collective agreement. Collective bargaining has the advantage that it settles issues through dialogue and consensus rather than through conflict and confrontation.

The data for this section on "What are the challenges worldwide" comes from data interpretation by the author based on the UN Global Compact's [Decent Work webpage](#); "What are the standards?" comes from the International Labour Organization's NORMLEX system; The answers to the four main questions are compiled from the ILO Helpdesk for Business. Click [here](#) to see and learn more about the issue.

What are the common challenges?

Common corporate practices often involve infringing upon employees' freedom of association and their right to engage in collective bargaining. Interference can take various forms, such as creating workers' organizations that are controlled by employers or their affiliated entities, aiming to subject them to the supervision and influence of employers. It can also include providing financial or other forms of support to workers' organizations.

In addition, it often takes the form of exclusion, which includes any action that links a worker's employment to giving up his or her union membership or not joining a union, as well as the dismissal or injury of a worker for union membership or participation in union activities.

In business relationships, enterprises may overlook the rights of workers within their supply chain. This negligence can result in the infringement of workers' rights.

What can be done?

In the workplace:

- > Provide worker representatives with appropriate facilities to assist in the development of effective collective agreement. This entails granting workers' representatives adequate time off from work, without any reduction in pay or benefits, to fulfill their representative responsibilities and attend trade union meetings.
- > Recognize representative organizations for the purpose of collective bargaining. The right of workers to form or join organizations in order to bargain collectively cannot be realised if the employer refuses to recognise the trade union or to engage in collective bargaining.
- > Provide information needed for meaningful bargaining. This information should enable workers' representatives to obtain a true and fair view of the performance of the enterprise.

At the bargaining table:

- > Provide trade union representatives with access to decision makers for collective bargaining.
- > Bargain in good faith. Collective bargaining can only function effectively if it is conducted in good faith by both parties.
- > Address any problem-solving or other needs of interest to workers and management, including restructuring and training, redundancy procedures, safety and health issues, grievance and dispute settlement procedures, and disciplinary rules.

In the community of operation:

- > Take steps to improve the climate in labour-management relations, especially in those countries without an adequate institutional and legal framework for recognizing trade unions and for collective bargaining.

The data for this section on "What are the challenges worldwide" comes from data interpretation by the author based on the UN Global Compact's [Decent Work webpage](#); "What are the standards?" comes from the International Labour Organization's NORMLEX system; The answers to the four main questions are compiled from the ILO Helpdesk for Business. Click [here](#) to see and learn more about the issue.

How Can Enterprises Contribute to the Abolition of Child Labour in Their Operations and Business Relationships?

Child labour represents a significant challenge within workplaces and requires urgent attention from businesses. The global objective of eliminating all forms of child labour by 2025 is facing substantial obstacles, as current progress falls far short of what is required. To achieve this goal, global efforts must be accelerated by a factor of 18 compared to the pace of the past two decades. It is imperative for all businesses, regardless of their size, to ensure that children below the minimum working age do not work in their own facilities or operations. For many, the risk of child labour in their own operation may not be obvious. However, child labour impacts are often found within the supply chain. Even if enterprises do not have contractual or commercial relationships with the entities that are causing child labour impacts, the impacts may be linked to an enterprise's operations, products or services through business relationships.

Child labour

What are the challenges worldwide

"In the world, 160 million children are in child labour, accounting for almost 1 in 10 of all children worldwide."

What are the standards?

Minimum Age Convention (No. 138) and Worst Forms of Child Labour Convention (No. 182)

What is it?

What is child labour?

Child labour is work that harms the child's well-being and hinders his or her education, development and future livelihood.

In general terms, child labour is work performed at too early an age which deprives a child of the chance to obtain education or damages a child's development. The minimum working age is usually set by the national legislation and must be respected. According to international standards, it is at least 15, which is typically the age when compulsory schooling ends. Exceptions may be allowed for work carried out as part of training programs or for light work involving children from the age of 13, provided that such work does not interfere with their education. Developing countries have the option to set the minimum age at 14 and 12 for "light work" as a transitional measure. However, some countries (for example, Brazil, China and Kenya) chose to set the minimum age at 16 years on their own initiative.

What is light work?

This is work that children can do as long as it does not threaten their health and safety, or hinder their education or vocational training (generally, non-hazardous work for fewer than 14 hours per week). It should only be performed by children aged 13 or over (or, provisionally, age 12 in certain developing countries) when permitted by the local law.

What are the worst forms of child labour?

The worst forms of child labour include:

- (1) slavery and forced labour, including child trafficking and forced employment in armed conflict;
- (2) The use of children in prostitution or pornography;
- (3) The use of children in illegal activities;
- (4) any activity or work performed by a child that is likely to harm the health, safety or morals of the child.

The data for this section on "What are the challenges" comes from the ILO [2020 Global Estimates of Child Labour](#); "What are the standards?" comes from the International Labour Organization's NORMLEX system; The answers to the four main questions are compiled from the ILO Helpdesk for Business and are partly based on the ILO-IOE [Child Labour Guidance Tool for Business](#). Click [here](#) to see and learn more about the issue.

What are the reasons?

In recent years, there has been a notable increase in awareness regarding the issue of child labour within global value chains. This heightened awareness can be attributed to the significant efforts made by organizations such as the ILO, governments, social partners, civil society organizations, and the media. As a result, there has been a mounting pressure on businesses to take proactive measures to prevent and address the adverse impacts of child labour.

Concerning the abolition of child labour, the ILO MNE Declaration (2022) states that: "Multinational enterprises, as well as national enterprises, should respect the minimum age for admission to employment or work in order to secure the effective abolition of child labour in their operations and should take immediate and effective measures within their own competence to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency."



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What are the common challenges?

With rapid globalization, the world is getting smaller, but supply chains are getting longer. It is a common challenge for businesses to ensure ethical production, free from child labour and supportive of decent work for adults in this rapidly changing environment.

- An enterprise may cause child labour through its own actions or decisions.
- An enterprise may contribute to child labour through a business relationship (e.g., with a supplier, customer or government) or through its own actions in tandem with other parties' actions.
- An enterprise neither causes nor contributes to child labour, but may be linked to child labour because it is caused by an entity with which the enterprise has a business relationship.

What can be done?

Enterprises sourcing in specific industry sectors with geographically distant supply chains need to be particularly vigilant. Part of conducting due diligence should include review of ILO and other research to be aware of sectors prone to child labour problems in areas where an enterprise operates.

Particular actions enterprises can take to eliminate child labour in the workplace include:

- Adhere to minimum age provisions of national labour laws and regulations and, where national law is insufficient, take account of international standards.
- Use adequate and verifiable mechanisms for age verification upon recruitment.
- Maintain accurate and up-to-date records of all employees.
- When children below the legal working age are found in the workplace, take measures to remove them from work and to the extent possible, help the child removed from workplace and his/her family to access adequate services and viable alternatives.
- Exercise influence on subcontractors, suppliers and other business partners to combat child labour.
- Consider ways to build the capacity of business partners to combat child labour, such as the provision of training and incentives.
- Establish a wage level for adult employees that enables them to adequately support their families without relying on the earnings of children.

The data for this section on "What are the challenges" comes from the ILO [2020 Global Estimates of Child Labour](#); "What are the standards?" comes from the International Labour Organization's NORMLEX system; The answers to the four main questions are compiled from the ILO Helpdesk for Business and are partly based on the ILO-IOE [Child Labour Guidance Tool for Business](#). Click [here](#) to see and learn more about the issue.

How Can Enterprises Contribute to the Abolition of Forced Labour in Their Operations and Business Relationships?

It is essential to acknowledge that forced or compulsory labour remains a significant global challenge, despite some enterprises mistakenly believing that they are immune to such practices. In certain countries and regions, systemic factors such as socio-economic conditions and cultural norms contribute to the prevalence of forced labour. It is important to recognize that businesses may be unaware of forced labour situations within their supply chains or even their own operations. Third-party relationships with labour brokers can obscure indicators of forced labour, including debt bondage, fear, intimidation tactics, and other exploitative practices.

Forced labour

What are the challenges worldwide

"49.6 million people are in modern slavery, 27 million of them in a state of forced labour"

What are the standards?

Forced Labour Convention (No. 29) and its Protocol of 1947, Abolition of Forced Labour Convention (No. 105)

What is it?

Modern slavery encompasses various forms of exploitation, including forced labour, human trafficking, debt bondage, inheritance of debt bondage, forced marriage, child slavery, etc. Forced labour refers to work or services performed by any person under the threat of punishment, without the worker's voluntary consent. Forced labour is a violation of the basic human right to work in freedom and freely choose one's work. It is important to note that forced labour does not encompass cases of trafficking solely for organ sale, forced marriage, or adoption, unless these practices result in forced labour. Forced or compulsory labour has two characteristics:

- Threat of penalty. The penalty may consist in a penal sanction, such as arrest or jail, or in the suppression of rights or privileges, such as the refusal to pay wages or forbidding a worker from travelling freely.
- Work or service undertaken involuntarily. Deciding whether work is performed voluntarily often involves looking at external and indirect pressures, such as the withholding of part of a worker's salary as part repayment of a loan, or the absence of wages or remuneration, or the seizure of the worker's identity documents.

What are the reasons?

Primarily rooted in poverty, unfairness and discrimination, forced labour pursues economic gain at the expense of vulnerable and unprotected workers. Inadequate legislation and lax enforcement mean that offenders are rarely charged or punished.

- Debt-induced forced labour: Most prevalent in South Asia, it is often referred to as "debt labour", also known as "debt bondage". It exists in different sectors of the economy, including agriculture, brick-making, mining and other industries, and is often associated with persistent discrimination.
- Forced labour in prisons: International law generally does not consider prison labour to be forced labour. However, the involuntary labour of prisoners who have not been sentenced by a court and who are not supervised by a public institution is considered forced labour. Similarly, involuntary labour provided by prisoners to private enterprises is forced labour.
- Forced labour as a result of human trafficking: Human trafficking is often associated with forced labour. Trafficking is facilitated by organized criminal networks or individuals, while it also involves deceptive recruitment, fraud and extortion for the purpose of labour exploitation.

The data for this section on "What are the challenges" comes from the ILO's [Global Estimates of Modern Slavery: Forced Labour and Forced Marriage](#) (2022); "What are the standards?" comes from the International Labour Organization's NORMLEX system; The answers to the four main questions are compiled from the Q&As on Business and Forced Labour from the ILO Helpdesk for Business and are partly based on the UN Global Compact on labour standards. Click [here](#) to see and learn more about the issue.

- Forced labour linked to exploitation within the labour contract system: This is a prevalent phenomenon observed across the globe today. Migrant workers, in particular, often become trapped in a situation where they are "bound" by labour contracts due to exorbitant fees, leaving them with limited opportunities to switch employers once they arrive in the destination country.

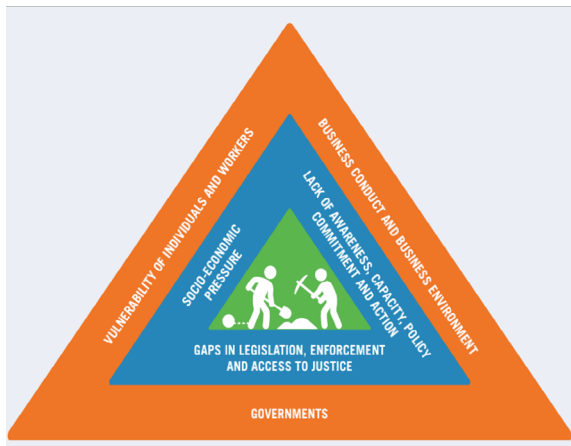


Figure: Three causes of forced labour
Click [here](#) for the ILO report

What are the common challenges?

Forced labour is condemned and banned all over the world. Many people believe that the problem no longer exists and that forced labour has been completely eliminated. Unfortunately, this is not the case and there is evidence that forced labour continues in different forms in some countries.

- Management practices such as requiring workers to pay recruitment fees, pay for their equipment, or other accumulated debts trap workers in forced labour situations. Likewise, withholding wages due makes it difficult for workers to leave, knowing that they will never be paid the money they are owed;
- Restricting the movement of workers on the grounds of safety, confiscating workers' documents on the grounds of safekeeping, etc., which prevents workers from moving freely;
- Intimidation, beatings, corporal punishment, body searches, insults and extortion by security personnel;
- Supply chain workers are unable to leave the workplace and have to work overtime;
- Labour agencies organize fraudulent recruitment, utilizing extortion and blackmail to extract the earnings of migrant workers.

What can be done?

Business has an important role to play in the elimination of forced labour. Specifically, the enterprise can:

- Ensure that workers always have access to their documents, including passports, identification and travel documents;
- Ensure that workers never pay recruitment fees or otherwise accumulate debt owed to the employer; and that any wages due to them are paid on time;
- Develop clear and transparent enterprise systems and measures to prevent forced labour and human trafficking. Make it clear that these policies apply to all businesses involved in the enterprise's products and supply chain;
- Carefully monitor contractors, especially across borders, and blacklist those known to withhold workers' identity documents and prevent them from leaving freely.

For more detailed guidance on how to understand forced labour, see [ILO Indicators of Forced Labour](#). See [Combating Forced Labour: A Handbook for Employers and Businesses \(2015\)](#) to understand how to prevent or eliminate forced labour. Or check out the ILO's list of frequently asked questions about forced labour [here](#).

Enterprises can also click on the [ILO's Global Business Network on Forced Labour](#) to join in, take online courses and access materials.

The data for this section on "What are the challenges" comes from the ILO's [Global Estimates of Modern Slavery: Forced Labour and Forced Marriage](#) (2022); "What are the standards?" comes from the International Labour Organization's NORMLEX system; The answers to the four main questions are compiled from the Q&As on Business and Forced Labour from the ILO Helpdesk for Business and are partly based on the UN Global Compact on labour standards. Click [here](#) to see and learn more about the issue.

How Can Enterprises Respect Non-discrimination in Their Operations and Business Relationships?

In the age of global production, enterprises, particularly multinational corporations, are increasingly inclined to hire employees from diverse backgrounds who come from different countries and work together. Enterprises that foster a culture of equal opportunity will find it easier to manage such a diverse workforce, leading to enhanced teamwork and productivity. Many enterprises highly value diversity in employees' backgrounds, including factors such as gender, ethnicity, race, religion, ethnic origin, age, disability, and more. This is because they recognize that a diverse pool of human resources is better equipped to adapt to the challenges of globalization.

Non-discrimination in employment and occupation

What are the challenges worldwide

"Hundreds of millions of people experience discrimination in the workplace because of their skin colour, ethnic or social origin, religious or political beliefs, age, gender, sexual identity or orientation, disability or HIV status."

What are the standards?

Equal Remuneration Convention (No. 100), Discrimination (Employment and Occupation) Convention (No. 111), Indigenous and Tribal Peoples Convention (No. 169), Maternity Protection Convention (No. 183), Maternity Protection Recommendation (No. 191), Workers with Family Responsibilities Convention (No. 156) and Workers with Family Responsibilities Recommendation (No. 165)

What is it?

"Discrimination in employment and occupation" refers to acts that subordinate or disadvantage a group of individuals in the labour market or workplace due to factors such as race, color, religious belief, gender, political opinion, ethnic origin, social origin or any other characteristic unrelated to the qualifications and requirements of the job.

Discrimination can be categorized into two types: direct discrimination and indirect discrimination. Direct discrimination refers to explicit differentiation, preference, or exclusion based on one or more specific reasons. Indirect discrimination, on the other hand, involves situations, measures, or actions that may appear neutral but have an adverse impact on a particular group of individuals. Indirect discrimination is often more subtle and challenging to address. Ensuring equality of opportunity and treatment is essential for individuals to fully develop their talents and skills based on their capacities and preferences, while also enjoying equal employment and working conditions. Merely eliminating discriminatory practices is not sufficient to achieve complete non-discrimination in employment. It is equally important to promote equality of opportunity and treatment throughout all stages of employment, including recruitment, retention, promotion, termination, remuneration, vocational training, and skills development.

What are the reasons?

- > Race and/or colour: Distinctions based on race and/or colour are largely rooted in social and economic factors and commonly involve discrimination against an ethnic group or indigenous or tribal population.
- > Sex: Sex discrimination includes distinctions made on the basis of biological characteristics and functions that distinguish men and women; and on the basis of social differences between men and women.
- > Religion: Religious discrimination includes distinctions made on the basis of expression of religious beliefs or membership in a religious group. This also includes discrimination against people who do not ascribe to a particular religious belief or are atheists.
- > Political opinion: Discrimination based on political opinion includes membership in a political party; expressed political, socio-political, or moral attitudes; or civic commitment.
- > National extraction: National extraction includes distinctions made on the basis of a person's place of birth, ancestry or foreign origin;

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- Social origin: Social origin includes social class, socio-occupational category and caste. Social origin may be used to deny certain groups of people access to various categories of jobs or limit them to certain types of activities.
- Age: Age is also a prohibited basis for discrimination. Older workers are often liable to encounter difficulties in employment and occupation because of prejudices about their capacities and willingness to learn.
- HIV/AIDS status: Situation of people living with HIV/AIDS: People living with HIV/AIDS are often discriminated against in the workplace and in the community.
- Disability: As a group, people with disabilities often face disproportionate poverty and unemployment due to exclusion from employment, or being denied promotion within an enterprise.
- Sexual orientation: workers who are lesbian, gay, intersex or transgender often are denied employment. When they are hired, they often face discrimination, verbal, psychological and physical threats or violence by employers, superiors or other workers.
- Workers with family responsibilities: Current trends in working time in industrialized, developing and transition economies alike are putting increased pressure on workers with family responsibilities.
- Trade Union membership or activities: Workers might be discriminated against for establishing and joining a union and participating in union activities as a member or leader of a union.

What are the common challenges?

Discrimination may occur before employment, during employment or upon leaving office. At the business level, discrimination can occur in the following areas:

Recruitment	Distribution of work
Remuneration	Performance evaluation and promotion
Rights and interests	Training Opportunities
Work and rest time	Job Prospects
Paid leave	Occupational Safety and Health
Protection of maternity and paternity rights	Termination of employment
Security of tenure	

Click to see [Equal Pay for Work of Equal Value](#), and discrimination against different groups, including [indigenous peoples](#) and people with [disabilities](#).

What can be done?

Enterprises should avoid providing differentiated and unfavorable treatment to employees based on factors unrelated to their abilities and job requirements. Enterprises are encouraged to eliminate discrimination through the following measures:

- Make a strong commitment from the top. When the most senior management assumes responsibility for equal employment issues and demonstrate a commitment to diversity, they send a strong signal to other managers, supervisors and workers.
- Conduct an assessment to determine if discrimination is taking place within the enterprise, for example using a self-assessment questionnaire.
- Set up an enterprise policy establishing clear procedures on non-discrimination and equal opportunities; and communicate it both internally and externally.
- Provide training at all levels of the organization, in particular for those involved in recruitment and selection, as well as supervisors and managers, to help raise awareness and encourage people to take action against discrimination.
- Support ongoing sensitization campaigns to combat stereotypes.
- Set measurable goals and specific time frames to reach objectives.
- Monitor and quantify progress to identify exactly what improvements have been made.
- Modify work organization and distribution of tasks as necessary to avoid negative effects on the treatment and advancement of particular groups of workers. This includes measures to allow workers to balance work and family responsibilities.
- Ensure equal opportunities for skill development, including scheduling to allow maximum participation.
- Address complaints, handle appeals and provide recourse to employees in cases where discrimination is identified;
- Encourage efforts in the community to build a climate of equal access to opportunities (e.g. adult education programs and the support of health and childcare services).

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How Can Enterprises Promote a Safe and Healthy Working Environment in Their Operations and Business Relationships?

The adoption of a safe and healthy working environment as a fundamental principle and right at the 110th International Labour Conference in 2022 means that all member States of the ILO are required to respect and promote this right, irrespective of whether they have ratified the relevant Conventions or not. A safe and healthy working environment brings numerous benefits to an enterprise. Apart from reducing the occurrence of accidents or illnesses, it aids in minimizing employee absenteeism and turnover, decreasing customer rejection rates, and boosting productivity. Furthermore, it enhances the enterprise's reputation for corporate social responsibility. Occupational safety and health management is often regarded by buyers as a reliable indicator of the overall management of an enterprise. A robust occupational safety and health system can effectively convey that the enterprise is well-managed and a trustworthy business partner.

Occupational safety and health

What are the challenges worldwide

"Around 2.9 million workers die every year due to occupational accidents and diseases and at least 402 million people suffer from non-fatal occupational injuries"

What are the standards?

Occupational Safety and Health Convention (No. 155),

Occupational Health Services Convention (No. 161),

Promotional Framework for Occupational Safety and Health Convention (No. 187)

What is it?

Occupational safety and health means that the business provides a safe workplace where risks to the safety and health of workers are minimised and the occupational safety and health system is well managed.

Occupational safety and health (hereinafter refer to "OSH") culture (or safety culture) may be described as the product of individual and group values, attitudes, perceptions, competencies and patterns of behaviour that can determine the commitment to, and the style and proficiency of, an organization's health and safety management system.



What are the reasons?

- > Lack of senior management involvement;
- > Chemical, natural and biological substances and agents that pose a threat to the health of workers;
- > Machines, equipment and processes are hazardous to health;
- > Inadequate health care and personal protective equipment (PPE), poor monitoring of PPE use, insufficient stocks of emergency kits, no emergency personnel;
- > Inadequate first aid arrangements for emergencies and accidents;
- > Workers and their representatives were not adequately informed and properly trained;
- > Environmental factors, such as poor ventilation, poor temperature control, poor lighting;
- > Poor internal affairs management, such as inadequate or unclean restroom facilities, unsuitable changing rooms or break rooms.
- > Building safety factors, such as lack of permits, unsafe construction.

Enterprises can click [here](#) to find out the requirements of the occupational safety and health management system. There is also guidance for specific industries. For example, for agriculture (including plantations), click [here](#) to refer to the Code of Practice, [Global WIND Manual](#) and the [OSH resource page](#); for construction industry, refer to the [Code of Practice \(revised\)](#), [WISCON](#), and the [resource page](#)

The data for this section on "What are the challenges" comes from the ILO's [Enhancing Social Dialogue towards a Culture of Safety and Health](#); "What are the standards?" comes from the International Labour Organization's NORMLEX system; The answers to the four main questions are compiled from the ILO Helpdesk for Business and the Guidelines on Occupational Safety and Health Management Systems (2001). Click [here](#) to see and learn more about the issue.

What are the common challenges?

The common challenges for enterprises' own operation include:

- > A high incidence of accidents or deaths;
- > Sick leave, absenteeism and turnover among workers;
- > Higher reject rate and lower productivity;

The market is increasingly integrating occupational safety and health concerns into supply chain requirements, and thus the OSH challenges from the whole supply chain will be raised.



© Maxime Fossat / ILO

What can be done?

An effective occupational safety and health management system should contain the following elements:

The employer, in consultation with workers and their representatives, should set out in writing an OSH policy, which should be:

- > Specific to the organization and appropriate to its size and the nature of its activities;
- > Concise, clearly written, dated and made effective by the signature or endorsement of the employer or the most senior accountable person in the organization;
- > Communicated and readily accessible to all persons at their place of work;
- > Reviewed for continuing suitability;
- > Made available to relevant external interested parties, as appropriate.

The OSH policy should include, as a minimum, the following key principles and objectives to which the organization is committed:

- > Protecting the safety and health of all members of the organization by preventing work-related injuries, ill health, diseases and incidents;
- > Complying with relevant OSH national laws and regulations, voluntary programmes, collective agreements on OSH and other requirements to which the organization subscribes;
- > Ensuring that workers and their representatives are consulted and encouraged to participate actively in all elements of the OSH management system; and
- > Continually improving the performance of the OSH management system.

Worker participation is an essential element of the OSH management system in the organization.

- > The employer should ensure that workers and their safety and health representatives are consulted, informed and trained on all aspects of OSH, including emergency arrangements, associated with their work.

The data for this section on "What are the challenges" comes from the ILO's [Enhancing Social Dialogue towards a Culture of Safety and Health](#); "What are the standards?" comes from the International Labour Organization's NORMLEX system; The answers to the four main questions are compiled from the ILO Helpdesk for Business and the Guidelines on Occupational Safety and Health Management Systems (2001). Click [here](#) to see and learn more about the issue.

Stage 01

Raise Awareness

Step 1: Form understanding

Universal and lasting peace can be established only if it is based upon social justice. Reflecting on the labour-capital conflict in the Industrial Revolution's mass production mode, mankind began to explore how to improve workers' rights and working conditions in the process of achieving peace and prosperity. We are now living in an era of globalization. Fair globalization and decent work have become the new pursuit in the world of work in this era. Enterprises continue to be entrusted with high expectations and play an important role in promoting the protection of labour rights and improving working conditions in the workplace. Enterprises can refer to the connotation and requirements of the [four pillars and ten categories](#) of decent labour indicators in the era of globalization. Enterprises should at least prioritize ensuring the [basic rights](#) of employees in the workplace. Enterprises are encouraged to promote decent work and contribute to achieving the SDGs. Click [here](#) to see how decent work relates to the SDGs and how [businesses](#) can accomplish the SDGs through decent work.

Step 2: Define the scope

[The Declaration on Fundamental Principles and Rights at Work](#) (1998), [the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy](#) (2022) and the ten Fundamental Conventions and one Protocol establish the rights which business should prioritize, on the basis of which continuous improvement and expansion of practices are expected at a higher level. The UN Global Compact sets out ten principles. Among them, four labour principles are related to the basic principles and rights of the ILO. They are a way for businesses to quickly understand the basic expectations.

Step 3: Collect resources

UN agencies provide rich resources to guide corporate behaviour. Businesses can access professional support through the ILO's Helpdesk for Business, which consolidates all of the ILO tools, resources, training, business networks and other support in one place. Businesses can sign up for free courses on decent work on the e-campus. Businesses can also study on child labour and forced labour through the ["IPEC+", the Global Business Network on Forced Labour](#), etc., which were launched by the ILO in the 1990s. Resources can also be found on the [Labour Standards Platform](#) of the UN Global Compact and the [Decent Work Toolkit for Sustainable Procurement](#).

Start the Journey of RBPs

How Can Enterprises Use External Resources to Respect Labour Rights?

Note: Based on their representativeness, authority and relevance, certain resources from UN agencies are provided for enterprises to understand and work on the topic. Additionally, a few significant resources from non-UN agencies may also be included. Please note that these resources do not encompass the entire range of available materials on the topic. Enterprises are also encouraged to explore additional relevant resources provided by both UN agencies and non-UN agencies.

Stage 02

Take Action

Step 4: Carry out impact assessment

Concern about the risk of adverse impacts is fundamental to RBPs. Enterprises should be aware of the risks of their operations negatively affecting labour rights, while also reducing the decent labour deficit in the supply chain. In "[Understanding Global Supply Chains and Fundamental Labour Rights](#)", the United Nations 8.7 Coalition describes the adverse impacts and challenges that global supply chains may have on fundamental labour rights. Based on experience gained from "Responsible supply chains in Asia" Project, [Labour Standards in Global Supply Chains](#) identify common corporate non-compliance and recommend actions in areas such as occupational health and hygiene, wages and benefits, working hours, child labour, forced labour, equality of opportunity and treatment, and harassment. The UN Global Compact, "[Navigating Decent Work Challenges in Multi-Tiered Supply Chains](#)", lists a number of industries that may have different adverse impacts on decent work at different points in the supply chain.

Step 5: Analyze prioritization and formulate action plan

In 2022, the ILO developed a [self-assessment tool for enterprises](#) to support enterprises that seek to benchmark their corporate social policies and practices against the guidance provided in Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration). It uses 34 questions to help enterprises clarify whether they have relevant policies and procedures in place. It also details easy-to-understand indicative actions that enterprises can take to assess the current situation and develop actions for improvement.

The UN Global Compact provides a [self-assessment tool](#) based on its ten principles. Enterprises can fill in the questionnaire to understand the five main categories of labour rights issues in Principle 2, which support enterprises in assessing social and environmental policies, processes and practices, with the aim to obtain the baseline and understand the distribution of the main gaps. The UN Global Compact also provides a [Decent Work Toolkit for Sustainable Procurement](#) to enable procurement staff and their suppliers to take action to improve labour conditions for supply chain workers and help enterprises integrate sustainable procurement into business management.

Stage 03

Continuous Improvement

Step 6: Track, monitor and evaluate

Monitoring requires a good set of indicators to assess performance. Click [here](#) for indicators of decent work. The ILO also provides specific documentations with regard to [freedom of association and collective bargaining](#), [forced labour](#), etc.

Step 7: Performance management and continuous improvement

Only when all actions taken by enterprises are closed loop and continuous improvement is maintained, labour rights can be promoted continuously. The UN Global Compact describes practical steps enterprises can take to achieve supply chain sustainability and presents examples to inspire action. The recommended steps are based on the UN Global Compact Management Model, which is a flexible framework for continuous improvement. Regarding how to achieve continuous improvement, please see [Supply Chain Sustainability: a Practical Guide for Continuous Improvement](#).



03 Child Rights

Chapter Objectives

Through this section, enterprises can understand the relationship between enterprises and child rights, assess the actual and potential impact of their own operations and business relationships on child rights, manage accordingly, and provide remedies when the enterprise cause or contribute to adverse impacts.

Main Standards

United Nations Convention on the Rights of the Child (1989)

Children's Rights and Business Principles (2012)

Minimum Age Convention (No. 138, 1973)

Worst Forms of Child Labour Convention (No. 182, 1999)

Core Content

What standards on children's rights should enterprises be aware of?

How will children's rights impact businesses?

What impact do business operations and business relationships have on children's rights?

How do businesses respect and support children's rights?

How can enterprises use external resources to respect and support children's rights?

Resource Platforms

UNICEF Business Platform

<https://www.unicef.org/child-rights-business>

United Nations 8.7 Alliance <https://www.alliance87.org>

ILO Child Labour Platform (CLP) <https://www.ilo.org/ipec/Action/CSR/clp/lang--en/index.htm>

“We are not the sources of problems; we are the resources that are needed to solve them. We are not expenses; we are investments. We are not just young people; we are people and citizens of this world.”

“A World Fit for Us”

the Children’s Forum, United Nations
Special Session on Children, May 2002



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What Standards on Children's Rights Should Enterprises Be Aware of?

Children under the age of 18 make up nearly one-third of the world's population. In many countries, children and adolescents make up almost half of the total population. Businesses, regardless of their size, are directly or indirectly linked to the lives of children or affect their rights or lives. The topic of business and human rights has evolved in recent years, but the child rights perspective has not yet been truly mainstreamed.

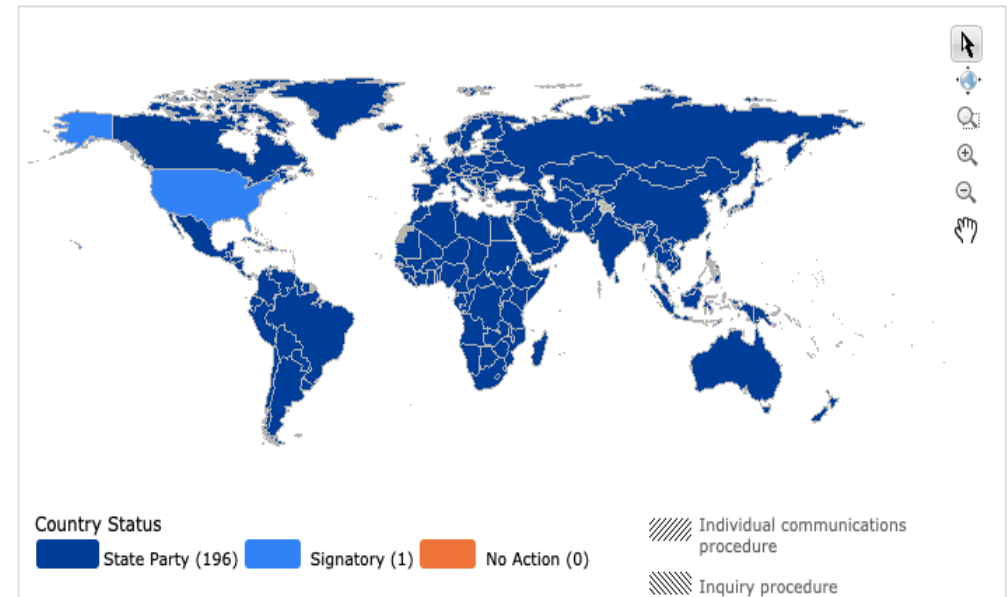
United Nations Convention on the Rights of the Child

The protection of the rights of children is a goal that all countries in the world are committed to, and this goal is recognized through the Convention on the Rights of the Child. The Convention defines a child as any person under the age of 18 unless the domestic law applicable to children provides that the age of majority is below 18 years. In Article 32, the responsibilities of States Parties are clarified:

- > States Parties recognize the right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development.
- > States Parties shall take legislative, administrative, social, and educational measures to ensure the implementation of the present article. To this end, and having regard to the relevant provisions of other international instruments, States Parties shall in particular:
 - (a) Provide a minimum age or minimum ages for admission to employment;
 - (b) Provide appropriate regulation of the hours and conditions of employment;
 - (c) Provide appropriate penalties or other sanctions to ensure the effective

Businesses can click to learn about and download the [Convention on the Rights of the Child](#) and its [protocols](#), and check whether their [country](#) has signed and/or ratified the Convention.

Convention on the Rights of the Child



Note: This map does not reflect a position by UNICEF on the legal status of any country or territory or the delimitation of any frontiers.

Children's Rights and Business Principles

Created by UNICEF, the UN Global Compact, and Save the Children, the Principles are the first set of principles to guide businesses to take comprehensive action to respect and support children's rights across the workplace, marketplace, and community. The Principles were launched in 2012 and were developed through an extensive multi-stakeholder consultation process involving businesses, civil society, governments, national human rights institutions, academia, and children.

How can businesses effectively respect and support children's rights? The Principles define the scope of a business's responsibility to children, based on existing standards, initiatives, and best practices relevant to business and children. Covering a wide range of critical issues, such as child labour, marketing, and advertising practices, and the role of businesses in assisting children affected by emergencies, the Principles call on businesses to achieve respect for and support for children's rights through policy commitments, due diligence management, and remedies.



Businesses can learn about UNICEF's core commitments on children's rights across all of its humanitarian work [here](#) and learn how they can work with UNICEF to ensure children's rights and achieve the SDGs [here](#). Click [here](#) to find more technical support and resources for implementing the Principles. [Examples](#) of corporate good practice will provide inspiration for enterprises.

Children's rights are outlined by the UN Convention on the Rights of the Child, the ILO's Minimum Age Convention (No. 138), and the Worst Forms of Child Labour Convention (No. 182).

Every child has a range of fundamental rights, such as:

- > the right to education
- > the right to health
- > the right to play
- > the right to an adequate standard of living
- > the right to be protected from economic exploitation (such as child labour)
- > the right to express his or her views, feelings, and wishes
- > the right to have his or her views given due weight in accordance with the age and maturity of the child

The fundamental rights of the child are enshrined in the above-mentioned Convention on the Rights of the Child and ILO Conventions. Respecting and supporting children's rights requires business to both prevent harm and actively safeguard children's interests.



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"So, are children's rights at the heart of responsible business conduct? Despite progress, not yet." *

**Source: Charting the Course: Embedding children's rights in responsible business conduct. A Brief (2022). p.3*

How Will Children's Rights Impact Businesses?

Children are important stakeholders in enterprises, but they are also a highly vulnerable group.

Protecting the human rights of children is a universally esteemed value worldwide. This value is manifested through various international instruments within the United Nations system, as well as through international initiatives, national legislations and enforcement, requirements in transnational investments or supply chains, and the "social license" granted by local communities and civil society. Enterprises play a crucial role in transforming the value of safeguarding children's rights into action through internal collective bargaining and human resource management.

International Human Rights Campaign and Initiative

The elimination of child labour is a common goal of the international community. To this end, centering on the goals of safeguarding the rights of children in the United Nations 2030 Agenda for Sustainable Development, the 8.7 Coalition has been established to adopt a multi-sectoral approach and commit to the elimination of child labour by 2025. Based on years of experience in tackling child labour, the ILO launched the International Program on the Elimination of Child Labour (IPEC+ Flagship Programme), which is committed to eliminating all forms of child labour by 2025. The ILO issued the Durban Call to Action on the global elimination of child labour, calling for global cooperation. UNICEF, through Children's Rights and Business Principles, encourages businesses to engage in causes that respect and support children's rights.

Host country legislation and enforcement

Prior to investing in a country, enterprises must ascertain its international commitments and corresponding legal and regulatory obligations. For instance, when a country signs and ratifies an international convention, it is expected to adjust its legal framework and enhance law enforcement procedures within a specified timeframe. The legal environment significantly influences the operations of enterprises. In numerous countries, legislation is in place to address various aspects concerning child labour, such as the minimum working age, prohibited forms of hazardous work, protection of young workers, responsibilities of labour intermediaries, remedies for child labour, and legal accountability.

Governments that have ratified the Minimum Age Convention (No. 138) and/or Worst Forms of Child Labour Convention (No. 182) report every two years on progress in implementing the provisions. The comments of the Committee of Experts on the Application of Conventions and Recommendations can provide information to enterprises regarding gaps in legislation that may pose potential risks of violations. These comments serve as guidance for enterprises to exercise due diligence and take necessary precautions to prevent such violations.

Responsible trade and investment requirements

An increasing number of downstream enterprises are imposing code of conduct requirements on their upstream suppliers, with zero tolerance for child labour being a critical criterion. Suppliers are often required to prevent the use of child labour through policy commitments, signing responsibility contracts, and other means, pledging to promptly address any instances of employing child labour. The protection of the rights and interests of underage workers is also a general requirement of the supplier code of conduct.

Numerous financial institutions incorporate human rights due diligence into their compliance reviews of investment projects, with a specific focus on preventing and mitigating child labour risks.

Social license

While businesses have contributed to economic development and social progress, they can also exacerbate some social challenges. One example is the rapid growth in demand for new energy vehicles, which in turn drives the consumption of raw materials like cobalt and nickel. The extraction of these minerals in producing countries often involves child labour, leading to the denial of children's right to education and negatively impacting their physical and mental well-being due to unsafe working conditions. Consequently, local social organizations and communities have resisted and excluded these investors, greatly affecting the operational capabilities and reputation of mining enterprises.

Workplace cooperation and human resource management

Businesses have both direct and indirect impacts on children's rights and are therefore expected to respect and support children's rights.

In some countries, enterprises contribute to children's education, social development, and family well-being by participating in social dialogue or fulfilling their social responsibilities.

The recruitment management in enterprises is closely related to the rights of children, which is reflected in verifying the age of employees recruited by enterprises, communicating requirements to labour agencies, establishing remedial measures for child labour situations, and implementing labour protection measures for underage workers and other aspects directly affecting the rights of children. At the same time, enterprises should also take into account the indirect impacts of measures such as maternity leave, breastfeeding support, the timing of skills training, protection of female employees' rights and interests, as well as special position protection, on the rights of children.



@UNICEF/China/2018/Ma Yuyuan

What Impact Do Business Operations and Business Relationships Have on Children's Rights?

Business and industry make an undeniable contribution to the well-being and survival of children, contributing to advances in child nutrition and health, education, and family well-being. But business and industry can also have adverse impacts on children. For example, the marketing and advertising of unhealthy foods can lead to childhood overweight and obesity. The prevalence of gender-based stereotypes in advertising and marketing can have an adverse impact on girls. The rapid development of new energy vehicles has greatly increased the demand for some mineral raw materials, and it may also exacerbate the challenges of child labour in manual mining.

To respect children's rights, businesses need to first understand how their business activities and relationships adversely affect children's rights.

What are the possible adverse impacts of business operations on children's rights?

- Enterprises can potentially undermine children's rights in the workplace, impacting areas such as breastfeeding support, occupational health and safety, pay, working hours, and protection for minors employed by the enterprise.
- Enterprises produce products that may infringe on children's rights, such as the effects of sweeteners on children's health.

What are the possible adverse impacts of business relationships on children's rights?

- Procurement and supply chains may contribute to abuses of children's rights in the informal economy, such as denial of the right to education.

The impacts of different national backgrounds on children's rights vary.

- Poverty and underdeveloped education systems.
- Conflicts and wars affect children's rights to survival and education.

Different industries may have different impacts on children's rights.

- The textile and garment industry may employ child labour in the peak season of production.
- Artisanal and small-scale mining (ASM) can be associated with child labour concerns.
- The advertising industry faces many challenges regarding the risks of children's data privacy.



Turkey
A Syrian girl picks olives from a tree. She is amongst many children that have to work long hours in conditions that are often unsafe for children.



Bolivia
A brother & sister aged 13 and 7 carry sugar cane stalks for planting. Their family lived in a makeshift tarpaulin shelter, in a village which has no school and no transportation to the nearest school.



Bangladesh
Boys aged 10 and 11 in their workplace in an aluminum factory in Dhaka. They work 12-hour days in conditions that are dangerous for their health.



Myanmar
A 9-year-old girl works on her mother's loom inside the common hall of a weaving workshop. School season has been delayed due to a COVID-19 lockdown.



Democratic Republic of the Congo
Child miners at work in Luluhl village, South Kivu Province. UNICEF data shows that some 40,000 children – many of them from families who have been displaced – work in mines in the south-east of the DRC.



Syrian Arab Republic
Imad, 13, is the eldest son in a family of seven. He is the breadwinner and his family depends on his weekly income of \$7 for sustenance. "I don't have any dreams. I am too busy at work to dream or to go play."

Source: WBCSD, UNICEF, TACKLING CHILD LABOR: AN INTRODUCTION FOR BUSINESS LEADERS, p.7.

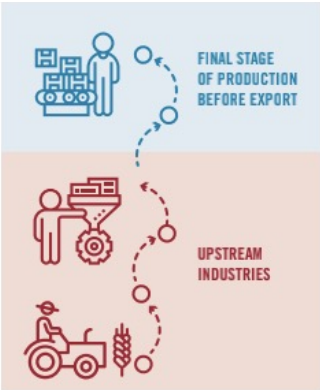
Apart from child labour, other issues related to children's rights have often been overlooked or insufficiently addressed by businesses.

Enterprises may focus on indicators of child labour, including in their own operations and business relationships, but beyond child labour, other issues of children's rights are largely ignored or underestimated.

For example, while child labour is an important challenge in the garment and footwear supply chain, children are affected in multiple ways beyond child labour, such as their parents' working conditions and the conditions in the communities around factories. Businesses are also advised to pay attention to other issues related to children's rights, such as:

- Maternity protection. Maternity protection is a labour right that is important not only for gender equality but also for the health and development of children. It encompasses aspects such as ensuring adequate maternity, paternity, or parental leave, fair wages and benefits, preventing discrimination based on maternity leave or family status, and guaranteeing the right to return to work.
- Support breastfeeding. Breastfeeding is a protected labour right according to the ILO, promoting women's successful return to work following maternity leave. Optimal breastfeeding practices significantly contribute to the health and survival of infants. It is important to provide paid lactation time and facilities, such as lactation rooms, to support nursing workers.
- Access to child care. Quality childcare, including setting up nurseries in enterprises, is important for early child development and reduces turnover by promoting parents' ability to balance work and family life.
- Health, nutrition, and health care at work. Such as health and safety indicators, special health and safety protection for pregnant and breastfeeding women, paid leave to attend prenatal check-ups, access to safe drinking water at work, hygienic toilets, and hand-washing facilities.
- Wages and working time. Such as a living wage, working hours, and flexible working arrangements.
- Women's empowerment. Including eliminating gender discrimination, and preventing gender-based violence and harassment at work.

% OF CHILDREN IN CHILD LABOUR WHO ARE WORKING IN GLOBAL SUPPLY CHAINS	REGIONS	% OF WHOM ARE WORKING IN UPSTREAM INDUSTRIES
26	Eastern and South-Eastern Asia	43
22	Latin America and the Caribbean	40
12	Central and Southern Asia	38
12	Sub-Saharan Africa	31
9	Northern Africa and Western Asia	28



Source: Compiled from the UNICEF Children's Rights Metrics in Supply Chain Monitoring and Reporting (2020).

How Do Businesses Respect and Support Children's Rights?

Since 2012 three interdependent approaches integrating children's rights into RBPs have emerged.

The first involves voluntary action by businesses to assess impacts across all aspects of operations, establish saliency, and change practices to address the most challenging issues for children.

The second takes a deeper and more systemic approach to the "conditions" of doing business. The business world is not just a collection of individual enterprises – it is a system of relationships, actors, practices, laws, conditions, investors, capital flows, stakeholders, and so forth.

The third approach consciously seeks to bring together wider policy and practice for children in areas such as health, nutrition, education, child protection, or climate action while preventing and mitigating business adverse impacts.

The Workplace

For example, how does working conditions, health and wages for your employees affect their children and families?

The Marketplace

For example, how does your product, advertising and marketing affect children's health and values, and thereby their wellbeing?

The Community

For example, how does your business and production facilities affect the environment and community where children live?



Source: detailed information related to the 3 approach could be found from Charting the Course: Embedding Children's Rights in Responsible Business Conduct (2022). A Brief. More information regarding the three domains please refer to UNICEF, Integrating Child Rights into Business-Inspiring Corporate examples

Some Cases Integrating Child Rights into Business:

1

Chocolate/cocoa supply chain enterprises set up the International Cocoa Initiative (ICI) to carry out work at both the community and supply chain levels. At the community level, families' awareness of the importance of education, children's health projects, and community action plans are promoted. At the supply chain level, the "Comprehensive Monitoring and Remediation System for Child Labour" project was piloted in 2012. The enterprise also carries out work at the industry level through funds.

2

Child labour is at the heart of a furniture enterprise's work on children's rights. The enterprise has put a lot of effort into identifying the root causes of child Labour. For example, through its long-standing partnership with UNICEF and Save the Children, the Corporate Foundation has undertaken projects to empower women and thus increase their children's chances of going to school.

3

An international clothing manufacturer and retailer provides vocational training at schools set up between the US and Bangladesh governments in Bangladesh for ex-child labourers who previously lost their job due to being under age, with a training program specially designed to guarantee graduates a job as a machine operator at the enterprise's factory.

4

In order to support the migrant labourers it employs, an Argentinean winery opened a nursery and school on one of its farms which provides health care, education, and food for the children of workers.

5

Aware of the role that advertising can play in children's dietary choices, an international food product producer made a commitment to reducing advertising for its products aimed at this audience, including restricting its advertising to products whose recipe and portion size are suitable for the requirements of children aged 3 to 12, in line with public health priorities.

6

A major computer security software corporation has delivered a number of programs designed to help educate younger generations to be safe and ethical online citizens. They have supported, through their expertise and funding, a curriculum related to online safety entitled "Surf Smart" by the World Association of Girl Guides and Girl Scouts; and the "Growing Up Digital" initiative being piloted by the Victoria Department of Education in Australia.

Cases from UNGC, Children's Rights and Business Principles – Good Practices per Principle, UNICEF, Integrating Child Rights into Business-Inspiring Corporate Examples

Stage 01

Raise Awareness

Start the Journey of RBPs

How Can Enterprises Use External Resources to Respect and Support Children's Rights?

Note: Based on their representativeness, authority and relevance, certain resources from UN agencies are provided for enterprises to understand and work on the topic. Additionally, a few significant resources from non-UN agencies may also be included. Please note that these resources do not encompass the entire range of available materials on the topic. Enterprises are also encouraged to explore additional relevant resources provided by both UN agencies and non-UN agencies.

Step 1: Form understanding



Children possess fundamental human rights; however, a staggering number of over 1 billion children worldwide, aged 2 to 17, endure physical, sexual, or emotional violence, as well as neglect. Protection from abuse is the right of every child, and safeguarding children from abuse is one of the responsibilities of an enterprise to respect and support children's rights. Businesses can make an outstanding contribution to respecting and supporting children's rights. Click [here](#) to learn about the link between children's rights and business.

Among the many challenges to children's rights, child labour is undoubtedly one of the most serious. Businesses can learn about this global challenge quickly by visiting the ILO's [Child Labour Knowledge Platform](#). Although child labour is a global challenge, the severity of the problem varies in different countries and regions due to the level of economic, social, and educational development. Enterprises can click [here](#) to understand the impacts on children's rights in the context of their country and region, as well as their [industry](#). In addition to child labour, maternity/parental leave, breastfeeding support, pay and working hours, health, and safety measures provided to employees by enterprises also have an impact on children's rights.

Step 2: Define the scope



Enterprises can respect and support children's rights by addressing three key domains: the workplace, the marketplace, and the community. The Enterprise Platform ([Atlas](#)) provided by UNICEF provides a series of reference indicators. If the business is operating in a special context, such as areas of conflict, further understanding of the specific international expectations of the business is needed. In addition to Atlas, UNICEF also provides a full package of [tools and guidance](#) for business to conduct due diligence.

Step 3: Collect resources



A thorough understanding of existing platforms and resources can help to quickly raise awareness and improve knowledge. Businesses can gather more expertise on children's rights by checking out UNICEF's [dedicated platform](#), the ILO's [Child Labour Platform \(CLP\)](#). In addition, the 8.7 Alliance, established in response to the United Nations 2030 Agenda for Sustainable Development, provides a professional [platform](#) to help all parties, including businesses, work towards the goal of eliminating child labour. The UN Global Compact launched a [business initiative](#) under the Fifth Principle, which calls on enterprises to join the effort to eliminate child labour.

Stage 02

Take Action

Step 4: Carry out impact assessment



Business respect for children's rights requires adverse impacts to be prevented, mitigated, and remediated. The impacts of businesses on children's rights vary, which means that businesses respond differently, so impact assessment is a prerequisite for specific responsible action. To analyse the adverse impacts of business operations and business relationships on the rights of children, including discussing whether the business has caused, contributed to, or linked to such adverse impacts. Enterprises can click [here](#) to learn how to carry out an impact assessment in combination with their national and regional background and industry. Enterprises also need to

Stage 03 Continuous Improvement

Step 5: Analyze prioritization and formulate action plan



Step 6: Track, monitor and evaluate



Step 7: Performance management and continuous improvement

assess the specific impacts of their operations and business relationships on children's rights. Enterprises can also learn how to protect children's rights in [cyberspace](#).

Enterprises need to develop effective action plans based on the likelihood, severity, and irretrievability of their impact on children's rights. UNICEF's Children's Rights and Business Principles (CRBPs) and its [resources](#) for implementation provide powerful guidelines for businesses to implement each of these principles. At the same time, it also provides [suggestions](#) on specific steps for enterprises to carry out the due diligence of children's rights, such as policy commitment, impact assessment, stakeholder participation, reporting, and remediation, so as to integrate respect for and support for children's rights into responsible practices of enterprises. In particular, children's right to an effective remedy has received little attention in the context of business-related human rights violations and abuses. Click [here](#) to get access to UNICEF's knowledge product about Operational-level grievance mechanisms fit for children.

The expansion and distribution of global supply chains ensure that economies operate efficiently. How can businesses avoid the adverse impacts of supply chains on children's rights? The ILO has launched the Child Labour Platform (CLP) Business Initiative. Enterprises can learn about the CLP and become members, learn about the [action guide](#), and develop action plans. Action plans need to be enforceable, measurable and, when child labour problems arise, remedied in accordance with established procedures. The ILO has developed a framework and methodology for the identification, referral, protection, and prevention of child labour ([CLM](#)) and [training courseware](#) based on its experience with the challenges of child labour in the garment industry and football manufacturing.

Once an enterprise has set the goal of respecting and supporting children's rights, it needs to develop a series of operational indicators to track, monitor, and evaluate the implementation and performance of the goal.

The ILO has developed a useful [app](#) for enterprises to translate the objective of eliminating and preventing child labour into specific indicators, which can help relevant employees of enterprises to quickly and easily query and record. Free [online courses](#) are also available on media matters related to child labour. Businesses in different sectors, such as agriculture, textiles and clothing, extractive industries, and information and communication technology (ICT) industries, can also take free [online courses](#) developed by the ILO in collaboration with the Food and Agriculture Organization of the United Nations, as well as learn about [methods](#) and resources of sectoral collaboration by UNICEF.

How can enterprises continue to improve their respect for and support for children's rights? Although the socio-economic causes of child rights problems are common in different countries and are often systemic challenges, enterprises in different industries face different characteristics of child rights violations. To this end, some industries and enterprises continue to promote the solution of the problem through collective action. For example, in response to the cobalt industry facing child labour in artisanal mining in the Democratic Republic of the Congo (DRC), UNICEF is involved in a [multi-stakeholder initiative](#) aimed at continuous improvement of child labour in cobalt mining and trading in the DRC. The ILO, for example, welcomed the sustained [multi-stakeholder approach](#) to removing children from labour exploitation from cocoa farms in Cote d'Ivoire and Ghana.



04 Gender Equality and Women's Empowerment

Chapter Objectives

This section gives an introduction on the instruments, initiative and resource related to gender equality and women's empowerment. Enterprises can understand their stake in gender equality and women's empowerment, find out the resource that mainly provided by UN Women, to better understand what enterprise could contribute to gender equality and women's empowerment.

Main Standards

Convention on the Elimination of All Forms of Discrimination against Women (1979)

Discrimination (Employment and Occupation) Convention (No. 111, 1958)

Equal Remuneration Convention (No. 100, 1951)

Workers with Family Responsibilities Convention (No. 156, 1981)

Maternity Protection Convention (No. 183, 2000)

Violence and Harassment Convention (No. 190, 2019)

Women's Empowerment Principles (2010)

Core Content

What International Conventions/Principles/Declarations do enterprises need to know?

What can gender equality and women's empowerment bring to enterprises?

What external demands on promoting gender equality and women's empowerment do enterprises face?

What gender inequalities are there in the world of work?

How Can Enterprises Use External Resources to Promote Gender Equality and Women's Empowerment?

Resource Platforms

UN Women Resource Platform [https://www.unwomen.org/en/digital-library/publications?f\[0\]=subject_area_publications:1300](https://www.unwomen.org/en/digital-library/publications?f[0]=subject_area_publications:1300)

WEPs (Women's Empowerment Principles) <https://www.weps.org/about>

“With just eight years to go until 2030 (the end point of the global Sustainable Development Goals), the world is lagging behind on most indicators of change under Goal 5 (gender equality). We must accelerate progress for women and girls. Without the full realization of their rights, the world will continue to lack peace, development and human security.”

Sima Bahous

Executive Director, UN Women



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What International Conventions Do Enterprises Need to Know?

International conventions on women's rights include the Convention on the Elimination of All Forms of Discrimination against Women, one of the nine core human rights conventions of the UN, and several ILO conventions. The signatories to these conventions are all States, but the implementation of the Conventions requires efforts of enterprises.

Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)

- States Parties shall take all appropriate measures to eliminate discrimination against women in the field of employment in order to ensure, on a basis of equality of men and women, the same rights, in particular:
 - (a) The right to work as an inalienable right of all human beings;
 - (b) The right to the same employment opportunities, including the application of the same criteria for selection in matters of employment;
 - (c) The right to free choice of profession and employment, the right to promotion, job security and all benefits and conditions of service and the right to receive vocational training and retraining, including apprenticeships, advanced vocational training and recurrent training;
 - (d) The right to equal remuneration, including benefits, and to equal treatment in respect of work of equal value, as well as equality of treatment in the evaluation of the quality of work;
 - (e) The right to social security, particularly in cases of retirement, unemployment, sickness, invalidity and old age and other incapacity to work, as well as the right to paid leave;
 - (f) The right to protection of health and to safety in working conditions, including the safeguarding of the function of reproduction.
- In order to prevent discrimination against women on the grounds of marriage or maternity and to ensure their effective right to work, States Parties shall take appropriate measures:
 - (a) To prohibit, subject to the imposition of sanctions, dismissal on the grounds of pregnancy or of maternity leave and discrimination in dismissals on the basis of marital status;
 - (b) To introduce maternity leave with pay or with comparable social benefits without loss of former employment, seniority or social allowances;
 - (c) To encourage the provision of the necessary supporting social services to enable parents to combine family obligations with work responsibilities and participation in public life, in particular through promoting the establishment and development of a network of child-care facilities;
 - (d) To provide special protection to women during pregnancy in types of work proved to be harmful to them.
- Protective legislation relating to matters covered in this article shall be reviewed periodically in the light of scientific and technological knowledge and shall be revised, repealed or extended as necessary.

China ratified the Convention in 1980.

Enterprises can click to learn about and download [the Convention on the Elimination of All Forms of Discrimination against Women](#). Click [here](#) to see whether the host country ratified the Convention.

ILO Conventions concerning equality in employment:

Discrimination (Employment and Occupation) Convention (No. 111, 1958)

Equal Remuneration Convention (No. 100, 1951)

Employment Policy Convention (No. 122, 1964)

The Discrimination (Employment and Occupation) Convention provides that individuals shall not be discriminated against in employment or occupation on the basis of their sex, race, colour or religion. It requires States to develop policies that promote and achieve equality of opportunity and treatment, including access to vocational training, employment and specific occupations, as well as terms and conditions of employment.

China ratified this Convention in 2005. Enterprises can click to find out and download [Discrimination \(Employment and Occupation\) Convention](#). Click [here](#) to see whether the host country ratified the Convention.

Equal Remuneration Convention stipulates equal remuneration for men and women workers for work of equal value. It requires States to "by means appropriate to the methods in operation for determining rates of remuneration, promote and, in so far as is consistent with such methods, ensure the application to all workers of the principle of equal remuneration for men and women workers for work of equal value."

China ratified this Convention in 1990. Enterprises can click to learn and download the [Equal Remuneration Convention](#). Click [here](#) to see whether the host country ratified the Convention.

The purpose of the Employment Policy Convention is to "guarantee the free choice of occupation which gives every worker the best possible chance of qualifying for the work for which he or she is well suited and to use his skills and talents, without distinction of race, colour, sex, religion, political opinion, national or social origin.

China ratified this Convention in 1997. Enterprises can click to find out and download the [Employment Policy Convention](#). Click [here](#) to see whether the host country ratified the Convention.

ILO Conventions concerning women's reproductive role and participation in working life:

Workers with Family Responsibilities Convention (No.156, 1981)

Maternity Protection Convention (No.183, 2000)

Workers with Family Responsibilities Convention stipulates: "With a view to creating effective equality of opportunity and treatment for men and women workers, all measures compatible with national conditions and possibilities shall be taken—

(a) to enable workers with family responsibilities to exercise their right to free choice of employment; and

(b) to take account of their needs in terms and conditions of employment and in social security."

China has not ratified the Convention, but already has relevant laws and regulations in place.. Enterprises can click to find out and download the full text of [Workers with Family Responsibilities Convention](#). Click [here](#) to see whether the host country ratified the Convention.

Maternity Protection Convention, 2000, which amended the Maternity Protection Convention of 1952, aims to further promote the equality of all women in the labour force and the health and safety of mothers and children. It is the joint responsibility of the Government and society to provide protection of pregnancy, taking into account the situation and needs of women workers. The convention proposes employment protection and non-discrimination for female workers during the pregnancy, maternity leave and nursing period, such as "a woman is guaranteed the right to return to the same position or an equivalent position paid at the same rate at the end of her maternity leave."

China has not ratified the Convention, but already has relevant laws and regulations in place. Enterprises can click to learn and download the [Maternity Protection Convention](#). Click [here](#) to see whether the host country ratified the Convention.

What Principles/Declarations Do Enterprises Need to Know?

In addition to the Conventions, the international community has developed a number of standards and guidelines to better guide multi-actors to promote gender equality and support women's empowerment, including the Sustainable Development Goals, the Beijing Declaration and Platform for Action, and the WEPs.

Number five of the UN 2030 Sustainable Development Goals: Achieve gender equality and empower all women and girls



TARGETS:

- End all forms of discrimination against all women and girls everywhere.
- Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.
- Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation.
- Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.
- Ensure women's full and effective participation and equal opportunities for leadership at all levels of decisionmaking in political, economic and public life.
- Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences.
- Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.
- Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.
- Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

Enterprises can [click](#) to learn more about this goal.

Women's Empowerment Principles (WEPs)

WEPs are a set of principles for businesses to guide them on how to empower women in the workplace, marketplace and community. It is established by UN Women and the UN Global Compact.

Principle 1: Establish high-level corporate leadership for gender equality

Principle 2: Treat all women and men fairly at work – respect and support human rights and nondiscrimination

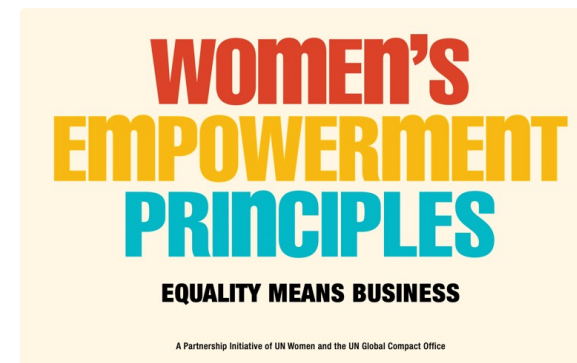
Principle 3: Ensure the health, safety and well-being of all women and men workers

Principle 4: Promote education, training and professional development for women

Principle 5: Implement enterprise development, supply chain and marketing practices that empower women

Principle 6: Promote equality through community initiatives and advocacy

Principle 7: Measure and publicly report on progress to achieve gender equality



Enterprises can click to access and download the detailed introduction and case study of the [Women's Empowerment Principles](#).

Beijing Declaration and Platform for Action

The 1995 Beijing Declaration and Platform for Action were visionary women's empowerment documents. They remain the most comprehensive global policy framework and blueprint for action to achieve gender equality and the human rights of women and girls around the world. They are also a source of guidance and inspiration for this cause. This landmark text is the outcome of the Fourth World Conference on Women, held in Beijing in September 1995. After two weeks of political debate, the exchange of information on good practices and lessons learned, and the sharing of experience, government representatives from 189 countries around the world agreed on what was then the broadest commitment. The Platform for Action covers 12 key areas of concern that remain important today: poverty, education and training, health, violence, armed conflict, the economy, power and decision-making, institutional mechanisms, human rights, the media, the environment and the girl child, and sets strategic goals for each key area of concern.

Strategic objective B of the Platform for Action, education and training of Women, strategic objective F, Women and the economy, and strategic objective G, Women in power and decision-making, are all related to women's employment rights.

Strategic objective B3: Improve women's access to vocational training, science and technology, and continuing education.

Strategic objective B4: Develop non-discriminatory education and training

Strategic objective F1: Promote women's economic rights and independence, including access to employment, appropriate working conditions and control over economic resources.

Strategic objective F2: Facilitate women's equal access to resources, employment, markets and trade.

Strategic objective F3: Provide business services, training and access to markets, information and technology, particularly to low-income women.

Strategic objective F4: Strengthen women's economic capacity and commercial networks.

Strategic objective F5: Eliminate occupational segregation and all forms of employment discrimination.

Strategic objective F6: Promote harmonization of work and family responsibilities for women and men.

Strategic objective G2: Increase women's capacity to participate in decision-making and leadership.

Enterprises can click to learn about and download the [Beijing Declaration and Platform for Action](#).

What Can Gender Equality and Women's Empowerment Bring to Enterprises?

Women's representation in leadership positions remains insufficient across various industries and countries. The underrepresentation of women in leadership roles not only limits their ability to advocate for policies and initiatives that promote their interests, inhibits the development of an inclusive and supportive workplace culture, but also impedes the company to grow. Moreover, women frequently encounter wage disparities in comparison to their male counterparts, earning less for performing equivalent work and finding themselves disproportionately represented in low-paying occupations. The persistent gender pay gap poses long-term challenges to women's financial security. Additionally, women bear a disproportionate burden of unpaid care work, perpetuating gender gaps in the workplace.

1

ECONOMIC BENEFITS

Gender equality within enterprises can enhance their profitability. By eliminating all forms of discrimination against women workers and managers, productivity per employee can increase by 40%. Furthermore, enterprises with gender-balanced boards are 20% more likely to improve their operating results compared to those without such balance.

2

TALENT ATTRACTION

The number of women receiving higher education exceeds that of men. Promoting gender equality and women's empowerment is conducive to expanding the talent pool of enterprises.

3

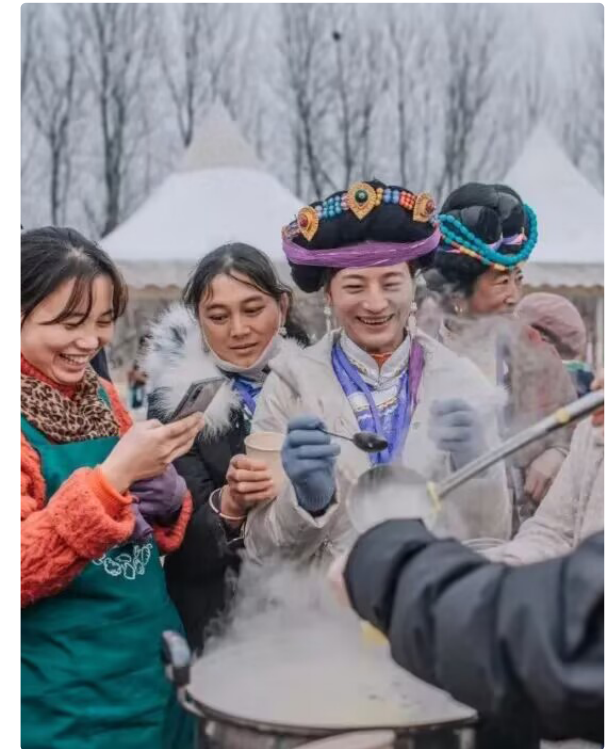
CORPORATE REPUTATION

Enterprise reputation is enhanced through greater gender diversity. In industry evaluations, enterprises with a strong reputation have twice the proportion of female executives compared to their peers.

4

INNOVATION CAPABILITY

In the research, design, production, and delivery of products and services, the perspectives of both women and men are crucial. The perspectives, insights and skills of women and men are shaped from birth by the roles, tasks and behaviors assigned to them by society and family based on their gender. Incorporating both male and female perspectives within a work team enables a better understanding and assessment of consumer interests and needs. In addition, a more diverse workforce and management structure can enhance creativity and innovation, leading to a more successful business.



© Courtesy of the Institute of Geographic Sciences and Natural Resources Research, Chinese Academy of Sciences

Note: Please refer to [ILO, Beyond the glass ceiling: Why businesses need women at the top](#); [ILO, Women in Business and Management: The business case for change](#); [UN's report Employment of women and men by economic sector](#)

What External Demands on Promoting Gender Equality and Women's Empowerment Do Enterprises Face?

Enterprises face multiple external demands for gender equality and women's empowerment, including international human rights movements and value initiatives, domestic norms in host countries, trade and investment requirements, and public expectations.

International Human Rights Movements and Values Initiatives

Gender equality and women's empowerment are shared objectives of the international community. Gender equality is consistently emphasized in various international human rights conventions and is an integral component of the [Sustainable Development Goals](#).

Regulations of host country

Prior to investing in a country, enterprises should not only familiarize themselves with the domestic laws concerning women's rights but also take into account the international conventions that the country has signed and ratified. Moreover, as national regulations and policies evolve over time, it is essential for enterprises to designate a dedicated department responsible for incorporating updated requirements into their compliance goals in a timely manner.

Responsible trade and investment requirements

More and more downstream enterprises have proposed codes of conduct for upstream suppliers, in which anti-discrimination is an important clause. But discrimination is more invisible than other issues such as child labour, and the evidence is often hard to obtain. Therefore, enterprises should clarify the implementation rules of anti-discrimination.

Many financial institutions incorporate human rights accountability in their compliance reviews of investment projects, with a particular emphasis on gender equality and women's empowerment.

Furthermore, surveys conducted among shareholders reveal their preference to invest in enterprises that have gender-diverse boards and management teams.

Social expectations

With the increasing education level of women and the growing influence of social movements like "#MeToo", the importance of gender equality is gaining widespread recognition, and public expectations for businesses are also on the rise. To prevent reputational crises resulting from gender discrimination, enterprises should prioritize gender equality in all its efforts, meeting societal expectations.



Women have suffered steeper job losses than men.

The number of employed women declined by 54 million in 2020 and 45 million women left the labour market altogether.

Source: <https://www.unwomen.org/en/news/in-focus/women-and-the-sdgs>



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What Gender Inequalities Are There in the World of Work?

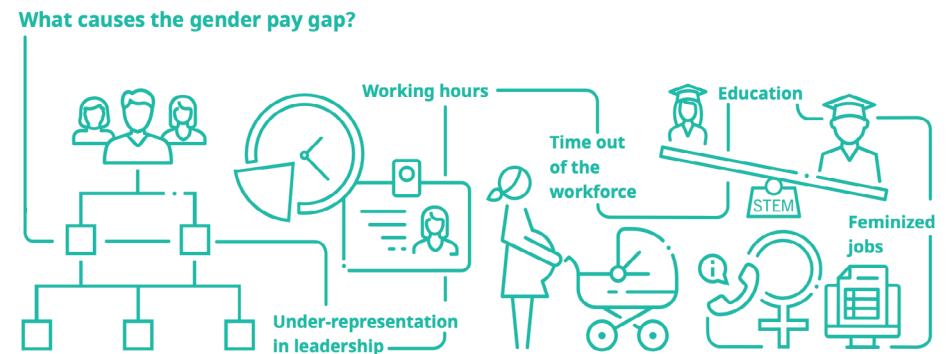
Business and industry have been promoting the rights of women. However, gender inequalities persist in terms of economic power and career prospects in business operations and relationships.

- Women bear the primary responsibility for unpaid care and domestic work, even when they are engaged in full-time paid employment. On an average day, women dedicate approximately three times the amount of time as men to unpaid care work (4.2 hours compared to 1.7 hours). Many businesses operate within a culture of continuous service delivery, requiring employees to work overtime, be accessible during non-working hours, and respond to emails even on their days off. This poses challenges for women to effectively compete with their male colleagues, also for men to undertake unpaid care work.
- Women face discrimination because of childbirth. Women of reproductive age can face unemployment, dismissal or reassignment. Maternity leave is a social benefit, but without proper regulation, can also impede women's employment and career development.
- Women are more prone than men to take career breaks to raise children or provide care for elderly or sick family members. Consequently, when they reenter the workforce, they often find themselves lagging behind their male counterparts in terms of promotions and salary advancements. Furthermore, many women opt for part-time employment to balance family responsibilities, which can impact their own career progression.
- Female managers often find themselves concentrated in business support functions such as human resources, finance, and administration. In these roles, women often have restricted decision-making authority and limited opportunities for career advancement within the enterprise. On the other hand, male managers are overrepresented in research and development, and operational roles. These areas are commonly perceived as more "strategic" and frequently lead to higher-level decision-making positions.
- As management positions advance, the representation of women often decreases, leading to a persistent gender imbalance in chief executive officer positions and corporate boards. Women held a mere 28% of global management positions in 2019, a figure that has remained relatively stagnant since 1995. Furthermore, in 2020, only 7.4% or 37 out of Fortune 500 enterprises had female CEOs. The absence of women in top-level positions hinders their ability to drive workplace culture transformation, thereby

perpetuating the detrimental cycle of male dominance.

- Globally, women face 30% fewer opportunities for labour force participation and are often situated at the bottom of the economic ladder. They are primarily employed in low-paid jobs and face a disproportionate presence in informal and non-standard forms of employment. This concentration of women in specific service sector occupations which offer lower wages over the past 15 years has contributed to a decline in their earnings.
- Globally, women's monthly wages remain approximately 20% lower than men's, even for the same work or work of equal value.

To learn more about the gender pay gap, check out the report [Closing Gender Pay Gaps to Achieve Gender Equality at Work](#).



Note: Image from ILO report p.6

Traditional gender role and gender stereotypes on working fathers

Care work is seen as women's natural responsibility. In the workplace, fathers are often perceived as having a greater need for income and, as a result, are seen as more loyal, hardworking, and deserving of higher pay compared to mothers. There is an expectation for fathers to prioritize their work over their families. Unfortunately, traditional gender roles hinder fathers from taking on more family responsibilities, even when they desire to spend more time with their families.

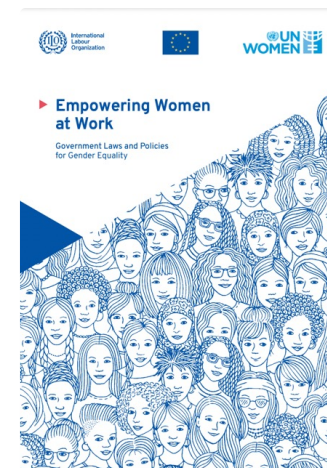
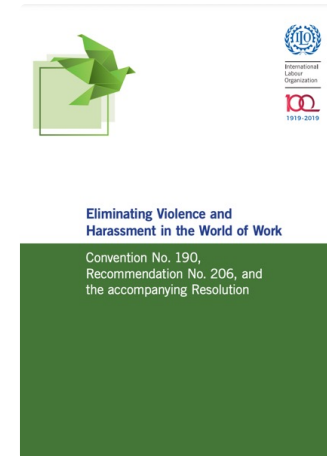
Sexual harassment in the workplace

Sexual harassment in the workplace is not something new. Workplace sexual harassment involves the use of sexually suggestive words or actions that occur during recruitment or within the workplace without the consent of the other party. It undermines the dignity of job seekers or employees, placing them at a disadvantage and creating an unbearably hostile work environment.

Definitions of sexual harassment contain the following two key elements:

- Quid pro quo: Any physical, verbal or non-verbal conduct of a sexual nature and other conduct based on sex affecting the dignity of women and men, which is unwelcome, unreasonable, and offensive to the recipient; and a person's rejection of, or submission to, such conduct is used explicitly or implicitly as a basis for a decision which affects that person's job; or
- Hostile work environment: Conduct that creates an intimidating, hostile or humiliating working environment for the recipient.

For more information on the definition, cases and prevention of sexual harassment in the workplace, please refer to [Guide on Prevention of Sexual Harassment in the Workplace](#).



Cases of Enterprises that Respect Gender Equality and Support Women's Empowerment

A Georgian construction enterprise developed a WEPs Action Plan to increase the percentage of women in senior management from 20% to 50%. Of the top 10 managerial positions, five are occupied by women. During the development of the WEPs Action Plan only 20% of construction site managers were women. Currently, women are the majority of site managers in residential complexes – a position that previously was considered a "job for men".

An Italian multinational enterprise with presence in over 30 countries shortlists equal numbers of women and men candidates for all job functions and levels. As a result, the number of women shortlisted candidates went from 35% in 2017 to 42% in 2019.

A car manufacturer in Sweden provides 24 weeks of parental leave that is non-transferable for both male and female employees.

A multi-national company in China specialized in accounting, is expanding its existing supplier database to procure more from women-owned enterprises and is integrating gender into supplier evaluation criteria to procure more from gender-responsive enterprises.

In recognition of the growing role of women entrepreneurs, a large UK-based bank has launched women-specific financial services, microfinance services and commercial loan services, as well as an online resource centre for women entrepreneurs running small and medium-sized businesses.

A United States-based clothing manufacturer provides financial support to civil society organizations that are committed to promoting gender equality in the region.

In its sustainable development report, a financial company in China discloses the information on women in leadership, gender pay gap, retention rate after maternity leave, as well as turnover rate and training hours disaggregated by gender.

To access more information, please refer to [WEP's Booklet](#), [Brochure](#) and [Case Study](#)

Stage 01

Raise Awareness

Start the Journey of RBPs

How Can Enterprises Use External Resources to Promote Gender Equality and Women's Empowerment?

Note: Based on their representativeness, authority and relevance, certain resources from UN agencies are provided for enterprises to understand and work on the topic. Additionally, a few significant resources from non-UN agencies may also be included. Please note that these resources do not encompass the entire range of available materials on the topic. Enterprises are also encouraged to explore additional relevant resources provided by both UN agencies and non-UN agencies.

Step 1: Form understanding

The commitment of the top management can raise gender awareness and ensure the implementation of gender equality strategy in the company, which is a key step for change. The policy that translates the commitment should hold managers and employees accountable for their work. The policy can be referenced against relevant national laws and international standards.

Step 2: Define the scope

Preliminary research and analysis are essential to identify the areas where an enterprise can focus on promoting gender equality. In the workplace, enterprises can establish baselines to identify gaps by utilizing sex-disaggregated data, such as information on positions, levels, pay, promotions, training opportunities, and incidents of sexual harassment. It is crucial to understand employees' needs, including training and work-life balance, and gather feedback on gender-related issues. Examining marketing materials at various levels can help eliminate gender stereotypes and discrimination. Businesses can engage with the local community, collaborate with local governments, civil society organizations, or international organizations to support women and girls in the local community. [The WEPs Brochure](#) provides a comprehensive framework for promoting gender equality and women's empowerment.

Step 3: Collect resources

A comprehensive understanding of existing platforms and resources enables enterprises to enhance awareness and knowledge effectively.

Businesses can access and leverage a wealth of resources on gender equality and women's empowerment through the [WEPs toolkits](#), [the UN Global Compact Resource Platform](#), [the International Labour Organization Resource Platform](#).

Stage 02

Take Action

Step 4: Carry out impact assessment

Enterprises can use [WEPs Gender Gap Analysis Tool](#) to analyze their weaknesses in gender policies. Through the tool, one can access the online questionnaire for self-assessment. Enterprises can also measure their progress in terms of seven WEPs utilizing "Things to consider" section under "How to Make and Measure Progress" of the [WEPs Booklet](#). The suggestions of employees, particularly female employees, should be collected.



Step 5: Analyze prioritization and formulate action plan

Based on the assessment, a focused [Action Plan](#) should be developed.

To operationalize the action plan, businesses can participate in the [UN Women's WEPs Activator](#), to learn how to implement the WEPs. They can also attend UN Global Compact's [Gender Acceleration Programme](#), access the latest data and research to support the business case for gender equality, and gain insights from UN partners and experts on how to accelerate progress towards gender equality. In addition, [WEPs guidance webpage](#) can be used for tools and guidance. The [UN Global Compact online course](#) helps enterprises quickly understand the role enterprises can play in advancing gender equality and what concrete steps they can take to mainstream gender equality in their strategies and operations. [The ILO online course](#) can help enterprises bridge the gender pay gap, strike a life-work balance, and address violence and harassment in the workplace.



Stage 03

Continuous Improvement

Step 6: Track, monitor and evaluate

Tracking and monitoring the impact of business on gender equality and women's empowerment, as well as mitigating potential or existing adverse impacts, are essential requirements for responsible human rights governance. Gender-responsive monitoring and reporting mechanisms are crucial to track progress towards gender equality and women's empowerment. Enterprises can refer to the chapters of Performance Monitoring ("Sustain") and Gender Equality Reporting ("Report") in the [WEPs Brochure](#). [WEPs Transparency and Accountability Framework](#) and [Reporting Progress towards Gender Equality: A Guideline](#) (in Chinese) can also be used to learn how to report gender under the ESG framework.

Step 7: Performance management and continuous improvement

Enterprises should index and document the results of tracking, monitoring and evaluation as the baseline material for performance management, and on this basis analyze the root causes, hold to account and make continuous improvement.

Appendix

Appendix I: Guide to the Key Topics of the Handbook of Responsible Business Practices

Chapter Objectives

Theme 1: Human Rights Due Diligence	Through this section, enterprises can understand why they have responsibility to respect human rights, how they develop human right policy and conduct human right due diligence and provide remedy for adverse impacts.
Theme 2: Fundamental Labour Rights	In this section, enterprises can learn about the fundamental labour principles and rights in the era of globalization, as well as knowledge of the rules on the topics of freedom of association and collective bargaining, forced labour, child labour, discrimination and safe and healthy working environment. The prevailing expectations towards business practices can also be found.
Theme 3: Child Rights	Through this section, enterprises can understand the relationship between enterprises and children's rights, assess the potential impact of their own operations and business relationships on children's rights, and manage accordingly.
Theme 4: Gender Equality and Women's Empowerment	This section gives an introduction on the instruments, initiatives and resources related to gender equality and women's empowerment. Enterprises can understand their stake in gender equality and women's empowerment, find out the resources that are mainly provided by UN Women, to better understand what enterprises could contribute to gender equality and women's empowerment.

Main Standards

Theme 1: Human Rights Due Diligence	United Nations Guiding Principles on Business and Human Rights (2011) OECD Guidelines for Multinational Enterprises (2011) ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (2022)
Theme 2: Fundamental Labour Rights	ILO Declaration on Fundamental Principles and Rights at Work (1998) ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (2022) Core Conventions, Protocols and Recommendations
Theme 3: Child Rights	Convention on the Rights of the Child (1989) Children's Rights and Business Principles (2012) Minimum Age Convention (No.138, 1973) Worst Forms of Child Labour Convention (No.182, 1999)
Theme 4: Gender Equality and Women's Empowerment	Convention on the Elimination of All Forms of Discrimination Against Women (1979) Discrimination (Employment and Occupation) Convention (No. 111, 1958) Equal Remuneration Convention (No. 100, 1951) Workers with Family Responsibilities Convention (No. 156, 1981) Maternity Protection Convention, 2000 (183, 2000) Women's Empowerment Principles (WEPs) (2010)

Appendix I: Guide to the Key Topics of the Handbook of Responsible Business Practices

Core Content

Theme 1: Human Rights Due Diligence

1. Why should enterprises understand and respect human rights?
2. Why should enterprises carry out human rights due diligence?
3. Do business operations and business relationships have impacts on human rights?
4. What are the impacts of business operations and business relationships on human rights?
5. How can enterprises use external resources to carry out human rights due diligence?

Theme 2: Fundamental Labour Rights

1. What labour rights do enterprises need to know?
2. Why do enterprises need to respect labour rights?
3. How can enterprises promote respect for labour rights in their operations and business relationships?
4. How can enterprises use external resources to respect labour principles and rights?

Theme 3: Child Rights

1. What standards on children's rights should enterprises be aware of?
2. How will children's rights impact businesses?
3. What impact do business operations and business relationships have on children's rights?
4. How do businesses respect and support children's rights?
5. How Can Enterprises Use External Resources to Respect and Support Children's Rights?

Theme 4: Gender Equality and Women's Empowerment

1. What International Conventions/Principles/Declarations do enterprises need to know?
 2. What can gender equality and women's empowerment bring to enterprises?
 3. What external demands on promoting gender equality and women's empowerment do enterprises face?
 4. What perpetuate gender inequalities?
 5. How Can Enterprises Use External Resources to Promote Gender Equality and Women's Empowerment?
-

Appendix I: Guide to the Key Topics of the Handbook of Responsible Business Practices

Resource Platforms

Theme 1: Human Rights Due Diligence

United Nations Platform for Business and Human Rights <https://www.ohchr.org/en/topic/business-and-human-rights>

ILO MNE Declaration Portal <https://www.ilo.org/empent/areas/mne-declaration/lang-en/index.htm>

ILO Helpdesk for Business <https://www.ilo.org/empent/areas/business-helpdesk/lang-en/index.htm>

OECD Centre for Responsible Business Conduct <http://mneguidelines.oecd.org>

UNDP's platform on Business and Human right <https://www.undp.org/rolhr/business-and-human-rights>

United Nations Global Compact <https://www.unglobalcompact.org/what-is-gc/mission/principles>

UN Principles for Responsible Investment <https://www.unpri.org/policy/china-policy/stewardship-in-china>

Theme 2: Fundamental Labour Rights

ILO MNE Declaration Portal <https://www.ilo.org/empent/areas/mne-declaration/lang-en/index.htm>

ILO Helpdesk for Business <https://www.ilo.org/empent/areas/business-helpdesk/lang-en/index.htm>

ILO Basic Principles and Rights website <https://www.ilo.org/global/about-the-ilo/how-the-ilo-works/departments-and-offices/governance/fprw/lang-en/index.htm>

The Ten Principles of the UN Global Compact -- Labour Rights <https://unglobalcompact.org/what-is-gc/mission/principles/>

UN Global Compact Decent Work Toolkit for Sustainable Procurement <https://sustainableprocurement.unglobalcompact.org>

Appendix I: Guide to the Key Topics of the Handbook of Responsible Business Practices

Resource Platforms

Theme 3: Child Rights

UNICEF Business Platform

<https://www.unicef.org/child-rights-business>

United Nations 8.7 Alliance <https://www.alliance87.org>

ILO Child Labour Platform (CLP)

<https://www.ilo.org/ipec/Action/CSR/clp/lang-en/index.htm>

UNICEF Human Rights Due Diligence Tools for Business

<https://www.childrensrighsatlas.org/due-diligence/tools-and-guidance/>

Theme 4: Gender Equality and Women's Empowerment

UN Women Resource Platform [https://www.unwomen.org/en/digital-library/publications?f\[0\]=subject_area_publications:1300](https://www.unwomen.org/en/digital-library/publications?f[0]=subject_area_publications:1300)

WEPs (Women's Empowerment Principles) toolkit <https://www.weps.org/about>

Appendix II: Laws and Regulations on RBPs of Overseas Investing Enterprises Promulgated by Various Ministries and Administrative Organs of the Chinese Government (As of 2021)

Time	Document (Issuing Authority)	Note
General		
2018	Measures for the Administration of Overseas Investment of Enterprises (National Development and Reform Commission)	It clearly states that "investors are encouraged to ... protect the lawful rights and interests of their employees, respect local public order and good morals, fulfill necessary social responsibilities, pay attention to environmental protection, and build a good image of Chinese investors."
2017	Code of Conduct for Private Enterprises' Overseas Investment and Operation (National Development and Reform Commission, Ministry of Commerce, The People's Bank Of China, Ministry of Foreign Affairs, All-China Federation of Industry and Commerce)	It specifically proposes to strengthen localized operations, respect for cultural traditions, strengthening social communication and improving information disclosure and other specific requirements.
	Measures for the Supervision and Administration of Overseas Investments by Central Enterprises (State-owned Assets Supervision and Administration Commission of the State Council)	It stipulates that "Central enterprises shall establish correct idea of moral and profit,...actively perform their social responsibilities, pay attention to cross-cultural integration, and create a favorable external environment," as an indispensable part for overseas risk management.
2014	Measures for the Administration of Overseas Investment (Ministry of Commerce)	It stipulates that "An enterprise shall require the overseas enterprise in which it invests to abide by the laws and regulations of the investment destination, respect the local mores, honor social responsibilities, and effectively conduct environmental protection, labour protection, corporate culture development, and other work, to promote its merger into the local culture."
2012	Several Opinions on the Construction of Chinese Overseas Corporate Culture (Ministry of Commerce, International Communication Office, Ministry of Foreign Affairs, National Development and Reform Commission, State-owned Assets Supervision and Administration Commission of the State Council, National Bureau of Corruption Prevention, All-China Federation of Industry and Commerce)	Key information of the Opinion includes: legal compliance, social responsibilities, openness and transparency, environmental protection, local employment promotion, etc.

Appendix II: Laws and Regulations on RBPs of Overseas Investing Enterprises Promulgated by Various Ministries and Administrative Organs of the Chinese Government (As of 2021)

Time	Document (Issuing Authority)	Note
Environment		
2021	Guidelines for Green Development of Outbound Investment and International Cooperation [Ministry of Commerce, Ministry of Ecology and Environment (formerly the Ministry of Environmental Protection)]	It states that: "Enterprises shall be encouraged to actively fulfill their environmental responsibilities, strictly abide by the laws and regulations of the host country...Enterprises shall be encouraged to carry out an environmental assessment of and due diligence on outbound investment projects in accordance with international common practices to identify potential environmental risks." In terms of Chinese infrastructure projects overseas, the Guidelines stipulates that enterprises "shall fully tap into the market opportunities of green infrastructure, actively participate in the construction of high-standard green projects, and build a green brand of 'Made in China'."The Guidelines also clearly points out that "Enterprises shall be encouraged to conduct outbound investment and international cooperation on the basis of complying with the United Nations Framework Convention on Climate Change, the Convention on Biological Diversity, the 2030 Sustainable Development Goals, and the principles of green investment under the Belt and Road Initiative."
2017	Belt and Road Ecological and Environmental Cooperation Plan (Ministry of Environmental Protection)	It recognizes that BRI ecological and environmental protection cooperation can promote the countries along BRI to achieve the environmental goals of the SDGs. It promotes cooperation in the implementation of international environmental conventions and multilateral environmental agreements such as the "Convention on Biological Diversity" and the "Stockholm Convention on Persistent Organic Pollutants" for relevant countries of the BRI.
	Guiding Opinions on Promoting Green Belt and Road (Ministry of Environmental Protection, Ministry of Foreign Affairs, National Development and Reform Commission, Ministry of Commerce)	The Opinions encourages enterprises to adhere to the principles of resource conservation and environmental friendliness, and integrates environmental protection into the entire process of the BRI. The Opinions also mention that it is necessary to promote the sharing and disclosure of environmental protection information, and provide comprehensive information support and guarantee.
2013	Guidelines for Environmental Protection in Foreign Investment and Cooperation (Ministry of Commerce, Ministry of Environmental Protection)	The main spirit of the Guidelines is to advocate Chinese enterprises to establish environmental protection concepts, fulfill responsibilities in accordance with local laws and regulations, and perform environmental protection legal obligations such as environmental impact assessment, discharge compliance, and environmental emergency management.

Appendix II: Laws and Regulations on RBPs of Overseas Investing Enterprises Promulgated by Various Ministries and Administrative Organs of the Chinese Government (As of 2021)

Time	Document (Issuing Authority)	Note
2012	Green Credit Guidelines (Banking Regulatory Commission)	Through the Guidelines, Chinese government requires financial institutions to pay attention to and prevent risks arising from environmental and social issues in projects overseas. The Guidelines also encourage overseas projects to comply with and refer to relevant international practices or international standards to ensure that the proposed projects are consistent with international good practices.

Labour

Protecting Overseas Chinese Workers

2012	Regulation on the Administration of Foreign Labour Cooperation (State Council)	This is the most high-level and comprehensive legal instrument governing labour dispatch overseas.
2011	Guidelines for the Management of Employees of Overseas Chinese-funded Enterprises (Institutions) (Ministry of Commerce, Ministry of Foreign Affairs, State-owned Assets Supervision and Administration Commission of the State Council, All-China Federation of Industry and Commerce)	It advises Chinese-funded enterprises to strengthen employee training, deepen the understanding of both Chinese laws and local laws, establish channels to effectively communicate with dispatched workers, and settle disputes with employees cautiously.
2010	Safety Management of Overseas Chinese-funded Enterprises, Institutions and Personnel (Ministry of Commerce, Ministry of Foreign Affairs, National Development and Reform Commission, Ministry of Public Security, State-owned Assets Supervision and Administration Commission of the State Council, State Administration of Work Safety, All-China Federation of Industry and Commerce)	It promulgates rules for Chinese enterprises on pre-departure safety training for workers and emergency preparedness measures. Furthermore, In 2012, Ministry of Commerce issued Guidelines for Safety Management for Overseas Chinese-funded Enterprise Organizations and their Work Personnel, which was updated in 2018.
2008	An Emergency Notice on Ensuring Foreign Labour Dispatch Management Is Conducted in Compliance with Existing Rules in Contracted Foreign Projects , (Ministry of Commerce)	It urged enterprises to comply with existing laws after a labour dispute in Equatorial Guinea which resulted in two fatalities and four injuries.

Appendix II: Laws and Regulations on RBPs of Overseas Investing Enterprises Promulgated by Various Ministries and Administrative Organs of the Chinese Government (As of 2021)

Time	Document (Issuing Authority)	Note
Managing Chinese Enterprises' Impacts on Labour in the Host Countries		
2008	Further Regulating the Foreign Investment Cooperation of Chinese Enterprises (Ministry of Commerce, Ministry of Foreign Affairs, State-owned Assets Supervision and Administration Commission of the State Council)	It requires Chinese enterprises to "promote the localized operation, and create jobs for the locals...We shall deeply understand and respect the local habits and customs, especially the religious practices, and endeavor to maintain good relations with the locals."
2017	Administrative Regulation on Contracting Foreign Projects [2017 Amendment] (State Council)	It stipulates that Chinese enterprises "shall abide by the law of the country or region where the construction project is located, stick by the contract, respect the local customs and habits, protect the ecological environment and promote the local economic and social development."

Appendix III: Guidance Documents Released by Industry Associations on RBPs of Chinese Enterprises Overseas (As of 2021)

Time	Document (Issuer)	Sector/Industry	Note
2018	Guidelines on China's Sustainable Agricultural Overseas Investment (China Association for the Promotion of International Agricultural Cooperation)	Agriculture	The guidelines provide instructions to enterprises with overseas agriculture-related investments and cover establishing responsibility systems, selecting investment locations and projects, and raising awareness of social responsibility.
	Guidance for Chinese Textile and Apparel Industry on Responsible Overseas Investment (China National Textile and Apparel Council)	Textile and Apparel	Using the SDGs as a framework, with reference to the PRI, ISO26000, and other international conventions on RBPs, the Guidance tailors to the specific characteristics of overseas investment of China's textile and apparel industry.
2017	Guidance for Sustainable Natural Rubber (China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters)	Mineral and mining	This Guidance was developed with support from the UK's Department for International Development (DFID), and had input from Ministry of Commerce, various research institutes, enterprises, and NGOs. Although it does not explicitly specify whether it applies to domestic or international contexts, it can be utilized by natural rubber investment, cultivation, and processing enterprises to enhance their sustainable governance capabilities. It assists businesses in identifying, preventing, and mitigating economic, social, and environmental risks in investment and operational activities.
	Guidelines of Sustainable Infrastructure for Chinese International Contractors (China International Contractors Association)	Infrastructure	The Guidelines seek to encourage Chinese contractors to enhance sustainability performance across economic, social, environmental and governance aspects. The Guidelines put forth a comprehensive range of sustainability indicators that encompass the entire life cycle of a project, spanning from funding, planning, designing, building, operation and maintenance, to closure and evaluation.
2020	Chinese Due Diligence Guidelines for Mineral Supply Chains (China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters)	Mineral and mining	Developed with the help of the OECD, the Guidelines use the UNGPs and the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" as a foundation. The Guidelines are detailed and comprehensive.

Appendix III: Guidance Documents Released by Industry Associations on RBPs of Chinese Enterprises Overseas (As of 2021)

Time	Document (Issuer)	Sector/Industry	Note
2014	Guidelines for Social Responsibility in Outbound Mining Investments (China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters)	Mineral and mining	The Guidelines require enterprises to follow the UNGPs to formulate human rights policies in the process of mining and production operations, conduct human rights due diligence, and provide remedies. This is the first set of industry guidelines in China that comprehensively proposes a corporate human rights management system in accordance with the UNGPs. The document is a key milestone in the development of Chinese RBPs regulations.
2021	Guide on Social Responsibility for Chinese International Contractors (2021 Revised Edition) (China International Contractors Association)	Infrastructure	The Guide covers employees' rights and interests, community engagement and development, environmental protection, operational transparency and ethics, and supply-chain management, etc. The Guide cites several international conventions such as the Universal Declaration of Human Rights, ILO Conventions, Convention on the Elimination of All Forms of Discrimination Against Women, Convention on the Rights of the Child, etc. in the reference, and some of these international conventions are reflected in the Guide content, such as elimination of child labour, gender equality in employment.

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