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**PROGRESS UPDATE ON GOVERNMENT RESPONSE TO THE JOINT
COMMITTEE ON HUMAN RIGHTS SIXTH REPORT OF SESSION 2016-
17: PROMOTING RESPONSIBILITY AND ENSURING ACCOUNTABILITY**

As Minister with responsibility for human rights at the Foreign and Commonwealth Office, I wanted to take the opportunity to offer an update on the progress which the UK Government has made in implementing the recommendations of the Joint Committee on Human Rights Report – ‘Human Rights and Business 2017: Promoting responsibility and ensuring accountability’ – published on 5 April 2017. Further to the Government’s response on 5 December 2017, we have undertaken steps on implementation as set out in the attached table. The UK has a strong human rights record and I am keen that we continue to demonstrate leadership, both domestically and internationally.

The UK Government is committed to the improvement of the human rights practices of businesses, including through the promotion of the UN Guiding Principles (UNGPs) on business and human rights. The UK was proud to have been the first country in the world to produce a National Action Plan (NAP) in 2013 responding to the UNGPs, and has since encouraged several other states to draft their own NAPs. The UK was also the first country to produce an update to its NAP, in 2016. The UK Government regards the UNGPs as the authoritative global standard for preventing and addressing the risk of adverse human rights impacts of business, and will continue to promote these principles.

I am pleased to share with you an update on the UK Government activity on the Business and Human Rights agenda. The update was coordinated with support from the Department for Business, Energy and Industrial Strategy, and contains contributions from a number of departments represented on the cross-Government Business and Human Rights Steering Group.



Thank you once again for the key role you have played in raising awareness of this issue and please be assured of the UK Government's continued commitment to implementing the UN Guiding Principles on Business and Human Rights.

Yours Sincerely,

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LORD (TARIQ) AHMAD OF WIMBLEDON

Minister of State for the Commonwealth, the UN and South Asia
Prime Minister's Special Representative for Preventing Sexual Violence in Conflict
Prime Minister's Special Envoy on Freedom of Religion or Belief

HMG's Business and Human Rights Working Group: post JCHR progress tracker

JCHR comment / recommendation (para number)	UK commitment	Extract of UK Government Response (page number)	HMG's progress update
<p>We call on the Government, when producing the next update to the National Action Plan, to consult widely with a range of stakeholders, to develop more ambitious and specific targets, and to implement measures to allow for these targets to be evaluated. (Paragraph 60)</p>	<ul style="list-style-type: none"> • NAP will run until at least 2020 – UK to decide within this timescale whether to update or develop a new NAP • will engage widely with stakeholders to inform future decisions on ambition, priorities and targets, on monitoring of NAP 	<p>...The Government expects that the UK National Action Plan should run, on the basis of its original and incremental commitments, until at least 2020. The Government would consider whether to update or devise a new plan on that timescale...</p> <p>The Government shares the Joint Committee's view of the importance of consulting a range of stakeholders when it comes to considering next steps with the National Action Plan. The Government consulted widely before publishing the National Action Plan and it will engage with stakeholders to inform future decisions on ambition, priorities and targets, on monitoring, and on what basis it should measure progress...(page two)</p>	<p>The update to the NAP is not due until 2020, but HMG is starting preliminary consultations with stakeholders to gain insight into the ambition and priorities of business and civil society for the update.</p>
<p>Issues relating to human rights and business cut across at least six different Government Departments. The Government must do more to help relevant stakeholders understand the various departmental responsibilities and must guard against prioritising</p>	<ul style="list-style-type: none"> • BEIS to publish table on Gov.uk which tracks progress against i) NAP ii) additional policy commitments, as well as house future BHR announcements • Departments lead according to areas of responsibility and share 	<p>... will now set alongside these documents on www.gov.uk a summary table, for periodic update, which tracks progress against the National Action Plan and subsequent, additional policy commitments...</p> <p>... it is important that all departments should each take responsibility for</p>	<p>The table is to be inserted into a www.gov.uk page on business and human rights. The text of the page has been drafted with input from the xWH steering group on business and human rights and is in the process of final</p>

<p>business concerns over human rights. We also recommend that the Cabinet Office plays a role in coordinating activity across Departments. (Paragraph 71)</p>	<p>updates via xWH Steering Committee</p>	<p>their areas and share updates on progress at meetings at a Steering Committee. We will discuss with other departments who convenes that group, which has currently been coordinated by FCO and BEIS...(page three)</p>	<p>clearance and formatting, ahead of being published. The xWH steering committee has met 4 times since the JCHR recommendations were published</p>
<p>However, the legislation has shortcomings. In particular, there is no central list of companies required to report. This, coupled with the fact that the reporting requirements on transparency in supply chains are weak, makes it very difficult to hold companies to account. (Paragraph 112)</p>	<ul style="list-style-type: none"> • Consider whether further action is needed to amplify value of company stakeholders to relevant stakeholders 	<p>... we will continue to consider whether any further steps may be needed in the future to amplify the value of company statements to customers, shareholders, investors and activists (page seven)</p>	<p>Following an Independent Review of the Modern Slavery Act HMG has launched a public consultation on proposals to strengthen the transparency in supply chains legislation by expanding it to the public sector, requiring that organisations report against specific topics and introducing a civil penalty scheme for non-compliant.</p> <p>The Government has also committed to create a government run registry of modern slavery statements, which will make it easier for consumers, investors and NGOs to scrutinise organisations' efforts to tackle modern slavery in their supply chains.</p>

<p>We therefore urge the Government to facilitate the passage of Baroness Young of Hornsey’s Modern Slavery (Transparency in Supply Chains) Bill, which would rectify some of these problems, and which is supported by a number of large UK companies. If that bill fails to be enacted in the present parliamentary session, we recommend that the Government bring forward its own legislation in the next session to achieve a similar objective. (Paragraph 113)</p>	<ul style="list-style-type: none"> • UKG considering Baroness Young’s bill as it goes through parliamentary stages 	<p>... In July 2017, Baroness Young of Hornsey introduced a new Transparency in Supply Chains Bill which includes provisions similar to the previous Bill and some amendments. The Government is considering the Bill as it progresses through parliament (page eight)</p>	
<p>Further consideration should be given to extending the Authority’s licensing powers to other sectors. In particular, we see merit in introducing a licensing system for the construction industry. UK businesses selling clothes have also expressed support for licensing in the garment sector, which would help them to have confidence in their UK supply chains, and we support this proposal. (Paragraph 129)</p>	<ul style="list-style-type: none"> • Director of Labour Market Enforcement expected to publish first full strategy in Spring 2018 	<p>... The Government believes that the question of amendments to the licensing regime should be informed by an understanding of the threat of exploitation in different sectors and the full range of options for tackling this. The Director of Labour Market Enforcement sought evidence on the case for extending licensing to other sectors from stakeholders in its recent consultation and we understand that he may cover this in his first full strategy, which is expected to be published in Spring 2018 (page 10)</p>	<p>The 2018/19 Labour Market Enforcement Strategy was published in May 2018 following consultation with stakeholders. It acknowledged the call to expand licensing to the construction and textile sectors but also that such calls were not accompanied by evidence on costs and benefits. The Strategy was complemented by the publication of initial research that looked at the cleaning, caring and construction sectors, making recommendations.</p>

			<p>The Strategy concluded that the Director of Labour Market Enforcement could not endorse the research recommendations at the time, noting that more in-depth work would need to be done, not least consultation with each of the sectors to understand their views. The Director committed to carry out a series of deep dives into particular sectors to better understand the issues and potential solutions, therefore the issue of extending licensing to other sectors is something that will be returned to in future annual Strategies.</p>
<p>The current criminal law regime makes prosecuting a company for criminal offences, especially those with operations across the world, very difficult, as the focus is on the identification of the directing mind of one individual, which is highly unlikely in many large companies. We welcome the Ministry of Justice’s current consultation on a new ‘failure to prevent’ offence for economic crimes. We regret that a range of other corporate crimes, for example use of child labour,</p>	<ul style="list-style-type: none"> • UKG to announce way ahead following its call for evidence on corporate economic crime, which closed on 31 March 2017 	<p>... The Government’s call for evidence on corporate economic crime closed on 31 March 2017 and the responses are currently being analysed. An announcement on the way ahead will be made in due course...</p> <p>...It was the first of a potential two-part process. Should the Government consider that changes to the law are justified, in light of the results of the Call for Evidence, a consultation on a</p>	<p>The call for evidence addressed corporate liability for a potentially very broad range of economic crime offences, this is therefore a complex area of the law which attracts views across a broad spectrum, which responses expressing diverse and often conflicting views. Government continues to carefully consider the important issues raised.</p>

<p>were excluded from the consultation, and we urge the Ministry of Justice to consider a further consultation with a wider remit. (Paragraph 194)</p>		<p>firm proposal would be a necessary step...(pagw 16)</p>	
<p>We encourage the NCP to raise its profile by engaging more with parliamentarians, given that MPs in particular often advocate on their constituents' behalf. (Paragraph 221)</p>	<ul style="list-style-type: none"> • UKG to consider how to raise awareness of NCP, including specifically with Parliamentarians 	<p>... The NCP will consider how engagement with parliamentarians could be integrated into any process to increase general awareness of the NCP, mentioned under recommendation 31 (page 19)</p>	<p>The NCP will continue to consider longer term options for engagement with parliamentarians as part of its' wider activity to promote awareness of the OECD Guidelines on Responsible Business Conduct and the role of the NCP</p>
<p>We recommend that EU laws on reporting and procurement, as well as any relating to workers' rights that are not already set out in primary legislation, should be transposed into UK law by means of the Great Repeal Bill. In the longer term, UK laws on reporting and procurement in relation to human rights should continue to set standards at least as high as those set by the EU. (Paragraph 230)</p>	<ul style="list-style-type: none"> • UKG to consider options for UK public procurement rules post-brexit 	<p>..We will consider carefully longer-term options for the UK's public procurement rules post-exit. However, we cannot provide further details about the possible outcomes at this stage...(page 20)</p>	<p>We continue to consider longer term options for UKs public procurement rules post-exit. Last year at the UN General Assembly, the UK along with New Zealand, Australia, Canada and the United States launched shared principles for public procurement.</p>

<p>We welcome the Government's commitment that new bilateral trade agreements will include human rights protections at least equal to those currently included in EU trade agreements. We look forward to seeing this adhered to and will monitor progress with interest. (Paragraph 238)</p>	<ul style="list-style-type: none"> • UK to consider human rights protections as part of possible future bilateral trade deals 	<p>... The UK has a strong history in protecting human rights and promoting our values globally. We will continue to promote our values globally after we leave the EU. The UK is considering all options in the design of future bilateral trade negotiations...(page 20)</p>	<p>The UK has a long tradition of protecting and promoting human rights in our bilateral relations and multilateral fora. The UK supports the promotion of these values globally and this will continue as we leave the EU. We are committed to upholding the UK's high standards. We are exploring all options in the design of future trade agreements.</p>
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