



TUAC Roundtable:
Guidelines on the corporate governance of SOEs
OECD, 25 June 2014

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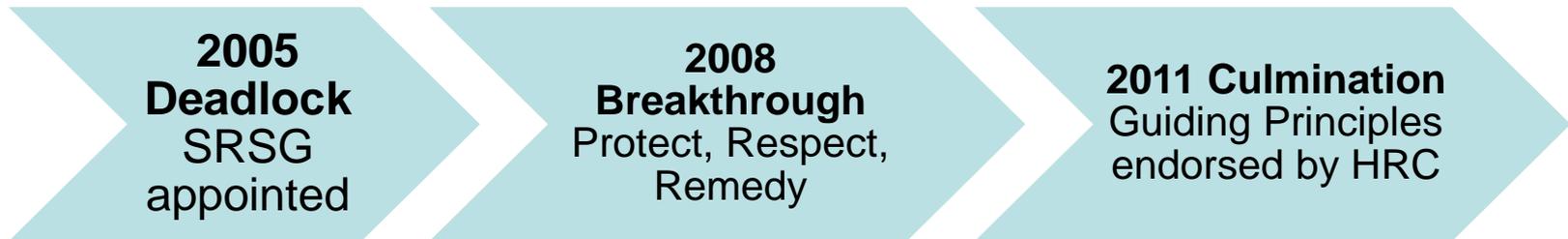
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UN Guiding Principles on BHR



*John Ruggie
Special Representative of the UN
Secretary-General (SRSG)*



- Human Rights Council mandates
 - *Identify and clarify standards of Corporate Responsibility*
 - *Clarify role of States*
 - *Provide guidance on the implementation of the Protect, Respect, Remedy Framework*

UN GP 3 Pillar Framework



State Duty to **Protect**

- Policies
- Regulation
- Adjudication

Corporate Responsibility to **Respect**

- Act with due diligence to avoid infringement
- Address adverse impacts on human rights

Access to **Remedy**

- Effective access for victims
- Judicial and non-judicial

UN Guiding Principles on BHR



- Unanimously endorsed by the UN HRC (HRC resolution 17/4)
– strong government foundation
- Endorsed by leading business organisations, individual companies, trade unions, civil society
- Authoritative global reference point: provide overarching standard and benchmarks for action and accountability
- Structured on the three pillars
- 31 Principles – 14 to business – to implement the Framework

Key features of the GPs



- **All States**, reflecting existing obligations
- **All companies**, of all sizes, in every sector, in any country, and regardless of ownership and structure
- **Distinct, but complementary responsibility between States and companies**, though possible overlap in case of SOEs
- **No new legal obligations** – but elaborate on implications of existing obligations and practices for States and business.

Convergence in global frameworks and standards



The State-Business Nexus



- Guiding Principle 4:

«States should take additional steps to protect against human rights abuses by business that are owned or controlled by the State...., including, where appropriate, by requiring human rights due diligence.»

Policy coherence



Guiding Principle 8:

«States should ensure that governmental departments, agencies and other State-based institutions that shape business practices are aware of and observe the State's human rights obligations when fulfilling their respective mandates...»

SOEs as business enterprises



Guiding Principle 15:

«In order to meet their responsibility to respect human rights, business enterprises should have in place policies and processes appropriate to their size and circumstances, including:

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