

The case for a Business, Human Rights and Environment Act

Briefing – May 2023

What is needed?

- We need a new law to prevent abuses of people's human rights and their environment – including environmental pollution, removal of communities from their lands and intimidation or killing of human rights defenders.
- This law – a Business, Human Rights and Environment Act – would require companies to take reasonable steps to prevent abuses occurring in their business activities and supply chains and those of their subsidiaries.
- Such legislation has been called for by 48 businesses and investors, and nearly 40 UK NGOs and trade unions. Polling indicates four in five members of the British public would support a new law.

We urge you to express your support in Parliament at every available opportunity, including by asking questions and joining debates.



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Esmeralda, who lives near a copper mine in Peru and is a member of an organisation defending the community's rights



I want to make visible the problem that we have in our community, which is health. Our children already suffer from skin problems like scratching, bronchitis, pneumonia and diarrhoea because of our pollution problem. And not only that, other communities also suffer from being uprooted from their communities and we have to leave.

Mariluz, who lives near a coal mine in Colombia owned by a company listed in the UK

Why is a Business, Human Rights & Environment Act needed?

1. A new law is a solution proposed by affected communities and workers to prevent human rights and environmental abuse

Human rights defenders work to safeguard the earth's natural resources and biodiversity for future generations, [but they face criminalisation, harassment and violence – even death](#) – because of the activities of some businesses and states. In 2021, the Business & Human Rights Resource Centre recorded [615 attacks against human rights defenders raising concerns about business](#), with 70 per cent against climate, land and environmental rights defenders.

Of all the global complaints related to potential violations by companies of the OECD Guidelines on Multinational Enterprises, [nearly a fifth](#) were related to the activities of UK companies.

A Business, Human Rights and Environment Act would help to prevent harm to communities, the environment, and workers impacted negatively by companies' supply chains and operations.

People in communities affected by these abuses are calling for such a law, as this would enable them to seek justice when abuses occur and hold companies accountable when they have failed to take reasonable measures to prevent harm.

2. A new law would remedy corporate social responsibility failures

Human rights and environmental abuses in business operations are continuing to occur despite voluntary initiatives by some companies. Leaving it up to companies to decide whether they will take reasonable action is not working.

Some UK companies are failing to prevent and to address adverse impacts that occur as a result of their business. This includes:

- Buying and selling goods and services without checking if they are associated with harm – or if the pressures they exert on suppliers could contribute to harm.
- Failing to prevent and to address adverse impacts that occur as a result of their subsidiaries' activities.
- Providing funding that allows these activities to occur, profiting from violations committed out of sight.

The '[KnowTheChain](#)' project scores global companies an average of only 29/100 when it comes to due diligence procedures, with only two per cent of companies taking "advanced steps" to assess and mitigate their human rights risks.

3. A new law would fill gaps in existing UK legislation

A legislative gap exists in the UK which – despite the UK government's arguments – is not filled by the UN Guiding Principles on Human Rights (which are not backed by legislation), the Environment Act 2021 or the Modern Slavery Act 2015.

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A comprehensive and consistent approach within a single piece of legislation is needed, covering [social and environmental abuses](#) in supply chains that occur across all sectors and industries.

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This legislation would help to remove a competitive disadvantage faced by businesses that operate both in the UK and in countries where such due diligence requirements exist in law, by ensuring that these businesses would not be undercut by companies that do not operate in such jurisdictions.

In 2023, in line with advances in [other European countries](#), the EU Parliament will vote on a new **EU Directive** on '[Corporate Sustainability Due Diligence](#)', set to apply to UK companies operating in the Single Market with turnover above a specific threshold. Failure to keep step could cause a confusing patchwork of regulations and an uncertain landscape for business.

[Anticipated benefits for businesses](#) include fair competition for businesses that are already undertaking due diligence, legal clarity on companies' global responsibilities and more sustainable and resilient supply chains in the long-term.

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Calls from people in affected communities overseas have been echoed by [48 UK businesses and investors](#) – including Tesco, Asos, Primark and John Lewis – and by [more than 125,000 members of the UK public](#).

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How would a Business, Human Rights & Environment Act work?

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- Cover companies in all sectors and of all sizes carrying out business in the UK, with the scope of a company's actions determined by its size, sector and activities. The finance sector would be included, and there would be requirements for public bodies.

The foundations for such legislation already exist

- A model already exists for such a law: the Bribery Act 2010. [Section 7 of this Act](#) sets out how a company can be held accountable if they fail to take adequate procedures to prevent bribery.
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The case for a Business, Human Rights and Environment Act

Briefing – May 2023

What is needed?

- We need a new law to prevent abuses of people's human rights and their environment – including environmental pollution, removal of communities from their lands and intimidation or killing of human rights defenders.
- This law – a Business, Human Rights and Environment Act – would require companies to take reasonable steps to prevent abuses occurring in their business activities and supply chains and those of their subsidiaries.
- Such legislation has been called for by 48 businesses and investors, and nearly 40 UK NGOs and trade unions. Polling indicates four in five members of the British public would support a new law.

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A Business, Human Rights and Environment Act would help to prevent harm to communities, the environment, and workers impacted negatively by companies' supply chains and operations.

People in communities affected by these abuses are calling for such a law, as this would enable them to seek justice when abuses occur and hold companies accountable when they have failed to take reasonable measures to prevent harm.

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Human rights and environmental abuses in business operations are continuing to occur despite voluntary initiatives by some companies. Leaving it up to companies to decide whether they will take reasonable action is not working.

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The case for a Business, Human Rights and Environment Act

Briefing – May 2023

What is needed?

- We need a new law to prevent abuses of people's human rights and their environment – including environmental pollution, removal of communities from their lands and intimidation or killing of human rights defenders.
- This law – a Business, Human Rights and Environment Act – would require companies to take reasonable steps to prevent abuses occurring in their business activities and supply chains and those of their subsidiaries.
- Such legislation has been called for by 48 businesses and investors, and nearly 40 UK NGOs and trade unions. Polling indicates four in five members of the British public would support a new law.

We urge you to express your support in Parliament at every available opportunity, including by asking questions and joining debates.



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I want to make visible the problem that we have in our community, which is health. Our children already suffer from skin problems like scratching, bronchitis, pneumonia and diarrhoea because of our pollution problem. And not only that, other communities also suffer from being uprooted from their communities and we have to leave.

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Why is a Business, Human Rights & Environment Act needed?

1. A new law is a solution proposed by affected communities and workers to prevent human rights and environmental abuse

Human rights defenders work to safeguard the earth's natural resources and biodiversity for future generations, [but they face criminalisation, harassment and violence – even death](#) – because of the activities of some businesses and states. In 2021, the Business & Human Rights Resource Centre recorded [615 attacks against human rights defenders raising concerns about business](#), with 70 per cent against climate, land and environmental rights defenders.

Of all the global complaints related to potential violations by companies of the OECD Guidelines on Multinational Enterprises, [nearly a fifth](#) were related to the activities of UK companies.

A Business, Human Rights and Environment Act would help to prevent harm to communities, the environment, and workers impacted negatively by companies' supply chains and operations.

People in communities affected by these abuses are calling for such a law, as this would enable them to seek justice when abuses occur and hold companies accountable when they have failed to take reasonable measures to prevent harm.

2. A new law would remedy corporate social responsibility failures

Human rights and environmental abuses in business operations are continuing to occur despite voluntary initiatives by some companies. Leaving it up to companies to decide whether they will take reasonable action is not working.

Some UK companies are failing to prevent and to address adverse impacts that occur as a result of their business. This includes:

- Buying and selling goods and services without checking if they are associated with harm – or if the pressures they exert on suppliers could contribute to harm.
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- Providing funding that allows these activities to occur, profiting from violations committed out of sight.

The '[KnowTheChain](#)' project scores global companies an average of only 29/100 when it comes to due diligence procedures, with only two per cent of companies taking "advanced steps" to assess and mitigate their human rights risks.

3. A new law would fill gaps in existing UK legislation

A legislative gap exists in the UK which – despite the UK government's arguments – is not filled by the UN Guiding Principles on Human Rights (which are not backed by legislation), the Environment Act 2021 or the Modern Slavery Act 2015.

The **Modern Slavery Act** is limited to certain abuses of workers' rights and only requires UK companies to report on the impact of their businesses – rather than to take action to prevent negative impacts. The Act's 'Transparency in Supply Chains' provision is [no longer considered fit for purpose](#) to prevent forced labour abuse and modern slavery in supply chains. For example, [UK company Boohoo](#)

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