











INAUGURAL DIALOGUE ON BUSINESS AND HUMAN RIGHTS (BHR) IN THE ARAB STATES REGION¹

"Charting the Course for Responsible Business Practices in the Arab States Region"

OVERVIEW

Date:	28-29 October 2024
Venue:	Doha (Qatar)
	In person and online
Organizers:	Qatar's National Human Rights Committee, Arab Network of National Human Rights Institutions (ANNHRI), Global Alliance of National Human Rights Institutions (GANHRI), UN Working Group on Business and Human Rights (UNWG), Office of the UN High Commissioner on Human Rights (OHCHR), United Nations Development Programme (UNDP), and the United Nations Children's Fund (UNICEF)
Participants:	Governments (across sectors), businesses (across industries), rights-holders, CSOs, labour organizations, National Human Rights Institutions (NHRIs), environmental and human rights defenders, media, academia, and the UN
Topics in focus:	 National Action Plans (NAP) and other policies on BHR
	 Corporate human rights due diligence (incl. heightened human rights due diligence in conflict-affected contexts and human rights due diligence with environmental dimensions) Access to effective remedies by affected rights-holders
	 Role of (M)SMEs in promoting responsible business practices
	 Impacts of BHR regulatory measures on the Arab States region (incl. trade, investment, just transition, and overall sustainable development)
Contact details:	If you have questions and/or suggestions in the meantime, please contact the Organizing Team at bhr.arabstates@undp.org

GLOBAL BACKGROUND

It has long been recognized that businesses can have a profound impact on human rights. This impact can be positive, for example by delivering innovation and services that can improve living standards for rights-holders, particularly the most vulnerable and

¹ The Inaugural Dialogue will target 20/22 members of the League of Arab States (LAS). Comoros and Mauritania are covered by the African BHR Forum.













marginalized. It can also be negative, for example where business activities destroy people's livelihoods, exploit workers, or displace local communities.

The <u>UN Guiding Principles on Business and Human Rights</u> (UNGPs) directed at both governments and businesses were adopted in 2011 to clarify their duties and responsibilities to protect and respect human rights in the context of business activities and to ensure access to an effective remedy for affected rights-holders.

Since 2011, the UNGPs have solidified their status as the global authoritative framework and a blueprint for action, defining parameters within which governments and businesses should develop policies, rules, and processes while serving as a crucial foundation for achieving the Sustainable Development Goals (SDGs). The UN Working Group on Business and Human Rights (UNWG), established by the Human Rights Council in 2011, has a mandate to promote, disseminate, and implement the UNGPs.

More than a decade after the adoption of the UNGPs, the UNWG coordinated a series of efforts to <u>take stock</u> of the progress made and produced a <u>Roadmap</u> for the next decade, outlining the need to raise the ambition, increase the pace of implementation, improve coherence and create a greater impact of the UNGPs.

Given that global benchmarks and analyses demonstrated low levels of the UNGPs' implementation,² the Roadmap details the strategic direction and policy-oriented steps needed to better implement the UNGPs in the coming years. This includes recognizing that a global approach alone would not lead to a wide and comprehensive uptake of the UNGPs and would need to be complemented by regional platforms.

To address low levels of implementation of the UNGPs, governments worldwide have introduced BHR regulatory measures focused either on some form of mandatory human rights due diligence (e.g., France, Germany, Norway, EU), reporting requirements (e.g., Canada, EU), or bans on the import of products linked to severe human rights abuses (e.g., Australia, UK, USA, EU). However, the lack of awareness and capacity of businesses that are subject to BHR regulatory measures, including those in the Arab States region, to comply with increasingly growing human rights legal requirements, coupled with national regulatory gaps in regulating business practices, may result in their disengagement from global markets, and stagnate those countries' overall development.

NHRIs are an important vehicle for influencing BHR outcomes. From their unique position, NHRIs can exert significant influence by raising awareness, conducting training, advocating with businesses and governments, engaging in NAP processes, recommending law reforms, and engaging with civil society and affected rights-holders.

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² The <u>Corporate Human Rights Benchmark</u>, which measures more than 200 largest businesses from high-risk industries on their human rights performance, observes a consistent failure to implement the UNGPs. In <u>2019</u>, one-quarter of benchmarked businesses scored less than 10%. Similarly, the <u>KnowTheChain 2022-2023 Benchmark</u> found businesses globally scored on average a mere 18% for their human rights commitments and practices.













In addition, NHRIs have the power to facilitate access to remedy both directly through their own procedures, and indirectly through advocacy and capacity-building.

BHR LANDSCAPE IN THE ARAB STATES REGION

The Arab States region is undergoing an uneven economic transformation characterized by both growth and decline, with the landscape marked by unprecedented disparities. For instance, especially in Gulf countries, state-owned businesses and reliance on natural resources are driving economic prosperity. However, these business activities also result in adverse impacts on human rights, in particular in relation to climate change and the environment, especially in countries where regulatory frameworks to address such impacts are unclear or lacking.

The heterogeneity and diversity within the region necessitate a nuanced approach to promoting responsible business practices across countries. Gulf countries, buoyed by economic wealth, face different BHR challenges compared to the countries undergoing post-conflict reconstruction or middle- and low-income countries confronting challenges linked to poverty and inadequate infrastructure, rendering a one-size-fits-all BHR solution ineffective.

Despite this diversity, there are common BHR challenges in the region. In general, businesses in the Arab States region lack awareness of and capacity to implement the UNGPs and often confuse their responsibility to respect human rights with corporate social responsibility. Legal frameworks frequently fail to address human rights issues, with legislation often absent or inadequately enforced.

Weak governance, the limited rule of law, corruption, and a lack of inclusivity can render rights-holders additionally vulnerable to adverse impacts of irresponsible business practices by exacerbating human rights violations and abuses and restricting affected rights-holders' access to remedies. Moreover, a substantial portion of the workforce, including migrant workers, operates in the informal economy, lacking social security benefits and contributing minimally to tax revenue, perpetuating productivity constraints and social inequalities.

Gender inequality is also a key BHR challenge in the Arab States region and remains an impediment to achieving the 2030 Agenda. Women in the region face legal, economic, political, social, cultural, and institutional barriers that prevent them from exercising and enjoying human rights. Despite some progress, deficits in women's rights are persistent, and regression in previous gains has recently been observed.

The Arab States region, reportedly warming twice as fast as the rest of the world, confronts significant hurdles on a global scale due to climate change, biodiversity depletion, ecosystem degradation, and air, land, and water pollution, including that caused, or contributed to, by irresponsible business practices. Persistent issues of water













scarcity and the diminishing quality of arable land are exacerbated by escalating weather and climate unpredictability. Additionally, as urban populations burgeon, issues such as waste management, sewage treatment, and land rights intensify, posing serious challenges to rights-holders (including Indigenous Peoples, individually and collectively), social cohesion, and a strain on governance and legal frameworks. Furthermore, ongoing efforts by countries in the region to transition to greener and lower carbon economies raise the need for capacity building on BHR to support such diversification plans in a way that integrates human rights considerations.

Amidst these challenges, the rise of civil society engagement, social media activism, and youth-led initiatives enable rights-holders to voice concerns about the adverse impacts of irresponsible business practices on their rights. Some NHRIs in the region have expressed an interest and asked for support in building national capacities on BHR. However, these efforts remain few and far between.

Nevertheless, with increasing foreign direct investment and complex trade dynamics binding the Arab States region with global economies, including those (such as the EU and many in Asia) that are progressively adopting regulatory measures to ensure corporate respect for human rights across value chains, addressing BHR challenges and accelerating the implementation of the UNGPs is no longer optional in the region.

INAUGURAL DIALOGUE ON BHR IN THE ARAB STATES REGION

ANNHRIs, Qatar's National Human Rights Committee, UNWG, OHCHR, and UNDP, together with interested stakeholders, will convene a two-day Regional Dialogue on BHR, with the following **objectives**:

- Raise awareness of governments' duties and businesses' responsibilities under the UNGPs;
- Raise awareness of the global trends in the implementation of the UNGPs, including on BHR regulatory measures and their potential impacts on countries in the Arab States region;
- Take stock of the challenges and opportunities for promoting responsible business practices in the Arab States region and generate recommendations for the acceleration of progress in this regard;
- Establish a standing multi-stakeholder network to facilitate cross-sectoral and cross-industry exchanges, peer learning, and collaborations on BHR; as well as to provide a safe space for affected rights-holders to voice concerns about the adverse impacts of irresponsible business practices on their rights and to contribute to decision-making;
- Promote and tailor global tools for business in the Arab States region on heightened human rights due diligence in conflict-affected contexts and human













rights due diligence with environmental dimensions, and identify stakeholders interested in piloting them.

The Inaugural Dialogue will convene diverse stakeholders to facilitate exchanges, peer learning, and collaborations on **topics** across the three Pillars of the UNGPs, including on NAPs and other policies on BHR, corporate human rights due diligence (including heightened human rights due diligence in conflict-affected contexts and human rights due diligence with environmental dimensions), and access to effective remedies by affected rights-holders.

The Inaugural Dialogue will also bring attention to the role of (M)SMEs in promoting responsible business practices and lived experiences of affected rights-holders, particularly those at heightened risk of vulnerability and marginalization, such as women and girls, persons with disabilities, migrants, and displaced persons. Further, it will look into education and capacity development for BHR implementation in the Arab States region.

The Inaugural Dialogue will benefit from **strategic guidance** from the UNWG and draw on good practices and lessons learnt from the UN-convened annual regional forums, including in <u>Asia Pacific</u>, <u>Africa</u>, Eastern Europe and Central Asia, and <u>Latin America and the Caribbean</u>, as well as the outcomes of the Arab States region-specific sessions in the framework of the UN Annual Forums on BHR.³

The Inaugural Dialogue will convene representatives of governments (across sectors), businesses (across industries), rights-holders, CSOs, labor organizations, NHRIs, environmental and human rights defenders, media, academia, the UN, and other stakeholders from 20/22 LAS Members. In addition, stakeholders from other regions will also be invited to share their experiences with the countries in focus and facilitate South-South and South-North exchange.

The Inaugural Dialogue is envisioned as a standing event convened on an annual basis.

AGENDA

The Inaugural Dialogue's Agenda will be informed by a round of pre-consultations with diverse stakeholders across the Arab States region to identify the needs and tailor the event panel discussions, training, and meetings to those.

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^{- 12&}lt;sup>th</sup> UN Forum on Business and Human Rights, Agenda: link;

^{- 11}th UN Forum on Business and Human Rights, Agenda: link.