

*Check against delivery*

**Remarks by Mary Robinson**

**Protect, Respect, Remedy: Swedish EU Presidency Conference on  
Corporate Social Responsibility  
Stockholm, 10-11 November 2009**

**Good morning. It is always a pleasure to return to Stockholm. Allow me to express my thanks to the Government of Sweden for organizing this conference during its EU Presidency on such an important subject and at such a critical moment.**

**It is an honour to have been invited to help kick off today's discussions. I've been asked to offer some thoughts on the relevance of corporate responsibility in times of environmental, social and economic urgency. It's a challenge in just a few minutes to provide a useful overview, particularly after you've just heard from John Ruggie – who is always a tough act to follow! – but I welcome the opportunity.**

**John has helpfully focused his remarks on some of the key issues our discussions should address over the next two days. Let me say first how truly encouraging it is to see that the *Protect, Respect, Remedy* framework for business and human rights is gaining traction around the world among**

**governments, business and civil society. A once divisive debate is now moving forward in a constructive spirit which we all welcome. The fact that the UN Human Rights Council unanimously welcomed the Framework last June shows just how far we have moved. And I've seen through my own engagement with business executives in the UN Global Compact and the Business Leaders Initiative for Human Rights that companies want very much the increasing certainty that the Framework John has put forward can provide.**

**I would like to pick up on a number of the points John made in his remarks, but let me start by reflecting briefly on the wider context we face today.**

**This is a critical moment for the corporate social responsibility movement, precisely because we are in such a pivotal time in terms of the broader global agenda. There can no longer be any question of how truly intertwined our economies, our societies and our fates are. Financial turmoil that began in a handful of nations has turned into a global economic and jobs crisis impacting individuals, families, and societies across the globe. And to make matters worse, the ongoing economic crisis**

**is set against the seemingly intractable problems of chronic poverty, increasing income inequalities, precarious employment and environmental degradation.**

**I was here in Stockholm just last month to participate in European Development Days events. One of the key topics was the effects of the economic crisis on development efforts in countries around the world. The messages I took away, unfortunately, are not encouraging. The findings contained in the World Bank's submission to the recent G20 Meeting in Pittsburgh are one indication of how bad things look.**

**The Bank predicts that as a result of the crisis, 89 million more people will be living in extreme poverty by the end of 2010. The International Labour Office's report to the G20 is equally troubling. It forecasts an unprecedented increase in unemployment globally and points out that even if an economic recovery begins to take hold in the coming months, a global jobs crisis could linger for the next six to eight years.**

**These and other indicators are all the more worrying given the limited progress to date on meeting existing commitments to promoting sustainable**

**and people centred development. It is now clear that many countries will not achieve the UN Millennium Development Goals by 2015. All the analysis points not just to lack of progress in many countries on meeting overall targets but also to a failure to address persistent problems of inequality and social exclusion, resulting in those most at risk and most vulnerable facing continuing poverty.**

**Inequality and disparities are widening within a majority of countries around the world. This is neither irrelevant nor a passing phase, and results in the undermining of social cohesion and greater social exclusion. This clearly has consequences for business. And on top of all of these challenges is the growing impact of climate change – already harming people who have contributed least to the problem and who are most in need of assistance and support in adapting to environmental changes they are increasingly facing. When I was in Liberia last week, President Ellen Johnson Sirleaf told me the financial crisis has set that country back a year, because of the significance of exports of rubber and iron ore.**

**As my organization, Realizing Rights, noted in a background paper we prepared for European Development Days -- the economic crisis has**

**challenged assumptions that international investment and trade flows would inexorably rise, and that freer capital flows would stimulate sustainable growth and development. The truth is that we are in need of a major re-think about the global economy and the underlying principles that should drive policy in the years ahead.**

**John Ruggie’s work as Special Representative has made it clear that “business as usual” approaches to CSR and to wider governance challenges involving the private sector just aren’t adequate to overcome the problems we face. Fortunately, the *Protect, Respect, Remedy* Framework has put in place the foundation upon which to build principled, but pragmatic solutions to a range of challenges at the interface of business and human rights.**

**We all recognize that the business community must meet its responsibility to respect human rights and be able to demonstrate that it is doing so through positive actions. Companies themselves increasingly acknowledge this responsibility, irrespective of local contexts and government capacities. But the *Protect, Respect, Remedy* Framework won’t be workable in practice unless governments do more as well.**

**The fact is that for too long many governments have avoided providing such leadership, suggesting either that the status quo was tolerable or that CSR strategies alone would solve the problem. I'm aware that CSR has been the subject of extensive debate within the European Parliament and European Commission in recent years. But in my view the results are far from satisfactory. That's why the opportunity we have now should not be missed.**

**If we look at the issue from the perspective of the EU, I think we would acknowledge that policies and legislation within and among EU member states do not always work most effectively to address business and human rights related challenges. For example, public reporting on social issues including corporate human rights impacts is mandatory for some companies in some EU member states. But for the majority it remains a purely voluntary undertaking.**

**My colleagues and I at Realizing Rights have been pleased to be involved with the Global Reporting Initiative and the UN Global Compact over the past year in a project aimed at improving corporate reporting on human rights issues. The results of these efforts are being launched here today in**

**the form of two new publications – one examining current trends in corporate reporting on human rights, and the other offering a practical guide for companies wishing to address these issues in future sustainability reports. We hope these tools will not only assist companies, but also guide governments in the important role they can play in encouraging such reporting as a key form of corporate transparency and accountability.**

**Another area where EU states should give greater attention concerns corporate law. At the moment, different states place different non-financial duties on senior executives and non-executive Board members, as differences in libel law place different restraints on the media and civil society with regard to alleged human rights abuses of companies. This makes the playing field uneven and difficult to navigate and results in abuses not being addressed adequately when they occur. John Ruggie and his team have been involved in a significant comparative study of corporate law regimes which I'm sure will help shape thinking in this area in the time ahead.**

**In addition to different approaches among governments, we see a similar situation within governments themselves. Government policies in one area**

can undermine existing commitments with respect to human rights. One example is the ways in which bilateral investment treaties and host-government agreements are negotiated and applied. Another is the absence of appropriate references to human rights in most Export Credit Guarantee schemes. As John has said, there is no silver bullet for overcoming these and other obstacles, but the *Protect, Respect, Remedy* framework provides a much needed entry point for addressing a range of issues from a shared perspective.

Let me stress again how encouraging it is to see how the Framework is being picked up and used by governments in various settings, some of which John noted briefly in his remarks. Allow me to mention a few other examples in a European context. One that interests me in particular involves a new European Commission study which is drawing on the Framework in examining legal liability regarding human rights and the environment applicable to European enterprises operating abroad.

At the national level, I was interested to see how the Norwegian Government's recent report on corporate social responsibility also relied extensively on the *Protect, Respect, Remedy* Framework in clarifying its

**positions on the future of corporate social responsibility. I'm also aware that a UK parliamentary process on business and human rights has benefited from John's work. This encouraged a diverse range of submissions from organizations such as the new London-based Institute for Human Rights and Business which I am proud to Chair. The Institute has a global remit, and has reflected that greater clarity on the Framework within the European Union will send a powerful message to other governments and regions.**

**Similarly, UN mechanisms are also beginning to use the Framework in thematic and country studies. For example, the UN Special Rapporteur on Toxic Waste recently referenced the Framework in making his case against Trafigura, the commodities trading company which has been accused of dumping chemicals in Cote d'Ivoire. And the UN Permanent Forum on Indigenous Issues has given its support and is exploring how the Framework can best be applied to private sector related challenges facing indigenous peoples.**

**All of this is to say that we're now moving in the right direction and that more governments, companies and other stakeholders should see this as the time to step forward and take similar actions. It is this cumulative dynamic**

**which, if strengthened further by engagement here in Europe and in other regions, can lead to the kind of changes which we all recognize are so urgently needed.**

**Let me close by stressing that to get to where we are today is a huge achievement which should not be under-estimated. John – we are all greatly appreciative of the leadership role you have played in moving the business and human rights debate forward so constructively since you took on your mandate as Special Representative.**

**Now we're embarking on the next part of the journey – and if you thought it has been tough so far, I think you can be certain it isn't going to get any easier from here!**

**The range of issues you are being asked to provide recommendations and practical guidance on for governments, companies and other stakeholders is extremely challenging as your remarks this morning indicated concerning the difficult subject of extraterritoriality. It is not a one-dimensional issue, but constitutes a range of options, not all of which are problematic, and some of which deserve serious consideration by the EU.**

**I think we need to keep making the point that this and other challenging issues can be addressed if all sides are willing to engage openly in dialogue and seek creative and principled solutions for the future. There are a range of paths to be pursued. The EU has the extensive experience which will be needed to help build workable solutions that are not only acceptable to states and businesses but that address the rights of those most affected, wherever they are located. Our task now is to learn from these and other experiences and give all possible ways forward the serious consideration they deserve.**

**I appreciate the Government of Sweden bringing us all together for just that purpose. I look forward to our discussions and to continuing to work with all of you in our common mission to advance the protection of human rights around the world.**

**Thank you.**