



Government of Canada
Permanent Mission of Canada
to the United Nations and the
Conference on Disarmament

Gouvernement du Canada
Mission permanente du Canada
auprès des Nations Unies et de
la Conférence du désarmement

Note No.: GENEV-6698

Reference: Canada's response to JAL CAN 4/2020

The Permanent Mission of Canada to the Office of the United Nations at Geneva presents its compliments to the Office of the High Commissioner for Human Rights and has the honour to refer to the joint letter JAL CAN 4/2020 dated 10 July 2020 by several Special Procedures mandate holders. The Permanent Mission of Canada further has the honour to submit Canada's response.

The submission consists of one document.

The Permanent Mission of Canada to the Office of the United Nations at Geneva avails itself of this opportunity to renew to the Office of the High Commissioner for Human Rights the assurances of its highest consideration.

Geneva, 4 September 2020.



**Response by the Government of Canada to the Joint Communications from Special Procedures,
reference AL CAN 4/2020**

- 1. Please provide any additional information and/or comment(s) you may have on the above-mentioned allegations.**

N/A

- 2. Please highlight the steps that your Excellency's Government has taken, or is considering to take to protect against human rights abuses by business enterprises domiciled in its territory and or jurisdiction, including by conducting effective human rights due diligence, in accordance with the UN Guiding Principles on Business and Human Rights.**

The Government of Canada expects Canadian companies operating abroad to respect human rights, operate lawfully and conduct their activities in a socially and environmentally responsible manner consistent with international principles and standards on Responsible Business Conduct (RBC), including the *OECD Guidelines for Multinational Enterprises* and *United Nations Guiding Principles on Business and Human Rights*. Canada's current approach to RBC is founded on voluntary mechanisms that reflect the objectives of these principles and guidelines.

Canada has a balanced approach which commits to identifying and preventing problems before they escalate, as well as to offering effective, low cost and accessible dispute resolution. Canada has two complementary and voluntary mechanisms: the first is Canada's National Contact Point (NCP), established in the year 2000 as part of our commitment to the *OECD Guidelines*; the second mechanism is the Canadian Ombudsperson for Responsible Enterprises (CORE), announced in April 2019. Although voluntary, companies that do not collaborate in good faith with either dispute resolution mechanism may be denied trade advocacy support and future Export Development Canada (EDC) financial support. Canada's dispute resolution mechanisms do not preclude pursuing recourse in other fora such as courts in host countries or in Canada, where appropriate.

Canada has been engaged in the development, advancement and dissemination of the key international standards for RBC below:

- [OECD Guidelines for Multinational Enterprises for responsible business conduct](#)
- [OECD Due Diligence Guidance for Responsible Business Conduct](#)
- [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#)
- [OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector](#)
- [The OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#)
- [OECD-FAO Guidance for Responsible Agricultural Supply Chains](#)
- [Responsible Business Conduct for Institutional Investors](#)

In addition, Canada promotes guidance developed in Canada, such as the Mining Association of Canada's *Towards Sustainable Mining*, and the Prospectors & Developers Association of Canada's *e3 Plus* initiative.

Since 2014, the Government of Canada's approach to RBC has been articulated in *Doing Business the Canadian Way: A Strategy to Advance Corporate Social Responsibility in Canada's Extractive Sector*. *A renewal process of this strategy is currently underway.*

3. Please advise the steps taken by the Government to protect human rights defenders speaking up about adverse human rights impacts related to Canadian companies operating overseas such as Steppe Gold.

In 2019 Global Affairs Canada launched the updated edition of Voices at Risk, Canada's Guidelines on Supporting Human Rights Defenders. The Guidelines are a clear statement of Canada's commitment to supporting the vital work of human rights defenders. Voices at Risk outlines Canada's approach and offers practical advice for officials at Canadian missions abroad and at Headquarters to promote respect for and support human rights defenders.

The Guidelines include a section on situations involving Canadian corporate entities. Canadian companies working internationally are expected to respect human rights and to operate lawfully, transparently and in consultation with host governments, Indigenous and local communities, and to conduct their activities in a socially and environmentally responsible manner.

In instances where Canadian businesses are allegedly or appear to be violating the rights of human rights defenders, the mission must refer to Canada's Enhanced Corporate Social Responsibility (CSR) Strategy to Strengthen Canada's Extractive Sector Abroad in addition to providing support and protection to the human rights defenders in question, as appropriate.

In cases involving conflict between an affected community and a Canadian company, its subsidiary, sub-contractors and/or suppliers, one of Canada's dispute resolution mechanisms could be called upon to review and make non-binding recommendations: Canada's National Contact Point for the OECD Guidelines for Multinational Enterprises or the Canadian Ombudsperson for Responsible Enterprise.

4. Please indicate what measures the Government has taken to ensure that Canadian companies operating abroad are not causing or contributing to abuses of international norms and standards that Canada has undertaken to uphold, including with regard to the environment and the right to adequate housing.

Through its network of more than 1,000 trade commissioners at offices in Canada and at diplomatic and consular missions around the world, Canada actively promotes RBC best practices and provides advice on RBC to Canadian companies active abroad. Trade Commissioners work with Canadian businesses to help them grow through connecting them with international opportunities, funding and support programs. With respect to Responsible Business Conduct, Global Affairs Canada provides training to its trade commissioners on how to support Canadian companies to do business in a socially and environmentally responsible manner consistent with the internationally recognized standards and practices. A company's track record on RBC is taken into consideration by trade commissioners prior to providing trade advocacy support. To note, Steppe Gold is not a client of the Canadian Trade Commissioner Service (TCS) and therefore is not eligible to receive TCS client services.

Canada's Trade Commissioner Service requires Canadian companies to sign an Integrity Declaration when seeking certain types of services abroad. This attests that the Canadian company understands the Government of Canada's ethical expectations, has not been charged, convicted or sanctioned for bribery or corruption, and will not engage in such illegal activities. In June 2020 approximately 1,500 Declarations signed by Canadian companies were in force.

Canada supports efforts to ensure that territorial, contracting and home States involved with the services of private military and security companies (PMSCs) understand, respect and act in a manner that is consistent with international human rights and international humanitarian law. Canada was one of 17 States involved in the development of the Montreux Document on pertinent international legal obligations and good practices for States related to operations of private military and security companies during armed conflict.

Canada actively contributed to the development of the International Code of Conduct for Private Security Service Providers which promotes best practices, respect for human rights and compliance with IHL by private military security companies (PMSCs). Since 2016, Canada has been an active member of the Association of the International Code of Conduct for Private Security Companies (ICoCA) which oversees implementation of the Code of Conduct. As an international multi-stakeholder governance mechanism focused on security and human rights, ICoCA is complementary and coherently aligned with the Voluntary Principles on Security and Human Rights Initiative (VPI). Canada promotes adherence to the Code of Conduct and ICoCA membership in its contracting policy for PMSCs as well as in bilateral engagements, to encourage the responsible provision of private security services including respect for human rights and IHL compliance by PMSCs.

In line with its Foreign Policy and Feminist International Assistance Policy, Canada strongly condemns all forms of violence against women and girls and has been working to keep this issue at the top of the global agenda. Canada expects Canadian companies operating abroad to actively identify, prevent, and mitigate human rights risks, including sexual exploitation and abuse as well as sexual and gender-based violence arising from their operations. To promote prevention and effective remedies for SEA by PMSCs, Canada actively participated in the development and launch of ICoCA's Guidelines for Private Security Providers on Preventing and Addressing Sexual Exploitation and Abuse in May 2019.

5. Please provide information regarding the measures that your Excellency's Government has taken, or is considering to take, to ensure that those affected by the overseas activities of Steppe Gold Limited have access to effective remedies as per the UN Guiding Principles.

Canada commits to identifying and preventing problems before they escalate, as well as offering effective, low cost and accessible dispute resolution. Canada has two complementary and voluntary mechanisms: the first is Canada's National Contact Point (NCP), established in the year 2000 as part of our commitment to the *OECD Guidelines*; the second mechanism is the Canadian Ombudsperson for Responsible Enterprises (CORE), announced in April 2019. Although voluntary, companies that do not collaborate in good faith with either dispute resolution mechanism may be denied trade advocacy support and future Export Development Canada (EDC) financial support. Canada's dispute resolution mechanisms do not preclude pursuing recourse in other fora such as courts in host countries or in Canada, where appropriate.

- 6. Please indicate when the Canadian Ombudspersona [sic] for Responsible Enterprise (CORE) is due to launch its complaints procedure. Please also provide details on the status of any investigation underway by CORE or other Governmental bodies to address the allegations in this letter.**

The Canadian Ombudsperson for Responsible Enterprise (CORE) plans to open its Compliance and Dispute Resolution Mechanism in Fall 2020. This follows a series of consultations with a wide variety of stakeholders on its operating procedures as well as its complaints forms and guidance documents. CORE is not able yet to accept inquiries or requests to file complaints. When the complaint process is open, CORE will accept inquiries and requests to file complaints about the activities of Canadian companies outside Canada in the garment, mining, and oil and gas sectors, that are having a negative effect on human rights.

- 7. Please advise how the Government is undertaking its commitments as a member of the Voluntary Principles on Security and Human Rights, notably with regard to promoting respect for human rights in the context of security services within the extractive industry.**

The Government of Canada is a member of the Steering Committee and a strong supporter of the Voluntary Principles on Security and Human Rights Initiative (VPI). Canada has been an active member of the VPI since 2009 and chaired the initiative in 2011-2012 and 2016-2017. The Government endorses the use of the Voluntary Principles (VPs) through its Corporate Social Responsibility Strategy as a key component of its efforts to promote respect for human rights in the context of security services within the extractive industry. It promotes the use of the VPs to Canadian companies, other governments and NGOs through direct bi-lateral outreach, through its participation at relevant events and public speaking engagements, and through its chairing of the Canada Working Group on the Voluntary Principles.

Canada contributes to VPI working groups which seek to strengthen the implementation of the VPs by producing new materials for specific security and human rights scenarios, coordinating with other members on effective outreach, supporting in-country working groups on the VPs, and improving the governance of the initiative and impact assessments. For further details, please see Canada's 2018 and 2019 annual reports on the Voluntary Principles which can be found on the VPI website.

Canada coordinates with the Mining Association of Canada given the industry association's commitment to the Voluntary Principles. The Mining Association of Canada requires its members that operate internationally to report annually on how their security-related management systems align with the VPs.