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Note Verbale No. 291

The Permanent Mission of the United Kingdom of Great Britain and Northern Ireland presents its compliments to the Office of the United Nations High Commissioner for Human Rights and has the honour to submit its' response to communication AL GBR 30/2022, further to the letter dated 26 June 2023 from the Working Group on the issue of human rights and transnational corporations and other business enterprises; the Special Rapporteur on the promotion and protection of human rights in the context of climate change; the Special Rapporteur on the issue of human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment; the Special Rapporteur on the implications for human rights of the environmentally sound management and disposal of hazardous substances and wastes and; the Special Rapporteur on the human rights to safe drinking water and sanitation.

The Permanent Mission of the United Kingdom of Great Britain and Northern Ireland avails itself of this opportunity to renew to the Office of the High Commissioner for Human Rights the assurances of its highest consideration.



Geneva, 26 September 2023

Special Procedures Branch
Office of the High Commissioner for Human Rights



United Kingdom of Great Britain and Northern Ireland

Response to Special Procedure communication AL GBR 13/2023 of 26 June 2023 from the Working Group on the issue of human rights and transnational corporations and other business enterprises; Special Rapporteur on the promotion and protection of human rights in the context of climate change; Special Rapporteur on the issue of human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment; Special Rapporteur on the implications for human rights of the environmentally sound management and disposal of hazardous substances and wastes and; Special Rapporteur on the human rights to safe drinking water and sanitation.

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

The UK Government remains committed to promoting and respecting human rights, including in the context of climate change. As set out in the UK's National Action Plan on Business and Human Rights, the UK Government is clear that it expects all UK businesses, including those domiciled in the UK, to respect human rights throughout their operations, in line with the UN Guiding Principles (UNGPs). Concerns regarding transnational corporations and human rights obligations in the context of engagement with Aramco will continue to be monitored by the UK Government.

2. Please indicate measures taken to ensure that Your Excellency's Government complies with international environmental laws and human rights standards, especially in relation to climate change.

The UK Government is committed to promoting and respecting human rights. The UK has strong human rights protections within a comprehensive and well-established constitutional and legal system. The UK Government also has a longstanding tradition of ensuring rights and liberties are protected domestically and of fulfilling human rights obligations.

The UK is party to numerous multilateral environmental treaties covering areas such as wildlife and habitat protection, protection of the marine environment, conservation of biological diversity and transboundary movements of hazardous wastes and substances. It is UK policy that domestic implementing legislation is in place prior to ratifying such agreements to ensure compliance with our international obligations. Moreover, the UK Environment Act 2021 includes new legally binding environmental targets. The Office for Environmental Protection holds government and public bodies to account on compliance with their environmental obligations.

Internationally, the Paris Agreement sets out that every five years Parties should bring forward new emission reduction pledges, known as Nationally Determined Contributions (NDCs) that are a progression beyond current respective NDCs and reflect their highest possible ambition, taking into account their national circumstances. The UK's 2030 target – to reduce economy wide greenhouse gas emissions by at least 68% by 2030 on 1990 levels – is a fair and ambitious contribution to global action on climate change, in line with the Paris Agreement temperature goal, and remains in place.

The UK Government has a well-established process involving all relevant departments to regularly review domestic greenhouse gas abatement potential, as part of the framework to deliver on carbon budgets and net zero under the Climate Change Act (2008).

3. Please advise the steps taken to ensure that Your Excellency's Government encourages business respect for human rights in line with the UN Guiding Principles on Business and Human Rights, including by requiring businesses to conduct human rights due diligence that addresses how to prevent, mitigate and remediate the adverse climate change-related and other human rights impacts that business may cause or contribute to through its own activities, or which may be directly linked to its operations, products or services by its business relationships.

The UK Government supports voluntary due diligence approaches taken by our businesses to protect human rights and the environment across their operations and supply relationships, as steered by the UNGPs on Business and Human Rights and the OECD Guidelines on Multinational Enterprises. The Government is clear that it expects all UK businesses to respect human rights throughout their operations, in line with the UNGPs.

The UK Government has consistently supported the UNGPs on Business and Human Rights, which are widely regarded as the authoritative international framework to steer practical action by Governments and businesses worldwide on this important agenda. Implementation of the UNGPs will support access to justice and remedy for victims of business-related human rights abuses, wherever these occur, and encourage businesses to voluntarily adopt due diligence approaches to respecting human rights. In response to the UNGPs, the UK was the first State to produce a National Action Plan (NAP) and we continue to develop our approach, including in line with the provisions of the Modern Slavery Act 2015. Further details on these provisions are provided under Question 7.

4. Please advise about the steps that Your Excellency's Government has taken to encourage businesses in your territory and/or jurisdiction to refrain from entering business relationships with businesses that engage in or promote public information campaigns based on inaccurate, misleading and unfounded assertions that harm the ability of States and the public to make informed decisions pertaining to climate change. In this context, please also indicate how Your Excellency's Government encourages business respect for the right of all persons to benefit from science and its applications.

The UK Government is committed to ensuring that people have access to accurate information and are taking steps to promote trusted news sources to tackle the spread of disinformation. HMG's response is comprehensive and multifaceted, with the legislative response being delivered through the Online Safety Bill, alongside operational and strategic policy components.

In line with the UNGPs, the UK Government encourages businesses to carry out due diligence which covers adverse human rights impacts that the business enterprise may cause or contribute to through its own activities, or which may be directly linked to its operations, products, or services by its business relationships. Through these due diligence measures, businesses are encouraged to consider the impacts that their business relationships may have on human rights, including through the spread of misinformation.

The UK Government is clear that it expects all UK businesses to respect human rights, throughout their operations, in line with the UNGPs. This includes respecting all rights specified in the International Covenant on Economic, Social and Cultural Rights, including the right to benefit from scientific progress and its applications.

5. Please indicate any steps that Your Excellency's Government has taken to strive for coherence in its responsibility to protect human rights, including in the policies and procedures that govern business activities and relations as they relate to climate change. This could include, for example, a smart mix of laws, regulations and policies that encourage or oblige business to reduce emissions and to take other measures to prevent adverse human rights impacts resulting from climate change, and/or climate change dimensions of policies, procedures and procurement practices.

The UK Government is committed to protecting and respecting human rights, including as they relate to climate change. As set out in our National Action Plan, the UK Government is clear that it expects all UK businesses to respect human rights, throughout their operations, in line with the UNGPs.

The UK has several policies that encourage business to reduce emissions, as outlined below.

6. Please indicate the measures taken or planned by Your Excellency's Government to encourage businesses to prioritize low-carbon and zero-carbon investments.

The UK Government set out a clear picture of ambition on climate at COP26 and throughout our Presidency to keep 1.5C within reach; the costs of climate are increasingly understood,

and we see businesses moving in this direction through Race to Zero. As Chris Skidmore's Net Zero Review showed, there is a huge economic imperative to act. Climate change not only threatens catastrophic economic damage, but the transition presents significant opportunities for businesses and economies.

To date, the UK Government has been at the forefront of the global effort towards net zero. Ahead of COP26, the UK played a pivotal role in driving forward the UN backed Race to Zero campaign which saw almost two-thirds of FTSE100 and thousands of small businesses sign up and pledge to cut emissions in line with a 1.5-degree pathway and reach net zero by 2050. Over half of all the Race to Zero signatories are UK businesses. Small and micro businesses can visit the UK Business Climate Hub and sign up to the globally recognised small business climate commitment.

British businesses are leading the way on net zero; the UK Government will continue to build momentum globally through showcasing leadership on and benefits of Net Zero and by setting out expectations of Governments and non-state actors. Ahead of COP28, the emphasis is firmly on delivery of commitments and immediate emission reductions. The UK Government is encouraging all businesses to develop their climate transition plans setting out actions over the short and medium term.

On 10 May 2023, the UK Government launched a new Net Zero Council to support the delivery of our net zero target by working with business, industry, investors, and finance leaders to identify and secure existing and future economic opportunities for the UK.

7. Please provide information on any steps taken by Your Excellency's Government to set out clearly the expectation that all business enterprises respect human rights throughout their operations and prevent and mitigate adverse impacts related to climate change.

As set out in the UK's National Action Plan (NAP), the UK Government is clear that it expects all UK businesses to respect human rights throughout their operations, in line with the UNGPs. The UK Government is fully committed to promoting and protecting human rights for all individuals, without discrimination on any grounds.

The UK Government has published <u>advice</u> on tackling human rights abuse risks within businesses and international supply chains. Businesses can also access the <u>overseas business risk pages</u>, managed by the UK's trade and diplomatic network, which include information on human rights risks when trading overseas.

Section 54 of The UK's Modern Slavery Act 2015 requires businesses with a turnover of £36m or more to report annually on the steps they have taken to prevent modern slavery in their operations and supply chains. The UK Government has also announced plans to introduce financial penalties for organisations who fail to meet their statutory obligations to publish annual modern slavery statements.

Section 54 of the Modern Slavery Act is designed to drive senior-level accountability and leadership, which is why modern slavery statements require Director-level sign off and Board approval. Detailed best practice guidance can be found on gov.uk pages, including <u>statutory guidance</u> from the Home Office with links to external resources to help businesses publish their annual modern slavery statement.

Section 414C(7) of the Companies Act 2006 further requires the annual strategic report of a quoted company to include information about social, community and human rights issues, including information about any policies of the company in relation to those matters and the effectiveness of those policies. They are required to produce this information to the extent necessary for an understanding of the performance or position of the company's business.

The UK Government and the Financial Conduct Authority have also required, respectively, UK-registered companies and UK-listed companies to make disclosures that are in line with the recommendations of the Taskforce for Climate Related Financial Disclosures. These requirements provide investors and other stakeholders information relating to a company's climate-related risks and opportunities and the actions that a company is taking to manage those risks.

8. Please provide information on steps taken by Your Excellency's Government to encourage businesses to establish and/or participate in operational-level grievance mechanisms, in line with the UN Guiding Principles, to effectively address the adverse climate change-related and other human rights impacts caused by and/or contributed to by business through their operations. In addition, please indicate, in the context of climate change, where financial institutions have contributed to severe impacts and how Your Excellency's Government has provided for appropriate remediation that accords with the responsibility for the harm.

The Government continues to keep the UK provision of remedy under review.

As set out in the UK's National Action Plan (NAP), the UK has a range of judicial and state-based non judicial mechanisms that help to support access to remedy for human rights abuses by business enterprises both in the UK and overseas. Financial institutions have access to the full range of judicial and state-based non judicial mechanisms that the UK has on offer. The Government continues to keep the UK provision of remedy under review.

The Government is clear that all business enterprises, including financial institutions, have a responsibility to respect human rights. To meet this responsibility, business enterprises should have in place processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute, in line with the UNGPs.

The UK's 2023 Green Finance Strategy outlines the sustainability disclosure and reporting requirements that are expected of financial institutions. The UK was the first G20 country to require Taskforce on Climate-related Financial Disclosure-aligned (TCFD) disclosures across the economy.

9. Please provide information on the measures Your Excellency's Government is taking or considering taking to ensure that persons affected by the activities of businesses domiciled in your jurisdiction have access to redress in your country, through judicial or extrajudicial State mechanisms.

As set out in the UK's National Action Plan (NAP), the UK has a range of judicial and state-based non judicial mechanisms that help to support access to remedy for human rights abuses by business enterprises both in the UK and overseas.

The UK operates a <u>National Contact Point (UK NCP)</u> to promote the OECD Guidelines for Multinational Enterprises and to run a non-judicial grievance mechanism to assess alleged non-compliance with the Guidelines. It also offers a platform for mediation and conciliation. The complaints mechanism can include the examination of instances where abuses of human rights may have occurred.

The Government continues to keep the UK provision of remedy under review.