

Human Rights Principles For Companies



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Human Rights Principles for Companies: an Introduction

Multinational companies have a responsibility to contribute to the promotion and protection of human rights. In an increasingly globalized world economy, their decisions and actions impact directly on governmental policies and on the enjoyment of human rights. The Universal Declaration of Human Rights calls on “every individual and every organ of society” to play its part in securing universal observance of human rights. Companies and financial institutions are organs of society, and as their operations come under scrutiny around the world, this is increasingly demanded by consumers, shareholders and the communities with whom they interact.

All companies have a direct responsibility to respect human rights in their own operations. Their employees and other people with whom they work are entitled to rights such as freedom from discrimination, the right to life and security, freedom from slavery, freedom of association, including the right to form trade unions, and fair working conditions. Particular care needs to be taken by companies to ensure that their security arrangements do not lead to human rights abuses. Those companies making arms or other military or security equipment also need to help ensure that their products are not used to violate human rights.

Amnesty International believes that the business community also has a wider responsibility - moral and legal - to use its influence to promote respect for human rights. A multinational company's reputation will be increasingly affected by its response - in word and deed - to the violation of human rights and the defence of such rights. Violations of human rights may contribute to civil instability and to uncertainty in the investment climate, but even where this is not the case, companies should not be silent witnesses. Multinational companies have a responsibility to use their influence to try to stop violations of human rights by governments or armed political groups in the countries in which they operate. Large companies regularly try to influence governments' tax and trade policies, their labour laws and environmental rules. The silence of powerful business interests in the face of injustice is not neutral.

Companies may argue that they should not take action in these areas because to do so would be to interfere in domestic politics or offend the values of other cultures. However, the international community has decided, through a variety of covenants and agreements, that the promotion and protection of inherent human rights transcends national and cultural boundaries. Amnesty International has therefore developed an introductory set of human rights principles, based on international standards, to assist companies in developing their role in situations of human rights violations or the potential for such violations. These are outlined below.

Responsibility for own operations

Personnel practices and policies

Standards relating to labour rights have been developed by a variety of international organizations, notably the International Labour Organisation (ILO). These include such matters as health and safety, freedom of association and the right to collective bargaining, non-discrimination, disciplinary practices, avoidance of child labour and avoidance of forced labour.

On complex and sensitive personnel issues such as child labour, companies would find it useful to consult relevant specialists and non-governmental organizations familiar with the implementation of particular ILO Conventions. Amnesty International does not usually undertake specialist work on such issues, but does promote respect for international human rights standards which underpin such labour rights.

The performance of a company's contractors, suppliers and partners (whether government, governmental agencies or otherwise) is perceived to reflect on the performance of the company. The general public does not draw a line between them. It is therefore in companies' own interests to promote similar standards through all third parties who act with them or on their behalf.

Security arrangements

Violence and instability in many countries today have led companies to defend their personnel and property by armed guards and/or by arrangements with state security forces. These arrangements have sometimes directly contributed to human rights violations, such as assaults involving excessive force used against peaceful demonstrators. The reputation of a company itself can also be at stake in such situations.

A company should therefore ensure that its own personnel and any security forces engaged by them should be properly trained in and committed to respect of international guidelines and standards for the use of force, in particular the United Nations (UN) Code of Conduct for Law Enforcement Officials and the UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials. These standards set strict limitations on when force and firearms can be used, and require a reporting and review process if it becomes necessary in any instance to use minimum force.

Companies should develop their own safeguards consistent with these international standards if they need to call in or contract with state security forces or establish the company's own security force to protect staff and property. These should include safeguards to prevent excessive use of force, as well as torture or cruel, inhuman

or degrading treatment. Companies should make public the terms of any such contracts, and take positive steps to ensure that any training or equipment provided by them to public or private security personnel is not used to violate human rights. Rules should include provisions concerning who may carry arms, what the company may supply in kind to any security personnel, and the amount and nature of the control and influence exerted by the company over security personnel. All company security personnel should be trained to respect the rights of the local community. No information should be passed to security forces which could be used to target individuals for extrajudicial killings, “disappearances”, torture or arbitrary arrest.

Companies should also, when recruiting security staff, screen backgrounds for any previous involvement in human rights violations and decline to hire any person determined to have been responsible for serious human rights violations such as extrajudicial or indiscriminate killings, “disappearances”, torture or cruel, inhuman or degrading treatment or punishment, or arbitrary arrests and detention of political opponents. Any security staff should be dismissed if they are discovered after a fair hearing to have committed such violations.

Responsibility for promoting and upholding human rights standards

Companies should cooperate in creating an environment where human rights are understood and respected. Companies may operate in countries where there is a high level of human rights violations or where legislation, governmental practice or other constraints make it imperative to address specific abuses and devise innovative ways of promoting respect for human rights. For example, if an employee of the company or one of its sub-contractors is arbitrarily arrested, strong protests should be made to the highest levels of government, and the company should actively pursue the employee’s release.

Human rights are designed to protect the inherent dignity of the human person, regardless of her or his culture or background, and by their very nature are universal. They cannot be considered an encroachment upon national sovereignty. Without respect for these human rights, the rule of law is undermined.

The inherent rights recognized in the Universal Declaration of Human Rights have been further elaborated over more than three decades in international law and standards, including treaties and other instruments adopted at the regional level. These rights cover civil, political, economic, cultural and social activities and are regarded not only as universal, but also as indivisible and interdependent. Multinational companies should adhere to these international standards even if national laws do not specify them. They should recognize that all states are required to enforce certain treaties which set a global framework of legal protection (a list of important treaties is included in the Appendix).

Approaches are likely to be different in different situations, but a clear indication of concern for human rights and a *willingness* to initiate discussions with those in authority and with business partners is essential.

Multinational companies can improve their ability to promote human rights by:

- developing an explicit company policy on human rights
- providing effective training for their managers and their staff in international human rights standards, preferably with input and assistance from appropriate non-governmental organizations
- consulting non-governmental organizations, including Amnesty International, on the level and nature of human rights abuses in different countries
- establishing a clear framework for assessing the potential impact on human rights of all the company's and its sub-contractors' operations.

Implementation and monitoring

The primary responsibility for monitoring company policies and practices lies with the company itself. However, all systems for monitoring compliance with voluntary corporate codes of behaviour should be credible and their reports should be independently verifiable. There is an analogy between financial and quality audits, and the need for social audits. Companies maintain their own internal financial and quality controls which are periodically verified by outside independent auditors in order to ensure their integrity. Similarly, while companies should have internal social auditing procedures by which they can determine the degree of compliance with the organization's code of conduct, there should also be periodic independent verification of these procedures and the reports they generate. In this there is also a role for other stakeholders, such as independent employee associations and trade unions, non-governmental organizations or members of the local community in which the company operates, in order to give greater transparency and credibility to the operation.

In those few countries where independent human rights or humanitarian groups are refused entry and there is therefore no possibility of any legitimate external monitoring, public opinion might suspect abusive practices. It is therefore in the interest of companies to encourage such governments to allow access to intergovernmental bodies, international humanitarian organizations and international human rights organizations such as Amnesty International.

Amnesty International

Amnesty International is a worldwide campaigning movement that works to promote all the human rights enshrined in the Universal Declaration of Human Rights and other international standards. In particular, Amnesty International campaigns to free all prisoners of conscience; ensure fair and prompt trials for political prisoners; abolish the death penalty, torture and other cruel treatment of prisoners; end political killings and "disappearances"; and oppose human rights abuses by opposition groups.

Amnesty International neither supports nor opposes punitive measures such as economic or other sanctions, disinvestment or boycotts, but in specific instances may oppose military, security and police transfers which contribute to serious human rights abuses. Such transfers could include equipment, technology, training or personnel, as well as financial and logistical support for such transfers. Amnesty International is

impartial and independent of any government, political persuasion or religious creed. It does not support or oppose any government or political system, nor support or oppose the views of the victims whose rights it seeks to protect.

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Human Rights Principles for Companies: an Introductory Checklist¹

Background information on the international human rights standards on which this checklist is based is included in the attached Appendix: '*Human Rights Principles for Companies: Sources in International Human Rights Standards*'.

1. **Company policy on human rights.** All companies should adopt an explicit company policy on human rights which includes public support for the Universal Declaration of Human Rights. Companies should establish procedures to ensure that all operations are examined for their potential impact on human rights, and safeguards to ensure that company staff are never complicit in human rights abuses. The company policy should enable discussion with the authorities at local, provincial and national levels of specific cases of human rights violations and the need for safeguards to protect human rights. It should enable the establishment of programs for the effective human rights education and training of all employees within the company and encourage collective action in business associations to promote respect for international human rights standards.
2. **Security.** All companies should ensure that any security arrangements protect human rights and are consistent with international standards for law enforcement. Any security personnel employed or contracted should be adequately trained. Procedures should be consistent with the United Nations (UN) Basic Principles on the Use of Force and Firearms by Law Enforcement Officials and the UN Code of Conduct for Law Enforcement Officials. They should include measures to prevent excessive force, as well as torture or cruel, inhuman or degrading treatment. Companies should develop clear rules for calling in or contracting with state security forces and for not hiring security personnel who have been responsible for serious human rights violations. Any complaint about security procedures or personnel should be promptly and independently investigated. Companies which supply military, security or police products or services should take stringent steps to prevent those products and services from being misused to commit human rights violations.
3. **Community engagement.** All companies should take reasonable steps to ensure that their operations do not have a negative impact on the enjoyment of human rights by the communities in which they operate. This should include a willingness to meet with community leaders and voluntary organizations to discuss the role of the company within the broader community. Companies should seek to support activities and organizations which promote human rights, for example by supporting education, training or citizenship programs which incorporate human rights issues and organizations which defend human rights.

¹ This introductory checklist is intended as a working document which will be revised and updated on the basis of discussion and experience. AI welcomes comments on all these principles from companies, trade unions, non-governmental organizations and others.

4. **Freedom from discrimination.** All companies should ensure that their policies and practices prevent discrimination based on ethnic origin, sex, colour, language, national or social origin, economic status, religion, political or other conscientiously held beliefs, birth or other status. This should include recruitment, promotion, remuneration, working conditions, customer relations and the practices of contractors, suppliers and partners. It should include measures to deal with sexual or racial harassment, and to prohibit national, racial or religious hatred.
5. **Freedom from slavery.** All companies should ensure that their policies and practices prohibit the use of chattel slaves, forced labour, bonded child labourers or coerced prison labour. This should include ensuring that suppliers, partners or contractors do not use such labour.
6. **Health and safety.** All companies should ensure that their policies and practices provide for safe and healthy working conditions and products. The company should not engage in or support the use of corporal punishment, mental or physical coercion, or verbal abuse.
7. **Freedom of association and the right to collective bargaining.** All companies should ensure that all employees are able to exercise their rights to freedom of expression, peaceful assembly and association, as well as a fair means of collective bargaining without discrimination, including the right to form trade unions and to strike. Companies have a responsibility to ensure such rights for their employees even if such rights are not protected in a particular country's national law. Companies should take steps to ensure that suppliers, partners or contractors do not infringe such rights.
8. **Fair working conditions.** All companies should ensure just and favourable conditions of work, reasonable job security and fair and adequate remuneration and benefits. This should include provision for an adequate standard of living for employees and their families. Companies should take steps to ensure that suppliers, partners or contractors do not infringe such rights.
9. **Monitoring human rights.** All companies should establish mechanisms to monitor effectively all their operations' compliance with codes of conduct and international human rights standards. Such mechanisms must be credible and all reports must periodically be independently verifiable in a similar way to the auditing of accounts or the quality of products and services. Other stakeholders such as members of local communities in which the company operates and voluntary organizations should have an opportunity to contribute in order to ensure transparency and credibility.

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Human Rights Principles for Companies: Sources in International Human Rights Standards

Amnesty International has produced an introductory checklist of human rights principles to assist multinational companies. Following are the international human rights standards upon which these principles are based. They are taken from: the Universal Declaration of Human Rights (UDHR), Conventions of the International Labour Organisation (ILO), the United Nations (UN) Basic Principles on the Use of Force and Firearms, the UN Code of Conduct for Law Enforcement Officials and the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy.

Other international human rights standards are also essential sources for the development of respect for human rights by companies. Treaties which should be promoted include the International Covenant on Civil and Political Rights, the International Covenant on Economic, Cultural and Social Rights, the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, the Convention on the Elimination of All Forms of Discrimination against Women, the Convention on the Rights of the Child, the International Convention on the Elimination of All Forms of Racial Discrimination, and the International Convention on the Rights of All Migrant Workers and Members of Their Families.

Further relevant international standards may include the Organization for Economic Cooperation and Development Guidelines for Multinational Enterprises, and the Principles Governing Conventional Arms Transfers of the Organization for Security Cooperation in Europe, even though such standards are not international law.

1. Company Policy on Human Rights

Universal Declaration of Human Rights, preamble: The UDHR is proclaimed as a common standard of achievement for all peoples and all nations: “to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of member States themselves and among the peoples of territories under their jurisdiction”

The OECD Guidelines for Multinational Enterprises state that: “Every state has the right to prescribe the conditions under which multinational enterprises operate within its national jurisdiction subject to international law and to the international agreements to which it has subscribed...”

2. Security

UDHR Article 3: “Everyone has the right to life, liberty and security of person”

UDHR Article 5: “No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.”

UDHR Article 9: “No one shall be subjected to arbitrary arrest, detention or exile”

UN Code of Conduct for Law Enforcement Officials includes provisions that: “...(2) In the performance of their duty, law enforcement officials shall respect and protect human dignity and maintain and uphold the human rights of all persons. (3) Law enforcement officials may use force only when strictly necessary and to the extent required for the performance of their duty.” (4) matters of a confidential nature in the possession of law enforcement officials shall be kept confidential, unless the performance of duty or the needs of justice strictly require otherwise (5) No law enforcement official may inflict, instigate or tolerate any act of torture or other cruel, inhuman, degrading treatment or punishment, nor may a law enforcement official invoke superior orders or exceptional circumstances such as a state of war or a threat of war, a threat to national security, internal political instability or any other public emergency as a justification of torture or other cruel, inhuman or degrading treatment or punishment....”

UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials elaborates on point 3 of the UN Code, and includes the requirement that: “(4) law enforcement officials, in carrying out their duty, shall, as far as possible, apply non-violent means before resorting to the use of force and firearms. They may use force and firearms only if other means remain ineffective...(9) Law enforcement officials shall not use firearms against persons except in self defence or defence of others against the imminent threat of death or serious injury, to prevent the perpetration of a particularly serious crime involving grave threat to life, to arrest a person presenting such a danger and resisting their authority, or to prevent his or her escape, and only where less extreme means are insufficient to achieve these objectives. In any event, intentional lethal use of firearms may only be made when strictly unavoidable in order to protect life. (10) In the circumstances provided for under principle 9, law enforcement officials shall identify themselves as such and give a clear warning of their intent to use firearms with sufficient time for the warning to be observed, unless to do so would unduly place the law enforcement officials at risk or would create a risk of death or serious harm to other persons...” The Principles set out standards for rules and regulations governing the use of firearms, for the dispersal of unlawful assemblies, the treatment of persons in custody and for the training of law enforcement officials in the use of force.

Principles Governing Conventional Arms Transfers of the Organization for Security Cooperation in Europe stipulate that “each participating state will avoid transfers which would be likely to be used for the violation or suppression of human rights and fundamental freedoms.”

3. Community Engagement

UDHR Article 26: “(2) Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace.”

UDHR Article 21: “(1) Everyone has the right to take part in the government of his or her country, directly or through freely chosen representatives. (2) Everyone has the right to equal access to public service in his country. (3) The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.”

ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, introduction: “Multinational corporations.....can help develop countries both economically and socially. They can also abuse this power by operating in a way that conflicts with the workers’ and country’s best interests.”

4. Freedom from Discrimination

UDHR Article 2 : “1. Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.
2. Furthermore, no distinction shall be made on the basis of the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.”

ILO Convention 100: on Equal Remuneration for Men and Women Workers for Work of Equal Value.

ILO Convention 111: on Discrimination in respect of employment and occupation.

ILO Convention 165: on Workers with Family Responsibilities

5. Freedom from Slavery

UDHR Article 4: “No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms”.

ILO Conventions 29 and 105: on the Abolition of Forced or Compulsory Labour

ILO Convention 138: on the Minimum Age for Admission to Employment

6. Health and Safety

UDHR Article 3: “Everyone has the right to life, liberty and security of person.”

There are numerous ILO Conventions in this area.

ILO Convention 155 on Occupational Safety and Health relates to general provisions, and other Conventions relate to protection in specific areas of work.

7. Freedom of Association and Right to Collective Bargaining

UDHR Article 20: “(1) Everyone has the right to freedom of peaceful assembly and association.(2) No one may be compelled to belong to an association.”

UDHR Article 23: “(4) Everyone has the right to form and to join trade unions for the protection of his interests.”

ILO Convention 87: on the Freedom of Association and Protection of the Right to Organise

ILO Convention 98: on the Right to Organise and Collective Bargaining

ILO Convention 135: on Workers Representatives

8. Fair working conditions

UDHR Article 23: “(1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

(2) Everyone, without any discrimination, has the right to equal pay for equal work.

(3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.”

UDHR Article 24: “Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.”

There are numerous ILO Conventions relating to this area, including the following:

ILO Convention 95 and **131** on wages

ILO Conventions 14 and **106** on weekly rest

ILO Convention 132 on holidays with pay