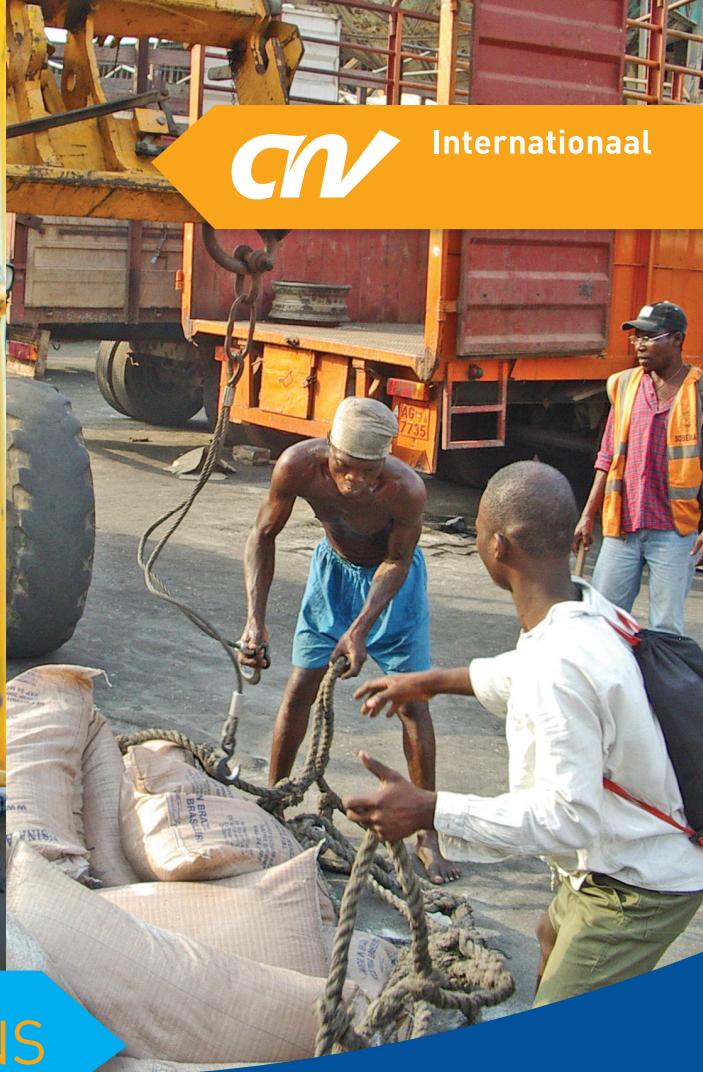




**cnv**

Internationaal



TOWARDS FAIR SUPPLY CHAINS

# A PRACTICAL CNV GUIDE TO THE RUGGIE PRINCIPLES

How to address human rights violations within your company or branch

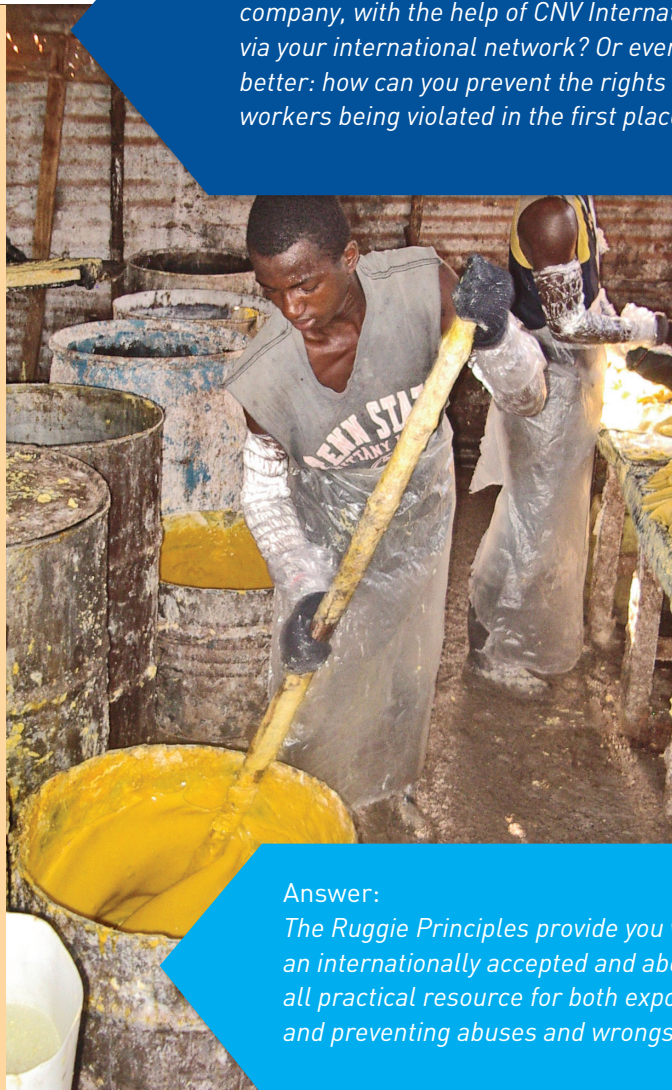
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Good examples are worth following.

Question:

*What can you as a trade union leader official do about human rights violations in your company, with the help of CNV Internationaal via your international network? Or even better: how can you prevent the rights of workers being violated in the first place?*



Answer:

*The Ruggie Principles provide you with an internationally accepted and above all practical resource for both exposing and preventing abuses and wrongs.*

## Introduction

### AN IMPORTANT RESOURCE

Is this a situation you recognise? For some years you have been negotiating with the branch or a supplier of a large international company which by now has also firmly established itself in the 'low wage countries'. You negotiate about collective bargaining agreements and you can't manage to reach a good consensus about wages and working conditions for employees. Even though you know that the company has arranged these things properly in its country of origin. So what do you do?

As a trade union leader you have a particular responsibility within your company, sector or industry: you protect and promote labour rights. It's certainly not easy to protest against abuses or wrongs at the local branches of foreign companies.

With the help of your international network of trade union organisations and your status as a partner organisation of CNV Internationaal, you can in fact play an important role here. That's because the CNV trade unions work to benefit people and the environment, and look further than the national boundaries. After all, CNV leaders, officials or members of the Works Council are active within international companies in the Netherlands that also operate branches abroad or purchase from foreign suppliers. Sustainability and international solidarity are two of CNV's core values. We believe it is important that employees' human rights are respected all over the world.

But other factors play a role, too. Both employees and consumers in the Netherlands are taking an increasingly critical stance. In a world that is growing smaller thanks to the internet, people know very well what is happening on the other side of the planet. And so they also know about the working conditions of people in other parts of the world. If an employer attaches importance to sustainability and Corporate Social Responsibility (CSR), this is sure to have a positive effect on the company's image. This is a factor you can benefit from!

You can ask for attention to be given to issues such as the environment, sustainable consumption (catering), sustainable buying policy, sustainable production, outsourcing, chain responsibility, and respect for human and workers' rights worldwide. This is about the welfare of people within a company, sector or industry. And equally about the people who are connected to the company or industry in your country through supply chains.

Naturally, as trade unions we focus chiefly on the social aspects of international business:

*CSR is becoming a higher priority for companies. There is every reason to talk about them from workers perspective as a trade union leader. Not only on CSR in the country of origin of the company but also throughout the international supply chain.*



- Are the goods that are processed or traded here produced in a socially responsible manner?
- What about the labour relations within a company or sector?
- When a company conducts activities abroad, does it ensure certain minimum standards and does it work to make improvements when abuses or wrongs exist?

In the Netherlands, for instance, CSR and chain responsibility are regular issues in the General Labour Conditions Memorandum of the CNV. This is an annual memorandum in which the CNV sets out the issues which trade unions can raise at their labour conditions consultations with companies. Trade union organisations in partner countries could also make CSR and chain responsibility a regular part of their consultations with companies.

In the case of concrete human rights violations you can consult with CNV Internationaal about the best approach to take. If you work for an international company, you can contact the trade union organisation that is active in the company in its country of origin. If this multinational has a head office in the Netherlands, then CNV Internationaal can mediate. If the multinational in question is based in another country, CNV Internationaal can advise whether a trade union partner can be approached via the network of the International Trade Union Confederation ITUC, and whether this partner could raise the violation with the head office of the multinational.

There are various international treaties, guidelines and instruments in this area. Some of these

are essential for the CNV and for trade union organisations worldwide:

- the Universal Declaration of Human Rights,
- the ILO Treaties (labour standards set by the International Labour Organisation, the UN organisation for labour),
- the ILO tripartite declaration on multinational enterprises and the OESO guidelines for multinational enterprises.
- In 2011 these were joined by the UN Protect, Respect and Remedy Framework, also known as the Guiding Principles of John Ruggie.

*The CNV works to benefit people and the environment, and looks further than the national boundaries. Sustainability and international solidarity are two of our core values. We believe it is important that workers' human rights are respected all over the world.*

This brochure is about these Ruggie Principles. It is a practical guide to the possibilities that these principles now give you. You get tips, ideas and examples to help you take action yourself in the case of abuses or wrongs. And information about how you can work to improve the labour conditions and human rights situation in the beginning of the supply section of the production chain, acting together with your international trade union network via CNV Internationaal or via the ITUC network.

Good luck!





## How, what & why



*"Now that we have the Ruggie Principles, companies can be addressed about their responsibilities. Trade unions are also responsible for raising the issue of sustainable business operations in the Netherlands. The CNV campaigns for the welfare of workers in the Netherlands, and indirectly also for people who are linked to the company by supply chains."*

Roel Rotshuizen, Secretary General at CNV Dienstenbond (CNV services sector trade union)

## 1.1 What do the Ruggie Principles mean for Business and Human Rights?

### THE RUGGIE PRINCIPLES

The new United Nations Guiding Principles on Business and Human Rights are usually referred to as the Ruggie Principles, after their author John Ruggie. The principles set out the duty of states and the responsibility of companies to respect human rights. These two exist independently of each other, and that's an important fact! It means that the business community and governments can no longer hide behind each other when it comes to human rights.

### THREE SECTIONS

In total there are 31 Ruggie Principles (see the appendix at the end). These can be divided into three sections:

Section 1 → Principles about the duty of states (Principles 1 to 10)

Section 2 → Principles about the responsibility of the business community (Principles 11 to 24)

Section 3 → The third section contains 'effective mechanisms for remedy for victims of human rights violations. Put more simply: if despite all efforts, rights are still violated, what can you do then? (Principles 25 to 31)

### THE THINKING BEHIND THE PRINCIPLES

The thinking behind the principles is as follows: prevention is better than cure. But if human rights

violations still occur despite all the efforts described in Sections 1 and 2, they should be remedied in accordance with the principles in Section 3.

### NOT BINDING, BUT NOT TOOTHLESS EITHER

The Ruggie Principles are not binding. If states and/or companies do not observe them properly, this will not result in direct sanctions. But they are certainly not toothless, either. The principles are based on internationally recognised guidelines and treaties. They have been unanimously accepted by the UN Human Rights Council and apply to all UN countries. Enjoying such high status, they ensure that poor compliance can have both political and social consequences, at least in terms of reputation. But that's not all. The principles are expected to be incorporated in ever more national and international legislation. This will make them increasingly binding. So perhaps we should say: not yet binding, and certainly not toothless.

*In total there are 31 Ruggie Principles. We confine ourselves here to the ones most relevant from the trade union perspective. You can find these in the annex at the end of this manual.*



*Labour rights are human rights at the workplace.*

## 1.2 What do the Ruggie Principles contain?

For you as a trade union leader or official, it is the corporate principles that are most important. And there are plenty of them! Because more than half of the 31 Ruggie Principles focus on the responsibility of companies to respect human rights.

### FOUNDATIONAL SECTION

Principles 11 to 15 form the fundamental part of these 'corporate principles'. Actually this is what concerns us as a trade union. These principles set out the normative foundation.

### OPERATIONAL SECTION

The remaining 'corporate principles' (16 to 24) further develop the foundational principles. This operational section basically describes how companies can realise their responsibility in practice. It's useful to keep these corporate principles to hand.

*The official text of the principles is in English. In the appendix we have included the ones the most relevant for workers.*

## 1.3 What are the key elements of Ruggie?

### MINIMUM STANDARD SET OUT IN ILO CORE CONVENTIONS

Labour rights are human rights at the workplace. The Ruggie Principles refer explicitly to the ILO core conventions as part of the internationally recognised package of human rights. Thus the new Ruggie Principles confirm that the ILO core conventions indicate a minimum standard that companies should observe.

*ILO core conventions state the minimum standards for human rights at the workplace, that companies should observe.*

### COMPANIES ARE THEMSELVES RESPONSIBLE

The Ruggie Principles make companies responsible for protecting human rights, separately from the duty of states. This is what makes the principles special in comparison with the existing CSR guidelines. In other words, the Ruggie Principles form a supplement to CSR guidelines and even go a step further. Companies can now also be held to account internationally, they can no longer hide behind national and local legislation.



## CHAIN RESPONSIBILITY

According to the Ruggie Principles, the responsibility of companies for human rights violations extends as far as the business operations can exert impact. This gives international recognition to the principle of 'chain responsibility'. An individual company bears responsibility for the doings of its (contractual) partners, including subsidiaries and suppliers.

*Thanks to the Ruggie Principles companies are now themselves responsible for protecting human rights. They can no longer hide behind national and local laws.*

## DUE DILIGENCE

Another characteristic of the Ruggie Principles is the concept of 'due diligence'.

Companies must prevent the risk of them violating human rights in their business operations (either themselves or through their business partners). And if things nonetheless go wrong? Then the company must do all it can to minimise and remedy the violation. So now the burden of proof is reversed: while previously a victim had to prove that the company was in the wrong, now the company must prove that things are being done properly.

## COMPLAINT MECHANISMS

The Ruggie Principles encourage companies to set up complaint mechanisms for employees and their communities. Trade union leaders and officials and Works Council members can call for the creation of a complaints desk. Employees at the company can submit a complaint and/or request a remedy at this contact point.

## AN EXAMPLE

In Prilep (Macedonia), our trade union partner UNASM together with CNV Internationaal paid a visit to the company Comfy Angel. This company makes duvets, pillows and bedding for the British market. The female HR officer at Comfy Angel gave a long account of how well the company treats its employees. And indeed, the company provided facemasks, a schedule of working hours, fire safety, and there was a complaints and suggestions box in the canteen. Asked whether there was also trade union activity, she replied that this simply wasn't necessary. After all, employees could always contact her and as a company they had a complaints and suggestion box, didn't they? She felt that should be enough... But of course it isn't. A trade union should always be present.

*The Ruggie Principles reverse the burden of proof: it's not the victim that needs to prove that the company was in the wrong, but it's the company that must prove that things are being done properly.*

## PAY ATTENTION!

*Grievance mechanisms are effective in an open, decent working environment. In many countries and companies, this will not be reality. Also, you must make sure that a company with a complaints mechanism does not exclude the union. The Ruggie Principles recognize that risk. So, pay attention as union leader! Does the complaint system operate properly? Then plea for monitoring of complaints through dialogue with various parties, including the union.*







## 1.4 Why are the principles so important?

There are various reasons why the Ruggie Principles are important to international companies all over the world. As a trade union leader, official or Works Council member you can cite these reasons as strong arguments when advocating compliance with the Ruggie Principles (these include, of course, CSR, human rights and trade union rights):

### 1.→ INCREASINGLY OFTEN A PART OF (INTER) NATIONAL POLICY

International governments, such as the Dutch government and the European Union, support and actively propagate the Ruggie Principles. As a result, companies are increasingly required to comply with the Ruggie Principles.

*The Ruggie Principles are now well known and internationally recognised.*

Moreover, the principles are now incorporated in the guidelines of multinational companies of the OECD, the Organisation for Economic Co-operation and Development. So now it is possible to start a complaints procedure

against a company that violates the OECD guidelines (and thus also the Ruggie Principles).

### 2.→ PROFILING

It's not only leading multinational companies that actively support the Ruggie Principles. A steadily growing number of entrepreneurs in the small and medium-sized business sector are also incorporating them in their CSR policy. Indeed, the companies can profile themselves positively with the principles. After all, the message they then send is: 'We work actively to further human rights.' In this way companies



*Both larger and smaller companies publicly attach value to the Ruggie Principles.*

attract motivated employees and also make themselves more attractive to (international) investors.

### A GOOD EXAMPLE

The Dutch Central Government is giving a good example with its goal of including sustainability as a criterion for all its purchases. At the Dutch provincial authorities and water authorities the goal is to consider sustainability in 50% of their purchases, and at local government authorities the goal is 75%. All parties are aiming for 100% by 2015. This will give a major boost to the market for sustainable products and services.

### 3.→ WINNING AWARDS WITH CSR POLICY

It's also possible to win international awards by giving attention to CSR. Taking part in competitions can lead to attractive financial benefits or real investments, and certainly creates positive and free publicity. That's worth a lot for many companies. So there can be no harm in suggesting participation in such a competition, especially if your company, sector or industry has really good initiatives relating to CSR, human rights and union rights.

*Creating a good example often brings rewards. There are many competitions in this area. At the very least, an award means free publicity!*



A large, stylized white number '2' is positioned on the right side of the page, set against a blue background that features a faint image of a factory or industrial setting. The number '2' is the central graphic element.

## Getting started



*"It's important that trade union leaders and officials raise the issue of CSR in companies and in sectors. The Ruggie Principles provide concrete resources for doing this."*

Arend van Wijngaarden, Chairman of CNV Vakmensen (CNV private sector trade union)

## 2.1 The Ruggie Principles – how can you use them?

You can use the Ruggie Principles in a wide variety of situations, in your role as trade union leader, Works Council member and/or trade union official.

### LEADER/ NEGOTIATOR

As a negotiator you can put issues on the agenda during collective bargaining sessions, but the periodic consultations with a company are also an ideal way to raise the issue of CSR.

### WORKS COUNCIL MEMBER

As a member of the Works Council you have periodic consultations with the employer as well. So you can put CSR on the agenda here, too.

### TRADE UNION OFFICIAL

As a trade union official you have the opportunity to provide input during collective bargaining sessions or to raise issues with the Works Council or with your trade union representative.

When should you request attention for social CSR issues? Good times for doing this include:

- When raising an existing violation of labour rights at the branch of an international company or a supplier in your country through the international corporate structure or supply chain at the head office of the multinational (see Principles 17, 18 and 19).
- When compiling information about the observance of labour rights by the company and its business partners (see Principles 15 and 21).
- When improving the company's CSR policy (see Principles 12 and 16).
- When strengthening the negotiating position during periods of restructuring (see Principles 17, 18 and 20).
- When incorporating a CSR section in collective bargaining agreements.
- When seeking new suppliers.
- When planning offshoring/outourcing.

## 2.2 Getting started

The Ruggie Principles provide a new resource for trade union leaders, officials and Works Council members. But how can you use this new resource? The following roadmap will help you get started. For each specified situation, the roadmap describes what you can do and what issues are involved.

### STEP 1: Compile information

Goal: find out how a company ensures that human rights are respected.

**Step 1a:** Ask for a meeting with the management of the company, so they can explain the due diligence procedures for human rights.

→ *The Ruggie Principles support you in this request. Companies must know and show that they behave responsibly, that they avoid violations of human rights and where necessary deal with and remedy these. Companies must communicate about their approach to human rights in such a way that stakeholders have enough information to properly assess the company.*

**Step 1b:** Explain your position. Say why you are requesting the meeting.

→ A company can only refuse a discussion by not recognising the trade union as a stakeholder. If this happens, then CNV Internationaal will be happy to provide you with support.

**Step 1c:** Inform your rank and file about your action and its results. Involve them in the preparations for the meeting as well, if possible.

→ *The active members of the local trade union or the Works Council within the company often have an important role to play. This involves supplying information as well as determining the most effective way of presenting the issue to the management. As trade union leader you can benefit from this input.*

You'll also find the overview of the steps listed separately in the appendix.





## STEP 2: Improve the CSR policy

Goal: improve the CSR policy of companies.

**Step 2a:** Go through the existing CSR policy of the company. Compare the policy to the requirements set out in the Ruggie Principles. To do this you can request the help of CNV Internationaal.

→ *The Ruggie Principles set minimum standards for companies' human rights policy. Companies must recognise the ILO core conventions, the policy must be supported by the top management and be consistent with other corporate policies. If one of these conditions is not met, the Ruggie Principles provide a good negotiation basis for improving the CSR policy with regard to human rights.*

**Step 2b:** Ask the company to bring the CSR policy into line with the Ruggie Principles. This can also be done through the Works Council.

→ *It is a good idea to involve your rank and file here, too. So you as trade union leader can get your officials involved, or the members of the Works Council in the company. As a trade union official you can get your colleagues involved. Let them know what you are doing!*

**Step 2c:** Ask to be involved in the formulation of new policy. Here too the Ruggie Principles provide a good basis.

→ *The Ruggie Principles state that the policy must be developed on the basis of relevant expertise – and you have it! Or certainly your rank and file members do. Once again: get them involved in what you're doing.*

*CNV Internationaal organises workshops for Dutch and foreign trade union leaders regarding CSR strategies for workers.*



### STEP 3: Highlight labour rights violations

Goal: raise the issue of a labour rights violation

**Step 3a:** Consult (in your role as trade union leader) with trade union officials and/or Works Council members whether there are indications of a labour rights violation in connection with the company.

→ *The violation need not be caused directly by the company itself, but could also take place at business partners or in the company's chain. According to the Ruggie Principles, contractual relationships are also part of corporate responsibility. This is why it is possible to raise issues such as contract working.*

**Step 3b:** Ask the international management of the company whether, and to what extent, they had already recognised the risk of this violation, and what measures the company is taking or has taken.

**Step 3c:** If the company was already informed and is taking action, then assess whether these actions will really remedy the violation.

→ **Tip!** *CNV Internationaal and the CNV trade unions have contacts both within companies and sectors in the Netherlands and with trade unions in many other countries. They can help you compile information and find out whether trade unions in the Netherlands can assist in contacting the branch of the company.*

**Step 3d:** If the company was not yet informed, then the company should now investigate its own responsibility (position) and take action.

→ **NB!** *One frequently heard argument is that the company has no influence on the situation at its contract partners. This argument is no longer valid: according to the Ruggie Principles, the company must then try to increase its influence. This can be achieved by seeking collaboration with other companies. Companies can no longer hide behind national legislation that goes against the ILO core conventions.*

→ **Tip!** *Ask the company to set up a complaints desk.*

**Step 3e:** Request the company to keep the (local) trade union informed about the progress of the actions now being taken.

→ *According to the Ruggie Principles the company has the duty to inform stakeholders about the progress. This includes the trade union and the Works Council, if there is one.*

**Step 3f:** Keep your own rank and file informed.

→ *Tell trade union officials, members and colleagues what you are working to achieve. Or even better: get them involved in what you are doing.*







#### STEP 4: Negotiating position during reorganisation

Goal: lay claim to a negotiating position during a reorganisation or other change of course by the company.

**Step 4a:** Draw the management's attention to its own responsibility for regularly charting risks to human rights.

→ *This is literally what the Ruggie Principles say! It certainly applies if a change of course is planned at the company. You can do this in your role as trade union leader or official.*

**Step 4b:** Also draw the management's attention to its own responsibility for 'meaningful consultation' with stakeholders and possible affected parties. In the case of a reorganisation, this certainly includes the employees and their representatives.



#### STEP 5: CSR section in the collective bargaining agreement

Goal: include a CSR section in the collective bargaining agreement.

**Step 5a:** During the collective bargaining sessions, draw the company's attention to its responsibility to develop a human rights policy.

**Step 5b:** Draw the company's attention to the minimum requirements for such a policy.

→ *The minimum requirements are: the ILO core conventions must be recognised, the policy must be supported by the top management, the policy must be consistent with other corporate policies and it must be developed on the basis of relevant expertise.*

**Step 5c:** Make a proposal for a section in the collective bargaining agreement which refers explicitly to the ILO core conventions and the Ruggie Principles.

→ **Tip!** *CNV Internationaal has a sample section for collective bargaining agreement for you.*

**Step 5d:** Inform your rank and file about your actions. It's good to tell them you are working to improve the human rights policy at the company.

## 2.3 What can CNV Internationaal do for you?

CNV Internationaal has contacts with trade union leaders, officials and Works Council members in Dutch companies active in various sectors; it also collaborates with trade union organisations in Africa, Asia, Latin America and Eastern Europe. This puts CNV Internationaal in a unique position to bring together and strengthen workers in various links of the production chain in both the Netherlands and abroad. This Ruggie guide has already set out a number of possibilities. But CNV Internationaal can do even more for you, certainly when it comes to promoting the Decent Work agenda and international solidarity:

### REPORTING ABUSES AND WRONGS

→ CNV partner organisations in Africa, Asia, Latin America and Eastern Europe can report abuses and wrongs in the chain to CNV Internationaal, which will then pass them on to trade union leaders, trade union officials and Works Council members of the CNV in the Netherlands.

### HELP TO JUDGE SITUATIONS

→ CNV Internationaal can help leaders of partner organisations to judge whether the company meets the Ruggie Principles.

### SUBMIT COMPLAINTS

→ CNV Internationaal can advise you about submitting complaints to the company in the Netherlands if the local company will not cooperate.

### PREPARE DISCUSSIONS

→ CNV Internationaal can help you to prepare discussions (with employers) intended, among other things, to highlight the Ruggie Principles.

### PROVIDE BEST PRACTICES

→ CNV Internationaal can provide good examples that leaders of partner organisations can use in negotiations. The examples can also be useful to Dutch trade union officials and Works Council members in their contacts with the Dutch management of the company.

### Decent Work Agenda

The concept of 'Decent Work' was introduced by the International Labour Organisation (ILO) and is based on the idea that work is a source of personal dignity. Work ensures that people can provide for the needs of their families with respect to safety and health; work enables them to send their children to school; work also ensures income when they become ill or after they retire. But this must be work in which they are treated fairly and where their rights are respected. The ILO's Decent Work agenda thus focuses on:

- promoting the basic rights of workers;
- creating suitable employment opportunities for men and women;
- improving social protection;
- strengthening social dialogue.



Best Practices

### 3.1 Real-life examples

Trade unions regularly succeed in highlighting abuses and wrongs in other parts of the world. Here are a few examples that could help you in your role as trade union leader, trade union official or Works Council member:

#### EXAMPLE 1 – SHELL IN NIGERIA

Shell has been in the news for years due to its activities in various countries, including Nigeria. It's not only in the Netherlands that eyes are focused on Shell: the company receives international scrutiny as well. In the Netherlands the CSR Platform keeps a close watch on violations by Shell. The CNV is a member of the CSR Platform in the special 'Shell working group'. The working group members regularly undertake joint lobbying actions, which make use of the Ruggie Principles. In early 2012, for instance, the working group sent a letter to the Dutch Minister of Foreign Affairs. This was about the support given by the Netherlands to Shell in the court case regarding the murder of twelve Nigerians who had protested against the company in the early 1990s. Shell was said to be responsible for these murders. The court case took place in the United States, and the Netherlands sent a letter in support of Shell. The CSR Platform stated that it regarded this Dutch support as 'astonishing', above all because it felt this Dutch intervention was not in line with the Ruggie Principles. Here the platform referred to the Ruggie Principle that victims should get (better) access to legal redress. In addition to these 'Dutch' lobbying activities the working group also supports legal action by local trade unions against current and past violations.

#### EXAMPLE 2 – AHOLD IN FLORIDA

The Ahold subsidiary Stop & Shop sells tomatoes from Florida. The workers in the nurseries work under harsh conditions for starvation wages. Their labour rights are seriously violated in many different ways. The trade union, the Coalition of Immokalee Workers, decided to seek contact with companies higher up the chain. They demanded that customers such as Ahold pay "one penny more per pound" to the nurseries. This would in turn enable them to pay their workers "one penny more". Ahold rejected the request, making reference to the American legislation and the certification of the sector.

*If the Ruggie Principles had existed at the time of this event, it would have been a lot more difficult for Ahold to reject the request by shifting responsibility to national circumstances. This is because the Ruggie Principles call on companies to make use of their influence in exposing and remedying abuses and wrongs in the chain. And what about Ahold? The company would certainly have cooperated in order to prevent being seen as a violator of these principles.*

*Without the Ruggie Principles the lobbying against Shell would be much more difficult. The Ruggie Principles provide the right, strong arguments. In the coming years too, the CNV will remain involved through the working group. Or as Piet Verburg, leader of CNV Vakmensen, puts it: "We'll stay on the ball."*



### EXAMPLE 3 - JACK WOLFSKIN OUTDOOR GARMENTS IN INDONESIA

A large proportion of the outdoor sports clothing sold by Jack Wolfskin is made in the BPG factory in Indonesia. The working conditions of employees there are far from rosy. Overtime is not paid out, temporary workers receive less than the minimum wage, managers make verbal threats, and officials and members of trade unions are fired from their jobs. Jack Wolfskin itself recently decided to take action against this. In other words, the well-known clothing brand itself took responsibility for remedying these violations of labour and human rights. The company carried out its own investigation and contacted other customers of this supplier so that together they could exert more pressure on the management. The most important goal here is to obtain the respect of the freedom of trade unions. The clothing brand can count on the support of the Fair Wear Foundation.

*The action taken by Jack Wolfskin is one example of how companies can put into practice the due diligence concept in the Ruggie Principles. Companies are expected to investigate what risks to human rights there are in their chain. The Fair Wear Foundation was able to help Jack Wolfskin set up the monitoring system and then to undertake the steps needed to remedy the violations. You too, as a trade union leader, trade union official or Works Council member, can assist a company in this way. At the very least by supporting the company in its investigation or by putting the company in touch with local trade unions, for instance. CNV Internationaal has many contacts all over the world. You can bring about the necessary contacts.*

*In the case of the cement manufacturer Holcim, silent diplomacy proved effective. That's good, because otherwise there was a strong chance that things would have gone from bad to worse. Nonetheless, here too the Ruggie Principles would have been a great help. Because the principles give us a strong weapon for addressing the parent company about its responsibility for labour conditions at its international subsidiaries. It is also now easier to (threaten to) damage a company's reputation: you can point to poor compliance with an internationally recognised framework of standards. And this is something that large international companies are generally very sensitive about.*

### EXAMPLE 4 – SERBIAN SUBSIDIARY OF THE CEMENT MANUFACTURER HOLCIM

The Serbian subsidiary of the cement manufacturer Holcim refused to recognise a trade union as negotiating partner. This news was passed to the European Federation of Building and Woodworkers. The advisor to the European Works Council (EWC) then raised this issue with the responsible member of the Board of Directors of Holcim. Holcim responded to the request and recognised the trade union as a negotiating partner. After a month the conflict was solved. But what if Holcim had refused to listen? Then this case would certainly have led to discussion in the EWC. And if the company management had still refused to listen, then making the issue public would have been an excellent next step.



## COLOPHON

Towards fair supply chains

A practical CNV guide to the Ruggie Principles

How to address human rights violations  
within you company or branch

A practical guide

This text was written on behalf of CNV Dienstenbond and CNV  
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and Piet Verburg.

# The Ruggie Principles, what's in it?

For you as a trade union leader or employee, or if you are i.e. responsible for human resources or corporate buying within your company or if you are responsible for the supply chains abroad within your company, it is the corporate principles that are most important. And there are plenty of them! Because more than half of the 31 Ruggie Principles focus on the responsibility of companies to respect human rights.

## FOUNDATIONAL PRINCIPLES

Principles 11 to 15 are the founding principles of these “corporate principles.” These are the main principles for workers. These principles describe the normative base

11. Business enterprises should respect human rights. This means that they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved.
12. The responsibility of business enterprises to respect human rights refers to internationally recognized human rights – understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.
13. The responsibility to respect human rights requires that business enterprises:
  - (a) Avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur;
  - (b) Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.
14. The responsibility of business enterprises to respect human rights applies to all enterprises regardless of their size, sector, operational context, ownership and structure. Nevertheless, the scale and complexity of the means through which enterprises meet that responsibility may vary according to these factors and with the severity of the enterprise’s adverse human rights impacts.
15. In order to meet their responsibility to respect human rights, business enterprises should have in place policies and processes appropriate to their size and circumstances, including:
  - (a) A policy commitment to meet their responsibility to respect human rights;
  - (b) A human rights due-diligence process to identify, prevent, mitigate and account for how they address their impacts on human rights;
  - (c) Processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute.



## OPERATIONAL SECTION

The remaining 'corporate principles' (16 to 24) further develop the foundational principles. This operational section basically describes how companies can realise their responsibility in practice. It's useful to keep these corporate principles to hand.

## POLICY COMMITMENT

16. As the basis for embedding their responsibility to respect human rights, business enterprises should express their commitment to meet this responsibility through a statement of policy that:
  - (a) Is approved at the most senior level of the business enterprise;
  - (b) Is informed by relevant internal and/or external expertise;
  - (c) Stipulates the enterprise's human rights expectations of personnel, business partners and other parties directly linked to its operations, products or services;
  - (d) Is publicly available and communicated internally and externally to all personnel, business partners and other relevant parties;
  - (e) Is reflected in operational policies and procedures necessary to embed it throughout the business enterprise.

## HUMAN RIGHTS DUE DILIGENCE

17. In order to identify, prevent, mitigate and account for how they address their adverse human rights impacts, business enterprises should carry out human rights due diligence. The process should include assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed. Human rights due diligence:
  - (a) Should cover 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;
  - (b) Will vary in complexity with the size of the business enterprise, the risk of severe human rights impacts, and the nature and context of its operations;
  - (c) Should be ongoing, recognizing that the human rights risks may change over time as the business enterprise's operations and operating context evolve.
18. In order to gauge human rights risks, business enterprises should identify and assess any actual or potential adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationships. This process should:
  - (a) Draw on internal and/or independent external human rights expertise;
  - (b) Involve meaningful consultation with potentially affected groups and other relevant stakeholders, as appropriate to the size of the business enterprise and the nature and context of the operation.
19. In order to prevent and mitigate adverse human rights impacts, business enterprises should integrate the findings from their impact assessments across relevant internal functions and processes, and take appropriate action.
  - (a) Effective integration requires that:
    - (i) Responsibility for addressing such impacts is assigned to the appropriate level and function within the business enterprise;
    - (ii) Internal decision-making, budget allocations and oversight processes enable effective responses to such impacts.

- (b) Appropriate action will vary according to:
  - (i) Whether the business enterprise causes or contributes to an adverse impact, or whether it is involved solely because the impact is directly linked to its operations, products or services by a business relationship;
  - (ii) The extent of its leverage in addressing the adverse impact.
- 20. In order to verify whether adverse human rights impacts are being addressed, business enterprises should track the effectiveness of their response. Tracking should:
  - (a) Be based on appropriate qualitative and quantitative indicators;
  - (b) Draw on feedback from both internal and external sources, including affected stakeholders.
- 21. In order to account for how they address their human rights impacts, business enterprises should be prepared to communicate this externally, particularly when concerns are raised by or on behalf of affected stakeholders. Business enterprises whose operations or operating contexts pose risks of severe human rights impacts should report formally on how they address them. In all instances, communications should:
  - (a) Be of a form and frequency that reflect an enterprise's human rights impacts and that are accessible to its intended audiences;
  - (b) Provide information that is sufficient to evaluate the adequacy of an enterprise's response to the particular human rights impact involved;
  - (c) In turn not pose risks to affected stakeholders, personnel or to legitimate requirements of commercial confidentiality.

## **REMEDIATION**

- 22. Where business enterprises identify that they have caused or contributed to adverse impacts, they should provide for or cooperate in their remediation through legitimate processes.

## **ISSUES OF CONTEXT**

- 23. In all contexts, business enterprises should:
  - (a) Comply with all applicable laws and respect internationally recognized human rights, wherever they operate;
  - (b) Seek ways to honour the principles of internationally recognized human rights when faced with conflicting requirements;
  - (c) Treat the risk of causing or contributing to gross human rights abuses as a legal compliance issue wherever they operate.
- 24. Where it is necessary to prioritize actions to address actual and potential adverse human rights impacts, business enterprises should first seek to prevent and mitigate those that are most severe or where delayed response would make them irremediable.

## **THE OFFICIAL TEXT OF THE UN GUIDING PRINCIPLES:**

[www.unglobalcompact.org/issues/human\\_rights/the\\_un\\_srsg\\_and\\_the\\_un\\_global\\_compact.html](http://www.unglobalcompact.org/issues/human_rights/the_un_srsg_and_the_un_global_compact.html)



## Appendix: Roadmap

### STEP 1: COMPILE INFORMATION

Goal: find out how a company ensures that human rights are respected.

*Step 1a:* Ask for a meeting with the management of the company, so they can explain the due diligence procedures for human rights.

*Step 1b:* Explain your position. Say why you are requesting the meeting.

*Step 1c:* Inform your rank and file about your action and its results. Involve them in the preparations for the meeting as well, if possible.

### STEP 2: IMPROVE THE CSR POLICY

Goal: improve the CSR policy of companies.

*Step 2a:* Go through the existing CSR policy of the company. Compare the policy to the requirements set out in the Ruggie Principles. To do this you can request the help of CNV Internationaal.

*Step 2b:* Ask the company to bring the CSR policy into line with the Ruggie Principles. This can also be done through the Works Council.

*Step 2c:* Ask to be involved in the formulation of new policy. Here too the Ruggie Principles provide a good basis.





### STEP 3: HIGHLIGHT LABOUR RIGHTS VIOLATIONS

Goal: raise the issue of a labour rights violation

**Step 3a:** Consult (in your role as trade union leader) with trade union officials and/or Works Council members whether there are indications of a labour rights violation in connection with the company.

**Step 3b:** Ask the international management of the company whether, and to what extent, they had already recognised the risk of this violation, and what measures the company is taking or has taken.

**Step 3c:** If the company was already informed and is taking action, then assess whether these actions will really remedy the violation.

**Step 3d:** If the company was not yet informed, then the company should now investigate its own responsibility (position) and take action.

**Step 3e:** Request the company to keep the (local) trade union informed about the progress of the actions now being taken.

**Step 3f:** Keep your own rank and file informed.

### STEP 4: NEGOTIATING POSITION DURING REORGANISATION

Goal: lay claim to a negotiating position during a reorganisation or other change of course by the company.

**Step 4a:** Draw the management's attention to its own responsibility for regularly charting risks to human rights.

**Step 4b:** Also draw the management's attention to its own responsibility for 'meaningful consultation' with stakeholders and possible affected parties. In the case of a reorganisation, this certainly includes the employees and their representatives.

### STEP 5: CSR section in the collective bargaining agreement

Goal: include a CSR section in the collective bargaining agreement.

**Step 5a:** During the collective bargaining sessions, draw the company's attention to its responsibility to develop a human rights policy.

**Step 5b:** Draw the company's attention to the minimum requirements for such a policy.

**Step 5c:** Make a proposal for a section in the collective bargaining agreement which refers explicitly to the ILO core conventions and the Ruggie Principles.

**Step 5d:** Inform your rank and file about your actions. It's good to tell them you are working to improve the human rights policy at the company.

## **THE 'RUGGIE PRINCIPLES': A WAY OF EFFECTIVELY DEALING WITH ABUSES AND WRONGS**

The 'Ruggie Principles' are the new UN Principles for both exposing and preventing violations of human rights in companies, sectors and industries worldwide. Especially for trade unions and Works Councils, the Ruggie Principles are a useful and effective resource for addressing companies about compliance with internationally recognised labour standards. Moreover, the principles provide additional possibilities for promoting the Decent Work agenda and international solidarity and collegiality.

With this guide, the CNV is actively bringing the Ruggie Principles to the attention of trade union leaders, trade union officials and members of Works Councils in the Netherlands, and, translated into English, French and Spanish, partner organisations in Asia, Africa, Latin America and Eastern Europe.

Take advantage of this new resource! Instead of long texts about background circumstances, we give you tips, ideas and examples to help you apply Corporate Social Responsibility (CSR) in the chain. It is a manual for putting the principles into practice.

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