

Towards mandatory human rights due diligence in the UK

Improving the existing UK legal framework on corporate accountability for human rights harms

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Existing legal framework

- Legislation
- Modern Slavery Act 2015 (s.54)
- Companies Act 2006 s.172 & non-financial reporting
- Gangmasters (Licensing) Act 2004 (territorial application)
- Bribery Act 2010 (s.7)
- Environmental, labour & health and safety regulations (territorial application)
- No single piece of legislation covering BHR responsibilities.
- Gaps in territorial coverage and lack of extraterritorial coverage – overseas harms remain unregulated



Existing legal framework

- Case law access to remedies
- Tort claims for holding parent companies liable for harms resulting from subsidiary/supplier's business
- Lungowe v Vedanta (UKSC)
- AAA v Unilever (UKSC)
- Okpabi v Shell (UKSC pending)
- Chandler v Cape (CA)
- Forced and child labour claim against BAT (unjust enrichment)



Human rights due diligence & duty to prevent

- What added value does a mandatory HRDD law offer?
- 2017 Report of the UK Joint Committee of Human Rights – failure to prevent model for BHR regulation
- Not an absolute obligation of result



Key considerations for a HRDD law

- Coverage:
- which companies?;
- which business relationships (corporate groups/supply chains)?; and
- which human rights/environmental standards?
- Duties, remedies, oversight, and sanctions?
- Standard of care
- Burden of proof

