



Shifting the balance of power:

Four priorities to protect communities, workers and the environment from transnational corporate harm

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Acknowledgment

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The [African Coalition for Corporate Accountability \(ACCA\)](#) is a regional alliance comprising 132 member organisations from 32 African countries, committed to promoting and protecting human rights in the context of business activities. It supports communities adversely affected by corporate conduct, both multinational and domestic. ACCA serves as a cross-border platform for civil society collaboration, facilitating knowledge exchange and strategic engagement. Its focus spans issues such as extractive industries, land rights, environmental justice, and corporate accountability. Through advocacy, research, and capacity-building, ACCA influences policy and strengthens access to remedies. The coalition's vision centres on a just Africa where communities exercise their right to development with full agency.

[Asia Indigenous Peoples Network on Extractive Industries and Energy \(AIPNEE\)](#) is a regional network of Indigenous defenders and their organisations in eight countries/territories in Asia working with or supporting communities affected by extractive and energy projects. Registered in the Philippines as a non-profit organisation, it is also a platform for solidarity and support among those affected Indigenous communities.

The [Corporate Justice Coalition \(CJC\)](#) is the UK's leading network on corporate accountability. Our 70+ members span civil society organisations, trade unions, and legal experts who share the same goal: building a fairer, greener world. We campaign for rights, corporate accountability, and an end to impunity by championing new legislation in the UK and legislative processes internationally.

[El Proyecto sobre Organización, Desarrollo, Educación e Investigación \(PODER\)](#) is a regional, civil society, non-profit organisation. It seeks to promote corporate transparency and accountability in Latin America from human rights, gender and intersectional perspectives, and to strengthen civil society actors affected by corporate practices to act as guarantors of long-term accountability. PODER focuses on local communities affected by companies in non-relocatable industries.

[Partners in Change \(PiC\)](#) Since 1995, Partners in Change has been working to advance responsible business practices. We work at the intersection of business, and civil society to support business approaches that are socially responsive and resilient. Our work spans Corporate Social Responsibility (CSR), sustainability, ESG, and due diligence processes, with particular attention to how business practices can enable positive outcomes for communities, workers and environment. PiC partners with multiple stakeholders, strengthening the capacities of CSOs, academic institutions, MSMEs, and community-based groups. It promotes evidence-based approaches that contribute to safer, more inclusive, and sustainable environments for communities and children.

[UNISON](#) is the UK's largest union, serving more than 1.3 million members. Unison represents full-time and part-time staff who provide public services, although they may be employed in both the public and private sectors. The International team at Unison has helped collate trade union representatives from the international movement as well as regional representatives for a dedicated workshop.

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Introduction

We all deserve a world where our communities, our workplaces and our natural environments are safe and healthy, where workers are given a living wage and are treated with dignity, and the rights of peoples and planet are respected.

In many parts of the world, business activities are a force for good in creating jobs, providing investment, and supplying much needed products and services. However, it is well recognised that businesses also cause, contribute to and are linked to human rights and environmental abuses around the world. Globalisation has enabled a permissive environment in which the drive to maximise profits leads to businesses undercutting standards with impunity. UK businesses are among the main beneficiaries of these practices, profiting from the exploitation of workers, toxic air and water pollution affecting communities, or reprisals against human rights defenders.

In 2011, the UN Human Rights Council adopted the UN Guiding Principles on Business and Human Rights (UNGPs). Beyond clearly outlining that States have a duty to protect against human rights abuses, including by businesses, they established new standards for business conduct. By conducting “human rights due diligence” businesses should “identify, prevent, mitigate and account for” their adverse human rights impacts and provide remedy. This standard has since been clearly expanded to also include environmental due diligence.

However, given the voluntary nature of the UNGPs, little has changed for rightsholders suffering from corporate abuse. Even where businesses conduct human rights and environmental due diligence (HREDD), it is often a tick-box exercise rather than one based on meaningful engagement with rightsholders to effectively address harms. Although many countries have adopted laws implementing the UNGPs into binding legislation, the threat remains that power imbalances are not addressed leading to perfunctory compliance rather than effective change.

In the UK, the Corporate Justice Coalition (CJC) is calling for a ‘Business, Human Rights and Environment Act’ (BHREA). Supported by more than 40 civil society organisations and trade unions, the proposal is modelled on the UK Bribery Act by imposing a duty to prevent harm on companies. Once harm has happened within the operations, subsidiaries or value chains of a business, the burden of proof is on businesses to show that they took all reasonable steps, including HREDD, to prevent the harm. This alleviates the power imbalances between underfunded victims, regulators and prosecutors on the one hand, and resource-rich businesses on the other.

To be effective, a UK BHREA must be grounded in the knowledge and insight of those most impacted by corporate harms. This report is part of the effort to listen to, act upon and amplify the voices of rightsholders from the Global South. It is the direct outcome of a dedicated consultation process with over 50 civil society organisations, trade unions, and community representatives from across Latin America, Africa, and Asia. Their insights provide a vital blueprint for what truly effective and equitable legislation must look like and have been included throughout and as clear recommendations for policy makers, in addition to serving to adapt our own legislative proposal.

Through careful analysis, we have consolidated the demands voiced within these consultations into four fundamental priorities that any effective legislation must address. This report is structured around addressing power imbalances. First, it addresses corporate harm and its definition; second, considers imbalances in access to information which limit the potential to advocate for justice and accountability; third, supporting and enabling victims to seek justice; and fourth, developing meaningful, participatory and inclusive due diligence processes in order to address power imbalances and promote access to remedy.

We encourage any civil society organisations, policymakers or corporate stakeholders interested in strengthening responsible business conduct to pay close attention to the priorities raised by the global network of experts that we engaged in this work, and to reflect similarly on what actions they will take to ensure that new corporate accountability laws will protect communities, workers, and the environment both within and beyond national borders.

Summary of recommendations for a UK Business, Human Rights and Environment Act

The Corporate Justice Coalition has been developing a new Business, Human Rights and Environment Act in close consultation with law firms, civil society organisations, trade unions and other policy experts. Using an ongoing model law draft, the recommendations below are not stand-alone but reflect a continuation of existing work. They address challenges to rightsholders in gaining access to remedy due to constraints in getting corporate harm recognised, tracing it back to businesses, using grievance mechanisms, and engaging directly with businesses as part of HREDD.

Priority 1: Recognising harm

The UK government must adopt a Business, Human Rights and Environment Act with a wide definition of protected human, labour and environmental rights through the whole value chain. As a minimum, this must include:

- All internationally recognised collective and individual human rights, including international or local customary laws.
- All internationally or locally recognised labour rights.
- All internationally or locally recognised environmental laws, principles and conventions, including but not limited to the Right to a Clean, Healthy and Sustainable Environment.

Priority 2: Addressing information imbalances

- The law must explicitly provide for mandatory public disclosure of full supply chain and ownership details, as well as HREDD information directly relevant to rightsholders in claiming their rights via accessible remedy mechanisms. It must include, among others, information on representative stakeholder engagement and accessible local grievance mechanisms for workers and communities, their use and monitoring with special regard to women and marginalised rightsholders.
- Businesses must be required to provide transparent environmental baseline assessments with continuous tracking of the impact of their activities for their whole value chain.
- Information must be verifiable with sanctions for misinformation, greenwashing and corruption connected to government processes.

Priority 3: Enabling access to remedy

- The law must include robust safeguards for human rights defenders and anyone raising concerns against businesses.
- Businesses must be required to have effective, independent, safe and locally specific grievance mechanisms to be co-designed with rightsholders to achieve accessibility and address power imbalances.
- A well-funded, independent UK regulator must be created to investigate of its own accord and after complaints are raised in an accessible grievance mechanism.
- Rightsholders need to be engaged throughout any discussion on remedy to ensure it is meaningful. The law must include multiple routes to remedy, including civil and criminal liability. Remedy must include compensation and full restitution as well as a strong tiered sanction regime.
- The UK should adopt the “failure to prevent” mechanism in its Business, Human Rights and Environment Act, which involves the reversal of the burden of proof.

Priority 4: Ensuring preventative action

- A UK Business, Human Rights and Environment Act must make explicit provisions for informed, meaningful and safe rightsholder participation throughout the whole HREDD process. The process must be gender responsive, and address marginalisation.
- The law must explicitly include responsible purchasing practices as key elements of HREDD as well as provisions to provide support to SMEs in the value chain, including by covering the compliance cost. Third-party auditing and certification cannot by themselves be considered adequate HREDD.
- Disengagement must be a last resort following efforts to increase leverage and improve practices, with the disengagement itself based on engagement with rightsholders.
- The law and its implementation must strengthen key existing mechanisms for rightsholder engagement, including free, independent and democratic trade unions; Free, Prior, and Informed Consent (FPIC) for Indigenous Peoples; and consultations and agreement with local communities and peasants. Businesses must always adhere to the highest standards.

Accompanying measures

- The law must be accompanied by accessibly promoted support measures to raise local awareness of the rights protected under the law and available remedy mechanisms.
- Measures must be in place to ensure that UK regulators and UK courts give equal weight to the knowledge, experience and expertise of affected communities and workers within any accountability or justice process.
- The UK must support the enforcement of local judgment against UK businesses.
- The UK Government needs to introduce a clear strategy to support independent trade unions in the UK and abroad; recognise Indigenous Peoples, and others with similar characteristics, peasants, and local communities; and ensure FPIC and other consultation processes.

Methodology

This report is the outcome of a carefully designed consultation process whose purpose was to ensure that the development of a UK Business, Human Rights and Environment Act (BHREA) is directly informed by the perspectives and priorities of those impacted by transnational business operations, particularly rightsholders and civil society from the Global South.

The research processes began with desk research that compiled prior demands from Global South advocates in related processes, such as the EU Corporate Sustainability Due Diligence Directive (CSDDD) and the UN Legally Binding Treaty.

Next, the core of the process consisted in a series of five three-hour online stakeholder workshops held from April to July 2025, each tailored to different regional and thematic constituencies. To maximise efforts and time of all involved, we focused on engaging representative regional networks and organizations in the Global South with demonstrated expertise in business and human rights. Selection prioritised representation of different rightsholder groups (including workers, smallholder farmers, Indigenous Peoples, and human rights defenders); geographic coverage (Latin America, Africa, and Asia); and inclusion of perspectives from specifically marginalised groups.

Each workshop was co-hosted and chaired by a regional network to ensure co-ownership and inclusivity of the engagement process. The co-hosts were the African Coalition for Corporate Accountability (ACCA), the Asia Indigenous Peoples Network on Extractive Industries and Energy (AIPNEE), El Proyecto sobre Organización, Desarrollo, Educación e Investigación (PODER) and Partners in Change. A dedicated international trade union workshop was conducted with UNISON.

At the start of each workshop, CJC provided a brief introduction to the proposed UK law, with the majority of time reserved for open discussion, including critiques of human rights due diligence frameworks.

It is important to also acknowledge the limitations of this process. The workshops focused primarily on access to justice, and the sample groups, though rich in expertise, are not comprehensive, and the findings are necessarily shaped by the perspectives of organisations with capacity to engage in these discussions. Accessibility was also shaped by language. Whilst the Latin American workshop was conducted predominantly in Spanish, the other workshops were mainly conducted in English with interpretation provided into Bahasa Indonesia, French, Hindi, Portuguese and Spanish. Nonetheless, these insights provide a valuable contribution to shaping effective and accountable legislation.

Glossary of terms

Global South: a loosely defined term for countries in Africa, Latin America and the Caribbean, and Asia. This is not a homogenous group, but they are typically impacted by colonialism, economic dependencies and disadvantages, and political marginalisation from the Global North/the West.

Rightsholder: Rightsholders are individuals or groups who have specific rights in relation to a specific duty bearer. In the context of corporate activities, this involves the various groups and sub-groups whose human rights could be (or are) affected by corporate activities.

Human Rights and Environmental Due Diligence (HREDD): Human rights and environmental due diligence is generally understood as a process with which companies can efficiently identify, prevent, mitigate and account for the negative impacts of their activities or those of their subsidiaries, subcontractors, and suppliers on human rights and the environment.

UN Guiding Principles on Business and Human Rights (UNGPs): The [Guiding Principles on Business and Human Rights](#) are the global standard for preventing and addressing the risk of adverse impacts on human rights involving business activity, and they provide the internationally-accepted framework for enhancing standards and practices with regard to business and human rights. They were endorsed unanimously by the Human Rights Council in [2011](#).

Value Chains: A business enterprise's value chain encompasses the activities that convert input into output by adding value. It includes entities with which it has a direct or indirect business relationship and which either (a) supply products or services that contribute to the enterprise's own products or services, or (b) receive products or services from the enterprise (Source: [OHCHR: The Corporate Responsibility to Protect Human Rights – an Interpretive Guide](#), 2012)

Priority 1: Recognising harm

The power to narrowly define what counts as harm is wielded by corporations and states to systematically dismiss community and worker evidence and experiences, and deny rights.

Defining protected rights and standards broadly

A fundamental challenge identified by the participants revolves around the very definition of protected rights. By systematically denying the identity of Indigenous Peoples, ignoring the interconnectedness of human rights and the environment, or lowering domestic standards, states and businesses reduce the basis for legal challenges.



Grassroots activist Jaybee Garganera of the Anti-Mining Network Philippines highlighted how states, for instance, may refuse to legally recognise the indigeneity of certain communities.

This erasure of identity eliminates the state's legal obligations, making it easy for companies to ignore the need to obtain Free, Prior, and Informed Consent (FPIC). This leaves communities without standing in their own territories and creates a regulatory void where corporate activities are not considered harmful to Indigenous Peoples' rights.

The need to ensure that the environment remains protected was also emphasised by participants. Rights should not be limited to individuals but also considered in terms of the environment and communities. This requires not only the inclusion of right to a clean, healthy and sustainable environment as a human right but also the explicit inclusion of the environment as part of the legal framework.

Participants also highlighted a critical need for the proposed legislation to bridge significant gaps in existing domestic frameworks for human and labour rights. National laws are increasingly restricting workers' rights to form and join unions, and may establish minimum wage levels and workplace safety norms that fall far below what is required for a safe and dignified life. States are thus effectively legislating that union repression, and the ensuing poverty and risk, do not constitute legal harm under national law. To address the way these gaps are being exploited by powerful foreign entities, a law using international human and labour rights would create common minimum standards wherever UK companies operate.

Enabling the recognition of harm and harmful conduct

Even where there is a broad definition of rights, issues including the knock-on effect of harmful practices through the value chain, the requirement for rightsholders to know their rights, restrictions on what counts as evidence, and limitation to trade union rights make it difficult for harm to be recognised as such.

Crucially, many rightsholders don't know their rights, which limits their ability to make informed decisions in contracts with businesses or record sufficient evidence to challenge companies, who for their part have legal teams and financial resources. Participants noted barriers such as the cost of getting pollution scientifically tested, falsified local government reports, and an overreliance on corporate audits. Participants highlighted the need to recognise community and worker testimonies as evidence and give affected groups standing to challenge decisions by enforcement authorities.

Trade unions play an important role not only in organising the workforce, addressing exploitative power imbalances at the workplace and collectively improving working conditions, but also in sharing capacity and knowledge on human and labour rights. The trade union movement protects freedom of association and collective bargaining, which enable the realisation of other rights. The undermining of these rights has considerably harmful knock-on effect.



As a representative from a workers' rights NGO from India emphasises, aside from recognising these rights as protected, supporting the functioning of legitimate trade unions must be a key element of a UK law.

Finally, participants repeatedly emphasised as an essential requirement that the operations and activities of a business, those of its subsidiaries, and those occurring throughout the entirety value chain are covered by a law.

Recommendations for a UK Business, Human Rights and Environment Act

The UK government must adopt a Business, Human Rights and Environment Act with a wide definition of protected human, labour and environmental rights through the whole value chain. **As a minimum, this must include all internationally recognised collective and individual human rights, including the right to Free, Prior and Informed Consent of Indigenous Peoples, all internationally or locally recognised labour rights, international or local customary laws, and the Right to a Clean, Healthy and Sustainable Environment.**

The law must also specifically **recognise the need to prevent harm, including cumulative harm, to the environment** in line with internationally or locally recognised environmental principles and conventions, including the Paris Agreement with the target of **limiting global warming to 1.5 degrees in line with best available science.**

The law must cover a **businesses' operations, subsidiaries and complete value chains.** Remedy procedures within the law must not solely be based on corporate audits and document-centred evidence but should be rightsholders-centred, including by giving rightsholders standing to bring challenges and permit rightsholder testimonies as evidence.

The law must recognise and support the functioning of independent trade unions.

The law must be **accompanied by support measures to raise local awareness of the rights protected under the law and available remedy mechanisms.**

Priority 2: Addressing information imbalances

Holding access to and power over crucial information, including supply chain tracking data, corporate structures and baseline and impact assessments, while rightsholders often lack access, means businesses can escape accountability by withholding information.

Ensuring transparency on supply chains and ownership

Participants explained that production is increasingly structured through very complex value chain arrangements with multiple layers of subcontracting and outsourcing.



Ashutosh Bhattacharya of IndustriALL Global Union explained that consequently: “Workers often have very little or no access to basic information about supply chains – including who the suppliers and buyers are, and where the goods or services are going. There is a clear need for transparency regarding company supply chains and clarity about who is responsible for purchasing decisions.”

This opacity of production chains shields corporations from accountability, adding yet another obstacle to paths to justice for affected workers and communities. Participants explained how companies resort to a range of tactics to justify keeping information secret, including feigning ignorance and claiming confidentiality. The informal sector must be included within the scope of the law. Informal workers not only make up the majority of the global workforce, but companies also use the informal sector to avoid responsibility.

In a similar vein, corporate ownership structures are obscured forcing rightsholders to search through various paid platforms for more information while important documents remain hidden.



As Prabindra Shakya emphasized, “We currently have to go through databases like Bloomberg, which are not free. We need something in the law that makes tracing ownership structure easy.”

Addressing challenges in the traceability of harm

A central obstacle to justice, as revealed in our consultations, is the difficulty in initially recognising, then documenting and tracing harm back to its source. For communities and workers, proving a direct link between a specific corporate activity and the damage being caused is a major challenge. In mining regions, manufacturing areas, and agricultural zones, multiple companies often operate in close quarters, undertaking similar activities that cause comparable and interrelated environmental impacts. This makes it very hard to pin the harm on any one company. Also, industrial activities often have combined effects that show up over years or decades, during which companies may come, go, or change operations.

Our partners noted that this problem of traceability is amplified by subcontracting, which creates layers of legal separation.



During consultations, Ashutosh Bhattacharya of IndustriALL Global Union pointed out that companies often externalise operations to contractors who “wash their hands off all liability,” a practice that deliberately obscures the chain of responsibility.

Our partners also reported how this opacity is compounded by a power imbalance, where corporations possess sophisticated legal and monitoring systems, while communities often lack both awareness of their rights and the technical capacity to document abuses in reports, images or scientific data. Where transparency on environmental impacts is legally required locally, participants report highly technical language which makes it difficult to understand the information. Participants also stressed the conflict of interest for businesses self-reporting on their impacts and the need for information to be independently verifiable and trustworthy as well as penalties for misleading information.



As Manoela Roland, General Coordinator of Homa (Brazilian Human Rights and Business Institute) asked: “If there is transparency, if there is reporting, how can we ensure that the information that is provided is accurate?”

Recommendations for a UK Business, Human Rights and Environment Act

The law must explicitly provide for mandatory **public disclosure of full supply chain and ownership details**, political connections and agreements, and **detailed information on HREDD, in a central database** to be maintained and monitored by the concerned UK authority. Rather than focusing on green washing, **reporting requirements need to focus on information that is directly relevant to rightsholders in claiming their rights via accessible remedy mechanisms**. This must include information on, among others, **representative stakeholder engagement and relevant accessible local grievance mechanism** for workers and communities, and how they are monitored. Specific data on women and marginalised rightsholders must also be collected.

Businesses must be required to provide **transparent environmental baseline assessments with continuous tracking of the impact of their activities for their whole value chain**. In doing so, they must account for environmental thresholds and cumulative impacts.

Businesses must ensure information can be understood by affected people and groups as well as verified independently. Where a business has been found to have deliberately lied, engaged in green or whitewashing, or corruption and corporate capture, there should be strict sanctions, including fines and public procurement debarment via a UK regulator.

Priority 3: Enabling access to remedy

The risks inherent in speaking out about harm, coupled with power over internal grievance mechanisms and the lack of independent external mechanisms, allows businesses to act with impunity while most rightsholders never get justice. There is a clear demand for multiple accessible remedy routes, including civil, administrative and criminal liability.

Protecting rightsholders to speak up about harm

An important concern raised in these discussions was the safety of workers and community members when speaking up for their rights. Reprisals range from job loss and deportation to strategic lawsuits against public participations ('SLAPP'), to intimidation and killings. Participants reported that the safety of those who speak out is increasingly threatened by a widespread collaboration between governments and corporations. This collusion creates dangerous conditions for human rights defenders and a silencing environment.



Manoela Roland, General Coordinator of Homa, says, "Latin America is the region where the most Human rights defenders are killed and harmed, and the protection of these defenders and workers are put at risk when they need to raise a grievance. There is a lot of fear!"

Including rightsholders in the design and implementation of grievance mechanisms

Participants were widely distrustful of corporate grievance mechanisms and reported that such systems routinely fail, with complaints dismissed or lost within lower-level bureaucracy. Safety concerns were also raised. Participants highlighted the need to engage with rightsholders in the design of grievance mechanisms to ensure they address power imbalances and break down accessibility barriers. Discussions focused on the need for independent mechanisms that take due account of different sectors and local circumstances, while independent worker-driven mechanisms or trade union oversight were also highlighted as good practice.

Some participants in Asia pointed to the model of Independent Accountability Mechanisms at Multilateral Development Banks, which use independent third-party assessments free from corporate influence while trade unionists also highlighted that some Global Framework Agreements have good practice. Overall, a lack of effective mechanisms, including in relation to private banking and institutional investors, was criticised.



“It is not always very easy for workers to share their information or report, but often workers do not like to report in writing, because they fear that there might be repercussions, as the complaints mechanisms are not very transparent” – Dr Khondaker Golam Moazzem (Research Director, Centre for Policy Dialogue)

Participants also emphasised the need for rightsholder involvement in the design and implementation of remedy itself. Remedy should incorporate customary Indigenous law, project withdrawal and restoration rather than just compensation. Disengagement should not happen without making provisions for remediation.



Dr. Johnson Jament highlighted this need for better solutions: “At times companies begin and then discard the project. They may give compensation in such instances, but the land has already been damaged.”

Creating an independent UK enforcement body

Participants voiced a strong need for a well-funded, independent UK regulator that can proactively investigate human rights violations, receive complaints, and enforce accurate corporate transparency. As with other grievance mechanisms, it must be accessible. Given the difficulty of bringing complaints to London, UK embassies were suggested as local entry points for affected people.

Aside from access to remedy in the form of compensation and full restitution, participants supported a tiered sanctions framework, including fines, public procurement bars, stock-exchange de-listing and withdrawal of state subsidies, to enforce the obligation to respect human rights. Participants highlighted the need for strong sanction powers, explaining that it is often cheaper for businesses to pay a fine and continue its operations than effect change to practices. For remedial actions to be effective, temporary injunctions or interim measures to prevent further harms should also be included. Participants also mentioned criminal liability as an additional powerful sanction mechanism and supported civil liability.

As part of the workshop, it became also clear that there are issues around enforcing local judgments against foreign UK businesses. The law needs to make provisions, including introducing penalties, for the enforcement of such rulings against UK businesses.

Making remedy accessible by reversing the Burden of Proof

During the workshops, participants were asked about the UK’s “failure to prevent” mechanism on which the proposed Business, Human Rights and Environment Act is currently based. The mechanism operates by placing the onus on a company to demonstrate that they took all reasonable steps to prevent harm, including through HREDD, once it has been shown that harm has happened in the value chain of a business.

A strong consensus emerged across all consultations that reversing the burden of proof is a critical procedural reform to make meaningful remedy accessible. Participants agreed that the current system, which forces victims to prove corporate negligence, is fundamentally unjust given the power imbalances, information asymmetry and accessibility constraints they face.



As Jonathan Lubega of The Southern and Eastern Africa Trade Information and Negotiations Institute noted, “The burden of proof currently lies with the complainant in most places, and I agree that reversing the burden of proof is an opportunity for our communities.”

CJC note on the failure to prevent mechanism:

CJC has long advocated for the inclusion of the failure to prevent model within a HREDD law. Reversing the burden of proof onto businesses not only improves access to remedy but also creates a strong incentive for businesses to take preventive action in the first place. Business can no longer rely on access to evidence making accountability for human rights abuses and environmental harm close to impossible but need to have reliable processes in place to avoid liability. The model already exists in UK law with the Bribery Act 2010, the Criminal Finances Act 2017, and the Economic Crime and Corporate Transparency Act 2023.

Recommendations for a UK Business, Human Rights and Environment Act

Protecting rightsholders to speak up about harm

Special provisions **must be made to ensure that any engagement with rightsholders is informed, meaningful and safe**. There can be no tolerance for reprisals against trade unionists, human rights defenders or environmental defenders.

Inclusion of rightsholders in development of grievance mechanisms

The Business, Human Rights and Environment Act must make explicit provisions for effective grievance mechanisms, both corporate and state based. Participants voiced the need for mechanisms to be **co-designed with rightsholders to achieve accessibility and address power imbalances**. There need to be safeguards for complainants. The need for independence was highlighted as were **worker-led or community-led monitoring mechanisms**, including via trade unions. They should be as local as possible.

Apart from the design of the grievance mechanism, **rightsholders need to be engaged throughout any discussion on remedy** to ensure it is meaningful and achieves sufficient justice.

Creating an independent UK enforcement body

The Business, Human Rights and Environment Act must include a **well-funded independent UK regulator** that investigated on its own accord and with an **accessible grievance mechanism** that ensures trust and safety for all complainants, victims, whistleblowers and witnesses. For local accessibility, embassies were proposed.

Remedy must be backward and forward looking. This includes compensation and full restitution as well as a **strong tiered sanction regime** to ensure compliance, **public procurement debarment**, and interim measures to prevent further harm. The law must include **multiple routes to remedy**, including via criminal liability as well as civil liability.

Reversing the burden of proof

The UK should adopt the “failure to prevent” mechanism in its **Business, Human Rights and Environment Act, which involves the reversal of the burden of proof**. With access to information and evidence being key in achieving remedy and enforcing human rights and environmental protection, the control of businesses over both leads to a low deterrence function if the burden of proof is not reversed.

Accompanying measures

The UK must support the enforcement of local judgment against UK businesses.

Priority 4: Ensuring preventative action

Unaddressed power imbalances within existing due diligence models means they often fail the rightsholders they mean to protect, instead exacerbating imbalances in access to resources, information and language. To be meaningful, there must be a fundamental reorientation away from token consultations and compliance lists to a deep, rights-based approach that actively redistributes power.

Pursuing rights-based engagement over perfunctory box ticking

A core problem is that existing HREDD models prioritise compliance over genuine engagement to prevent harm, systematically shutting out affected communities. Participants reported that in their HREDD procedures, companies conduct superficial assessments that don't capture the reality on the ground.



As a representative from a workers' rights NGO from South Asia notes: "Business and Human Rights consultants conducting HREDD are creating more work and requirements, without any meaningful impact on the ground. They need to genuinely understand who the stakeholders are and then enter meaningful dialogue, rather than just ticking boxes."

Governments often award licenses, permits and contracts to private and mixed capital companies without checking the situation on the ground. Businesses, who often similarly fail to review the situation on the ground or engage with local groups, will in turn accept these contracts at face value without conducting consultations. This leads to the commencement of harmful projects despite community concerns. In addition, there are issues around corporate state capture.

Preventing responsibility being pushed down the value chain

Participants detailed how businesses disregard their responsibility for the systemic impacts of their operations, including their purchasing practices, on other actors in the value chain. The relentless pressure of squeezing suppliers on cost and delivery times, for instance, fuels informal work arrangements and wage theft. This cost pressure also creates a risk that rather than genuinely trying to address harms in their operations, subsidiaries and value chains, businesses pass the cost of complying with corporate accountability laws onto small and medium enterprises (SMEs).



As a representative from a workers' rights NGO from South Asia said: "The fear is that the costs will be pushed down onto the supplier, and suppliers and workers are very concerned about compliance costs impacting their contracts and jobs. This is largely the case in manufacturing, garment, and labour-intensive industries."

Participants expressed the need for responsible purchasing practices (RPPs) to be addressed in value chains. RPPs include wages and a broad range of other human rights and environmental issues, including modern slavery, provisions to prevent pollution on water, air, risk of biodiversity loss, companies' own discrimination and diversity policies, women participation and care policies, among others. Participants suggested that RPPs should align with existing and various multi-stakeholder initiatives and international guidelines, such as the Common Framework for Responsible Purchasing Practices (CFRPP) and the UN Guiding Principles on Business and Human Rights. Participants also highlighted the need for UK businesses to cover both the implied and resulting costs of complying with the Business, Human Rights and Environment Act.

Ensuring stakeholder engagement is informed, meaningful, safe and participatory

To be meaningful, engagement needs to be accessible, informed and conducted in language the participants understand. Participants explained instances in which workers or community members signed away their rights without knowing their rights or the wider impacts of doing so. Other participants explained how the dense, technical language of international standards was not understandable for rightsholders.



Paule Ndessomin of IndustriALL Global Union noted, “The language around standards has been technical and created a barrier for rights holders and people who are meant to be involved in the process. This has led workers to feel like it was a tick-box approach.”

Gaps for local communities were also noted. Examples from Mexico show how companies acquire consent through fraudulent means by engaging with and influencing handpicked members, even as the larger community remains unaware of projects impacting their lands.



As Manoela Roland, General Coordinator of Homa explains, “Companies will come in and select and get close to people of a specific community, who are not representative of the entire community, to give ‘consent’ and ‘permission’. There is a lot of corporate capture in this sense.”

Even where stakeholders, including rightsholders, are being engaged with, such engagement must be impactful, and tailored towards the group in question. Trade unions have formal, recognised representative roles, while affected communities are more diverse, and not always formally organised. Both parties play a critical but different role in engagement and monitoring. Yet too often, power imbalances between businesses on the one side and rightsholders on the other mean that the views of rightsholders are being disregarded and the consultation ends as a tick-box compliance exercise.



As Prabindra Shakya, Convener of AIPNEE states, “We are not fond of the term ‘consultation’. We need the processes to be participatory. It should have strong stakeholder engagement.”

Strengthening existing engagement mechanisms

Participants noted that hard-fought and hard-won key structures for meaningful rightsholder engagement already exist, for example within the global trade union movement, and with the “right to participation” in Latin American countries or FPIC as an internationally recognised principle. Participants voiced concerns that a law can be abused by businesses to undermine these structures rather than strengthening them.

Independent trade unions are crucial to address power imbalances in the workplace and improve human and labour rights. The existence of independent trade unions creates meaningful engagement and monitoring mechanisms. Participants were critical how the term of “meaningful stakeholder engagement” was defined in the Corporate Sustainability Due Diligence Directive (CSDDD) without addressing questions around freedom of association, especially considering how trade unions are often repressed with the knowledge, action and/or support of businesses.

Similarly, participants from Latin America voiced concerns about hard-won constitutional participation rights being undermined. As rights guaranteed by states, they are independent and should not be replaced by consultations captured by companies. Participants recount how businesses, especially those engaged in mining, have collaborated in the past to lower the standards on this right. Where such processes exist, businesses should adhere to the highest standards and follow a community-led approach. Participants stressed that a law must be locally responsive, and must work to complement and strengthen existing protective provisions.

Recommendations for a UK Business, Human Rights and Environment Act

Rights based engagement

A UK Business, Human Rights and Environment Act must explicitly recognise the importance of meaningful rightsholder participation throughout the whole HREDD process. Specific stakeholder groups must explicitly be named, including trade unions, women, Indigenous Peoples and marginalised groups. HREDD processes must be gender responsive. HREDD processes must involve obtaining Free, Prior and Informed Consent of the Indigenous Peoples when they are impacted. If there is no consent, business operations should not proceed.

Moreover, the law must have a wide scope. Consultancies were specifically mentioned by participants as actors that also need to be covered. **Third-party auditing and certification schemes by themselves cannot be considered adequate HREDD.**

Value chain responsibility

Rather than passing burdens onto suppliers, businesses must build partnerships with their suppliers and work with them and other impacted rightsholders to continuously improve on their processes. **The law must explicitly include responsible purchasing practices as key elements of HREDD as well as provisions to provide support to SMEs in the value chain, including by covering the compliance cost.**

It also needs to be clearly outlined that **disengagement is a last resort, following efforts to increase leverage and improve practices, with the disengagement itself based on engagement with rightsholders and conducted responsibly.** HREDD must be conducted throughout and any harms remedied.

Meaningful and participatory stakeholder engagement

The law must make clear provisions for the engagement process to be informed, meaningful and safe at all steps of the HREDD process. This includes before a project or contract starts, continuously during its duration, and before its end. There should be sanctions and mechanisms for non-compliance, including on misinformation and corruption.

Both workers and affected communities must be engaged with accessibility and in a participatory rather than top-down manner. Engagement processes must be designed in the local context with relevant rightsholders, respecting their rights and their distinct roles. Worker-led or community-led processes for participation, monitoring and remedy must be supported.

Strengthening of existing mechanisms

Based on their distinct roles, the law and the implementation thereof must strengthen key existing mechanisms for rightsholder engagement, including free, independent and democratic trade unions; obtaining Free, Prior, and Informed Consent of Indigenous Peoples; and carrying out consultations for agreement with local communities, including peasants. Businesses must always adhere to the highest standards.

Accompanying measures

Beyond the Business, Human Rights and Environment Act, the **UK Government needs to introduce a clear strategy to support independent trade unions in the UK and abroad, recognise Indigenous Peoples, and others with similar characteristics; peasants; and local communities, and ensure FPIC and other consultation processes.**

She plucks the leaves, he reads the numbers, but only one of them knows the weight.

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