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Business and Human Rights: Routes to Compliance in SMEs. From self- assessment to due diligence

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Principle 15 UNGPs
introduces a margin of
flexibility in the compliance
process, referring to the size
of enterprises

The AVSI document

*'Business and human rights:
routes to compliance in SMEs.
From self-assessment to due
diligence'*

is aimed to support the process of
awareness raising for SMEs, whose
size is particularly limited in Italy

A contribution from the casebook

reason

stick

carrot

EXPANSION OF COMPLICITY



THE INTERNATIONAL MOMENTUM



ATTITUDE OF THE INTERNATIONAL INSTITUTIONS



ATTITUDE OF NATIONAL INVESTMENT AND CREDIT GUARANTEE AGENCIES



ATTITUDE OF THE MOST PROMINENT PRIVATE BANKS



EVALUATION BY RATING AGENCIES



NUMBER AND IMPORTANCE OF WATCHDOGS



REQUIREMENTS OF NATIONAL CORPORATE LAWS



WIDENING OF NATIONAL COURTS JURISDICTION



CORPORATE CULTURE



INCREASING NUMBER OF CASES INVOLVING BANKS



VARIETY OF BANK OPERATIONS ENTAILING ABUSES



DIMENSION OF DAMAGES SUFFERED FROM HUMAN RIGHTS ABUSES



INCREASED AVAILABILITY OF BUSINESS INFORMATION



HUMAN RIGHTS PROTECTION IN CONTRACTS AND LITIGATION RISKS



CONSOLIDATION OF SOCIAL LICENCE



STAFF RECRUITMENT, PERFORMANCE AND MOTIVATION



Steps

Step 1: Awareness

Step 2: Selfie

Step 3: Risk identification

Step 4: Engagement

Step 1: Awareness

Proactive information and consultation:
State bodies and business associations

Step 2: Selfie

Owners and managers driven auto-test

Innocent, culprit or complicit

Step 3: Risk identification

Desk and field cross-checking risk
identification

Actual or potential

Material or perceived

The field as the key phase:

- ✓ understanding the position of different stakeholders: the 'unknown stakeholder'
- ✓ the focus on the surrounding human communities

a patient, discrete and participatory
intelligence

Step 3: Risk identification

The potential misleading effect of power, influence and interest in stakeholder evaluation

Step 3: Risk identification



Complicity has an insidious and unpredictable involvement. From legal concept to the practice to cases

Step 4: Engagement

Refrain from violating (passive compliance)
(safe and healthy gas emissions)

Active compliance (supporting human rights
establishment or enforcement)

Proactive compliance (supporting human
communities on the way to human rights
based society)

ETHICS

CSOs



LAW

judiciary



*Social
Responsibility*



*Legal
Responsibility*



Yesterday



Today



Tomorrow

The due diligence expected results *“hands + brain = dignity”*



*For oppressed with the violence of
the calamity and not knowing what
to do, men grew careless both of
holy and profane things alike. And
the laws ... were all now broken ...*
(II, 52, 3-4)

The English works of Thomas Hobbes Thucydides.
Thomas Hobbes translator, London, Bohn, 1843



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Thank you for your attention

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