Summary of the roundtable discussion on *Holding multinational corporations accountable for labour standards and human rights? The Bangladesh Accord, the Ruggie Framework and the Modern Slavery Act*

Brussels, June 2015

**The Topic**

This session discussed emerging trends in transnational governance to regulate labour and human rights violations in global supply chains. By focusing on three novel initiatives which range from public to private, voluntary to binding and reporting to collective auditing mechanisms, the aim was to stimulate reflection on the strengths and weaknesses of new approaches.

**The Presentations**

The first presentation given by **Professor Juliane Reinecke** and **Professor Jimmy Donaghey** examined the global governance response to the 2013 Rana Plaza disasters, with a particular focus on the Bangladesh Accord for Building and Fire Safety. They highlighted (1) the value of a collective, sector-level approach to addressing supply chain issues (2) the unprecedented nature of a legally binding commitment, (and 3) the benefits which including worker representatives brings to supply chain governance initiatives. They also highlighted challenges in terms of facilitating worker compensation and worker voice, and the deliberate exclusion of local actors from the Accord.

Following on this presentation **Professor Ann Stewart** considered the UK’s Modern Slavery Act 2015 and its provisions on transparency in supply chains which require companies ‘to make a slavery and human trafficking statement for each financial year to set out the steps the organisation has taken to ensure that slavery and human trafficking is not taking place in its supply chains’. Ann highlighted the potential and limitations of these types of transparency initiatives to tackle supply chain abuses. She argued that the Modern Slavery Act’s aim to provide a mechanism by which consumers can hold companies to account could be undermined by low standards of compliance and the exclusion of various forms of worker exploitation.

Finally, **Dr James Harrison** considered the UN Framework and Guiding Principles (UNGPs) on Business and Human Rights, created by former UN Special Representative, Prof. John Ruggie. He argued that MNCs’ attitudes to human rights abuses in their supply chains could be transformed by undertaking human rights due diligence (HRDD) as specified in the UNGPs. But current practice is being undermined by lack of transparency, lack of engagement with civil society, and a failure to properly evaluate corporate practice. He explained how States and European Institutions could play a significant role in enhancing HRDD in the future.

**The Discussion**

The discussion following the presentations involved a number of organisations including CSR Europe, the European Coalition for Corporate Justice and members of the European Commission including Directorate-General Employment, Social Affairs and Inclusion (DG EMPL) and Directorate-General Trade (DG TRADE).

It was highlighted that it is important to consider agreements such as the Bangladesh Accord in light of the wider regulatory framework i.e. inclusive of organisations and governments. This point was stressed by both of the Directorate-General’s present. It was also felt that agreements such as the Bangladesh accord would only be directly relevant in a small number of industries and their wider applicability needed to be carefully examined.
The need for transparency in corporations’ human rights due diligence processes was discussed. It was felt that transparency is important in order to hold corporations to account. However, the costs of doing so and the lack of understanding of this information by those outside of the industry makes this difficult to enforce.

The difficulties in implementing the solutions discussed were highlighted from a corporate and policy maker point of view. The need for transparency in human rights due diligence was highlighted as a key issue for the future.

The Speakers

Professor Juliane Reinecke is Professor of Organisation Studies at Warwick Business School and member of the Industrial Relations Research Unit and the Global Research Priority in Global Governance (GRP-GG), University of Warwick. She is also a Research Fellow at the Center for Social Innovation, Judge Business School, University of Cambridge, a Fellow at the Cambridge Institute for Sustainability Leadership (CISL), University of Cambridge, and a Fellow at the World Class Research Environment Responsible Business, Copenhagen Business School. She holds a PhD from the Judge Business School, University of Cambridge. Juliane’s research interests include transnational Governance, Social Movements, Sustainable Development, Human Rights/Labour Rights in Global Supply Chains, Fair Trade, Organization Theory, Sensemaking, Economies of Worth and Economic Sociology.

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Professor Jimmy Donaghey joined the University of Warwick as Associate Professor in September 2010 from Queen’s University Belfast. In October 2013, he was promoted to Reader in Industrial Relations and subsequently was promoted to Professor of Industrial Relations in June 2015. He is also Adjunct Associate Professor at the Department of Management in Monash University. Jimmy’s research interests focus on social pacts and social partnership in Ireland, worker representation and voice, with a particular focus on the EU’s Information and Consultation Directive and global labour governance with a particular focus on the response to the 2013 Rana Plaza disaster.

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Professor Ann Stewart researches and writes in the area of gender and the law. She focuses on issues of gender justice and postcolonialism. Ann held the position of Ford Visiting Professorial Fellow at the Centre for Law and Governance Studies at Jawaharlal Nehru University, New Delhi in 2009-2010 where she pursued her interest in gender and judging in India by undertaking extensive interviews with senior judges. Between 1996 and 2000, she was the UK Director of the Indo British gender and law project for the Indian Judiciary. This involved working with the National Judicial Academy in India to develop a curriculum for judicial training and then assisting with implementation. She has also been involved with projects relating to violence against women (with the Centre for Women and Development Delhi University and with the Tata Institute for Social Sciences (TISS) in Mumbai). Between 2006 and 2009 Ann was part of a DeLPHE funded link (with colleagues from York, Bristol and London Metropolitan) which contributed to the development of the first women’s studies Masters degree in India at TISS, Mumbai. She maintains close links with the Southern and Eastern African Regional Centre for Women’s Law at the University of Harare, Zimbabwe. In 1996 she was the lead consultant for gender on the EU Democratisation and Human Rights project in Malawi.

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Dr James Harrison is Associate Professor in the School of Law at the University of Warwick. He is Co-Director of the Centre for Human Rights in Practice and Academic Lead on Warwick’s Global
Governance Research Priority Programme. He is also one of the editors of Lacuna Magazine (www.lacuna.org.uk). He has previously worked as a practising human rights lawyer and researcher for a range of civil society organisations. He has also worked as a consultant for a number of international organisations including the Council of Europe, the Office of the High Commissioner for Human Rights, Amnesty International, Article 19, the Canadian Council for International Cooperation and the Scottish Human Rights Commission. In 2011 he was awarded the Warwick Award for Teaching Excellence (Butterworth Award). James’ research interests include human rights law, environmental law and international economic law, non-traditional forms of regulation, methodologies for conducting human rights impact assessments and the use of legal norms by non-governmental organisations.

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