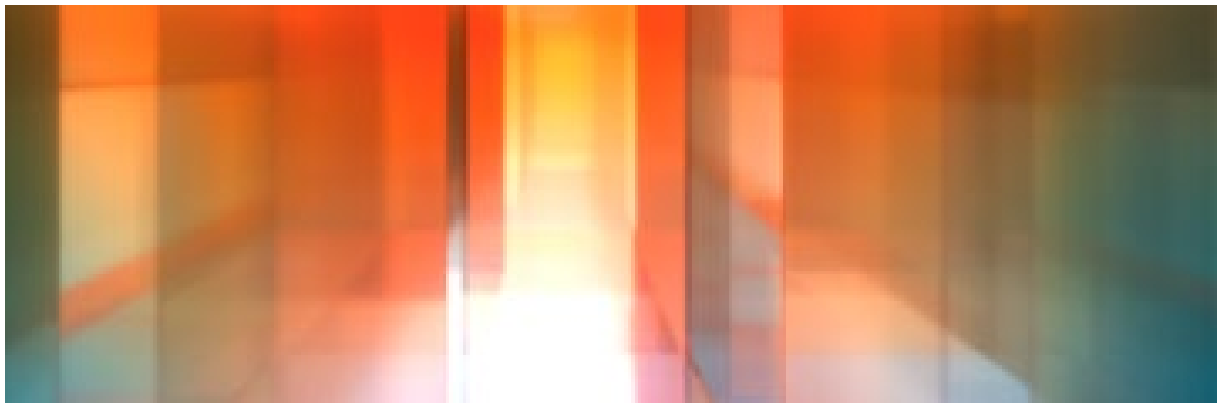




Achieving just transitions that respect human rights is a huge challenge - but a start has been made

GBI BLOG

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The [Global Business Initiative on Human Rights](#) (GBI) brought together more than 130 representatives of a diverse range of businesses, government authorities, industry groups and civil society organisations around the world for a [practical business dialogue](#) on 29 and 30 June, on how to respond to the climate crisis in a rights-respecting way.

Over the coming years, we need to achieve major transformations to reduce emissions, transition to cleaner energy and build resilience to a warmer world.

Sharan Burrow, General-Secretary of the International Trade Union Confederation, told the conference that this is 'the biggest industrial transformation we will face. And we have to do ... more than half of it by 2030'. As she further observed, 'until we actually see climate ambition, human rights and due diligence – mandated due diligence – with respect for human rights and environmental standards, we will not build the trust to get the change we need'.

"Doing something which fixes climate change but is bad for communities or for human rights is unacceptable." Brian Sullivan, IPIECA

Brian Sullivan, Executive Director of IPIECA stressed that 'in our urgency to address climate change, we shouldn't accept a lower standard of

respect for human rights ... Doing something which fixes climate change but is bad for communities or for human rights is unacceptable.'

Across two days, we explored with leading thinkers and practitioners why this matters to business, some of the challenges and complexities that will need to be overcome to achieve a just energy transition, and the rapidly changing expectations of business – in the eyes of both the law and businesses' key stakeholders.

Conference participants heard growing recognition – from businesses and their stakeholders – of the need for a more holistic approach to risk management to ensure that the decisions businesses make in response to the climate crisis are informed by an understanding of the risks to people. It is imperative to find ways forward – even where there are no easy solutions. For example, how to transition out of fossil fuels without leaving behind the communities and workers dependent on these industries.

We need to find solutions to these challenges, quickly. As John Morrison, CEO of the Institute for Human Rights and Business and a GBI Advisor, observed, just transitions is not 'a get out of jail free card ... [to] ... move slower on carbon. ... This is a prerequisite to taking people with us.'

The moral case for better connecting human rights risk management and responses to the climate crisis is clear to many. But, as was discussed, it's also increasingly reflected in international standards and regulatory requirements. In Europe, a draft mandatory human rights and environmental due diligence law is expected at the end of summer and sustainability reporting standards are being strengthened. Further, the Sustainable Finance Taxonomy requires that economic activity must be conducted in line with international standards on business and human rights to be considered sustainable. Similar developments are being discussed elsewhere in the world. The consequences for business of getting this wrong are also growing – as demonstrated by the recent, [landmark decision](#) of the District Court of the Hague in a case brought against Royal Dutch Shell.

Companies can also expect to face more pressure from their investors, who are increasingly exploring their role in supporting positive change in economic systems – and are themselves driven to do so by market pressures, including the changing legal landscape. Civil society organisations are also focusing more on the need for just transitions – and are better resourced to both encourage and collaborate with businesses to achieve them.

Other organisations, too, are working to support businesses and other organisations to find ways forwards. Pilot projects are underway to help identify effective approaches to achieving just transitions in practice and build an evidence base to inform both policy and practice. Benchmarking initiatives, too, may make a valuable contribution – not just in driving engagement, but also by providing a roadmap that can help companies move forward.

"It's through conversations like these that we hope to become better connected and better informed." James Nicholson, Trafigura

This feels, however, very much like the start of a vital and highly urgent conversation. Clearly, there is much still to do. However, the conversation has started and – for me – that feels like a real step forward.

James Nicholson, Head of Corporate Responsibility at Trafigura and a GBI Member, observed that 'the pressure to perceive and respond to social and environmental risk in its many forms is ... intensifying. It's through conversations like these that we hope to become better connected and better informed.'

GBI will continue to focus on rights-respecting responses to the climate crisis and we will work to support practical, business-to-business discussion, learning and sharing of experiences and approaches. We also look forward to seeing how others advance this conversation and turn it into action.

The scale of these challenges is significant and there are real limits to what any of us can achieve alone. We encourage – and welcome – opportunities to work together.