



Practical approaches to managing human rights risks for businesses in Brazil

Business & Human Rights Workshops series

The [Global Business Initiative on Human Rights](#) (GBI), the [World Business Council for Sustainable Development](#) (WBCSD) and the [Conselho Empresarial Brasileiro para o Desenvolvimento Sustentável](#) (CEBDS) convened a practical online workshop series between July and October 2021.

Approximately 70 business practitioners from a diverse range of companies in Brazil came together to discuss practical approaches to managing human rights risks and issues, particularly in light of hardening expectations and emerging regulatory requirements around the world.

Key takeaways and insights from the discussions include:

- **Human rights due diligence is becoming a matter of hard legal compliance, and developments around the world will affect businesses in Brazil.** Human rights-related reporting requirements have become more widespread over the past decade. However, governments – particularly in Europe – are increasingly introducing legislation that requires companies to go further and implement human rights due diligence processes. An increasingly broad range of companies fall directly within the scope of emerging mandatory due diligence laws, and Brazilian companies in global value chains should expect stronger pressure to demonstrate good human rights risk management from their investors, customers and other business partners. It seems clear that mandatory due diligence requirements are the direction of travel, and businesses would be well-advised to anticipate that they will become increasingly common in the coming years. For more, see summary of the first session of this series: [What the changing business and human rights legal landscape means for businesses in Brazil](#).
- **Implementing effective human rights due diligence is key to positioning your business to meet hardening expectations.** Emerging regulatory requirements are increasingly using the [UN Guiding Principles on Business and Human Rights](#) and the [OECD Guidelines for Multinational Enterprises](#) as the reference point for human rights due diligence obligations. Effective human rights due diligence should enable your company to identify, understand and respond to human rights risks and issues that it is involved in on an ongoing basis. It should also be informed by engagement with relevant stakeholders, including affected people and groups. Good human rights risk management will require effort and teamwork, reflecting that people can be impacted by business activity in complex ways. Engaging meaningfully with stakeholders – including, in particular, potentially affected people and groups, is key. Stakeholders can provide critical information and insights to inform due diligence processes – and help validate the company’s own findings and analysis. For more details, see: [GBI Business Practice Portal](#), WBCSD’s [CEO Guide to Human Rights](#) and [Getting Ready for Mandatory Due Diligence: Five Steps Businesses Can Take Now](#).
- **To meet expectations, human rights due diligence should extend beyond a company’s operations and enable issues in the supply chain to be identified and addressed.** Companies in Brazil and around the world are expected to know what impacts they may be involved in across their value chain (including deep in their supply chains) and be able to show that they are taking effective action to address these. Supply chain due diligence – particularly beyond tier 1 suppliers – will require creativity and collaboration. It may be difficult to map and identify suppliers deep in the supply chain, and the company will need to find ways to build

and use its influence in order to achieve positive outcomes for affected people. However, by doing this well, companies can develop stronger and more resilient relationships with their suppliers and be better placed to meet emerging regulatory requirements and stronger stakeholder expectations. For more, see: [GBI Business Practice Portal: Using Leverage](#) and [GBI Business Practice Portal: Address Modern Slavery](#).

- **As businesses respond to the climate crisis, a coordinated approach that identifies and responds to risks to people will be expected.** With the emergence of regulatory frameworks that require business to engage in mandatory human rights and environmental reporting and due diligence, businesses will increasingly be required to present a more holistic approach in identifying and managing risks. The business response to the climate crisis will encompass a variety of actions-such as, reducing emissions and setting net zero targets, exiting fossil fuels, and pivoting towards markets that support cleaner energy. As companies take these actions, it will be important for them to bring communities and people along to ensure that the related transitions are just. To that end, companies should conduct human rights due diligence early as they make decisions regarding their climate action. This will require better coordination between different parts of the business, which may have been operating in silos. For more, see videos and summary from [GBI's Dialogue on business, human rights and the climate crisis](#).

Looking ahead

This workshop series was organised as part of an ongoing collaboration between WBCSD, CEBDS and GBI to support practical discussions among business practitioners in Brazil on implementing respect for human rights.

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