



UN Working Group on Business and Human Rights Call for inputs: Extractive sector, just transition and human rights.

Submission by the Institute for Human Rights and Business (IHRB)

May 2023

The Institute for Human Rights and Business (IHRB) welcomes the UN Working Group's focus on the subject of just transitions and the responsibilities of extractive sectors. This has been an area of extensive engagement by unions, governments, businesses, and wider civil society for the last several years. Despite growing attention to this topic, we see a significant need, and opportunity, for the UN Working Group to play a particular role in advancing the human rights dimensions of this agenda. In particular, this involves joining with others working to proactively integrate human rights considerations within UNFCCC deliberations. At present, human rights risk prevention and related international standards such as the UN Guiding Principles on Business and Human Rights (UNGPs) are rarely referenced, considered, or incorporated into mitigation, adaptation, and resilience policy being advanced within UNFCCC processes.

As Working Group members know well, there have been significant lessons learned over the last 12+ years on the most effective approaches to integrating the UNGPs and rights-based approaches into corporate structures, strategies, and systems – including the groundwork this lays for maximising the positive opportunities and impacts for people affected by the sector. Much of this work is highly transferrable to the context of climate action, where business will play a central role in implementing emissions reduction, energy access, and economic diversification activities across sectors, particularly the extractives.

Working Group members should take every opportunity to publicly and privately engage the various UNFCCC bodies working on issues relating to just transitions, in particular the Katowice Committee on the Impacts of the Implementation of Response Measures, as well as the newly formed Just Transitions Work Program

announced at COP27. It is imperative that the significant work achieved within the business and human rights agenda, and particularly by other UN agencies including OHCHR, ILO, UNDP, UNEP FI, UN Women and others in advancing rights-based approaches by economic actors, is efficiently embedded within climate policy deliberations at all levels.

Given the short time frame for this call for inputs, this submission focuses on providing links to existing resources that address specific areas, which themselves contain links to many further resources. The Working Group should develop a targeted approach to providing further guidance, building on the increasingly extensive array of resources already available on the topic of just transitions and the extractive sector. The Working Group could add particular value by focusing its efforts and expertise on sectors that have attracted far less engagement and consideration on the question of rights-based approaches in the context of climate action, such as the agriculture sector and broader food systems, as well as sectors relating to the built environment. These sectors are pivotal to achieving net-zero through deep and fast emissions cuts that require just transitions, but are often treated ubiquitously with the energy sector despite presenting drastically different contexts, risks, and opportunities that require thoughtful navigation.

IHRB is at the disposal of the UN Working Group as it prepares its report.

For further questions, please contact IHRB's Head of Just Transitions Programme Haley St. Dennis (haley.st.dennis [at] ihrb.org)

Non-exhaustive list of IHRB resources on business, human rights, and just transitions:

- Foundational report exploring the relevance of the UNGPs for the just transition agenda (2020): <https://www.ihrb.org/focus-areas/just-transitions/report-just-transitions-for-all>
- Summary from the high-level Wilton Park just transitions dialogue ahead of COP27, presenting the current state of play in just transitions claims and commitments by the private sector in particular, and the need for greater consistency, comparability, and accountability moving forward. This includes four areas that emerged during the Dialogue seen by the expert participants as “essential” to the integrity of just transition approaches regardless of sector. These “Four Essential Elements” form the basis of IHRB’s ongoing work to advance research design, engagement, and advocacy on just transitions

moving forward: <https://www.ihrb.org/focus-areas/just-transitions/wilton-park-just-transitions-dialogue>

- Specifically on the extractive sector, IHRB led the multistakeholder process to produce Swiss Government sponsored guidance on the role of commodity traders in implementing the UNGPs, which includes many examples of relevance to the extractive elements of commodity supply chains: www.commodity-trading.org
- See also the “Additional Resources” section, which lists a number of industry and product initiatives aimed at improving respect for human rights at and around mine sites: <https://commodity-trading.org/additional-resources/>
- In relation to the renewable energy side of the extractives sector, IHRB will be launching a two-year dialogue series focused specifically on the most effective ways and means by which to embed community ownership, equity, and benefit into renewables models. See initial set of case studies here: <https://www.ihrb.org/focus-areas/just-transitions/community-ownership-of-renewable-energy-how-it-works-in-nine-countries>
- Considering interconnected sectors, see IHRB’s “Dignity by Design Framework”, which breaks down the human rights risks and opportunities across the built environment lifecycle, including at the construction and responsible sourcing of materials phase: <https://www.ihrb.org/focus-areas/built-environment/>
- See also the “Building for Today and the Future” project piloting the Dignity by Design Framework in 8 cities undergoing energy transitions: <https://www.ihrb.org/focus-areas/built-environment/building-for-today-and-the-future>
- On the question of engaging future business leaders on the importance of respect for human rights, IHRB works with industry associations, civil society representatives, trade unions and academics from leading universities to better mainstream human rights topics – including just transitions – within MBA and other curricula as well as other professional training in specific industry sectors. One example of IHRB work in this area, together with the Rafto Foundation and the University of Bergen, is an annual Business and Human Rights Masters course that has attracted participants and faculty from the extractive sector and included new modules on just transitions: <https://www.ihrb.org/academy/masters-course/>

Non-exhaustive list of other recent resources on just transitions:

- See the extensive list of policy briefs by the ILO’s just transition unit <https://www.ilo.org/global/topics/green-jobs/publications/just-transition-pb/lang--en/index.htm>
- See also the ITUC’s Just Transition Centre resources, many of which focus on extractive: <https://www.ituc-csi.org/just-transition-centre> as well as the extensive work of IndustriALL, for example: https://admin.industriall-union.org/sites/default/files/uploads/images/FutureOfWork/JustTransition/v7_final_report.pdf
- LSE’s Grantham Institute on Climate Change and Environment has developed an extensive set of guidance for financial actors on just transitions, a critical leverage point for improving practice across the extractives sector. The Grantham Institute will be launching a “lab” in 2023 for deeper engagement on implementation in practice: <https://www.lse.ac.uk/granthaminstitute/publication/making-transition-plans-just-how-to-embed-the-just-transition-into-financial-sector-net-zero-plans/>
- The World Benchmarking Alliance assessed 100 oil and gas companies in its inaugural just transition benchmark in 2021, and will do so again in 2023: <https://www.worldbenchmarkingalliance.org/research/2021-just-transition-assessment/>
- The Centre for Responsible Mining (CRM) at the University of New South Wales is undertaking a novel study of regulatory approaches to “fast tracking” transition minerals projects and their implications for improving/undermining human rights protections and outcomes.
- See also CRM’s related publications on energy transition minerals and land-connected peoples for example, amongst other research contributions in this area: <https://espace.library.uq.edu.au/view/UQ:2b5dde9>
- The B Team, BSR, and broader We Mean Business Coalition is also shortly to publish a new Just Transition Resource Platform that gathers together an extensive set of guidance and case studies for businesses, with a strong emphasis on the energy and extractives sectors.