

PROJECT DOCUMENT

The Global Programme for Strengthening the Rule of Law, Human Rights, Justice and Security for Sustainable Peace and Development, Phase IV

Project title: Promoting responsible business practices in target countries where Japanese companies operate, with a particular focus on promoting human rights due diligence in global supply chains (JSB 2022 B+HR Global)

Project Number: Award 140956

Implementing Partner: UNDP

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Brief Description

Responsible business practices are a precondition for achieving the 17 Sustainable Development Goals (SDGs) set by the 2030 Agenda, and for meeting the targets set by the Paris Agreement. Indeed, the SDGs state that the UN Guiding Principles on Business and Human Rights (UNGPs) are a “means of implementing” the SDGs.

To further responsible business practices, the UN Guiding Principles on Business and Human Rights (UNGPs) require **businesses to carry out Human Rights Due Diligence (HRDD): to identify, prevent and mitigate adverse impacts on people and the environment, thereby helping them manage potential and actual risks.**

This obligation has been made mandatory by law in leading economies, including Germany, France, Australia, and Norway, and looks set to be adopted by the EU. Moreover, in September 2022 the Japanese Government issued its own Guidelines on Human Rights Due Diligence, which provide recommendations to Japanese businesses to follow the UNGPs and to carry out HRDD.

Therefore, Japanese and other businesses have a strong incentive to undertake HRDD to reward responsible businesses in alignment with increasingly global practices; namely, should they fail to do so, they may be unable to access EU and other major markets while facing reputational and legal risk.

The JSB 2022 B+HR Global project's outcome is to preserve competitiveness of Japanese companies and promote responsible business conducts in Japan and the target countries, through providing Japanese businesses, suppliers and partners with assistance to improve their ability necessary for respecting human rights in their business including conducting human rights due diligence business as well as the authorities in the target countries with support in implementing or conducting NAP on business and human rights or the equivalent policies.

The project has **two outputs**:

Output 1: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights standards throughout their value chains in 14 countries.

Activity 1.1: Blended training courses (a combination of web based and in person courses) on Human Rights Due Diligence.

Activity 1.2: Guidance to selected companies interested in conducting Human Rights impact assessments or in assessing their impact on peace and conflict in specific country contexts.

Output 2: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action Plans on Business and Human Rights (NAP) or similar policies.

Activity 2.1: Advocating for the adoption of NAPs or similar policies that introduce a responsible business environment with a level playing field for businesses, or providing assistance for the steady implementation of those adopted already.

Activity 2.2: Technical Assistance for the authorities of target countries to develop baseline assessments, where needed, to determine the most salient Human Rights challenges caused by operations of companies (including Japanese companies), their suppliers and partners, with inputs from CSOs and NHRIs.

Activity 2.3: Facilitation of peer learning opportunities among states, including their presence at regional and annual forums on Business and Human Rights, which UNDP has conducted since 2016 in Asia, as well as subsequently in other regions including Africa and Eastern Europe.

The JSB 2022 B+HR Global project will be implemented in the context of Phase IV of UNDP's Global Programme for Strengthening Rule of Law, Human Rights, Justice and Security. This is the overarching framework for all of UNDP's global work on the rule of law and human rights. Indeed, as part of the Global Programme, UNDP's ongoing Business and Human Rights initiative, currently implemented across the five regions where UNDP is active, already works with governments and businesses around the world to promote implementation of the UNGPs by: supporting the drafting and implementation of National Action Plans, supporting businesses in carrying out HRDD, supporting victims of abuses in accessing remedies, and working with companies to build peace in conflict-affected areas.

I. DEVELOPMENT CHALLENGE

1.1 Situation analysis

Less than 10 years from the end of the term set for the implementation of the 2030 Agenda, the 17 Sustainable Development Goals (SDGs) will not be fulfilled unless all relevant actors step up their efforts.

The global discourse on the importance of responsible business practices has been rapidly growing in the last ten years due to investor interest, consumer pressure and regulatory demands. More and more businesses have been adopting human rights policies and engaging in Human Rights Due Diligence, as required by the UN Guiding Principles on Business and Human Rights (UNGPs).¹ This process requires businesses **to identify, prevent and mitigate adverse impacts on people, thereby helping them manage potential and actual risks.**

This requirement has been adopted by some developed economies, including Germany, France and Norway, and looks set to be adopted by the EU. They have adopted laws and policies including the French Duty of Vigilance Law (2017), the Dutch Child Labour Due Diligence Law (2019), the German Supply Chain Law (2021). Most recently, the Government of Japan adopted its Guidelines on Respecting Human Rights in Responsible Supply Chains (hereafter referred to as ‘the Guidelines’).

The Guidelines align closely to the UNGPs: they state that “in order to meet the corporate responsibility to respect human rights, business enterprises are required to formulate their human rights policy, conduct human rights due diligence, and provide remedy when business enterprises cause or contribute to adverse human rights impacts.”² The Guidelines go on to provide direction to businesses on how to conduct Human Rights Due Diligence (HRDD), including how to identify adverse or potential human rights impacts, consult vulnerable groups, and consider the difficulties of conducting business in conflict-affected areas.

Japanese and other businesses that do not respect human rights under the UNGPs generally, and the requirement to conduct HRDD specifically, face a number of risks: a failure to access the EU and other major markets, a loss of reputation, and potential legal liability. Conversely, **businesses that do respect human rights and carry out HRDD can accrue a number of advantages.**

As the Guidelines highlight, “business efforts to respect human rights should, needless to say, aim to prevent, mitigate, and remedy adverse human rights impacts from business activities.”

In addition, these highlight that, “as a result of continuing to meet their responsibility to respect human rights,” businesses’ “efforts to respect human rights reduce the management risks that business enterprises face”, such as boycotts against product as services. In addition, “promoting efforts to respect human rights further strengthens responses to [the above-

¹ For example, Facebook’s release of a corporate human rights policy publicly articulated its commitment to upholding human rights, <https://about.fb.com/news/2021/03/our-commitment-to-human-rights/>.

² Guidelines on Respecting Human Rights in Responsible Supply Chains, p.7.

mentioned] laws and regulations and enhances predictability in global business.” Finally, businesses “may benefit from positive impacts in terms of business management”, such as “improvement of the corporate brand image, more positive ratings as an investment location, improved relationships with business partners, development of new business partners, and the acquisition and retention of excellent personnel”. These benefits, as a consequence, emphasise the Guidelines, increase competitiveness domestically and abroad and enhance corporate value.³

Another benefit of carrying out HRDD for Japanese companies is that it can lead their suppliers (across the countries targeted in the project and across the world) to do likewise, while prompting the adoption of laws and policies on responsible business, including National Action Plans, in developing countries.

1.2 Global Development Priorities

Against this global backdrop, the UN system has responded with a persistent emphasis on the importance of support for the rule of law, justice, security and human rights; and for strengthened linkages between, and more coherent and coordinated efforts in, the humanitarian, peace and development spheres.

During Phase IV of the Global Programme for Strengthening the Rule of Law, Human Rights, Justice and Security for Sustainable Peace and Development (2022-2025), under which the JSB 2022 B+HR Global project will be carried out, **UNDP is paying particular attention to the need to harness the participation of businesses, under the framework of the UNGPs, to contribute to the realisation of wider global development priorities:** Agenda 2030 (containing the 17 SDG), the Sustaining Peace Agenda (as articulated in the recent Peacebuilding and Sustaining Peace: Report of the Secretary-General)⁴, and the Secretary General’s Call to Action on Human Rights (a transformative vision for human rights that recognises human rights are essential to addressing the broad causes and impacts of all complex crises and building sustainable, safe, and peaceful societies).⁵

1.3 Global justice and human rights challenges

a) Human rights, human agency and participation

Disregard for human rights, by governments and businesses alike, is widespread. Egregious and systematic human rights violations, including rampant impunity, rising hate speech, misogyny, exclusion, discrimination and unequal access to resources and opportunity, remain commonplace. People are being left behind and the human rights agenda is being instrumentalised for political purposes.⁶ Increasing numbers of governments have adopted laws and practices that constrain civic space and curtail civic freedoms, including the freedom of expression and the freedom of association and assembly. Governments often instrumentalise businesses to do this, through means including the increasing use of online attacks, internet shutdowns, censorship, surveillance and targeted persecution of online

³ Guidelines on Respecting Human Rights in Responsible Supply Chains, p.5.

⁴ A/74/976–S/2020/773 (July 2020).

⁵ See <https://www.un.org/en/content/action-for-human-rights/index.shtml>.

⁶ UN Secretary-General, *The Highest Aspiration: A Call for Action for Human Rights* (2020), 1.

users, for example.⁷ Further, there is a frequent government-business nexus in intimidation and reprisals against human rights defenders, national human rights institutions and other rights-based civil society actors.

b) The justice gap

Access to justice is a core state function. Yet at any one time, there are 1.5 billion people, including many victims of business-related abuses, who cannot resolve their criminal, civil or administrative justice problems.⁸ It has proved particularly difficult to secure access to remedy with respect to accountability for corporate wrongdoing and for business-related human rights harms. As was noted in a recent report by the Office of the High Commissioner on Human Rights to the UN General Assembly, “the lack of accountability and remedy in business and human rights cases demands urgent attention from both State and business actors, not least because the right to remedy is a core tenet of the international human rights system.”⁹

c) Conflict and violence

According to the Global Peace Index, global peacefulness declined to its lowest level in fifteen years, fueled by the full-scale invasion of Ukraine by Russia and post-Covid-19 uncertainty.¹⁰ The full-scale Russian invasion of Ukraine contributed significantly to a sharp deterioration in deaths from international armed conflicts, while contributing to the rise of costs which has increased food insecurity and political instability globally.

In the recent years, conflict has become more complex and protracted, increasingly driven by non-traditional security threats like economic stagnation, irregular migration and displacement, environmental degradation, competition for natural resources or rapid growth in cities.¹¹ The role of businesses in conflicts, both positive and negative, has increased with this complexity, as businesses can act both as drivers of conflict and as a crucial tool in post-conflict reconciliation. Private and public investments in fragile and conflict-affected settings can both contribute to trust and stability but also sustain, exacerbate or even cause conflict.¹²

1.4 Urgency

This project presents an **urgent reason** which is based on a **concern that Japanese companies could become less competitive**. There is a wave of above-mentioned laws and policies on HRDD recently enacted with unforeseen speed by leading economies. As we have noted, following the laws on HRDD adopted by Germany and Norway in 2021 and France (and Australia) in previous years; a comprehensive Dutch law and an EU Directive on the subject is currently being negotiated and is expected to be adopted at some point in 2023. Additionally, the Guidelines adopted by the Government of Japan in September 2021, provide a direction to companies on how to ensure compliance with Human Rights standards, and request those to undertake their efforts accordingly.

⁷ See CIVICUS, 11: <https://www.usip.org/publications/2021/07/digital-technologys-evolving-role-politics-protest-and-repression>.

⁸ Task Force on Justice, Justice for All – Final Report. (New York: Center on International Cooperation, 2019) at <https://www.justice.sdg16plus/>, 35.

⁹ A/HRC/50/45, p.3

¹⁰ <https://www.visionofhumanity.org/maps/>

¹¹ UNDP Strategic Plan 2022-2025.

¹² See for example, <https://www.bbc.com/news/world-asia/57837072>. Also, IFC, Generating Private Investment in Fragile and Conflict-Affected Areas (International Finance Corporation, Washington D.C.:2019).

If Japanese companies do not implement this practice in their supply chains, they will not only be less competitive in the European market, especially once the EU adopts its legislation on HRDD, as expected in 2023, but also face a clear liability risk. Similar regulations already exist in the U.S., prohibiting the import of goods produced through forced labour.

These laws have directly affected Japanese companies' competitiveness already. In May 2021, unexpectedly, Uniqlo had a shipment of shirts seized by U.S. Customs and Border officials¹³ because it was alleged that they were made in China's Xinjiang region under suspected forced labour conditions. Similarly, in July 2021, French prosecutors opened an investigation against four fashion retailers, including Uniqlo, for concealing "crimes against humanity" in China's Xinjiang region.¹⁴ Other examples abound: the U.S. barred the import of rubber gloves from Malaysia after evidence uncovered forced labour in factories run by the world's top rubber glove maker;¹⁵ Malaysia is the top exporter of rubber gloves to Japan.¹⁶

Moreover, Japanese companies, just like all other companies, that do not respect human rights could incur serious harm to their reputations. Conversely, in a global market where adherence to human rights standards is monitored very closely by media, regulators, courts and consumers, those companies that are able to demonstrate clean and green operations have clear advantages in placing their products on the market over those associated with abuses. These harms and benefits are heightened because companies' human rights records are increasingly publicly measured. Possibly the most prominent example is the Corporate Human Rights Benchmark (CHRB), which measures 230 leading companies on their human rights performance. This project could help to improve Japanese companies current low scores (a calculation carried out by UNDP of the 22 Japanese companies measured by CHRB in 2022 shows them scoring an average of 20.2% on the category of "embedding respect and human rights due diligence"; an uptick from 2020 (14.3%) that should be credited at least in part to the growing awareness and abilities in the HRDD field, but still with room for improvement compared to companies from other leading economies)¹⁷ The project will aim to further increase these scores, and to thereby make Japanese companies more competitive on EU, the U.S. and other markets that are demanding companies carry out HRDD and respect labour and human rights.

Thus, to sum up the urgent reason for this project: with the adoption of the Guidelines by the Government of Japan and the unforeseen speed that developed states are continuing to adopt HRDD laws, it is urgent that Japanese companies adopt these practices to safeguard their competitiveness, avoid reputational and liability risks that may result from abuses present within their supply chain and protect human rights in their operations.

1.5 Necessity

In a poll findings referenced in the proposal below, 97% of Japanese companies expressed their needs to increase their level of knowledge on HRDD, 79.8% said the risks caused by

¹³ <https://www.wsj.com/articles/bans-on-forced-labor-goods-from-china-fuels-disputes-with-importers-11624881600>.

¹⁴ <https://www.business-humanrights.org/de/neuste-meldungen/french-launch-probe-into-uniqlo-zara-owner-andothers-over-forced-uighur-labour/>

¹⁵ <https://www.voanews.com/east-asia-pacific/us-bars-imports-top-rubber-glove-maker-amid-covid-surge>

¹⁶ https://klse.i3investor.com/blogs/bursainvestments/2021-02-14-story-h1541079550-Demand_for_Gloves_in_the_UK_Japan_and_Canada_2020_Figures.jsp#:~:text=Malaysia%20was%20the%20main%20importer,8%20billion.

¹⁷ <https://www.worldbenchmarkingalliance.org/publication/chrb/companies/>.

human rights was increasing, only 12% of the companies surveyed had a system for investigating and monitoring human rights issues including indirect suppliers, and 55% expressed a desire to learn about best practices on HRDD. Moreover, even where Japanese businesses are able to introduce these changes in their companies, they need support from their Governments to do so in supply chains, which span across the targeted countries and the world.

Finally, UNDP's experience has shown that such changes cannot be introduced 'company by company'; while Japanese companies will be drivers of change for their suppliers to introduce HRDD, broader change can only be brought about by laws and policies, such as NAPs, which developing countries require concerted donor support to introduce. UNDP has seen from practice that there is a 'cascading' effect when it comes to the introduction of HRDD. Our theory of change is that, once Japanese companies are trained by UNDP to carry out HRDD, triggered by the global efforts to request greater respect for human rights by business, efforts by those companies to respect human rights will progress, and they will then also prompt their suppliers to do likewise (or also following UNDP trainings). This will create momentum for the development of the NAPs and similar policies.

Thus, it is necessary that the Government of Japan provides support to Japanese companies, their suppliers, their partners and the countries where Japanese companies and their suppliers are operational.

1.6 Unpredictability

The international framework for responsible business is evolving at a rapid pace. Most notably, there has been, in the past year, a tremendous acceleration in the imposition of the obligation for companies to carry out HRDD. The adoption of laws by Germany and Norway in June 2021, the proposed EU Regulation prohibiting products made with forced labour from being sold on the EU market, along with the draft EU Corporate Sustainability Due Diligence Directive issued by the European Commission in the spring of 2022, and the position on the text of this Directive by the Council of the European Union in December 2022 (expected to be the basis for a finalized version of the Directive to be adopted in 2023), signifies the unpredictability of the environment in which Japanese companies are operating.

1.7 Unsubstitutability

Japanese companies are lagging behind their counterparts of Europe and G7 economies in introducing HRDD and responsible business practices. At the same time, there is a case where developing countries in which Japanese companies are operational are lacking resources and/or incentives to adopt laws and policies to implement the UN Guiding Principles on Business and Human Rights and spark a just recovery.

The Government of Japan is uniquely positioned to support Japanese companies and their suppliers to introduce HRDD, while also supporting systemic change by providing assistance to target countries to adopt NAPs and other laws and policies.

1.8 Other issues

The introduction of HRDD by Japanese companies and their suppliers can have a major impact on settings affected by hostilities like Ukraine, where Japanese businesses have to use a heightened version of HRDD to determine their responsibilities to protect human rights.

The introduction of HRDD will help Japanese companies manage economic risks, potential legal liabilities and reputational risks (including in conflict settings). This will possibly have an effect on saving jobs and improving livelihoods.

II. STRATEGY

As part of the Global Programme for Strengthening the Rule of Law, Human Rights, Justice and Security for Sustainable Peace and Development, the UNDP's Business and Human Rights initiative (B+HR) already works with Governments and Businesses around the world to promote implementation of the UNGPs. It does so by:

1. Supporting Governments in devising policies for responsible business based on the UNGPs (NAPs on Business and Human Rights and other governmental policies on responsible business).
2. Promoting a just recovery from the COVID-19 pandemic by ensuring businesses, in pursuing their economic upturn, carry out Human Rights Due Diligence in their supply chains.
3. Strengthening access to justice and access to adequate remedies for victims of business-related human rights abuses by working with National Human Rights Institutions (NHRIs), judiciaries and civil society organizations (CSOs).
4. Building peace by working with States, companies, and CSOs to eliminate human rights abuses that are often the root causes of conflict and displacement.

Therefore, building on various experience, **UNDP will provide support in the two following immediate priorities:**

1. Strengthening responsible business conduct of Japanese businesses and their partners by supporting them in carrying out Human Rights Due Diligence

The global discourse on the importance of responsible business practices has been rapidly growing over the past decade and more due to investor interest, consumer pressure and regulatory demands. The Human Rights Council got the ball rolling with its unanimous adoption of the UN Guiding Principles on Business and Human Rights (UNGPs) in 2011. The UNGPs clarified the responsibilities of states and businesses to human rights and **introduced a pivotal new concept - the responsibility of businesses to carry out Human Rights Due Diligence**. This is a process that **requires all businesses to identify, prevent and mitigate adverse impacts on people and the environment, thereby helping them manage potential and actual risks**.

The UNGPs prompted **a number of member states to adopt key policies and laws that would give effect to them**. **On the policy front**, twenty-seven of the world's largest economies, including Japan, have adopted National Action Plans (NAPs) on Business and Human Rights, and other relevant policies, such as the Guidelines adopted by the Government of Japan. In those countries, companies are acting rapidly to ensure their compliance with NAPs and the UNGPs. As provided in the UNGPs, companies are examining their operations where they are domiciled, and throughout the length of their global value chains. In Thailand, for example, the policy commitments undertaken in the NAP through specific chapters dedicated to both Human Rights and the Environment brought about a significant reduction of abuses in the fisheries sector. As a consequence, trade flows with the EU that had been interrupted were recently restored.

On the legislative front, as was mentioned above, several major economic powers have enacted influential laws, including the Modern Slavery Acts of Australia and UK, and mandatory Human Rights Due Diligence laws enacted in France, Germany and Norway.

Examples of risks for (Japanese) companies due to evolving legislation on Human Rights Due Diligence

These laws are already influencing corporate practices, not least through court decisions. A February 2021 judgment by a French court invoked the country's 'Duty of Vigilance' law to assert jurisdiction over oil company Total for its major contribution to climate change and the inadequacy of its plans to reduce emissions. Moreover, in May 2021 a Dutch court ordered Royal Dutch Shell to cut its global carbon emissions by 45% by the end of 2030 compared to 2019 levels.² The Court invoked the United Nations Guiding Principles on Business and Human Rights in ruling that Shell's sustainability policy was insufficiently "concrete" and that the company's suppliers and buyers had to meet targets set by the Paris Agreement.¹⁸

In the US, norms introduced to counter practices of forced labour have resulted in a growing volume of goods being stopped at the US border as they were found to be associated with Human Rights abuses. A sweeping ban on all tomatoes and cotton produced in the Xinjiang region¹⁹ was introduced in January this year. A few months earlier a similar ban hit the Rubber Industry in Malaysia.

The transnational nature of the responsible business movement **has already directly affected Japanese companies' competitiveness.** As noted above in section 1.2 (urgency), in July 2021, French prosecutors opened an investigation against four fashion retailers, including Uniqlo, a Japanese company, for concealing "crimes against humanity" in China's Xinjiang region.²⁰ In another example mentioned earlier, in May 2021 Uniqlo unexpectedly had a shipment of shirts destined for import in the United States stopped by U.S. Customs and Border officials²¹ because they were made in China's Xianjiang region under suspected forced labour conditions. Finally, as was also mentioned above in section 1.2, the introduction of global initiatives such as the Corporate Human Rights Benchmark to measure companies' respect for human rights has raised the stakes for all corporations, including Japanese ones; they should ensure they adhere to the UNGPs by carrying out HRDD, or else they face scrutiny and negative publicity for their failure to do so.

On top of the profound effect of these laws and court decisions, perhaps the most influential piece of legislation is on the horizon. In response to activists' demands and building on its member' states laws, **EU has been engaged in developing a directive on mandatory HRDD. As noted above, following proposals by the European Parliament and the European Commission, the Council of the EU issued its position on the directive in December 2022.** It is expected that the directive **will be adopted in 2023.**

This initiative is **expected to have global repercussions**, given the materiality of the EU market for Multinational Enterprises. The current proposal would make compliance with

¹⁸ <https://uitspraken.rechtspraak.nl/inziendocument?id=ECLI:NL:RBDHA:2021:5339>

¹⁹ <https://www.nytimes.com/2021/01/13/business/economy/xinjiang-cotton-tomato-ban.html>

²⁰ <https://www.business-humanrights.org/de/neuste-meldungen/french-launch-probe-into-uniqlo-zara-owner-andothers-over-forced-ughur-labour/>

²¹ <https://www.wsj.com/articles/bans-on-forced-labor-goods-from-china-fuels-disputes-with-importers-11624881600>.

Human Rights standards obligatory for all EU companies operating at home and abroad, and any non-EU company selling goods or providing services in the EU. This would mean that **companies, including many Japanese companies, will be required to carry out so-called “Human Rights Due Diligence”**. This obligation is expected to apply across the value chain of these companies, which means it will eventually be required of suppliers and buyers in developed and developing countries alike.

These examples clearly show the direction that the discourse around responsible business practices is taking in G7 Economies and, indirectly, in all countries connected to their companies’ supply chains. Ensuring that their operations are respectful of People and Planet is not optional anymore for companies domiciled in Europe, US and Australia and other leading economies. Many of these businesses are already responding to current and upcoming regulations in order to stay competitive and reduce their legal, operational and reputational risks.

2. Mitigating risks to Japanese companies

The **adoption of the Japanese National Action Plan on Business and Human Rights in October 2020, followed by the adoption of the Guidelines**, are significant steps in the right direction; so is the growing interest of Japanese companies in learning about HRDD, which may have been partly due to the report in international and national media of their links with abuses of human rights in the Xinjiang region of China, among others.

A poll of nearly 200 representatives of Japanese companies conducted by UNDP shows how strong their incentives to introduce HRDD are. The half of those surveyed (50%) fear reputational risk and damage to their corporate image as a consequence of failing to introduce HRDD. At the same time, 38% believe that not introducing HRDD would endanger their companies’ access to the EU and other markets, 35% stated it would leave them at risk of legal liability, while 23% believe it would lead to a lack of competitiveness and 16% worried about divestment as a consequence. Nearly a third (31%) stated that their company could suffer from all of the above as a consequence.

These findings echo the results of a recent Nikkei survey, in which 79.8% of CEOs of Japanese companies stated that the risk caused by human rights issues was increasing.²²

At the same time, as the UNDP and Nikkei polls show, most Japanese businesses do not have the expertise to introduce these changes in their practices alone. Namely, 70% of respondents in UNDP’s poll said they were either unfamiliar with, or only had a basic understanding of, Human Rights Due Diligence, with a total of 97% stating they needed more knowledge on the subject. According to Nikkei’s survey, only 12% of the companies surveyed had a system for investigating and monitoring human rights issues including indirect suppliers. Accordingly, UNDP will employ its methodology for assessing human rights risks developed as part of its toolkit for training companies on HRDD, published in 2021.

Moreover, although the performance of Japanese companies on meeting human rights benchmarks still shows significant gaps²³, the growing interest in the subject and the legal,

²² Nihon Keizai Shimbun, 29 June 2021.

²³ See for example the score of Japanese companies as assessed by Corporate Human Rights benchmark : [Corporate Human Rights Benchmark WBA \(worldbenchmarkingalliance.org\)](https://www.worldbenchmarkingalliance.org/)

reputation and economic risk management incentives offer an opportunity to advance the responsible business agenda and with it, the planet's "just recovery".

Addressing the project's priorities

Following the developments outlined above, **Japanese businesses are now faced with three major intertwined sets of incentives to adopt HRDD practices and in doing so become an engine of just recovery:**

- (i) legislative (to comply with national, regional and international obligations);
- (ii) policy (driven by Japan's own National Action Plan, its Guidelines, and NAPs of other countries in which Japanese companies operate); and
- (iii) economic/reputational (for those wishing to remain competitive on the European and global markets).

UNDP proposes to continue to use the successful model it has utilised in a number of countries in Asia since 2016 and in other regions more recently to assist, in this transformation, Japanese businesses and companies that form a part of their value chain.

This assistance would come through a twin effort focused on:

- a) **Educating and training Japanese businesses, their suppliers and their partners.** Indeed, according to the aforementioned UNDP poll, 55% of Japanese businesses stated they would like to learn about best practices in carrying out HRDD, 43% said they need guidance on impact assessment, risk management and performance measurement, while 29% said they needed to increase their knowledge on the broader human rights risks in the countries where their supply chains were in place. The poll indicated that businesses needed a variety of methods, including toolkits and guidebooks (preferred by 33% of respondents), consulting (29%), and training (21%). Hence, UNDP would employ all of these measures in the course of the project while supporting Japanese businesses in their endeavors to implement HRDD.
- b) **Leveraging the importance of Japanese businesses in selected developing countries, the UNGPs, the above-mentioned legislation and other already noted incentives, to prompt their governments to adopt National Action Plans on Business and Human Rights and other laws and policies.**

This would **speed up and systematise the transformation of the private sector in these countries, levelling up the playing field and ensuring Japanese businesses maintain their competitiveness while complying with their obligations to People.**

UNDP is the leading operational actor supporting the implementation of the main global standards for responsible business: the UN Guiding Principles on Business and Human Rights. Its engagement in the sector includes work in all five of the regions where it is operational: Asia and the Pacific, Eastern Europe and Central Asia, Africa, Latin America and the Caribbean, and the Arab States regions.

UNDP can count on senior expertise already in place in four continents, a strong network of partnerships already established, and unmatched field presence of Rule of Law and Human Rights across over 150 Country Offices. UNDP has a dedicated global team working on business and human rights which global advisers and includes specialists on the topic working in 27 countries. In addition, UNDP can rely on its representation Office in Tokyo,

which has experience in working with the private sector, as evidenced by its Memorandum of Understanding with Keidanren, the Japanese Business Federation.

Making a difference at country level

UNDP reviewed more than 30 Country contexts where boosting responsible business practices appears most urgent. The data collected in the desk review was matched with the following prerequisites which were judged essential to guarantee short term impact:

1. Urgency to support inclusion of a responsible business prospective in post-pandemic recovery plans.
2. Presence of Japanese Business/Trade interests and relevant links to supply chains of Japanese companies.
3. Relevance of the impact of business operations on Human Rights.
4. Existing initial political will to develop policies related to responsible business practices and Human Rights Due Diligence.
5. Existing capacity of relevant stakeholders to transform the input provided into impacts, in relatively short timeframes.

Eventually, for JSB 2022 UNDP identified 14 countries from all five regions where it is operational that were found to meet all the above criteria and where strong needs are recognized, and are therefore prioritized in the initiative as follows:

- **Asia and the Pacific:** Mongolia, Nepal, Indonesia, Pakistan, Thailand, Vietnam;
- **Arab States:** Tunisia;
- **Africa:** Ghana;
- **Eastern Europe and Central Asia:** Türkiye, Ukraine, Kazakhstan, Kyrgyz Republic;
- **Latin America and the Caribbean:** Mexico, Peru.

Of course, the JSB 2022 B+HR Global project will also be realised in Japan, where UNDP will carry out training sessions and hold events for companies in Tokyo and Osaka.

The Annex will present the context and expected impact of the project for each country selected. **The country profiles will contain an overview of key information pertinent to the project's success in each country.**

These include:

1. The level of involvement of Japanese companies and the size of their investment in the country in question;
2. The key issues around human rights abuses;
3. The presence or absence of political will to introduce laws and policies such as National Action Plans on Business and Human Rights;
4. The presence and strength of relevant institutions, such as National Human Rights Institutions, needed to hold companies accountable and provide meaningful access to remedy for victims of abuses;

The country profiles will provide detailed information on all these categories, although efforts were made to make them brief and user-friendly. Should the Japanese Government require more details on this category, UNDP would be happy to provide them.

III. RESULTS AND PARTNERSHIPS

3.1 Expected Results

a) Project Outcome and Outputs

Outcome: to preserve competitiveness of Japanese companies and promote responsible business conducts in Japan and the target countries, through providing Japanese companies, suppliers and partners with assistance to improve their ability necessary for respecting human rights in their business including conducting human rights due diligence business as well as the authorities in the target countries with support in implementing or conducting NAP on business and human rights or the equivalent policies.

The proposed outcome will be achieved by the following outputs through the activities and actions below:

Output 1: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains.

Activity 1.1: Blended training courses (a combination of web based and in person courses) on HRDD.

The representatives of Japanese companies, their supply chains and their partners will be prioritised.

It should be noted, however, that the project will address not only Japanese companies' risks in the target countries, but throughout their value chains – including risks that may arise when Japanese companies export from those countries to the U.S., Europe, or other countries that have introduced HRDD regulations. In practical terms, this means that, in addition to the studies on human rights risks facing companies in the target countries (under activity 1.1), the project will also highlight the legal and reputational risks emanating from the HRDD laws adopted by states such as Germany and France and policies adopted by countries such as the United States. The training foreseen under activity 1.1 is educating, and will continue to educate, companies on how to manage both types of risks (from target countries and from countries with HRDD laws).

The companies covered will include Japanese companies and their suppliers that are economically active in the target countries, as well as other companies to the extent that resources will allow it. The training will be provided to Japanese companies in Tokyo, as well as to their affiliates, subsidiaries and suppliers in targeted countries.

Activity 1.2: Guidance to selected companies interested in conducting Human Rights impact assessments or in assessing their impact on peace and conflict in specific country contexts. This type of support is sought by Japanese companies, according to a UNDP poll, in which 43% responded that they needed guidance on risks that they face in countries where they are operating. Accordingly, responding to demand, UNDP has conceived of the last component of its B+HR Academies as featuring one-on-one guidance provided for individual representatives of Japanese companies, their suppliers and partners by experts either from the ranks of UNDP or recruited by UNDP for this purpose. The sessions will last up to 90 minutes, with translation provided for business representatives that speak only the Japanese language.

Output 2: Governments and other state authorities of 9 countries are supported in the development or implementation of NAPs or similar policies.

Activity 2.1: Advocating for the adoption of NAPs or similar policies that introduce a responsible business environment with a level playing field for businesses, or providing assistance for the steady implementation of those adopted already. UNDP will back the adoption and/or implementation of policies that promote responsible business practices for all businesses, thereby backing the gradual levelling of the playing field for businesses that respect human rights. In this sense, the support from Japan to this initiative would be perfectly coherent with its adoption of a NAP in October 2020.

Activity 2.2: Technical Assistance for the authorities of target countries to develop baseline assessments, where needed, to determine the most salient Human Rights challenges caused by operations of companies (including Japanese companies), their suppliers and partners, with inputs from CSOs and NHRIs. Our efforts would aim to use the momentum created by the improved practices of Japanese companies and their suppliers to create a level playing field through the provision of training and the creation or of a NAP (under activity 2.1). Thus, as mentioned above, resources permitting, the project will target companies beyond those strictly linked to the supply chain of Japanese businesses.

Activity 2.3: Facilitation of peer learning opportunities among states, including their presence at regional and annual forums on Business and Human Rights, which UNDP has conducted since 2016 in Asia, as well as subsequently in other regions including Eastern Europe.

Regional and global forums are a great opportunity for the Government Japan to share its own learning in the BHR field as it happened successfully in Bangkok and Geneva in 2022 through the participation of the Special Advisor to the Prime Minister of Japan for international human rights issues. These opportunities will continue to be leveraged in this project.

It should be noted that, in some of the countries covered by the JSB summer submission, UNDP is already providing support to the development and implementation of NAPs through existing donor-funded projects. The country plans (below) reflect this fact; thus, in Mongolia, Thailand, Vietnam, Pakistan and Indonesia, output 2 is not funded, because it is covered by UNDP activities in other projects.

3.2 Partnerships

a) Partnership with UN Agencies (not joint programme)

In the course of implementing the project, UNDP will continue to partner with the UN Working Group on Business and Human Rights, OHCHR, ILO, UNICEF, UNEP, and other relevant agencies.

b) Japanese Agencies (NGOs, Private Sectors and JICA etc.), business associations and civil society

Among Japanese agencies, in target countries, UNDP will continue to partner with: Japanese Embassies, JETRO/JICA together with Japanese private sector such as Keidanren. In Japan,

UNDP will partner with: Ministry of Foreign Affairs, Ministry of Economy, Trade and Industry, Small and Medium Enterprise Agency, Ministry of Justice, Centre for Human Rights Education and Training, etc. In particular, UNDP will implement JSB 2022 B+HR Global in close communication with local Japanese Embassies, and in light of evolving conditions in target countries.

UNDP has fostered partnerships with numerous UN agencies and other entities in implementing its business and human rights programming across Asia, Africa, Eastern Europe and Central Asia, and globally. It has jointly organized regional forums on Business and Human Rights with OHCHR, ILO and OECD, among others and it will continue to coordinate, exchange best practices and enable peer-learning for Japanese companies and their suppliers, as well as for government officials in target countries. In 2022, UNDP launched, in partnership with the UN Working Group on Business and Human Rights, a [Guide for companies carrying out Heightened Human Rights Due Diligence](#) in conflict-affected areas.

UNDP's proposal will continue to complement efforts by Japanese institutions to help Japanese companies become aware and manage risks associated with Human Rights Due Diligence. In Japan, UNDP will cooperate with the Ministry of Foreign Affairs, the Ministry of Economy, Trade and Industry and other relevant institutions. The project will also continue to cooperate with Japanese Embassies, JETRO, and JICA in ensuring coordination and synergies where possible in the target countries, as well as in raising awareness among Japanese businesses, their suppliers and partners about how to introduce HRDD.

c) Relations with other donors

The JSB 2022 B+HR Global project will be implemented in 14 countries. As was mentioned above, in some of these countries, including Indonesia, Thailand, Vietnam and Mongolia, UNDP is already supporting the development and implementation of NAPs through projects funded by donors including the EU and Sida. As a result, to ensure coordination of donor efforts, in these countries, the JSB 2022 B+HR Global project won't be implementing output 2 (focused on the development of NAPs). UNDP will also ensure coordination with donor-funded projects that it might develop and begin implementing in some of the countries covered by the JSB 2022 B+HR Global project.

As this project sits under the Framework of the Global Programme on Rule of Law and Human Rights, there will also be an opportunity for Japan to participate in regular partner meetings held with all of the donors of the Global Programme. This will ensure further coordination and alignment with other international donors while increasing the visibility of the Japanese contribution in the Rule of Law, Security and Human Rights (ROLSHR) sphere.

d) Contribution to broader strategic goals

JSB 2022 B+HR Global is aligned with the 2030 Agenda for Sustainable Development and the achievement of the SDGs. In particular, it will contribute specifically to Elimination of Poverty (SDG 1); to Gender Equality and Empowerment (SDG 5); Decent Work and Economic Growth (SDG 8); to Reducing Inequalities (SDG 10); to greater levels of Peace, Justice and Strong Institutions (SDG 16), and to; the Revitalization of the Global Partnerships for Sustainable Development (SDG 17).

3.3 Donor Visibility and Stakeholder Engagement

UNDP's communications efforts will continue to generate donor visibility across multiple channels. The global communication strategy for the project will be developed and disseminated throughout the target countries and regions.

The contributions of the Government of Japan to JSB 2022 will be highlighted through the most effective communications methods identified at country, regional and global levels, focusing on Japan's strong interest to help contribute to responsible business practices in the field. An additional priority will be reporting on human interest stories, which aim at highlighting and connecting the implications of UNDP's work and the contribution of the Government of Japan with the impact on people and communities. In its implementation of visibility activities, each of the 15 Country Offices will continue to be minded to closely coordinate with the local Embassies of Japan.

To do so, UNDP will further emphasise its efforts on visibility, including through three new activities focused on highlighting the impact of the project to the public.

First, it will develop a quarterly newsletter to be uploaded on the corporate website and shared via email with our 3000+ mailing list to highlight the results of the project, which will be, at least in part, available in Japanese and in English.

Second, UNDP will produce short thematic reports (on activities such as HRDD training, guidance sessions, HRDD in conflict-affected areas, and so on), in English and Japanese, and disseminate them to stakeholders including the Government of Japan and Japanese companies, to highlight the impact of the project

Third, UNDP will use its strong outreach capacity at field level to communicate in English and local languages through social and traditional media about the impacts achieved with support from the Government of Japan.

These activities will be complemented by other communication activities that will be developed over the course of the JSB 2022 project. The project will feature a roundtable in Tokyo hosted by UNDP and MOFA and other relevant institutions, and highlight, for example, progress made regarding projects related to business and human rights which have been implemented by UNDP. This will be followed by numerous communication activities/outputs, including events (such as press conferences) statements and video footage from seminars, a social media campaign, and at least one article to be published on the project and its aims. All of these activities and outputs will be aimed at raising awareness of the project and its efforts to promote responsible business practices by Japanese companies and their partners. These communication activities and outputs will be tailored to audiences in the various countries where the project is being implemented, including Japanese audiences. UNDP will also promote the project at its Annual Meeting on Rule of Law and Human Rights, including with its development partners.

3.4 A note on confidentiality

When it comes to model cases UNDP will not, as a rule, publicly identify individual companies with areas for improvement; with regard to companies that have generated best practices, we may identify these companies in reports produced by the project, workshops, our communication tools and any other training/learning materials only upon receiving their consent.

IV. PROJECT MANAGEMENT

4.1 Cost efficiency and effectiveness

In an effort to consolidate and strengthen UNDP's global response as well as country-level support on rule of law, justice, security and human rights, all of UNDP's global capacities in rule of law and human rights have been brought together into one ROLSHR technical team. This allows UNDP to continue to build its global profile and deepens its rule of law and human rights assistance in all environments and takes its role as part of UNDP's GPN forward. This enhanced team maintains a presence at the New York and Geneva headquarters, as well as in the UNDP Regional Hubs in Addis Ababa, Amman, Bangkok, Istanbul and Panama, with staff also located in satellite offices in Dakar, the Caribbean and Nairobi. The ROLSHR team, located within the UNDP Crisis Bureau, manages and implements the Global Programme on Rule of Law and Human Rights. It works closely with the UNDP Regional Bureaus, the Regional Hubs and UNDP Country Offices to develop and deliver high-quality, context-specific support to rule of law, justice, security and human rights in a wide range of contexts. While project staff will have defined roles and responsibilities, they will also be integrated into this wider ROLSHR team under the Global Programme, thus allowing them to benefit from the vast experience, knowledge and contacts accrued by UNDP, particularly in regional bureaus and country offices where the project is to be implemented.

This project will benefit from having access to a wide variety of global experts available to support when needed. This project will also benefit from UNDP's Global Policy Network (GPN) and leverage existing mechanisms such as the GPN's online communities of practice and develop new ones to encourage the exchange of experiences, knowledge and emerging good practices in the Business and Human Rights sector horizontally (across country contexts) and vertically (at the country, regional and global levels).

Given that this project will be implemented under the Framework of the Global Programme on Rule of Law and Human Rights, and given UNDP's experience as well as policies and procedures, all country activities will ensure cost-efficient use of resources by:

- Exploring different options to achieve the maximum results with available resources
- Using a portfolio management approach to improve cost effectiveness by leveraging activities and partnerships with other initiatives/projects.

4.2 Project management

The project will be managed under the overall framework of the Global Programme on Rule of Law and Human Rights. This will provide further quality assurance and oversight as well as further dedicated staff support in the inception phase of this specific project. This specific project will also have several dedicated staff (HQ project team), including: a Liaison Officer with Japanese companies/in charge of Business and Human Rights Academy Japan (at P4 level); a P3 Global Project Coordinator; a National Partnership Specialist; and a G5 Administrative Assistant, while being overseen part of the time (50%) by a Global Business and Human Rights Advisor (at P5 level).

The aforementioned HQ project team shall be responsible for supporting and providing quality assurance to all UNDP Country Offices in the target countries. Each UNDP Country Office shall proceed with the project based on guidance from the HQ project team on a case-by-case basis, especially in the formulation of project policy, implementation and operation, progress management, budget management, etc.

UNDP Country Offices shall implement and the above HQ project team shall oversee and quality assure projects with particular attention to the national partners and the opinion and thoughts of the donors, which is the Ministry of Foreign Affairs of Japan and the Embassies of Japan, as mentioned in 3.2 b), and shall respond to them in a prompt manner by providing information and explanations for any inquiries received.

As the project's overall functioning is carried out under the Global Programme, the ultimate accountability for its implementation shall lie with the Head of Rule of Law, Security and Human Rights at UNDP's Crisis Bureau in Headquarters/New York as guided by Crisis Bureau senior management and overseen by the Project Board. Especially, in the event that a situation arises or is anticipated that may hinder the operation or progress of the project, the Head of Rule of Law, Security and Human Rights shall, working with the relevant UNDP Resident Representative & Regional Bureau, take responsibility for containing or preventing the situation, incorporating in the risk log, taking into account the opinions of the donor, which is the Ministry of Foreign Affairs of Japan and the embassies of Japan and the Global Programme Project Board. The HQ project team will inform the project risk log, in close coordination with the Resident Representative and the Regional Bureau, which will be reviewed by the project board for decision making, as required.

V. MONITORING AND REPORTING

UNDP will undertake monitoring and reporting of project activities in accordance with its Programme and Operations Policies and Procedures (POPP) for Project Management. As a regular report, the progress of the project and budget execution rate shall be included in writing on a quarterly basis. As requested by Government of Japan, final narrative country reports, including interim financial reports, for individual countries will be prepared and submitted three months after the project's completion in a consolidated manner and submitted as one overall report. This single report will also feature a detailed description of the communication activities and outputs produced by the project. An annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year. In addition, UNDP shall respond to requests from the Ministry of Foreign Affairs of Japan or Embassies of Japan for reports on progress and actual conditions without delay.

VI. RESULTS FRAMEWORK²⁴

<p>Results Framework²⁵</p>
<p>Project title and Atlas Project Number: Promoting Responsible Business Conduct in target countries where Japanese companies operate, with a particular focus on promoting human rights due diligence in global supply chains: (JSB 2022 B+HR Global)</p>
<p>Intended Outcome as stated in the UNDP Strategic Plan's Integrated Results and Resource Framework: Primary Development Outcome 1: Structural transformation accelerated, particularly green, inclusive and digital transitions²⁶ Secondary Development Outcome 2: No-one left behind, centering on equitable access to opportunities and a rights-based approach to human agency and human development</p>
<p>UNDP Strategic Plan Outcome indicators including baseline and targets:</p> <p>Under Outcome 1</p> <p>Indicator 7: Proportion of gender-sensitive policy measures in total policy measures enacted in response to COVID-19, which address:</p> <ul style="list-style-type: none"> a) Women's economic security b) Unpaid care work c) Violence against women <p>Indicator 9: Percentage of achievement of legal frameworks in place to promote, enforce and monitor equality and non-discrimination on the basis of sex.</p> <p>Under Outcome 2</p> <p>Indicator 6: Proportion of informal employment, by sector and sex (ILO harmonized estimates)</p>
<p>Applicable Output(s) from the UNDP Strategic Plan:²⁷</p> <p>Output 2.2: Civic space and access to justice expanded, racism and discrimination addressed, rule of law strengthened, human rights and equity strengthened</p> <p>Output 2.3: Responsive governance systems and local governance strengthened for socio economic opportunity, inclusive basic service delivery, community security, and peacebuilding</p> <p>Output 3.2 Capacities for conflict prevention and peacebuilding strengthened at regional, national and sub-national levels and across borders</p> <p>Output E.2 Innovation capabilities built, and approaches adopted to expand policy options at global, regional, national and sub-national levels</p>
<p>Expected Programme Outcomes:</p> <p>To preserve the competitiveness of Japanese companies and strengthen responsible business practices in Japan and the target countries by improving the ability of national authorities, Japanese businesses, suppliers and partners to adopt and implement relevant standards on responsible business conduct and Human Rights Due Diligence.</p>

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²⁵ UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are

Programme Outcome Indicators

1.1. No. of Japanese companies operational in target countries and their suppliers trained in Human Rights Due Diligence

1.2 Number of policy documents on Business and Human Rights produced in target countries

S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

²⁶ See UNDP Strategic Plan 2022-2025, Signature Solution 2: Governance, where it states that output indicator 2.2 (Civic space and access to justice expanded, racism and discrimination addressed, rule of law strengthened, human rights and equity strengthened) primarily contributes to Outcome 1.

²⁷ The UNDP Strategic Plan, including the IRRF, is still being finalized, therefore the GP's results framework may need to be adjusted based on the final version of the IRRF.

EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁸	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)	DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 (2023-24)	
Output 1 Japanese companies, their suppliers and partners are supported in their efforts to remain competitive and drive a just recovery by ensuring compliance with Human Rights Standards throughout their value chains.	1.1 No. of Japanese companies operational in target countries (including in Japan) and their suppliers trained in Human Rights Due Diligence using UNDP's methodology and resources	UNDP	534	2022-23	300 companies trained	Data to be collected by country offices and the project team. To be submitted to the Government of Japan through quarterly reports to MOFA of Japan, as well as quarterly meetings with Embassies of Japan in the target countries.
	1.2 Offering guidance to selected companies on Human Rights impact assessments	UNDP	20	2022-23	50 companies provided closed-door guidance sessions provided for Japanese companies	Data to be collected by country offices and the project team. To be submitted to the Government of Japan through quarterly reports to MOFA of Japan, as well as bi-monthly meetings with Embassies of Japan in the target countries.

²⁸ It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

<p>Output 2 Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies.</p>	<p>2.1 Number of draft policy documents (National Baseline Assessments, National Action Plans) produced and/or updated</p>	<p><i>UNDP reporting</i> <i>Official target country sources</i></p>	<p>(a) National Baseline Assessments – 5 in finalised or draft form (b) National Action Plans - 3</p>	<p>2022-23</p>	<p>8 more NBA or NAP drafts supported or updated</p>	<p>Data to be collected by country offices and the project team. To be submitted to the Government of Japan through quarterly reports to MOFA, as well as bi-monthly meetings with Embassies of Japan in the target countries.</p>
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VII. WORK PLAN ^{29 30}

All anticipated programmatic and operational costs to support the project, including development effectiveness and implementation support arrangements, need to be identified, estimated and fully costed in the project budget under the relevant output(s). This includes activities that directly support the project, such as communication, human resources, procurement, finance, audit, policy advisory, quality assurance, reporting, management, etc. All services which are directly related to the project need to be disclosed transparently in the project document.

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMELINE	PLANNED BUDGET (in USD) Year 1	RESPONSIBLE PARTY	Funding Source
Output 1: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive and drive a just recovery by ensuring compliance with Human Rights Standards	1.1 Holding blended training courses on HRDD using UNDP's methodology and resources for Japanese companies and their suppliers in 14 target countries and Japan. 1.2 Offering guidance to selected companies on Human Rights impact assessments	1.1 April 2023 - March 2024 1.2 April 2023 – March 2024	920,000.00 <ul style="list-style-type: none"> Estimated direct country support for target countries is USD820,000. (between \$30-120,000 per year, may differ depending on country)) An additional \$100,000 dedicated to activities to be 	UNDP	Government of Japan In-kind contribution for staff support and inception phase as well as quality assurance and oversight by the Global Programme on Rule of Law and Human Rights

²⁹ Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32.

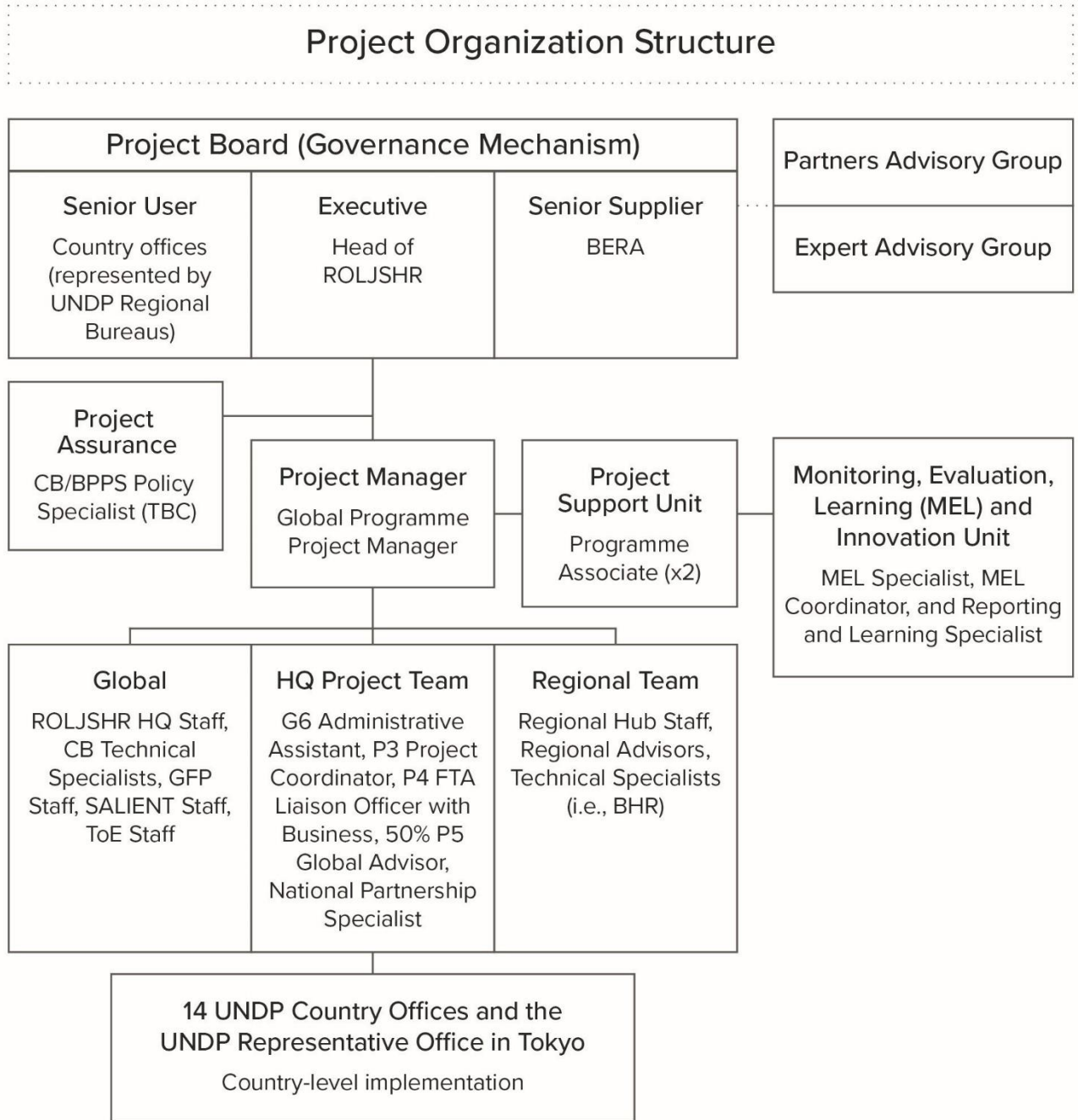
³⁰ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

throughout their value chains.			carried out in Japan (blended training courses on HRDD; guidance to selected companies on carrying out Human Rights Impact Assessments; etc.)		
	Sub-Total for Output 1		920,000.00		
Output 2: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies.	<p>2.1 Advocating for the adoption of NAPs or similar policies that introduce a responsible business environment with a level playing field for businesses.</p> <p>2.2: Technical Assistance to develop baseline assessments to determine the most salient Human Rights challenges caused by operations of companies (including Japanese companies), their suppliers and partners, with inputs from CSOs and NHRIs.</p> <p>2.3: Facilitation of peer learning opportunities among states, including their presence at regional and annual forums on</p>	<p>2.1 April 2023 – March 2024</p> <p>2.2 April 2023 – March 2024</p> <p>2.3 April - December 2023 (the regional forums on business and human rights, which are the primary peer-learning</p>	<p>680,000.00</p> <p>Estimated direct country support is \$60,000-\$90,000 per year (in 10 target countries where this sort of assistance is to be provided under this project; as mentioned above, in five target countries UNDP is already supporting the development of NAPs and other activities under this output through other donor-funded initiatives).</p>	UNDP	Government of Japan

	<p>Business and Human Rights, which UNDP has conducted since 2016 in Asia, as well as subsequently in other regions including Eastern Europe.</p> <p>2.4: Development of NAPs monitoring facilities in those countries where NAPs have already been adopted.</p>	<p>opportunities facilitated by UNDP, are tentatively scheduled to take place in June 2023 (Asia), September 2023 (Africa), October 2023 (Eastern Europe and Central Asia), and November 2023 (Global Forum).</p> <p>2.4 April 2023 – March 2024 (for the countries where NAPs have already been adopted).</p>			
	Sub-Total for Output 2		680,000		
Overall project management and advisory	<ol style="list-style-type: none"> 1. G6 Administrative Assistant (Geneva) 2. P3 Global Project Coordinator 3. P4 FTA Liaison Officer with Japanese Companies/in charge of Business and Human Rights Academy Japan 4. National Partnerships Specialist 5. 50% P5 Global BHR Advisor 	\$ 393,257	UNDP	Government of Japan	
Direct Project Costs	Quality assurance and oversight, monitoring and evaluation, reporting and communications	\$ 128,122			
Programme Net Budget		\$ 2,121,379			
GMS (8%)		\$ 169,710			
Sub-total		\$ 2,291,089			
Project Coordination Levy (1%)		\$ 22,911			
GRAND TOTAL		\$ 2,314,000			

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

Figure 3: Programme Governance and Management Diagram



IX. LEGAL CONTEXT

Option c. For Global and Regional Projects

This project forms part of an overall programmatic framework under which several separate associated country level activities will be implemented. When assistance and support services are provided from this Project to the associated country level activities, this document shall be the "Project Document" instrument referred to in: (i) the respective signed SBAA's for the specific countries; or (ii) in the [Supplemental Provisions to the Project Document](#) attached to the Project Document in cases where the recipient country has not signed an SBAA with UNDP, attached hereto and forming an integral part hereof. All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by [name of entity] ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

X. RISK MANAGEMENT

Option b. UNDP (DIM)

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the [project funds]³¹ [UNDP funds received pursuant to the Project Document]³² are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse ("SEA") and sexual harassment ("SH") allegations in accordance with its regulations, rules, policies and procedures.
6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

³¹ To be used where UNDP is the Implementing Partner.

³² To be used where the UN, a UN fund/programme or a specialized agency is the Implementing Partner.

7. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:

- a. Consistent with the Article III of the SBAA [*for the Supplemental Provisions to the Project Document*], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
 - i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - ii. assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.
- b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.
- c. In the performance of the activities under this Project, UNDP as the Implementing Partner shall ensure, with respect to the activities of any of its responsible parties, sub-recipients and other entities engaged under the Project, either as contractors or subcontractors, their personnel and any individuals performing services for them, that those entities have in place adequate and proper procedures, processes and policies to prevent and/or address SEA and SH.
- d. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
- e. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- f. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
- g. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

- h. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term “Project Document” as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- i. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.
- j. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
- k. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled “Risk Management” are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled “Risk Management Standard Clauses” are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

ANNEX – COUNTRY PROFILES AND BUDGET ALLOCATIONS

Country plan – Indonesia

Overview

Category	
Involvement of Japanese companies and/or investment	<p>According to the United Nations COMTRADE database on international trade, in 2021 Indonesia exported USD 17.855 billion to Japan, while Japan's exports to Indonesia amounted to USD 13.351 billion (a significant increase from USD 9.2 billion in 2020).</p> <p>According to data of the Investment Coordinating Board (BKPM) Japan is the third-largest foreign investor overall in Indonesia, trailing China and Singapore.³³ In 2020, despite the COVID 19 crisis, it invested a total of \$4.3 billion yen. The majority of these investments are import-substitution orientated and located primarily in manufacturing. In December 2020 Japan offered to invest \$4bn in Indonesia's brand-new sovereign wealth fund, with the money intended for toll roads, seaports and airports³⁴.</p>
Government involvement and political will on Responsible Business	<p>The Government of Indonesia was the first in Asia to follow in Thailand's footsteps in 2018 when it started developing a National Action plan on Business and Human Rights. The policy commitment to the implementation of the UNGPs has been formally expressed, since then, in various international forums including in the recent session of the Human Rights Council in Geneva, Switzerland in November 2022. The current final draft of the National Strategy on Business and Human Rights (NAP), which benefited from extensive support provided by UNDP, focuses on promoting responsible business conduct including through implementation of Human Rights Due Diligence (HRDD). Its final version and the draft presidential Decree to legitimize the National Strategy have been resubmitted to the Ministry of State Secretariat in the last quarter of 2022 and are targeted to be adopted in 2023.</p>
Key responsible business issues	<p>A considerable number of companies with supply chains in Indonesia have been linked with alleged abuses of human rights, including prominently companies that operate in the plantation, mining and manufacturing sectors. Human rights allegations range from the risk of forced labour, child labour, health and safety violations, and discrimination in the workplace to risks to security personnel, freedom of association, gender equality, environmental protection, rights of the community and indigenous people.</p>

³³ <https://www.thejakartapost.com/news/2020/07/09/japanese-companies-hold-firm-on-investment-plans-inindonesia-despite-drop-in-sales-production.html>, last accessed 5 July 2021.

³⁴ <https://www.globalconstructionreview.com/news/japan-talks-indonesia-over-4bn-transport-funding/>, last accessed 5 July 2021.

Strength of relevant institutions	Indonesian Institutions have shown a very high level of commitment to the implementation of the UNGPs on Business and Human Rights. A baseline assessment of Human rights and environmental abuses by companies was conducted in 2017 by KOMNAS HAM, the very active National Human Rights Commission, which is currently awarded with an 'A' grade by GANHRI under the Paris Principles. ³⁵ Since 2018 the Coordinating Ministry of Economic Affairs and the Ministry of Law and Human Rights have been developing the National Action Plan on Business and Human Rights with UNDP support and in strong consultation with Civil Society and the Business Sector. The Indonesia Global Compact Network is very active and has been a strong promoter of responsible business practices since 2018. The commitment of the Government to the implementation of the UNGPs is unequivocal and the strength of the institutions that benefited already from three years of capacity building from UNDP is at a relatively high level, if compared to other countries in the region. The main challenge ahead will be in the next five years, the implementation of the upcoming NAP and its roll out to all provinces.
Impact of the intervention	<ul style="list-style-type: none"> - Increased awareness on the importance of responsible business among government, businesses, institutions and civil society; - Strengthened capacity of Japanese businesses and their suppliers and partners to carry out Human Rights Due Diligence; - Roll out of draft NAP implementation to the provinces and development of provincial action plans. - Better managed reputational and operational risks of Japanese companies operating in Indonesia directly or through suppliers.

Budget

Output	Activities	Resources required (USD)
Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments 	120,000
Total		120,000

³⁵ Global Alliance of National Human Rights Institutions, 'Chart of the status of national institutions accredited by the Global Alliance of National Human Rights Institutions', <https://nhri.ohchr.org/EN/Documents/Status%20Accreditation%20Chart%20%289%20May%202019%29.pdf>, last accessed 9 January 2020.

Country plan – Thailand

Overview

Category	
<p>Involvement of Japanese companies and/or investment</p>	<p>The interest of Japanese companies in Thailand has been growing steadily in the last 20 years and Japan is currently the largest foreign investor accounting for 75.9 billion baht³⁶ (251 billion yen) or 36% of the total FDI.</p> <p>An example of such large investment projects is the 18 billion yen (\$172 million) allocated by Mitsubishi Motors to install equipment for manufacturing electrified vehicles at a plant in eastern Thailand.</p> <p>In 2007 Japan and Thailand signed the Japan–Thailand Economic Partnership Agreement (JETPA) a free-trade agreement to eliminate tariffs on more than 90 per cent of bilateral trade.</p> <p>According to a study of the Japanese Chamber of Commerce in Bangkok,³⁷ Japanese companies are encouraged to invest in Thailand because of the JETPA, because of the attractive and stable investment policies by Thai Government, because of the prominent Thai industrial clusters within ASEAN and because of the low cost of procurement and local supply chains.</p> <p>Recently, in April 2022 the two countries agreed to continue their strategic partnership as Thailand and Japan mark the 135th anniversary of formal relations. This includes expanding the investment of Japanese companies in Thailand’s high-technology industries, such as electric vehicles (EVs), smart electronics, medical services and bio-, circular and green (BCG) businesses³⁸.</p> <p>The Eastern Economic Corridor (EEC) presents an important investment hub for Japanese companies. The EEC is an area-based development initiative under the EEC Act that grants tax and non-tax incentives to the targeted business activities operating in the EEC. Notably, most Japanese investments from 2018-2021 were in the EEC. In 2021 alone, these investments were valued at 19.4 billion baht (~558 million USD), 64% of which was in the auto industry while 10% was in biotechnology and 8% in petrochemicals.³⁹</p>
<p>Government involvement and political will on Responsible Business</p>	<p>The Government of Thailand was the first country in Asia to adopt a National Action Plan (NAP) on Business and Human Rights in 2019. The policy document was the result of 30 months of work which included 12 months invested in a detailed baseline study of the challenges and the remaining for a multi-stakeholder effort to devise the needed response. As a result, the NAP identified 4 priority areas: Labour, Environment, Human Rights and cross border investments.</p>

³⁶ Data of 2020. <https://asia.nikkei.com/Politics/International-relations/Thailand-s-top-investor-is-Japan-again-as-China-slows-spending>

³⁷ [https://www.boj.go.th/upload/content/15.15%20-%202016.30%20\(1\)%20-%20Mr.%20Soji%20Sakai,%20President,%20Japanese%20Chamber%20of%20Commerce%20\(JCC\),%20Bangkok_EN_5ab214ec8c6ff.pdf](https://www.boj.go.th/upload/content/15.15%20-%202016.30%20(1)%20-%20Mr.%20Soji%20Sakai,%20President,%20Japanese%20Chamber%20of%20Commerce%20(JCC),%20Bangkok_EN_5ab214ec8c6ff.pdf)

³⁸ <https://www.bangkokpost.com/business/2300970/japan-vows-to-expand-thai-expenditure>

³⁹ <https://thainews.prd.go.th/en/news/detail/TCATG220503104815513>

	<p>Since 2017, the Business and Human Rights agenda has enjoyed very strong support from the very leadership of the country. Prime Minister Prayut Chan-o-cha has repeatedly included among the aims of the adopted Thai Responsible Business framework the wish to create in Thailand a business environment more attractive of foreign investments.</p> <p>Thailand is a strong advocate for the adoption of Business and Human Rights policies in other ASEAN countries and is providing peer support to the Government of Indonesia, Vietnam and Malaysia in developing their own NAPs.</p> <p>December 2022 marks the end of the implementation period of the country's first NAP. To further enhance country's commitment on the UN Guiding Principles on Business and Human Rights and advance business and human rights agenda, the Thai government is now in the process of developing the second NAP, to be implemented from 2023-2026.</p>
<p>Key responsible business issues</p>	<p>Prior to the decision of Thailand to draft a NAP concerns were repeatedly expressed by national and international monitoring actors about instances of forced labour and human trafficking in Thai fishing operations. Reports pointed to dangerous working conditions on fishing boats, lack of communication with families on shore, inadequate pay, and even disappearances on trips. This has elicited an intensive effort from both the government and private sectors to deal with the issues, with Thai Union, the world's largest supplier of tuna, rolling out a flagship sustainability programme to improve working conditions for its fishermen. The situation has improved in the last 5 years.</p> <p>There have also been high-profile cases of human rights abuses in the agri-food industry. Famously, 14 migrant workers from Myanmar filed a case against Thammakaset, a supplier to broiler chicken giant Betagro in August of 2016, alleging inhumane hours, degrading accommodation, unlawful salary reductions, and restricted movement. In turn, the company countersued the workers and a prominent workers' rights activist for defamation.</p> <p>In addition, human rights defenders are under threat in Thailand. Plans to construct a coal power plant in Thepa, Songkhla province, were vehemently opposed by the local community, and protests eventually led to the arrest of activists opposing the coal plant in November 2017.</p> <p>Lastly, recent cases that touch on the interests of Japanese companies, involve alleged violations of environmental and community rights at the EEC. The project was criticized for the lack of public participation from local communities since its development. Although the project was not fully finalised, some local communities had reported its adverse impacts, such as health issues from water and air pollution. The gaps and weaknesses in the current laws and regulations governing the EEC and other Special Economic Zones (SEZs) was also a major concern. It was argued that these laws and regulations do not contain adequate procedural safeguards and human rights protections, including for the rights to food, health, water, work and adequate housing.</p>
<p>Strength of relevant institutions</p>	<p>Thai Institutions have shown a very high level of commitment to the implementation of the UNGPs on Business and Human Rights and their capacity to translate this commitment into progress has increased greatly since 2016 through support provided by UNDP. The Ministry of Justice which has been taking the lead on the drafting of the NAP possesses a small but very competent unit focusing specifically on Business and Human</p>

	<p>Rights. This Ministry coordinates an inter-Ministerial group which, with support and control from the National Human Rights Institution and a group of CSOs steers the implementation of the NAP.</p> <p>The Global Compact Network Thailand (GCNT) is very active and it is well resourced. It has been a strong promoter of responsible business practices since 2018 and in 2020 promoted the idea of establishing, in Bangkok, a Business and Human Rights Academy to serve companies throughout ASEAN. GCNT is in the process of negotiating with the Government of Thailand and UNDP a memorandum of understanding for a joint operationalization of this academy from 2022.</p> <p>Thailand benefits greatly from a National Human Rights Institution that has been very active in the field of Human Rights both in terms of policy support to the Government and as a grievance mechanism for victims of abuses.</p> <p>Lastly the Securities and Exchange Commission of Thailand signed a Memorandum of Understanding with the National Human Rights Commission in 2020 to train all Thai listed companies in Business and Human Rights with a plan to introduce from 2022 Human Rights reporting requirements.</p> <p>The main challenge ahead for Thailand in the next five years is the implementation of the NAP and the need to address persistent attacks on Human Rights defenders.</p>
<p>Impact of the intervention</p>	<ul style="list-style-type: none"> - Strengthened capacity of Japanese businesses and their suppliers and partners to adopt Business and Human Rights Policies and carry out Human Rights Due Diligence; - Better managed reputational and operational risks of Japanese companies operating in Thailand directly or through suppliers.

Budget

Output	Activities	Resources required (USD)
<p>Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains</p>	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments 	<p>120,000</p>
<p>Total</p>		<p>120,000</p>

Country plan – Vietnam

Overview

Category	
Involvement of Japanese companies and/or investment	<p>Japan is a major investor in Vietnam, second only to South Korea. In the first 10 months of 2022 alone, the investment from Japan amounted to \$4.19 billion.⁴⁰ The Japanese business community in Vietnam has multinationals such as Honda, Toyota, Panasonic, and Canon investing in large factories in the country.⁴¹</p> <p>Because of Vietnam’s rapid economic growth and growing middle class, apart from industry, Japanese investors are now expanding their presence in retail, finance and banking, food, and other sectors. Examples include retailers such as AEON, Muji and Uniqlo which have opened several branches throughout the country. Mizuho recently purchased shares of Vietnam’s leading bank – Vietcombank while Sumitomo Mitsui Banking has become a shareholder of Vietnam’s Eximbank.</p> <p>Nearly two thirds (64.6%) of the investment from Japanese businesses in Vietnam is in manufacturing and processing industries. The electricity, water and gas industries make up 11.8%, and real-estate businesses comprise 11.2%.</p> <p>According to research from the Japan External Trade Organization (JETRO), 55% of Japanese companies in Vietnam have a plan to expand and are interested more in value-added products. Another research by JETRO also shows that Vietnam is the second most attractive investment destination for Japanese companies in the world, behind only USA.⁴²</p> <p>Lastly, Vietnam is a member of the Mekong Sub-region that has agreed to cooperate with Japan in transport and energy infrastructure, soft institutional infrastructure, trade facilitation, investment, and digitisation.</p>
Government involvement and political will on Responsible Business	<p>The Government of Vietnam committed to drafting a National Action Plan on Responsible Business in 2020 and has since then been working on its adoption with support from UNDP. In the last 24 months, significant steps were made towards that goal, including the development of a National Baseline Assessment and the formal adoption of the <i>Ha Long Road Map to the adoption of the NAP by quarter 1 of 2023</i>.</p> <p>The interest of the Government in adopting a policy based on the UN Guiding Principles on Business and Human Rights was explicitly confirmed in various UN Forums such as the Annual Forum on Business and Human Rights and the United Nations Regional Forum on Business and Human Rights for Asia Pacific.</p>

⁴⁰<https://investvietnam.gov.vn/en/tin-tuc.nd/top-10-largest-foreign-investment-partners-in-vietnam-in-the-first-10-months-of-2022.html>

⁴¹ <https://e.vnexpress.net/news/business/economy/from-manufacturing-to-retail-japanese-investors-appetite-in-vietnam-sees-shift-4263109.html>

⁴² Many Japanese businesses having the plan for expansion in Vietnam, <https://www.vietnamplus.vn/nhieu-doanh-nghiep-nhat-ban-co-ke-hoach-mo-rong-dau-tu-tai-viet-nam/819636.vnp>

Key responsible business issues	<p>Given the Government of Vietnam’s emphasis on attracting increased foreign direct investment, and the opening up of its economy to global value chains, interest of multinational corporations has grown steadily in the last few years. This growing interest is also due to low wages and a large youth population, which makes Vietnam an attractive consumer market for domestic sales. However, several high-profile rights violations involving Vietnamese and multinational companies have risen some concerns among investors.</p> <p>A famous retail company from the US faced boycotts and the threat of litigation in 2017 over its alleged sourcing from factories that violate international labour standards. Workers reported inhumane working conditions, including excessive work hours, elevated temperatures inside the factories, as well as psychological abuse. In the same year, allegations of health and workplace violations against young women in Vietnamese factories of a South Korean Technology company have given rise to government concerns over the welfare of its people, while impacting the electronic giant’s reputation.</p>
Strength of relevant institutions	<p>Within the Government of Vietnam, the responsible business agenda is coordinated by the Ministry of Justice. The Civil and Economic Law Department of this Ministry is in charge of facilitating the process of drafting a National Action Plan on Responsible Business Practices and it has been doing so with constant commitment and growing capacity, supported by UNDP. The Ministry of Justice convenes also an Inter-Ministerial and a Sectoral Working Group in charge of overseeing the content of the NAP. The Inter-Ministerial working group includes representatives of the Ministry of Justice, Office of Government Industry and Trade, Planning and Investment, Agricultural and Rural Development, Labor and Social Affairs, Natural Resources and Environment, Health and Foreign Affairs as well as the State Bank of Vietnam.</p> <p>The NAP draft is being finalized with 4 national consultation workshops, 5 cluster meetings with specific themes or focused stakeholders (vulnerable groups/CSOs, businesses, academics, among others). In addition, the drafting process has received support from Prof. Surya Deva, a former member of UNWG on Business and Human Rights.</p> <p>While Vietnam does not possess an independent National Human Rights Commission, support to the policy process around responsible business practices has been provided to the Ministry of Justice by the Vietnam Chamber of Commerce and Industry (VCCI), the Vietnam Association of Small and Medium Enterprises and the Association of Foreign Investing Enterprises.</p>
Impact of the intervention	<ul style="list-style-type: none"> - Strengthened capacity of Japanese businesses and their suppliers and partners to adopt Business and Human Rights Policies and carry out Human Rights Due Diligence; - Better managed reputational and operational risks of Japanese companies operating in Vietnam directly or through suppliers.

Budget

Output	Activities	Resources required (USD)
Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments 	120,000
Total		120,000

Country plan – Mexico

Overview

Category	
Involvement of Japanese companies and/or investment	<p>Japan plays a key role in Mexico's economy. In April 2005, Japan and Mexico signed the Free Trade Agreement for the Strengthening of Economic Partnership. Since then, trade between the two countries has increased dramatically, making Japan Mexico's sixth-largest trading partner globally and the second largest in Asia. In addition, Japan is the fourth-largest source country for foreign investment in Mexico.</p> <p>According to information from the Mexican government, there is Japanese investment in about 1,200 companies currently operating in Mexico. From 1999 to September 2018, Japan's accumulated direct investment in Mexico reached US\$ 24 billion, which represents 4.5% of the Foreign Direct Investment received by Mexico in that period.</p> <p>According to the United Nations COMTRADE database on international trade, in 2021 Mexico exported USD 3.98 billion to Japan, while Japan's exports to Mexico amounted to USD 10.83 billion (both significant increases from 2021).</p>
Government involvement and political will on Responsible Business	<p>In December 2020, Mexico published a National Human Rights Programme (for the period 2020-2024) which includes a chapter dedicated to business and human rights.⁴³ This was the culmination of more than half a decade of attempts to develop a comprehensive policy framework on responsible business. While not focused on responsible business issues only, the National Human Rights Programme does commit Mexico to implement the UNGPs by “promoting human rights due diligence to identify, prevent, mitigate and repair adverse impacts generated by business activity”.⁴⁴ In this regard, the Mexican Government requested UNDP's technical and financial support to start the elaboration of the first National Action Plan on Business and Human Rights. UNDP accepted the request and is currently accompanying the process. The first draft of the National Baseline Assessment was published on November 11 2022. and is at the time of writing, undergoing a consultation process in which key stakeholders are involved.</p>
Key responsible business issues	<p>During its country visit to Mexico, the UN Working Group on Business and Human Rights identified key areas where business-related abuses occur. These include a number of major projects with significant impacts on human rights and social cohesion. A “general feature” of these cases, wrote the UN Working Group in its report, “is a lack of human rights due diligence in the form of adequate prior consultation with affected communities, leading to “lose-lose” situations of social conflict, human rights abuse, reputational damage for companies and financial losses for investors.”⁴⁵ According to the UN Working Group, other major issues include labour rights (featuring restrictions on freedom of association, the precarious situation of temporary contract workers and agricultural day labourers),</p>

⁴³ globalnaps.org/country/mexico, last accessed 3 July 2021.

⁴⁴ http://dof.gob.mx/2020/SEGOB/PNDH_2020_2024.pdf, last accessed 3 July 2021.

⁴⁵ <https://globalnaps.org/wp-content/uploads/2018/08/report-of-the-working-group-on-the-issue-of-humanrights-and-transnational-corporation-and-other-business-enterprises-on-its-mission-to-mexico.pdf>, p.8, last accessed 3 July 2021.

	child labour, the lack of inclusion of persons with disabilities in the labour market, gender-based discrimination in employment, and murders and attacks on human rights defenders.
Strength of relevant institutions	Mexico's NHRI, the Commission Nacional del Derechos Humanos, has been granted an 'A' grade/accreditation by the Global Alliance of National Human Rights Institutions. ⁴⁶ On February 19, 2018, the CNDH created the Business and Human Rights Program to incorporate companies in its mission to respect human rights. The Program seeks to create institutional tools and strategies to serve as an effective and accessible non-jurisdictional reparation mechanism for victims and contribute to the achievement of the Sustainable Development Goals of the 2030 Agenda. ⁴⁷
Impact of the intervention	<ul style="list-style-type: none"> - Increased awareness on the importance of responsible business among government, businesses, institutions and civil society; - Strengthened capacity of Japanese businesses and their suppliers and partners to carry out Human Rights Due Diligence; - Supported the policy making process of Mexico's first ever National Action Plan of Business and Human Rights; - Better managed reputational and operational risks of Japanese companies operating in Mexico directly or through suppliers.

Budget

Output	Activities	Resources required (USD)
Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments 	30,000
Output two: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies	<ul style="list-style-type: none"> • Providing continued technical support to Mexico for the finalization of the National Action Plan • Organising events aimed at raising awareness of the NAP and its implications • Organising regional and peer-learning forums on responsible business, with participants including targeted countries in the project 	90,000
Total		120,000

⁴⁶ <https://ganhri.org/membership/>, last accessed 3 July 2021.

⁴⁷ <https://www.cndh.org.mx/programa/3023/empresas-y-derechos-humanos>, last accessed 5 July 2021.

Country plan – Pakistan

Overview

Category	
Involvement of Japanese companies and/or investment	<p>A bilateral investment treaty between Japan and Pakistan was signed in 1998 and entered into force in 2002. Interest of Japanese companies in investing in Pakistan has been, since then, on the rise, with USD 52.4 million invested in 2019/2020. The Pakistan-Japan Business Forum was established in 2001 for the promotion of business between the two countries and currently has 137 member companies. In September 2020 another initiative, the Pak-Japan Business Council (PJBC) announced plans to invest at least \$100 million in industrial zones in Pakistan in line with the interest of Japanese government and private sector to strengthen bilateral economic cooperation.</p> <p>According to the United Nations COMTRADE database on international trade, in 2021 Pakistan exported USD 202.31 million to Japan, while Japan's exports to Pakistan amounted to USD 2.3 billion (an almost two-fold increase from 2020). Pakistan's major exports to Japan include cotton products, textiles, and chemical products, while Japan's major exports to Pakistan include automotives, machinery, and steel.</p>
Government involvement and political will on Responsible Business	<p>The Government of Pakistan, in particular its Ministry of Human Rights (MoHR), has been very active since 2018 with regards to the implementation of the UNGPs. A strong commitment to Human Rights Due Diligence has been expressed formally in various international Forums including, repeatedly, during the Annual and the Regional Forums on Business and Human Rights and in sessions of the Human Rights Council. In 2019, with support from UNDP, the MoHR started a process to draft a National Action Plan on Business and Human Rights. Following detailed baseline studies and consultations that took place at provincial level a NAP was adopted in September 2021, and is now in its second year of implementation. The plan includes a strong commitment to establishing an HRDD regime in Pakistan.</p>
Key responsible business issues	<p>Pakistan's National Action Plan on Business and Human Rights highlights 8 priority challenges to be addressed: (1) Financial Transparency, Corruption and human Rights Standards in Public Procurement Contracts; (2) Anti-Discrimination, Equal Opportunity, and Inclusion; (3) Human Rights Due Diligence; (4) Labour Standards and Informal Economy; (5) Child Labour; (6) Forced or Bonded Labour; (7) Occupational Health and Safety; and (8) Access to Remedy</p>
Strength of relevant institutions	<p>Pakistani Institutions have shown a very high level of commitment to the implementation of the UNGPs on Business and Human Rights. The Ministry of Human Rights has been driving the implementation of the National Action Plan on BHR and has also been engaged in various forums in which it has inspired and encouraged other countries in the region to do the same. Strong statements in support of responsible business practices have been made also very recently at the Human Rights Council in the occasion of the celebration for the 10th anniversary of the UNGPs. Of particular significance in Pakistan in the past two years has been the involvement of Provincial Government authorities, critical actors in a Federal State for the implementation of the upcoming centrally developed policies on responsible business.</p>
Impact of the intervention	<p>- Increased awareness on the importance of responsible business among government, businesses, institutions and civil society;</p>

	<ul style="list-style-type: none"> - Strengthened capacity of Japanese businesses and their suppliers and partners to carry out Human Rights Due Diligence; - Better managed reputational and operational risks of Japanese companies operating in Pakistan directly or through their suppliers.
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Budget

Output	Activities	Resources required (USD)
<p>Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains</p>	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments • Conducting an HRDD pilot activity with a Japanese company or partner 	50,000
Total		50,000

Country plan – Nepal

Overview

Category	
Involvement of Japanese companies and/or investment	<p>There have been significant investments from Japanese companies in Nepal, including in the following sectors: energy (especially hydropower), road and transport infrastructure, tourism, agriculture, health and education, manufacturing, and ICT.</p> <p>According to the United Nations COMTRADE database on international trade, in 2021 Nepal exported USD 7.78 million to Japan, while Japan's exports to Nepal amounted to USD 41.87 million.</p> <p>Japan's exports to Nepal include automotive parts, steel products, machinery, industrial products, and medical equipment. Until 2018, loans amounted to 121.30 billion yen, grants to 216.10 billion yen and technical cooperation to 78.64 billion yen. Major Japanese companies investing in Nepal include: Kansai Paint - TOWA Engineering, Mitsui Fudosan, IMAC Technology & Humanity, and the Yonefu International Group.</p>
Government involvement and political will on Responsible Business	<p>The Government of Nepal has recently confirmed its commitment to the implementation of the UNGPs by establishing, in May 2021, a high level task group for drafting of a National Action Plan on Business and Human Rights which is led by the Ministry of Labour, Employment and Social Security and whose members include representatives of the Prime Minister's Office, the Ministry of Law, Justice and Parliamentary Affairs, and the Ministry of Industry and Federation of Nepal Chambers of Commerce (FNCCI).</p> <p>UNDP has been the technical assistance provider to support in the drafting of the NAP. A national expert has been hired to closely work with the task force to finalize the draft NAP, which the Government intends to finalise and adopt within the next few months.</p> <p>The NHRIs have also been involved heavily in providing necessary inputs and conducting consultations with concerned stakeholders.</p>
Key responsible business issues	<p>Studies conducted in preparation for the National Action Plan on Business and Human Rights highlighted labour abuses, including child labour, equal pay for equal work-related issues, issues in regard to the discrimination on the basis of gender and caste, and land grabbing as among the major challenges to people connected to business operations.</p> <p>In addition, they have also highlighted a lack of awareness among businesses of their responsibility to respect human rights under the UN Guiding Principles on Business and Human Rights. Further, these studies have noted the lack of full alignment of current policies and provisions with international standards, as well as difficulties for victims of business-related abuses in obtaining remedies, particularly for vulnerable people, such as migrant workers.</p>

Strength of relevant institutions	<p>Apart from a robust partnership with the Government of Nepal, UNDP can count on strong ties with National Human Rights Institutions, including the National Human Rights Commission of Nepal, which has been a leading advocate for the implementation of the UNGPs since 2016 and which possesses a large field presence.</p> <p>Other thematic NHRIs, focused on the rights of women and minorities, have shown a keen interest in business and human rights and in advocating for policy reform. The judiciary, through public interest litigation, has been receptive to the business and human rights agenda.</p> <p>Equally very engaged in promoting responsible business practices have been the Federation on Nepal Chambers of Commerce (FNCCI)⁴⁸ and a large number of civil society organisations and universities. The partnership architecture around responsible business in Nepal is among the most cohesive in the region.</p>
Impact of the intervention	<ul style="list-style-type: none"> - Increased awareness on the importance of the business and human rights agenda among businesses, institutions and civil society; - Strengthened capacity of Japanese businesses and their suppliers and partners to carry out Human Rights Due Diligence in Nepal; - Formulation of a National Action Plan on Business and Human Rights through multi-stakeholder engagement; - Better managed reputational and operational risks of Japanese companies operating in Nepal directly or through their suppliers.

Budget

Output	Activities	Resources required (USD)
Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments • Produce knowledge products on HRDD and knowledge products 	40,000
Output two: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies	<ul style="list-style-type: none"> • Launching event with private sectors and government stakeholders in 7 provinces on NAP. • Organizing events aimed at raising awareness on B+HR in general and ownership of Parliamentarians, Ministry Secretaries, Local Authorities, Companies and Civil Society on the NAP. • Developing detail results frameworks and establishing oversight framework to track the implementation of NAP • Learning visits of key government and private sectors to inform them on strategies for effective implementation. 	80,000

⁴⁸ <https://www.fncci.org/>

	<ul style="list-style-type: none"> • Participation of Government business and Civil Society actors to global regional and South-South peer-learning forums on Responsible business 	
Total		120,000

Country plan – Türkiye

Overview

Category	
Involvement of Japanese companies and/or investment	<p>Japan and Türkiye have very close economic ties. According to JICA's Türkiye office, there was circa USD 317 million in direct investment from Japan in the country 2019, making Japan the 7th highest investor in Türkiye that year.</p> <p>As of 2021, 257 Japanese companies operated in Türkiye. There are major exports to Japan in the following sectors: textiles, apparel, pasta, fishery products, automotive parts.⁴⁹ Among the most exported products from Türkiye to Japan are food (fish, crustaceans, grains, pasta, fruits and nuts), products of the automotive industry, textiles and garment and minerals.⁵⁰</p> <p>According to the United Nations COMTRADE database on international trade, in 2021 Türkiye exported USD 521.77 million to Japan, while Japan's exports to Türkiye amounted to USD 3.18 billion (both substantial increases from 2020).</p>
Government involvement and political will on Responsible Business	<p>Türkiye has not yet developed a National Action Plan on Business and Human Rights. However, there have been relevant legislative and policy developments, including the Corporate Governance Principles introduced by Türkiye's Capital Markets Board, which state that corporations "shall be mindful of their social responsibilities and comply with regulations and ethical rules with respect to the environment, consumers and public health. The Corporation shall support and respect internationally recognised human rights."⁵¹</p> <p>Moreover, these principles were amended in 2020 to include provisions on Environmental, Social and Corporate Governance (ESG). Most importantly, although they are not hard law, large corporations operating in Türkiye are, nevertheless, declaring their commitment to the Corporate Governance Principles of the Capital Markets Board and making an effort to comply with them.⁵²</p> <p>This illustrates the significant interest in this field from various companies that have attended seminars organised by UNDP and ILO on the subject. Due to the interest shown, UNDP and ILO are planning follow up training seminars on Human Rights Due Diligence for businesses, government representatives and any other interested stakeholders.</p>
Key responsible business issues	<p>Child labour is a major concern when it comes to business-related abuses in Türkiye. According to estimates, 720,000 children between the ages of 5 and 17 are working in Türkiye, although there are fears that this number is far greater because it does not include Syrian children working in the</p>

⁴⁹ https://www.mfa.gov.tr/turkey_s-commercial-and-economic-relations-with-japan.en.mfa

⁵⁰ <https://oec.world/en/profile/bilateral-country/jpn/partner/tur>

⁵¹ <https://iclg.com/briefing/15073-business-and-human-rights-series-01-why-are-human-rights-relevant-tobusiness-turkiye>, last accessed 4 July 2021.

⁵² Ibid.

	<p>country.⁵³ This has led to calls for the introduction of mandatory Human Rights Due Diligence in the country.⁵⁴</p> <p>Further, labour rights abuses, including violations of the freedom of association, persist in Türkiye. Moreover, an inadequate legal framework does not provide sufficient protection for workers from dismissal on arbitrary grounds.⁵⁵</p>
Strength of relevant institutions	<p>Türkiye's Human Rights and Equality Institution was established in 2016 and it was accredited with status "B" in 2022.⁵⁶</p> <p>There are other institutions that provide grievance mechanisms such as the National Contact Point under the OECD Guidelines (the Ministry of Industry and Technology, General Directorate of Foreign Investment and Incentives), the Directorate of Guidance and Inspection under the MoLSS, the Personal Data Protection Board and the Consumer Arbitration Committees; however, the authority and impact of these institutions are limited to their specific fields and restricted by the voluntary nature of the decisions of some.</p>
Impact of the intervention	<ul style="list-style-type: none"> - Increased awareness on the importance of responsible business among government, businesses, institutions and civil society; - Strengthened capacity of Japanese businesses and their suppliers and partners to carry out Human Rights Due Diligence; - Developed technical assistance package to implement Türkiye's National Human Rights Programme as it relates to responsible business, including budgeting, coordination, etc.; - Better managed reputational and operational risks of Japanese companies operating in Türkiye directly or through suppliers.

Budget

Output	Activities	Resources required (USD)
Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments 	40,000
		70,000

⁵³ See <https://www.hurriyet.com.tr/ekonomi/tuik-cocuk-is-gucu-anketi-sonuclari-aciklandi-41482601> and <https://bianet.org/english/children/222335-turkstat-s-child-labor-survey-is-not-realistic-as-it-does-not-cover-syrian-children>, last accessed 5 July 2021.

⁵⁴ https://www.cetinkaya.com/insights/child-labor-Türkiye-need-human-rights-due-diligence-corporations#_ftn4, last accessed 5 July 2021.

⁵⁵ See <https://www.business-humanrights.org/en/blog/elephant-in-the-room-code-29-and-the-need-for-mandatory-human-rights-due-diligence-in-Türkiye/>, last accessed 31 January 2021.

⁵⁶ <https://tihek.gov.tr/en/global-alliance-of-national-human-rights-institutions-ganhri-accreditation-status-has-been-granted-to-the-hreit/>

<p>Output two: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies</p>	<ul style="list-style-type: none"> • Expanding the scope of the existing National Baseline • Assessment on Business and Human Rights to inform the procedure for creating a National Action Plan. • Organising events aimed at raising awareness of the NAP and UNGPs and its implications • Supporting the organisation of regional forums in Istanbul on responsible business, with participants including targeted countries in the global project in the region 	
<p>Total</p>		<p>110,000</p>

Country plan – Tunisia

Overview

Category	
Involvement of Japanese companies and/or investment	<p>There were an estimated 22 Japanese-affiliated locally incorporated companies operational in Tunisia in 2020. In addition, Japanese companies have 65 sales agents, distributors, partners of export/import and companies that form a part of a partnership alliance⁵⁷ in Tunisia.</p> <p>The Japanese-affiliated companies currently employ more than 14,000 persons, with a projected leap to more than 20,000 in the near future.</p> <p>The close links between the two economies are evidenced by the fact that Tunisia hosted the 8th Tokyo conference on African development in 2022, which was a milestone in sparking further Japanese investments in Tunisia and in Africa as a whole.</p> <p>According to the Japanese Ministry of Foreign Affairs' database, in 2021 Tunisia exported 11.3 billion yen to Japan (textile, electrical products and tuna), while Japan's exports to Tunisia amounted to 10.9 billion yen (motorcar, machinery and electrical products). Japan has become the third investor in Tunisia after France and Italy, in the first half of 2021 with the volume of investment reaching 2.5 billion dollars.</p>
Government involvement and political will on Responsible Business	<p>Tunisia has not developed a National Action Plan on Business and Human Rights to date. However, there have been promising developments on developing a responsible business legal and policy framework. Indeed, the representative of the Government of Tunisia at the UN Global Forum on Business and Human Rights in Geneva in November 2022 expressed its commitment to developing a NAP in the coming period.</p>
Key responsible business issues	<p>The key issues in Tunisia related to human rights abuses by businesses include a lack of compliance by businesses with laws that already do not meet international standards on human rights and the environment.</p> <p>In addition, while trade unions are active in the public sector, they are yet to establish a strong presence and representation in the private sector, at the enterprise level, and at the level of sectoral bargaining. Labor rights abuses are pervasive in various industries, including the garment and fishing industry (where Japanese businesses have significant supply chains). These abuses include violations of health and safety laws, the systematic non-payment of wages and so on.</p>

⁵⁷ https://abp.co.jp/PDF/ABP_List_Japanese_Companies_Doing_Business_in_Africa_Eng_2019.pdf ⁴⁰ <https://globalnaps.org>, last accessed 3 July 2021.

<p>Strength of relevant institutions</p>	<p>Tunisia has made advances in establishing an institutional framework for protecting human rights⁵⁸. It was commended by the UN Human Rights Committee for progress in setting up several human rights institutions, such as the National Committee against Trafficking in Persons and the National Committee against Corruption. Tunisia also adopted the Investment Incentive Law, the Law on Corporate Social Responsibility, the Law on the Social Solidarity Economy and the Law on Participatory Financing of Crowdfunding, as well as the law to combat violence against women, which is the fruit of combined efforts from the state and civil society.</p> <p>On July 30, 2021, a law on domestic work was adopted to preserve the dignity of domestic workers and safeguard them from all forms of vulnerability by regulating the work relationship between the employer and the employee and preventing all forms of economic exploitation.</p> <p>Tunisia strengthened its international commitments by adhering to the Council of Europe Convention on Protection of Children against Sexual Exploitation and Sexual Abuse (the Lanzarote Convention), becoming the first non-member state of the Council of Europe to accede to this Convention, which entered into force on February 1, 2020.</p> <p>However, it has yet to strengthen the coordination of its human rights system and appoint an independent National Human Rights Institution in line with its new constitution.⁵⁹</p> <p>In addition, the Tunisian judiciary has shown that it can hold businesses accountable for their abuses. However, human rights dissemination and knowledge remain challenging in Tunisia. In addition, due to weaknesses in investment laws and the absence of a Human Rights Due Diligence law, many judicial decisions have not been executed, highlighting weaknesses in the system of obtaining remedy.</p>
<p>Impact of the intervention</p>	<ul style="list-style-type: none"> - Increased awareness on the importance of responsible business among government, businesses, institutions and civil society; - Strengthened capacity of Japanese businesses and their suppliers and partners to carry out Human Rights Due Diligence; - Development of a National Baseline Assessment on Business and Human Rights; - Better managed reputational and operational risks of Japanese companies operating in Tunisia directly or through suppliers.

Budget

Output	Activities	Resources required (USD)
<p>Output one: Japanese companies, their suppliers and partners as well as other</p>	<ul style="list-style-type: none"> • Holding blended training courses on human rights and HRDD for Japanese 	<p>50,000</p>

⁵⁸ Tunisia's statement during the Mena region panel - United Nations Forum on Business and Human Rights (November 30, 2022) <https://media.un.org/en/asset/k1c/k1cdoscbxr>

⁵⁹ ONHCR, 'Human Rights Committee Asks Tunisia about State of Emergency and Torture, Urges Human Rights Protection in Counter-Terrorism,' (2020),

<<https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=25657&LangID=E#:~:text=Tunisia%20had%20established%2013%20specialized,vio%20and%20enforced%20disappearances>> accessed 10 January 2022.

<p>interested companies are supported in their efforts to remain competitive and drive just recovery by ensuring compliance with Human Rights Standards throughout their value chains</p>	<p>companies and their suppliers and other interested companies.</p> <ul style="list-style-type: none"> • Offering guidance to companies on Human Rights Due Diligence. 	
<p>Output two: The Tunisian Government is supported in the development or implementation of National Action plan on Business and Human Rights or similar policies</p>	<ul style="list-style-type: none"> • Based on findings of a National Baseline Assessment on Business and Human Rights, develop or inform the roadmap to develop the National Action Plan. • Organizing consultations and other activities with the twin aim of raising awareness on responsible business and informing the content of the National Baseline Assessment and a future NAP. • Building capacity of government officials/actors on B+HR and the UNGPs. • Organizing/taking part of regional and global peer-learning events on responsible business, with participants including targeted countries in the project. 	<p>50,000</p>
<p>Total</p>		<p>100,000</p>

Country plan – Mongolia

Overview

Category	
Involvement of Japanese companies and/or investment	<p>According to the National Development Agency (NDA), 326 companies with Japanese investments were established from 2010 to 2020; further, 63% of Japanese FDI in Mongolia between 1990 and 2020 was in trade and catering services, 7% in tourism, 3% in information and telecommunications, 3% in transportation, 2% in construction engineering, and 22% in other sectors. According to the National Statistics Office, Mongolia's exports to Japan amounted to USD 15.5 million in 2019 but it declined to USD 9.6 million in 2020 due to the global pandemic. In 2021, exports increased to USD 17.7 million. Mongolia's imports from Japan amounted to USD 585.4 million in 2019. It declined to USD 406.7 million in 2020 and slightly increased in 2021 to USD 453.1 million.</p> <p>The Japan-Mongolia Economic Partnership Agreement (EPA) focusing on agriculture, livestock farming, and light industries entered into force in 2016 and is driving growth of investments by Japanese companies mainly in SMEs. Under the agreement, Mongolian entities are now able to export around 9,300 types of products to the market of Japan with preferential customs import duty as stated in Montsame, the largest Mongolian Press Agency.</p>
Government involvement and political will on Responsible Business	<p>The Government of Mongolia, and in particular its Ministry of Foreign Affairs, has been very active in the last 24 months with regards to the implementation of the UNGPs. In 2020, with support from UNDP, the MFA conducted a baseline assessment on business and human rights in Mongolia and started a consultative process regarding a National Action Plan on Business and Human Rights. A 60-member steering board, which includes state institutions, civil society organizations and private sector actors was entrusted with drafting the plan by the first part of 2023. Given the unequivocal commitment of the Government and the strong interest of the business sector the main challenge ahead for responsible business in Mongolia appears now to be the rolling out of the NAP, with its development and hopeful adoption expected in the first part of 2023.</p>
Key responsible business issues	<p>Mongolian's GDP per capita has more than doubled since 1990 largely due to mineral discoveries. The mining sector, which is expected to continue to drive economic expansion, has however been associated with negative impacts on human rights. During the Universal Periodic Review in 2015 and 2020, multiple recommendations were received inviting the country to address human rights abuses linked to the mining sector such as the seizure of herders' land. Further, child labour is endemic in Mongolia; according to an ILO report, 10% of children aged 5 to 17 (or approximately 56,000) are engaged in child labour, particularly in the agriculture sector, but also in hazardous sectors including horse racing, construction and mining.⁶⁰ While less prevalent, forced labour is also an issue, with local media reporting (perhaps tens of thousands) Chinese migrant workers entering the country with tourist visas and then being "sold" to Mongolian employers.⁶¹ Against this backdrop, with the exception of some large</p>

⁶⁰ 'Mongolia policy brief: child labour', https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-beijing/documents/publication/wcms_491324.pdf, last accessed 7 February 2022.

⁶¹ 'Mongolia policy brief: forced labour', https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-beijing/documents/publication/wcms_491320.pdf, last accessed 7 February 2021.

	companies, businesses in Mongolia are still largely unaware of how to conduct proper human rights due diligence.
Strength of relevant institutions	Mongolian Institutions have shown a very high level of commitment to the implementation of the UNGPs on Business and Human Rights. The Ministry of Foreign Affairs is driving the drafting of a National Action Plan on BHR. The NHRCM (the National Human Rights Institution graded A by GANHRI), is fairly knowledgeable about business and human rights and can count on field offices in all main provinces. Civil society and trade unions are very active in the field and space had been given to them by the Government to help steering the process of drafting and eventually the implementation of the NAP. Three business associations, namely the Women’s Association in the Mineral Sector, the Mongolian Food Industry Association, and the Mongolian Wool and Cashmere Association, who had only partially been engaged in responsible business practices until two years ago, have now realized the importance of HRDD to remain competitive and have requested training sessions and other support to UNDP. Two large training events focusing on HRDD were organized by UNDP in the last six months, and many more are in the pipeline for the 12 months to come.
Impact of the intervention	<ul style="list-style-type: none"> - Increased awareness on the importance of responsible business among government, businesses, institutions and civil society; - Strengthened capacity of Japanese businesses and their suppliers and partners to carry out Human Rights Due Diligence; - Better managed reputational and operational risks of Japanese companies operating in Mongolia directly or through their suppliers.

Budget

Output	Activities	Resources required (USD)
Output one: Companies operating in Mongolia, including Japanese ones, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses and materials on HRDD for Japanese companies and their suppliers as well as business associations • Offering guidance to selected companies on Human Rights impact assessments 	120,000
Total		120,000

Country plan – Ghana

Overview

Category	
Involvement of Japanese companies and/or investment	<p>There are close economic links between Japan and Ghana. There were an estimated 26 Japanese-affiliated locally incorporated companies operational in Ghana as off 2020. In addition, Japanese companies have 59 sales agents, distributors, partners of export/import and companies that form a part of a partnership alliance⁶² in Ghana.</p> <p>As further evidence of these close links the Ghana-Japan Business Promotion Committee (GJBPC) was launched in 2019 to promote trade and investment between the two countries. The GJPBC is delivering solutions to challenges faced by Japanese businesses in Ghana and vice versa. It is also helping Ghana to raise financial resources from Japan to fund developmental projects and establish information-sharing mechanisms on trade regulations, standards, and trends.⁶³ Japan has been very involved in promoting the production of cocoa in Ghana, which is unsurprising as 70% of the cocoa imported by Japan comes from Ghana. In fact, JICA recently provided \$100 million (approximately 11 billion yen) in Private-Sector Investment Finance to the Ghana Cocoa Board (COCOBOD) for the management of cocoa bean production and distribution.⁶⁴</p> <p>According to the United Nations COMTRADE database on international trade, in 2020 Ghana exported USD 303.1 million to Japan (data is not available for 2021), while in 2021 Japan’s exports to Ghana amounted to USD 181.11 million.</p>
Government involvement and political will on Responsible Business	<p>Ghana is in the process of developing a National Action Plan (NAP) on Business and Human Rights. A multistakeholder Steering Committee, with membership from Government, Trade Unions, Academia, Business Associations, Private sector and CSOs co-chaired by the Office of the Attorney and Ministry of Justice and the Commission on Human Rights and Administrative Justice (CHRAJ). The Committee is currently consulting stakeholders across the country on the draft NAP.⁶⁵ This was made possible after the launch in July 2022 the National Baseline Assessment on Business and Human Rights developed by the Ghana Institute of Management and Public Administration (GIMPA) in collaboration with CHRAJ and the Ministry of Justice.⁶⁶ These actions were spurred on after Ghana accepted a recommendation by the Republic of Korea during its latest UPR review to</p>

⁶² https://abp.co.jp/PDF/ABP_List_Japanese_Companies_Doing_Business_in_Africa_Eng_2019.pdf

⁶³ <https://www.gh.emb-japan.go.jp/files/000547232.pdf>

⁶⁴ https://www.jica.go.jp/english/news/field/2020/20201211_01.html ⁷⁰
<https://globalnaps.org>, last accessed 3 July 2021.

⁶⁵ Stakeholder Engagement on Draft NAP (<https://gna.org.gh/2022/12/mandatory-human-rights-assessment-due-diligence-for-corporate-entities-coming/>)

⁶⁶ Danish Institute for Human Rights, ‘Addressing business-related human rights challenges in Ghana’, <https://www.humanrights.dk/news/addressing-business-related-human-rights-challenges-ghana>, last accessed 8 January 2020, and Interview with Danish Institute for Human Rights expert, 27 November 2019.

⁶⁷ Launch of the National Baseline Assessment on Business and Human Rights (<https://citinewsroom.com/2022/07/ghanas-national-baseline-assessment-of-business-and-human-rights-launched/>)

“integrate and apply the Guiding Principles on Business and Human Rights to all its relevant policies including licensing.”⁶⁸

Budget

Output	Activities	Resources required (USD)
Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments 	30,000
Output two: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies	<ul style="list-style-type: none"> • Finalizing the first National Action Plan on Business and Human Rights • Strengthening capacity of state and relevant actors and/or organising regional and South-South peer-learning forums on responsible business, with participants including targeted countries in the project. 	70,000
Total		100,000

⁶⁸ Human Rights Council, ‘Report of the Working Group on the Universal Periodic Review: Ghana (A/HRC/37/7)’, 26 December 2017, Recommendation 146.51, <https://documents-ddsny.un.org/doc/UNDOC/GEN/G17/367/88/PDF/G1736788.pdf?OpenElement>, last accessed 14 January 2020.

Country plan – Peru

Overview

Category	
Involvement of Japanese companies and/or investment	<p>Japan has directly invested more than US\$ 500 million dollars over the past decade in Peru and the two countries economic relationship is underpinned by a number of agreements and joint trading blocs they belong to, such as the Asia Pacific Economic Cooperation (APEC) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).</p> <p>According to the United Nations COMTRADE database on international trade, in 2021 Peru exported USD 2.78 billion to Japan, while Japan’s exports to Peru amounted to USD 793.61 million (both figures represent a near 50% increase from 2020).</p> <p>Japan’s exports are mainly composed of automobiles, automobile accessories, tires, iron or steel rolled products, medical instruments, among other goods.⁶⁹ Meanwhile, according to the Peruvian Exporters Association (ADEX), Japan is the fifth largest destination for Peruvian exports.</p> <p>These figures look set to grow. For instance, in March 2021, The Peruvian Export and Tourism Promotion Commission (Promperu), through its Business Investment Directorate and its Commercial Office in Tokyo, presented to investors in Japan a portfolio of direct investment projects valued at more than US\$ 120 million in the manufacturing, mining services, high technology, and renewable energy sectors.</p> <p>Japan is Peru's third largest trading partner in Asia and seventh worldwide, representing about 4.6% of total exports and 2.5% of total Peruvian imports in the world (Mincetur, 2022).</p> <p>There were 35 Japanese-affiliated companies associated with Japanese Peruvian Chamber of Commerce (CCIPJ) that were operational in Peru as of August 2022.</p>
Government involvement and political will on Responsible Business	<p>In June 2021, Peru became the latest country to develop a National Action Plan on Business and Human Rights to date.⁷⁰ The Plan took two years to develop under the leadership of the Ministry for Energy and Mining and the Ministry of Justice and Human Rights. The process was overseen by a so-called National Multi-Actor Round Table, which included 132 grassroots groups and business representatives.</p> <p>The NAP’s objective is “to promote confidence, good reputation and competitiveness, strengthen sustainable development and prevent social conflict”, according to a statement by the cabinet.⁷¹ One of the NAP’s strategic directions is to promote and design human rights due diligence procedures for ensuring companies respect human rights.⁷²</p>

⁶⁹ According to information from the Japan External Trade Organization (JETRO) ⁸⁰ JETRO Survey on Business Conditions of Japanese Companies.

⁷⁰ <https://globalnaps.org>, last accessed 3 July 2021.

⁷¹ <https://perusupportgroup.org.uk/2021/06/government-formally-ratifies-national-plan-on-business-and-humanrights/>

⁷² <https://globalnaps.org/wp-content/uploads/2021/06/plan-nacional-de-accion-sobre-empresas-y-derechoshumanos-2021-2025pdf.pdf>, p.59. ⁸⁴ <https://ganhri.org/membership/>

Key responsible business issues	The NAP highlights several key areas in which human rights abuses occur in Peru. These include abuses in the mining sector, and large-scale agriculture. They also include violations of freedom of association and abuses of labour rights and human rights of groups including women, indigenous groups, persons with disabilities and other vulnerable groups. Notably, following the oil and mining boom in the country, there was a notable increase in violent conflicts involving indigenous communities.
Strength of relevant institutions	Peru's NHRI, Defensoría del Pueblo, has been granted an 'A' grade/accreditation by the Global Alliance of National Human Rights Institutions. ⁸⁴ Indeed, as noted by an assessment by the German Institute of Human Rights, Peru's NHRI, Defensoría del Pueblo, has "gained the trust of the public because of its independence and has established regional offices in all areas of the country." ⁷³ The Defensoría has played an important part in fostering consultations with indigenous communities opposed to the development of oil and mining projects.
Impact of the intervention	<ul style="list-style-type: none"> - Increased awareness on the importance of responsible business among government, businesses, institutions and civil society; - Strengthened capacity of Japanese businesses and their suppliers and partners to carry out Human Rights Due Diligence; - Developed technical assistance package to implement Peru's NAP, including budgeting, coordination, etc.; - Better managed reputational and operational risks of Japanese companies operating in Peru directly or through suppliers.

Budget

Output	Activities	Resources required (USD)
Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments 	30,000
Output two: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies	<ul style="list-style-type: none"> • Developing a technical assistance package to implement Peru's NAP, including budgeting, coordination, etc. <ol style="list-style-type: none"> 1. Production of guideline on due diligence for small-scale mining units (action 70 of NAP) 2. Production of guideline attention to special protection groups (action 68 of NAP). • Organising events aimed at raising awareness of the NAP and its implications <ol style="list-style-type: none"> 1. Decentralized implementation of the NAP in new regions of Peru • Organising regional and South-South peer-learning forums on responsible 	90,000

⁷³ https://www.institut-fuer-menschenrechte.de/fileadmin/user_upload/Publikationen/E-Info-Tool/e-infotool_national_human_rights_institutions.pdf

	business, with participants including targeted countries in the project	
Total		120,000

Country plan Ukraine

Overview

Category	
Involvement of Japanese companies and/or investment	<p>Economic relations between the two countries are governed by the Agreement on Promotion and Mutual Protection of Investments between Ukraine and Japan, which entered into force in 2015.⁷⁴</p> <p>According to the Ministry of Foreign Affairs of Ukraine⁷⁵, until 2022, bilateral trade, economic and investment cooperation between Ukraine and Japan was characterized by stable positive dynamics. Bilateral trade turnover for the first five months of 2022 decreased by 8% compared to the same period in 2021, totaling \$450.77 million (according to the customs statistics of the Ministry of Finance of Japan).⁷⁶</p> <p>Foreign Direct Investment (FDI) from Japan into the Ukrainian economy, as registered by the National Bank of Ukraine⁷⁷, amounted to \$234.8 million as of December 31, 2021. In addition, it is estimated that Japanese corporations have attracted an additional \$550 million of investments from other countries into Ukraine⁷⁸. In 2022, in the context of Japan's solidarity with Ukraine during the ongoing war, the Government of Japan adopted a number of decisions regarding financial assistance, which in 2022 reached more than \$1.1 billion.⁷⁹</p> <p>Japanese industry in Ukraine is represented by factories of the Japanese companies Yazaki (Transcarpathia region) and Fujikura (Lviv region) for the production of electrical and electronic equipment for vehicles. In 2018-2021, Japanese investments were also directed to the agricultural sector of Ukraine. Sumitomo Corporation became the main shareholder of the Ukrainian Spektr-Agro JSC, which has a wide network of representative offices and enterprises in all regions of Ukraine and specializes in the supply of agricultural machinery, chemical plant protection products, fertilizers, etc. In 2019-2021, the Japanese company SDG Corp invested more than \$40 million in the Ukrainian agricultural sector for the construction of grain warehouses in the Tarascha district of Kyiv region.</p>

⁷⁴ Figures in the country profile for Ukraine as for 2021; they have obviously been impacted by the ongoing war in the country.

⁷⁵ <https://japan.mfa.gov.ua/en/potochnij-stan-ekonomichnogo-spivrobitnictva>

⁷⁶ <https://www.customs.go.jp/toukei/srch/indexe.htm>

⁷⁷ <https://bank.gov.ua/en/statistic/sector-external>

⁷⁸ <https://japan.mfa.gov.ua/en/potochnij-stan-ekonomichnogo-spivrobitnictva>

⁷⁹ <https://japan.mfa.gov.ua/en/potochnij-stan-ekonomichnogo-spivrobitnictva>, https://japan.kantei.go.jp/ongoingtopics/pdf/jp_stands_with_ukraine_eng.pdf

Government involvement and political will on Responsible Business	<p>By conducting the National BHR Baseline Assessment of 2019,⁸⁰ Ukraine officially started the UNGPs' implementation process.⁸¹ Since 2019, Ukraine has introduced a number of strategic documents aimed at promoting responsible business practices in Ukraine.</p> <p>The key strategic document in the BHR area is the National Human Rights Strategy (NHRS), and the relevant Action Plan that for the first time promotes the business and human rights agenda. The NHRS then calls on businesses to adopt human rights policies and implement the UNGPs. Notwithstanding the military hostilities, work on this direction was not stopped and in September 2022, Ministry of Justice of Ukraine initiated the process to update the NHRS (including the chapter on business and human rights) and the Action Plan to address war-related challenges.</p> <p>A number of other strategic documents integrating BHR principles has been adopted since 2019, inter alia the National Economic Strategy⁸², the Action Plan to Implement the Concept of Implementation of State Policy on Promoting Social Responsible Business in Ukraine until 2030,⁸³ the Strategy of Human Development of 2021,⁸⁴ the Basic Principles (Strategy) of the State Environmental Policy of Ukraine for the period up to 2030,⁸⁵ the National Strategy for Creating a Barrier-Free Space in Ukraine for the Period until 2030,⁸⁶ and corresponding documents for their implementation, especially those aimed at the harmonization of Ukraine's legislation with the EU acquis. Ukraine is strongly supportive of the business and human rights agenda, and actively supports a number of international agreements from the SDGs to the Paris Agreement.</p> <p>To address the negative impacts caused by the full-scale invasion, the Government of Ukraine (GoU) has introduced new legislation and state programmes⁸⁷ to support the population and business entities, primarily those who lost their jobs and business due to the war hostilities.</p>
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⁸⁰ The National Baseline Assessment on Business and Human Rights in Ukraine. Executive Summary', Report developed by the Yaroslav Mudryi National Law University in cooperation with the Ministry of Justice of Ukraine, <https://legalforum.nlu.edu.ua/wp-content/uploads/2019/06/executive-summary.pdf>.

⁸¹ The Ministry of Justice initiated implementation of the United Nations Guiding Principles on Business and Human Rights, <https://minjust.gov.ua/m/informatsiya-schodo-rezultativ-provedennya-natsionalnogo-otsinyuvannya-bazovih-pokaznikiv-u-sferi-biznesu-ta-prav-lyudini-v-ukraini>.

⁸² National Economic Strategy for the period up to 2030, approved by Resolution of the Cabinet of Ministers of Ukraine No. 179 of March 3, 2021, <https://zakon.rada.gov.ua/laws/show/179-2021-%D0%BF#n25>

⁸³ Action plan to implement the Concept of implementation of state policy on promoting social responsible business in Ukraine for the period up to 2030 approved by the Cabinet of Ministers of Ukraine from July 1, 2020 № 853-r, <https://zakon.rada.gov.ua/laws/show/853-2020-p#Text>

⁸⁴ Strategy of Human Development, approved by the Decree of the President of Ukraine of 02.06.2021 № 225/2021, https://zakon.rada.gov.ua/laws/show/225/2021?find=1&text=%D0%B2%D1%96%D0%B4%D0%BF%D0%BE%D0%B2%D1%96%D0%B4#w1_1

⁸⁵ Strategy of Human Development, approved by the Decree of the President of Ukraine of 02.06.2021 № 225/2021, https://zakon.rada.gov.ua/laws/show/225/2021?find=1&text=%D0%B2%D1%96%D0%B4%D0%BF%D0%BE%D0%B2%D1%96%D0%B4#w1_1

⁸⁶ National Strategy for Creating a Barrier-Free Space in Ukraine for the Period until 2030, approved by the Order of the Cabinet of Ministers of Ukraine of 14.04.2021 № 366-p. URL: <https://zakon.rada.gov.ua/laws/show/366-2021-%D1%80#Text>

⁸⁷ <https://business.diia.gov.ua/en/wartime>

	<p>Finally, the GoU launched development of the Recovery Plan (RP)⁸⁸ aimed at ensuring sustainable and just recovery. The RP is grounded on the “Lugano Principles” and is composed of strategic and operational goals and measures to be taken in 24 areas during the next decade (2022 - 2032). The RP will enable Ukraine and its partners abroad to utilize their resources effectively for just recovery and will provide the necessary policy framework to integrate the BHR agenda as a cross-sectoral issue ensuring policy coherence.</p> <p>The EU accession process, as well as the anticipated OECD membership of Ukraine,⁸⁹ present a unique opportunity to align national policies with those of the EU and to harmonize national legislation with the EU acquis. This also entails the implementation of numerous OECD BHR instruments.</p> <p>While it is unclear whether this will lead to the development of a stand-alone National Action Plan (NAP) on Business and Human Rights, the BHR chapter of NHRS expresses the Government of Ukraine’s intent to focus on the implementation of the UNGPs</p>
<p>Key responsible business issues</p>	<p>The full-scale invasion in Ukraine has had a negative impact on Ukraine’s economy and business.⁹⁰</p> <p>The war exacerbated human rights risks in business and created new ones, in particular:</p> <p>(i) Safety issues. The lack of accessibility to buildings and transport significantly complicates or makes impossible the evacuation of low mobility persons and their access to bomb shelters; moreover, there is a widespread lack of bomb shelters in office, commercial and industrial premises; in addition, the need to work in conditions of high risk to life in certain sectors of activity, primarily critical ones, creates a huge risk for employees. One of the most urgent issues is ensuring the safety of company employees in a situation where they remain in temporarily occupied territory, as well as in a situation when the company operates in a zone of active hostilities.</p> <p>(ii) Labour rights. As evidenced by the All-Ukrainian representative sociological survey conducted by UNDP,⁹¹ labour rights have been very vulnerable (in particular, this applies to the non-payment or incomplete payment of wages, cases of forced leave, high risks of employee safety).</p> <p>(iii) Discrimination. Risks of discrimination based on age and gender remain high. New problems include violations of labor rights of internally displaced persons, who sometimes face discrimination when looking for jobs.</p>

⁸⁸ Plan of Actions for the Post-War Recovery and Development of Ukraine, developed by the National Council for the Recovery of Ukraine from the Consequences of the War in accordance with the Decree of the President of Ukraine of 21.04.2022 No. 266/2022. URL: <https://www.kmu.gov.ua/diyalnist/nacionalna-rada-z-vidnovlennya-ukrayini-vid-naslidkiv-vijni/robochi-grupi>, <https://www.president.gov.ua/documents/2662022-42225>

⁸⁹ In 2022 Ukraine applied for the membership in the OECD and recognised as its prospective member : <https://www.kmu.gov.ua/en/news/oesr-vyznala-ukrainu-potentsiinym-chlenom-orhanizatsii-denys-shmyhal>

⁹⁰ World Bank. Ukraine Rapid Damage and Needs Assessment (English). Washington, D.C.: World Bank Group. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099445209072239810/p17884304837910630b9c6040ac12428d5c>

Kyiv School of Economics: <https://kse.ua/about-the-school/news/the-total-amount-of-damage-caused-to-ukraine-s-infrastructure-is-more-than-127-billion-kse-institute-s-report-as-of-september-2022/>

⁹¹ All-Ukrainian representative sociological survey conducted by the Kyiv International Institute of Sociology from August 25 to September 16, 2022 in frame of JSB

Strength of relevant institutions	<p>Ukraine's NHRI, the Parliament Commissioner for Human Rights, was established in 1998 and had an A status under the Paris Principles by GANHRI.⁹² The Commissioner is fulfilling his broad mandate with the help of the Secretariat, which works on a variety of issues, such as: social, economic and humanitarian rights, children rights, non-discrimination and gender equality, access to public information, personal data protection, the rights of internally displaced persons (IDPs), or the rights of the military personnel. Notwithstanding full-scale invasion, the NHRI continued its work in addressing urgent needs and documenting war-related human rights violations. Notwithstanding numerous new challenges BHR was in constant focus of the institution as a precondition for sustainable and just recovery. In 2022 under the NHRI:</p> <ul style="list-style-type: none"> - supported the Business and Human Rights Research Papers Competition among young researchers; - established the Expert Council on Social and Economic Rights that covers business and human rights issues; - participated in numerous international fora to promote the BHR agenda, inter alia at the UN Global Forum on Business and Human Rights and at the Regional Business and Human Rights ECIS Forum.
Impact of the intervention	<ul style="list-style-type: none"> - Increased awareness on the importance of responsible business among government, businesses, institutions and civil society; - Strengthened capacity of business, specifically where present Japanese businesses and their suppliers and partners, to carry out Human Rights Due Diligence; - Developed technical assistance package to implement Ukraine's chapter on business and human rights in its National Human Rights Strategy, including budgeting, coordination, etc.; - Better managed reputational and operational risks of business, specifically where present Japanese companies operating in Ukraine directly or through suppliers.

Budget

Output	Activities	Resources required (USD)
<p>Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains</p>	<ul style="list-style-type: none"> • Holding training, capacity building and awareness-raising activities aimed at the application of HRDD for business, including Japanese companies and their suppliers where present • Offering guidance to selected companies on HRDD, including heightened HRDD for companies operating in conflict-affected contexts 	30,000
<p>Output two: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies</p>	<ul style="list-style-type: none"> • Promote and support the Government of Ukraine to implement Ukraine's business and human rights chapter in its National Human Rights Strategy, including budgeting, coordination, etc.; and to integrate UNGPs into key human rights and recovery documents to ensure just recovery and sustainable business practices. • Organising consultations and other events with the twin aim of raising 	70,000

⁹² <http://ennhri.org/rule-of-law-report-2021/ukraine/>

	<p>awareness on responsible business and informing the content of the BHR context assessment study (2022) - and a future NAP or similar policies including just recovery process.</p> <ul style="list-style-type: none"> • Support in organising and participation in the regional and South-South peer-learning forums on “Responsible Business Conduct”, with participants including targeted countries in the project. 	
Total		100,000

Country plan – Kazakhstan

Overview

Category	
Involvement of Japanese companies and/or investment	<p>Japan is the 9th largest foreign investor in Kazakhstan. Between 2017 and 2021, Japanese companies invested \$1.2 billion in Kazakhstan's economy. In 2018 – \$403 million, in 2019 – \$401 million, in 2020 – \$291 million. Over the first nine months of 2021, Japanese investment amounted to \$169,4 million. The main investment sectors are energy, rare metals, and industry.</p> <p>According to the United Nations COMTRADE database on international trade, in 2020 Kazakhstan exported USD 880.03 million to Japan (data is unavailable for 2021), while in 2021 Japan's exports to Kazakhstan amounted to USD 349.44 million.</p> <p>Kazakhstan's main exports to Japan are metals and metal products, mainly ferroalloys (over 50% of total exports), as well as oil, coal, briquettes and similar solid fuels, chemical products and plant products. Major imports from Japan: automobiles, trucks, bulldozers, graders and other special machines, medical devices and appliances, tyres and rims, ferrous pipes and profiles.</p> <p>On 29 April 2022, the President of Kazakhstan Kassym-Jomart Tokayev and Japanese Foreign Minister Hayashi Yoshimasa discussed the status of the Kazakh-Japanese extended strategic partnership in trade and economic, investment, and other spheres. The two dignitaries expressed an interest in deepening their economic ties, with Foreign Minister Hayashi noting that the representation of Japanese companies in Kazakhstan is the highest among Central Asian countries.</p> <p>Indeed, according to Jun Yamada, Ambassador Extraordinary and Plenipotentiary of Japan to the Republic of Kazakhstan, as of November 2022, the Japanese Chamber of Commerce in Kazakhstan includes 16 well-known Japanese companies, engaged in various industries, including oil, gas, petrochemicals, metallurgy, finance, mining, automotive wholesale, and so on.</p>
Government involvement and political will on Responsible Business	<p>Since 2014, there has been discussion on the development of a National Action Plan for Business and Human Rights in Kazakhstan. However, these discussions have not resulted in concrete action to date.⁹³</p> <p>At first glance, there is an extensive system of enforcement legislation, directed to ensure application of the laws, the purpose or effect of which is to require businesses to respect human rights and to periodically assess the adequacy of such laws and address any gaps. The state seeks to ensure that other laws and policies governing the creation and ongoing operation of businesses, such as corporate law, do not constrain, but rather support, respect for human rights by businesses.</p> <p>The recent sign of the Government's support to human rights protection is the President's Decree on National Plan on measures towards human rights implementation (adopted on 11 June 2021), which demonstrates the government's willingness to push forwards human rights policy in Kazakhstan.</p>

⁹³ https://online.zakon.kz/Document/?doc_id=34336790#pos=33;-57

	<p>Apart from that in 2022 the constitutional law was adopted on Human Rights Commissioner in Kazakhstan that extends the mandate of the Ombudsperson institution, its representation in the regions and allows to receiving complaints in regard to private sector⁹⁴.</p> <p>On the other hand, there is no information that Kazakhstan provides effective guidance to business enterprises on how to respect human rights in their operations. There are no incentives or package requirements for businesses to report on how they address their human rights impacts.</p> <p>In recent years, the state's attention has mostly focused more on promoting integrity in the business environment, through the regulation of mandatory anti-corruption compliance in the quasi-public sector.</p>
<p>Key responsible business issues</p>	<p>Responsible business practices are well established in national companies. Holdings and companies have specific human rights policies or a compelling portfolio of policies affecting human rights. Many companies have declared a public commitment to human rights at management level, have sustainability reporting, adhere to ESG principles.</p> <p>At the same time, according to a report by the Business and Human Rights Resource Centre (BHRRRC), Kazakhstan faces severe allegations of business-related human rights abuses, including “mass deaths, torture and violence against striking workers, lawsuits and criminal charges against journalists and activists, poisoning of local communities, and widespread environmental destruction”⁹⁵.</p> <p>Overall, the BHRRRC report concludes that while the number and severity of allegations varies widely, the only companies that have not been accused of human rights impacts were those where there was almost no publicly available information on their businesses or activities.</p> <p>The most frequent serious human rights violations are mentioned in relation to companies operating in the extractive sector. The largest workers' strikes are mentioned in relation to the western region of the country, where mining is most active. Labour disputes are generally associated with Kazakhstani companies in the supply chains of national enterprises and multinational companies operating in the country.</p>

⁹⁴ <https://adilet.zan.kz/rus/docs/Z2200000154>

⁹⁵ https://media.businesshumanrights.org/media/documents/2021_Company_Profiles_Key_Takeaways_EN_v3.pdf

Strength of relevant institutions	<p>The National Human Rights Centre is an institution that provides technical support to the Human Rights Commissioner and works to receive and resolve complaints of the citizens regarding violations of their rights. Since 2014 NHRC has been a member of the Asian Pacific Forum of Human Rights, while also working in partnership with other NHRIs in the Global Alliance of National Human Rights Institutions to strengthen its institutional capacity.</p> <p>On 5 November 2022, the powers of the Ombudsperson in Kazakhstan were enshrined in a new Constitutional Law on “the Human Rights Commissioner of the Republic of Kazakhstan”. Adopted amendments have extended the Ombudsperson’s mandate to receive and consider complaints from citizens of Kazakhstan, foreign nationals, stateless persons and organizations containing information on violations of human and civil rights and freedoms by the private sector.</p>
Impact of the intervention	<ul style="list-style-type: none"> - Increased awareness on the importance of responsible business among government, businesses, institutions and civil society; - Strengthened capacity of Japanese businesses and their suppliers and partners to carry out Human Rights Due Diligence; - Developing a National Baseline Assessment on Business and Human Rights. - Better managed reputational and operational risks of Japanese companies operating in Kazakhstan directly or through suppliers.

Budget

Output	Activities	Resources required (USD)
Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments 	30,000
Output two: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies	<ul style="list-style-type: none"> • Supporting the drafting of model NAP based on the NBA and advocating for a policy commitment from the Government • Organizing consultations and other events with the twin aim of raising awareness and informing the content of a NAP • Organising regional and South-South peer-learning forums on responsible business, with participants including targeted countries in the project. 	70,000
Total		100,000

Country plan – Kyrgyz Republic

Overview

Category	
Involvement of Japanese companies and/or investment	<p>According to the United Nations COMTRADE database on international trade, in 2021 Kyrgyz Republic exported USD 493.64 thousand to Japan, while Japan's exports to Kyrgyz Republic amounted to USD 11,180 million. Kyrgyz Republic mainly imports pharmaceutical products, power generating machine, rubber tires and tubes from Japan, and exports sugar, sugar preparation & honey, textile yarn, fabrics, precision instruments⁹⁶, carpets, medicinal plants and others to Japan. The promotion of business and human rights agenda in Kyrgyz Republic would contribute to increase of Japanese companies' investments in the country and improve the bilateral trade cooperation.</p>
Government involvement and political will on Responsible Business	<p>In December 2022 the Government of the Kyrgyz Republic adopted its National Human Rights Action Plan for 2022-24. The Plan was developed to fulfill in a timely manner the international obligations of the Kyrgyz Republic in the area of human rights and freedoms protection to implement the recommendations given by the UN treaty bodies on human rights, as well as taking into account the commitments made by the Kyrgyz Republic to implement the recommendations of the Universal Periodic Review. However, the Plan does not have a chapter on business and human rights and further advocacy efforts will be required to develop a dedicated policy on business and human rights.</p> <p>The key national authorities responsible for governance of the business sector, including the Ministry of Economy and Commerce, as well as the Office of the Ombudsman, have demonstrated a commitment in the promotion of responsible business and have supported the launch of a comprehensive policy development process on promoting the responsible business agenda.</p> <p>Therefore, national authorities (including the aforementioned institutions), the private sector, CSOs, and the judiciary require urgent assistance in applying and implementing UN Guiding Principles on B+HR and relevant mechanisms. Such support will deepen the public policy discourse on responsible business practices in Kyrgyz Republic, help remedy ongoing disputes, prevent social tensions and assist victims in accessing remedies.</p>

⁹⁶ <https://www.mofa.go.jp/region/europe/kyrgyz/data.html>

<p>Key responsible business issues</p>	<p>The Kyrgyz Republic is a lower middle-income country with rich natural resources such as minerals. Its arable land, pasture and forests contribute to the country's potential for the expansion of agriculture. Currently, agriculture makes up about 12 % of GDP. The service sector, which makes up around half of both GDP and total employment, is the largest in the Kyrgyz Republic. The Kyrgyz Republic is heavily dependent on remittances (27% of GDP) and gold exports (9% of GDP), leading to a relatively high vulnerability to external shocks. According to official estimations, due to COVID-19 the Kyrgyz economy contracted by 8.6% in 2020. The main sectors impacted by COVID-19 are construction, manufacturing, trade, transport, the accommodation sector (hotels), and food services (restaurants).⁹⁷ However, the economy of the country has been hampered by a number of structural problems: high dependence on remittances; a struggling private sector; an economy 70% constituted of informal revenues; a cumbersome business environment; and a general lack of national trade facilitation policies. At the same time Kyrgyz Republic has maintained steady GDP growth over the last years (4-5% annually). The levels of poverty and inequality remain challenging.</p> <p>However, the case for integrating human rights standards into the business "discourse" has not been made convincingly enough, while there is a lack of a strong national narrative on the interdependence between the rule of law, independent institutions and a safe space for civil society to operate as essential elements in promoting responsible business conduct.</p> <p>The key business and human rights challenges include a low level of awareness on business and human rights; widespread discrimination; violations of labour rights; environmental impacts; and impunity against economic abuses, including corruption.</p>
<p>Strength of relevant institutions</p>	<p>Ministry of Economy and Commerce of the Kyrgyz Republic is the leading governmental agency for regulating the business environment. The current leadership of the Ministry has a positive vision on promoting the business and human rights agenda in the national business environment. The Ministry has good interaction with business associations, business ombudsman and other representatives of the business community, and therefore takes a leading role in promoting responsible business conduct, as well as promotion of the National Action Plan in the Cabinet of Ministers of the Kyrgyz Republic.</p> <p>The Office of the Ombudsperson of the Kyrgyz Republic was established by a law enacted in 2002. It is currently graded with a "B" rating under the Paris Principles by GANHRI.⁹⁸ The Kyrgyz Ombudsperson has a broad mandate to promote and protect human rights. It includes the monitoring of compliance with respect for human rights, preventing and assisting in the remedy of violations, with a focus on discrimination, and developing international cooperation in the area of human rights protection. The NHRI provides an annual report to the Parliament, and ad -hoc reports on specific topics. It also has a coordinating council on human rights, which is led by the Deputy Prime Minister and where the Ombudsperson is also a member. In 2020, the Business Ombudsman Institute was set up, which is responsible for the independent and transparent protection of businesses and improving the business climate in the Kyrgyz Republic. This institution, while new,</p>

⁹⁷ <https://library.fes.de/pdf-files/bueros/bischkek/18023.pdf>.

⁹⁸ Global Alliance of National Human Rights Institutions, 'Chart of the status of national institutions accredited by the Global

Alliance of National Human Rights Institutions', [https://nhri.ohchr.org/EN/Documents/Status%20Accreditation%20Chart%20\(04%20March%202019\).pdf](https://nhri.ohchr.org/EN/Documents/Status%20Accreditation%20Chart%20(04%20March%202019).pdf), last accessed 9 January 2020.

	could play an important role in driving forward the responsible business agenda in the country.
Impact of the intervention	<ul style="list-style-type: none"> - Completing a National Baseline Assessment and developing a business case for a National Action Plan on Responsible Business and the implementation of the UNGPs in Kyrgyz Republic. The key components will include support to human rights due diligence mechanisms and laws, policies, regulatory framework, and practices to strengthen human rights conditions in business operations and address adverse impacts of business operations on human rights. - Strengthened public debates and coordination platforms among the legal reform and coordination mechanisms, state institutions, business community, human rights networks and Government in regard to responsible business and human rights in the business sector. - Strengthened capacity of Japanese and Kyrgyz Republic businesses and their suppliers and partners to carry out Human Rights Due Diligence.

Budget

Output	Activities	Resources required (USD)
Output one: Japanese companies, their suppliers and partners are supported in their efforts to remain competitive by ensuring compliance with Human Rights Standards throughout their value chains	<ul style="list-style-type: none"> • Holding blended training courses on HRDD for Japanese companies and their suppliers • Offering guidance to selected companies on Human Rights impact assessments 	30,000
Output two: Governments and other state authorities of 9 countries are supported in the development or implementation of National Action plans on Business and Human Rights or similar policies	<ul style="list-style-type: none"> • Providing continued technical support to Kyrgyz Republic for the development of a policy document on Business and Human Rights (NAP or similar) • Organizing consultations and other events with the twin aim of raising awareness on responsible business and informing the content of a policy commitment on Business and Human Rights (NAP or similar) • Organising regional and South-South peer-learning forums on responsible business, with participants including targeted countries in the project. 	70,000
Total		100,000