



Businesses Must Place People and Planet Above Profit – Prof. Damilola Olawuyi

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In a landmark conversation during the Arab-African Regional Forum on Business and Human Rights in Marrakech, Professor Damilola Olawuyi, SAN—UNESCO Chair on Environmental Law and Sustainable Development and Member from African States, United Nations Working Group on Business and Human Rights—delivers a powerful message: Arab and African nations must build resilient economies rooted in dignity, justice, and sustainability. Addressing legal reforms, extractive industry accountability, and the urgent need for homegrown solutions, he outlines a bold regional

path forward anchored in the UN Guiding Principles on Business and Human Rights.

How can Arab and African states strengthen their national legal and policy frameworks to ensure that business enterprises respect human rights in practice?

It was my great pleasure to participate in this important Arab-Africa Forum on Business and Human Rights, on the theme “Towards a regional dialogue for a responsible economy that respects human rights.” The Forum represents a milestone, a history-making collaboration across Africa and Arab States to advance partnership on human rights and sustainable development. I must therefore start

by congratulating the Government of the Kingdom of Morocco, particularly the Interministerial Delegation for Human Rights (DIDH) and the National Human Rights Council (CNDH), United Nations Development Programme (UNDP), United Nations Population Fund, UNICEF, Arab Network for National Human Rights Institutions (ANNHRI), and other co-organizers, for hosting such an innovative Forum.

Given the shared economic priorities and interests of countries in Africa and Arab States, more collaboration, solidarity, mutual supportiveness, partnerships, and common understanding will go a long way to unlock homegrown solutions and an Arab-Africa approach to implementing the UN Guiding



Principles on Business and Human Rights, in a manner that ensures sustained inflow of investments that uplift our societies, without jeopardizing human life and human rights.

The Forum is a good starting point in this regard as it enables countries of the region to promote awareness on this important subject, and to identify how existing legal frameworks can be strengthened to advance responsible business practices in all economic sectors.

What are the main challenges facing countries in the region when it comes to implementing the UN Guiding Principles on Business and Human Rights, especially in cross-border commercial activities?

The key challenges can be categorized into three. First is the need to promote greater awareness on this subject. In my engagements, I notice that while the UNGPs and the business and human rights agenda are gaining momentum in the big cities, especially in big transnational corporations and state-owned enterprises, when you go far to the outskirts and rural communities, knowledge of the UNGPs is often

limited, which is worrisome given that the UNGPs have been around for close to 15 years now. This raises the need for more awareness, workshops, and trainings, especially for small and medium scale enterprises (SMEs) and informal sectors, so they can better understand how they can address human rights gaps in their operations and value chains.

Second, and flowing from the first, is the slow development of legislation and national action plans on business and human rights (NAPs) to clarify what responsible businesses should do when operating in the continent. Since 2011 when the UNGPs were endorsed by the UN Human Rights Council, close to 40 countries across the world have responded with legislation, NAPs and instruments that interpret the UNGPs in their own local contexts. However, only four countries (Kenya, Uganda, Nigeria and Liberia) have developed NAPs in Africa and Arab States. It is important for more countries in the region to develop and implement their own legislation and NAPs and to integrate such expectations in their international investment agreements and trade relations. Such regulatory clarity and certainty will reduce ESG risks for investors, thereby making

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the continent more competitive and attractive as an investment hub.

Third is the need for all stakeholders to bridge artificial silos and work collaboratively to advance the UNGPs. There is no aspect of our lives that is not touched daily by business decisions. Whether we are speaking of the food we eat, the clothes we wear, the climate change emergency; responsible deployment of artificial intelligence and ensuring compliance with international human rights law in times of armed conflicts, businesses are at the heart of these issues. So multistakeholder coordination, collaboration, and partnership, amongst ministries, business

enterprises, non-governmental organizations (NGOs), media and key government agencies in all economic sectors, will be required to identify workable solutions and ensure coherent implementation.

In your view, what best practices or innovative approaches were presented during the forum that companies could adopt to better align profit-making with human rights obligations?

The Forum has greatly highlighted the growing international consensus that all business enterprises have a responsibility to mainstream human rights across their entire operations and value chains and to contribute to sustainable development. As legislation grows in this area, companies that fail to respond could face several risks, including risk of regulatory fines, reputational damage, reduced profit, or even loss of operational or business opportunities. As the Forum has emphasized, businesses should develop human rights policies in line with the UNGPs to guide all their staff, contractors, sub-contractors and other relationships on how to respect human rights in all operations. Second, business should invest more in human rights training and capacity development for their workers and other stakeholders on human rights due diligence to avoid adverse risks in this area. Third is the need for businesses to take always urgent remedial action, which includes ceasing any operations with adverse human rights impacts that they cause, finance or contribute to, with special attention to providing remedies to impacted and vulnerable groups.

How can regional economic policies and trade agreements be leveraged to promote greater respect for human rights by business enterprises?

There have been several positive



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developments over the last year in terms of accelerating continental trade and investments across Africa and Arab regions. For example, the Agreement Establishing the African Continental Free Trade

Area (AfCFTA) aims to accelerate intra-African trade and global competitiveness of products from the continent. With a population of about 1.3 billion people and a combined GDP of approximately USD 3.4 trillion, the practical implementation of the AfCFTA has the potential to foster industrialisation, job creation, and investment, while at the same time ensuring equitable, inclusive and rights-based trade in the continent. Starting with its preamble, the AfCFTA Agreement expressly recognizes the importance of democracy, human rights, gender equality and the rule of law for the development of international trade and sets a goal of promoting and attaining sustainable and inclusive socio-economic development, gender equality and structural



transformation in the continent.

Aligning the implementation of AfCFTA and other trade agreements with the UNGPs is required to achieve such human rights, rule of law and gender equality objectives. When deciding on the next investments or trade commitments, all parties should undertake human rights due diligence to anticipate and identify likely adverse human rights impacts and then take immediate steps to prevent such adverse impacts when planning, financing and implementing all trade-related processes.

Are there successful examples of cross-border cooperation between Arab and African states that demonstrate effective integration of human rights standards into business operations?

In addition to AfCFTA, there is the Arab-Africa Trade Bridges (AATB) Program which aims to accelerate trade and investment flows between African and Arab countries. This partnership includes Nigeria, Morocco and other member states of the Organisation of Islamic Cooperation (OIC), and aims to support trade collaboration, finance, and capacity development between Arab and African members of the OIC. The AATB's focus on addressing

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challenges like climate change and food security could significantly accelerate the human right to clean, healthy and sustainable environment in both regions, and the recent announcement of a US\$1.5 billion Food Security Programme is a positive step in this regard.

Given that this initiative is led by financial institutions, including the African Export-Import Bank (Afreximbank), the Islamic Development Bank (IsDB), the International Islamic Trade Finance Corporation (ITFC), Islamic Corporation for Investment and Export Credit (ICIEC), Islamic for the Development of the Private Sector (ICD) and Arab Bank for Economic Development in Africa (BADEA), it shows that businesses can be a force for good. We hope that the

discussions here at the Arab-African Regional Forum on Business and Human Rights can help provide human rights related support for such and other regional initiatives by integrating issues relating to health, safety, environment, just energy transition, women empowerment, and rule of law in such trade processes.

The forum highlighted the importance of viewing businesses as social actors, not just economic ones. What civic responsibilities do you believe companies should embrace in the context of business and human rights?

Businesses, especially large transnational corporations, have enormous influence and leverage over their subcontractors and other business relationships. Businesses as social actors can therefore move from just a compliance and profit mindset to a responsibility mindset, which aims to go beyond just complying with the law, to using their leverage to promote societal good and sustainable development. As social actors, companies should use their leverage to prevent, reduce or mitigate any adverse human rights impacts in communities where they operate; invest in capacity-building to ensure that their workers and members of the communities have training in human rights and the capacity to monitor human rights impacts; and also support the work of environmental human rights defenders and demonstrating zero tolerance towards attacks and reprisals against these actors.

A good example is a famous company that recently announced that they will review their relationship with any of their contractors or sub-contractors that does not have a human rights policy or energy efficiency policy in place. This led to several sub-contractors updating their practice in this regard. This is the kind of positive use of leverage as social influencers that we would like to see from more



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businesses, including actions relating to contributing their infrastructure to support water, energy, and food security in the communities where they operate. The business and human rights message is about placing people and planet above profit always.

What role should civil society organizations, national human rights institutions, and academic bodies play in holding businesses accountable and promoting a culture of human rights compliance?

National human rights institutions (NHRIs), civil society actors, media, and higher education institutions are crucial in the active dissemination of the human rights responsibilities of all businesses under the UNGPs. Awareness and educational programs that focus on the development of sustainable businesses, the

development of environmentally sustainable technologies, ethical financing, access to remedy and the effective dispute resolution are indispensable in promoting an innovation economy that advances the right to clean, healthy and sustainable environment, amongst other human rights.

I would therefore like to see more NHRIs, NGOs, universities and other stakeholders across Africa and Arab States developing tailored workshops, seminars and conference on these important topics, while also that are crucial to promoting trade and investment competitiveness of our countries. The media also have key roles to play as public watchdog and gatekeepers by shining the spotlight on success stories on business and human rights, while highlighting areas for further progress. This is why I must specially commend your magazine for your leadership and interest in the business and human rights topic, and I hope you continue to sustain the discourse.

Morocco hosted this important forum through its Interministerial Delegation for Human Rights. What is your assessment of Morocco's leadership in promoting the business and human rights agenda regionally?

I must congratulate the Government of Morocco, especially the Interministerial Delegation for Human Rights (DIDH), for

the foresight and innovation in spearheading this important Forum. You may recall that I was also here in Morocco last year at the invitation of the National Human Rights Council (CNDH) of Morocco for awareness raising on the UNGPs, and to participate in the transitional justice conference held at the Parliament in Rabat.

Given Morocco's position as an economic, technological and digital hub in Africa and Arab States, its leadership and commitment to right-based business practices will surely serve as a positive influence and reference point for other countries in the region. I therefore hope that this Forum is just the beginning of many more positive developments that will go a long way in unlocking the innovation, access, and competitiveness of Arab-African businesses in a right-based global economy.

How can other countries in the region replicate or adapt Morocco's institutional model to promote inclusive dialogue and effective implementation of business and human rights principles?

A Forum like this provides an important opportunity for raising awareness and deepening capacity on the UNGPs. With more than 300 participants from West, East, Central and North Africa, including delegations from Gulf countries, this Forum has provided a rich platform for such robust exchange. I hope all the participants will leave here motivated to replicate the multistakeholder approach that we have seen here in Morocco to foster inclusive dialogue that leaves no one behind. You can count on my continued support in this regard.

As a legal expert in energy and environmental law, how do you evaluate the role of extractive industries in upholding—or violating—human rights in the



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region? What safeguards are essential in these high-impact sectors?

In 2023, the United Nations Working Group on Business and Human Rights presented its report, “Extractive Sector, Just Transition and Human Rights,” to the UN General Assembly. The report delves into the collaborative measures that extractive industries can adopt to ensure that their operations, including in the context of the ongoing clean energy transition, not only adheres to human rights mandates but also advances sustainability. I would like to see

more extractive businesses adopt and implement the human rights due diligence steps recommended in that report.

Having taught, practiced and worked on energy and environmental law for close to two decades in Africa, Asia, North America, Europe and the Middle East, I know that to effectively manage and respond to the human rights risks in this industry, more human rights and conflict prevention training will be key. It is also important for businesses and investors in the sector to align their energy transition plans and investment choices with human rights. This alignment involves conducting early and thorough human rights due diligence and impact assessments during the planning, funding, and execution stages of energy transition initiatives, as well as swiftly addressing any negative impacts and risks that may arise. Extractive industries must also implement mitigation strategies and contractual techniques – such as human rights aligned procurement practices, community or impact benefit agreements, transparent and accurate disclosures and reporting, gender equality policies, and other

sustainability safeguards — that are required to ensure a just and inclusive energy transition.

Could you share any examples from your own work where sustainability-focused business practices have led to measurable improvements in the protection of human rights?

Recent studies demonstrate that sustainable businesses with strong environment, social and governance (ESG) management culture, tend to be more profitable, and I have written extensively on this. For example, over the last years, we have seen the rise of eco—entrepreneurs focused on developing green and sustainable products with reduced carbon footprints that benefit the environment, while creating employment and other economic opportunities. The truth is that customer preferences are changing across the world in favour of green, ethically sourced and efficient products. Businesses in Arab and African States must therefore understand this shift and align their procurements, investment and financing practices with sound ESG standards.



In addition to product change to achieve more efficient and environmentally friendly products, businesses and investors must also invest in process change by developing clear human rights policy to guide their operations, human rights training for staff, having ESG competent boards, and strengthening the use of mediation, arbitration and other ADR mechanisms to enhance access to remedy in case of disputes.

Can you describe your specific contributions during the Marrakech forum—were you involved in a panel discussion, working group, or policy drafting session?

It was my pleasure to deliver opening plenary remarks during the high-level session of the Forum, in which I

emphasized the importance of South-South collaboration and regional partnerships to evolve homegrown and localized solutions that advance the UNGPs in all economic sectors. I also shared my experience on how businesses can leverage the momentum to develop win-win solutions and sustainability-focused investments that advance human rights, while creating new economic opportunities on clean technology entrepreneurship and innovation.

It was also my pleasure to speak on a panel on developing National Action Plans on Business and Human Rights, highlighting the need for a multistakeholder process that leaves no one behind. Having the chance to meet and discuss with NHRIs, CSOs, NGOs and business stakeholders in the breakout working sessions was also



very refreshing.

What is the single most important message you aimed to convey to policymakers and business leaders through your participation in this forum?

All businesses - irrespective of their size, revenue, or sector – have a responsibility to place human rights at the heart of their investment decisions. Adopting such measures presents a sound business rationale in terms of accessing global markets, minimizing risk, managing reputation, and averting intricate legal challenges. As legislations on human rights due diligence and corporate responsibility emerge across the world, including the EU Directive on Corporate Sustainability Due Diligence (CS3D), which aim to restrict goods made from irresponsible and unfair labour conditions from EU supply chains, it is crystal clear that states and businesses in Africa and Arab States that fail to respond risk being left behind in a rapidly changing right-based global economy. I therefore hope that we seize the momentum to grow resilient and right-based businesses that can compete favourably globally.