



Human rights due diligence in challenging contexts

Introduction, case studies
and resource overview.

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About the Ethical Trading Initiatives

The Joint ETIs are multi-stakeholder initiatives bringing together companies, trade unions, civil society and public sector to strengthen workers' rights and the respect for human rights in global supply chains. They offer trainings, advise, resources and a platform for collaboration between members and stakeholders in all sectors.

Read more on www.etiskhandel.dk, www.etiskhandel.no, www.ethicaltrade.org, www.etisverige.se.

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Editor

Sarah Reifling Dieckmann (Ethical Trade Denmark), assisted by Simen Høy Dypvik (Ethical Trade Norway), Malin Kjellqvist (ETI Sweden), Laurent Arnone (ETI) and Sarah Hilstrøm (Ethical Trade Denmark).

Layout

Cecilie Carøe.

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Foreword from the joint ETIs Directors

The crucial role of businesses in achieving human rights for all is becoming more and more recognized, and rightly so. Business conduct and trade are in the spotlight, as the world wakes up to the risk of businesses causing or contributing to adverse impacts on workers, local communities, and the societies they operate in or source from.

This is particularly the case in states and regions where human rights are under additional pressure due to natural disasters, conflict, or systematic and state-imposed violations of human rights; or where national regulation or its enforcement is affected and fails to protect human rights of citizens. These are defined by the UN Office of the High Commissioner for human rights (OHCHR) as challenging contexts.¹

Expectations for companies to demonstrate responsibility are rising and becoming better defined. Particularly in the EU, we are experiencing more and stronger regulation of responsible business conduct. Most notably, the Corporate Sustainability Due Diligence Directive² and the Corporate Sustainability Reporting Directive³ require companies to conduct and report on human rights due diligence (HRDD). As the Joint Ethical Trade Initiatives based in Denmark, Sweden, Norway, and the UK, we welcome this development.

However, for “challenging contexts” there is a risk that business will see these as too challenging and high risk thus opting to withdraw. This would lead to impacts on the local economy, loss of employment at a critical time, the loss of future investment if the situation changes and/or suppliers seeking markets where international standards are less important.

While business can impact human rights negatively, they can also play a key role in fostering decent work, contributing to sustainable development, and driving a just green transition, while creating jobs, livelihoods, and societal resilience. It is crucial that businesses invest appropriate efforts in making sure their operations, business relationships and value chains are moving in the right direction at the necessary pace.

The [UN Guiding Principles on Business and Human Rights](#)⁴ (UNGPs) and the [OECD Due Diligence Guidance for Responsible Business Conduct](#)⁵ encourage engagement over disengagement, and the due diligence process is instrumental in informing business decisions, and defining the special measures needed to address potential harms in challenging contexts.

This is why we have gathered several examples of companies’ due diligence in contexts that can be considered challenging. These illustrate how companies have adapted their processes when operating in exceptional circumstances, where normal HRDD is not possible or not enough to protect workers’ rights. In such difficult circumstances, meaningful engagement and collaboration with NGOs, workers, and their representatives, as well as with local stakeholders is even more essential than normal. Furthermore, an understanding of the context of the situation is vital so that such stakeholders are not unduly put at risk and that the underlying causes of a challenging context are unintentionally worsened. The report also includes a list of relevant guidance and resources, that companies can draw upon in order to implement their human rights due diligence.

While this report is targeting business, we urge governments in home states of business enterprises involved in challenging contexts to fulfil their role in the UN Guiding Principles. That is to protect human rights with a smart mix of measures - mandatory and voluntary by requiring, guiding, and assisting business to respect human rights. This includes striving for policy coherence and cooperation between government bodies, such as development agencies and foreign and trade ministries.

As we witness the world becoming increasingly unstable, the conversation on business responsibility and due diligence in challenging contexts is even more important. We want to inspire and support companies to take responsibility for their impacts, both positive and negative, on human rights in countries and regions considered as challenging. We hope to motivate them to stay and engage for change and to consider and address the impacts of disengagement if this is deemed the appropriate action.

1 UN Office of the High Commissioner for Human Rights (2023), [Business and Human Rights in Challenging Contexts](#)

2 European Commission (no date.), [Corporate Sustainability due diligence directive \(CSDDD\)](#).

3 Official Journal of the European Union (2022), [The European Parliament and of the Council amending Regulation \(EU\) Directive as regards to corporate sustainable reporting \(CSR\)](#).

4 UN Office of the High Commissioner for Human Rights (2011), [Guiding principles on business and human rights. Implementing the United Nations “Protect, Respect and Remedy” Framework](#).

5 OECD (2018), [OECD Due Diligence Guidance for Responsible Business Conduct](#).



1. Introduction

1.1 Background

Responsible business conduct (RBC) is essential for securing the integrity of business operations and ensuring compliance under national, regional and international law. International standards such as the UN Guiding Principles on Business and Human Rights (UNGPs), OECD Guidelines and increasing demands for mandatory due diligence legislation set standards for companies to assess, prevent, mitigate and remediate adverse human rights impacts related to their business activities, in their operations and their supply chains.

When operating in or sourcing from challenging contexts, companies might feel that it is demanding to meet their responsibilities and comply with regulations on RBC. However, fulfilling these responsibilities is both essential and can, when achievable, contribute to livelihoods, decent jobs, and national development in the long run. In line with the UNGPs, disengagement should be considered as a last resort, when the company can no longer meet its responsibilities and has no leverage to achieve change.

This report provides examples of how companies operating in or sourcing from challenging contexts are managing human rights risks by implementing special human rights due diligence (HRDD) measures.

1.2 Approach

The cases included in this report were identified and selected for inclusion through the joint Ethical Trading Initiatives in Denmark, Norway, UK and Sweden, its members, and contacts. The case studies themselves are based on publicly available information and interviews with the relevant teams from the selected companies. It has not been within the scope of this report to include views from stakeholders or other parties. The case studies focus on specific elements of HRDD (e.g. risk assessments, stakeholder engagement, etc.) in a range of challenging contexts, rather than providing an entire overview of all activities the company has taken. The aim of the case studies is to illustrate how companies have sought to conduct RBC in a range of challenging contexts, and to share lessons learnt, building on their successes and challenges.

It is aimed at companies, however, it is also of relevance to procurement teams in public authorities and civil society organisations.

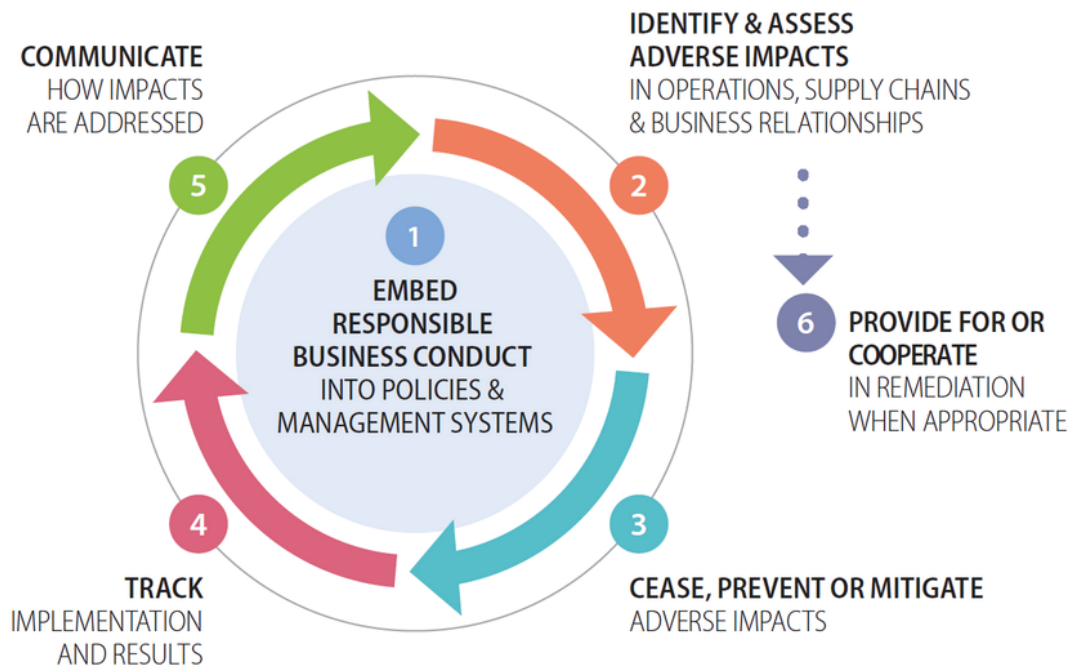
The objective of this report is to illustrate how companies have decided to operate and adapt their HRDD processes in contexts where normal HRDD is not possible or not enough to protect human rights. It highlights practical approaches and tools and provides a range of examples useful to explore further the concept of HRDD in challenging contexts, as they are defined by the OHCHR. We acknowledge that the applicability and suitability in other contexts cannot be assumed.

The report contains an overview and introduction of key principles of responsible business conduct, case studies of company practices in a range of challenging contexts and an overview of useful resources. A special chapter on Ukraine is included, to provide insight into how a war negatively affects the entire environment in which companies operate and the structures aimed at protecting workers' rights. The analysis emphasises the need to evaluate and adjust human rights due diligence processes.

They should not be taken as a complete assessment or a uniform solution and guidance on how to conduct due diligence when operating in a challenging context.

The primary scope of this report did not include addressing the opinions of stakeholders or other parties. However, expert stakeholders based in Ukraine were consulted to inform the chapter on RBC in Ukraine, whilst the OECD Center for Responsible Business Conduct has been consulted on the overall purpose of the report and the special considerations and efforts business must take to respect human rights in challenging contexts.

Figure 1: Overview of due diligence process



Source: OECD (2018),
[OECD Due Diligence Guidance For Responsible Business Conduct.](#)



Find more due diligence guidance from ETI Denmark on www.the6steps.dk / www.de6skridt.dk.

The guide gives concrete advice on where to start and how to strengthen your current processes for human rights, environmental and climate due diligence - regardless of company size and resources.

1.3 Key principles of responsible business conduct

RBC requires companies to prevent, mitigate and remedy any potential or actual negative impacts that arise as a result of their activities. This is outlined in leading international standards such as the UNGPs and the OECD Guidelines for Multinational Enterprises. Both standards apply to SMEs and larger companies.⁶

To fulfil the RBC obligations, companies should have robust due diligence processes in place. In supply chains, due diligence should be carried out in line with OECD Guidelines (see Figure 1). If actual adverse impacts are identified, remediation must be provided to affected rightsholders. Companies should communicate any negative impacts, how these are addressed, and the outcomes of any prevention, mitigation, and remediation activities.

In a growing number of jurisdictions, mandatory HRDD laws are being passed, requiring companies to conduct HRDD or disclose impacts associated with their operations and supply chains. Although HRDD legislation is often aimed at larger businesses, the inclusion of SMEs under mandatory HRDD laws is increasingly under discussion, and due diligence legisla-

tion in Norway already covers medium-sized enterprises.⁷ Within this context, there are more incentives for both SMEs and large businesses to enhance their RBC practices, particularly as new mandatory public reporting requirements will increase scrutiny on business from government, investors, and other stakeholders.

Some examples of proposed and existing HRDD legislation include:

- EU: The EU Corporate Sustainability Reporting Directive (CSRD), EU Forced Labour Regulation and Corporate Sustainability Due Diligence Directive (CSDDD)
- Australia: Modern Slavery Act
- France: Duty of Vigilance Act
- Germany: Supply Chain Due Diligence Act
- Norway: Transparency Act
- South Korea: Bill on Human Rights and Environmental Protection for Sustainable Business Management
- UK: Modern Slavery Act
- United States: Uyghur Forced Labour Prevention Act

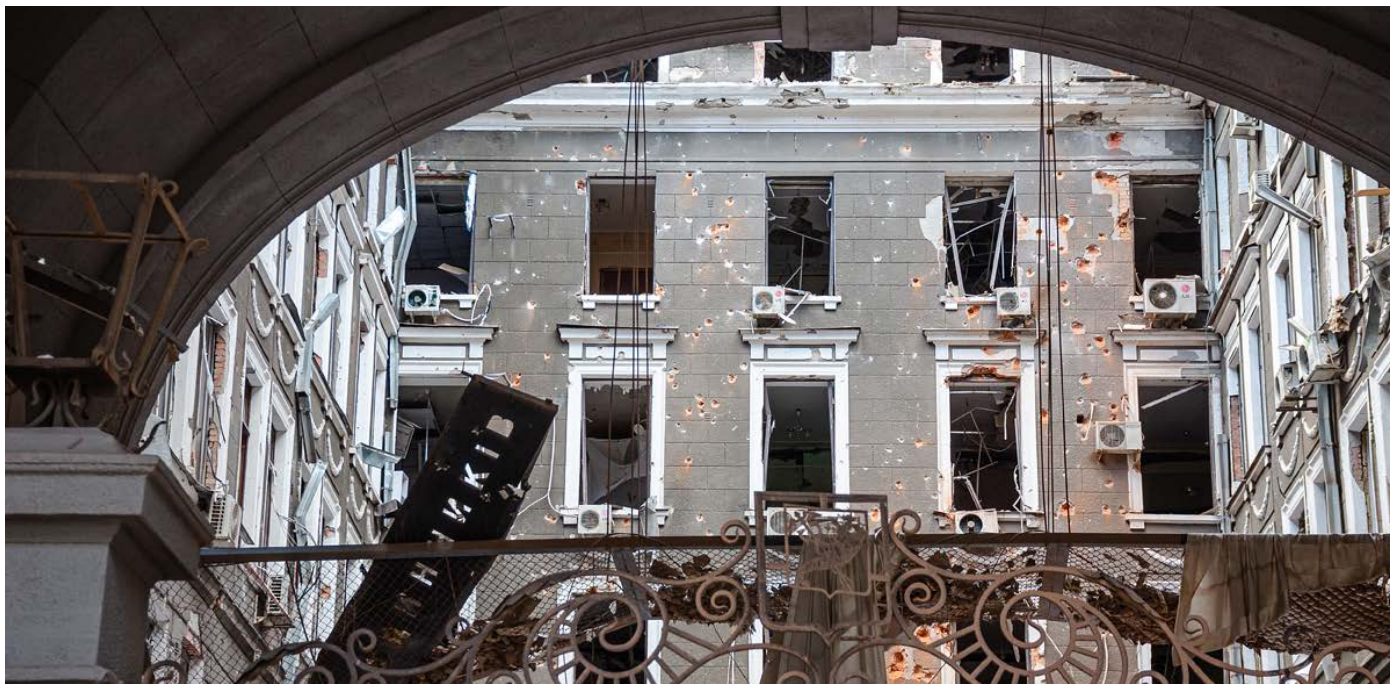


Photo: Ulandssekretariatet/FPU

⁶ OHCHR (2011), *Guiding Principles on Business and Human Rights*; UNDP and UN Working Group on Business and Human Rights (2022), *Heightened Human Rights Due Diligence for Business in Conflict Affected Contexts: A Guide*.

⁷ OECD (2021), *Background note on Regulatory Developments concerning Due Diligence for Responsible Business Conduct (RBC): The Role of Small and Medium Sized Enterprises (SMEs)*.

1.4 What is a challenging context?

According to the OHCHR, there are three types of challenging context where heightened due diligence may be required to ensure RBC. The following examples,

while not exhaustive, are typical ‘red flags’ for identifying such contexts.

Type of challenging context	Examples
Conflict, political instability, or systemic violation of human rights	<ul style="list-style-type: none"> • ‘Conventional’ armed conflict between states or armed groups • Military occupation • Mass atrocities • Violence by non-state actors, e.g. tribal violence, or violence by terrorist groups • Severe human rights violations during peacetimes due to factors such as social or political unrest, economic or humanitarian crises • Systemic human rights violations perpetrated by state actors
National law aligns with recognised human rights standards, but protection in practice limited	<ul style="list-style-type: none"> • Weak law enforcement • Weak governance and rule of law • Corruption • Widespread poverty • Limited government resources • Poor infrastructure
National law is inconsistent with human rights standards	<ul style="list-style-type: none"> • Employment law obligates discrimination against certain groups (e.g. on the basis of gender, migration status or sexual orientation) • Freedom of association suppressed in law • Little protection from forced labour or child labour in law

Sources: OHCHR (2023), [Business and Human Rights in Challenging Contexts: Considerations for Remaining and Exiting](#); UNDP and UN Working Group on Business and Human Rights (2022), [Heightened Human Rights Due Diligence for Business in Conflict Affected Contexts: A Guide](#); UN Working Group on Business and Human Rights (2020), [Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises: Business, human rights and conflict-affected regions: towards heightened action](#).



Photo: Shutterstock/Indy108

1.5 Considerations for responsible business conduct in challenging contexts

In order to ensure RBC in challenging contexts, businesses must assess each situation on an ongoing and case-by-case basis. It is essential for businesses to consider both their contribution to any negative human rights impacts⁸, and the extent to which they are able to address or remediate them. The presence of human rights risks that are difficult to avoid or remediate does not necessarily mean that business operations must be halted.

Ceasing operations or sourcing from a challenging human rights context should be treated as a last resort, pursued only after seeking remediation for any adverse human rights impacts the business may be linked to, and following efforts to increase the company's leverage over relevant business relationships to ensure these impacts are addressed.⁹

Where businesses feel they cannot adequately and effectively prevent or mitigate severe risks, exit from the context should be conducted in a responsible manner, guided by a thorough assessment of its potential impacts. Companies should be able to demonstrate and document their due diligence processes, particularly in light of strengthened regulations on reporting such as the EU Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Diligence Directive (CSDDD).

The UNGPs and OECD Due Diligence Guidelines on Responsible Business Conduct should serve as key reference points for companies deciding whether to remain in a difficult context, exit responsibly, or terminate specific business relationships. Both frameworks set out the considerations that businesses must make to ensure that they are operating responsibly and appropriately mitigating risk, encouraging an approach that prioritises the needs of affected stakeholders.¹⁰

UNGP 23 provides that “Where the domestic context renders it impossible to meet this responsibility fully, [the responsibility to respect human rights wherever they operate] business enterprises are expected to respect the principles of internationally recognised human rights to the greatest extent possible in the circumstances and to be able to demonstrate their efforts in this regard.”

The case studies in this report illustrate a number of different approaches companies have taken to support RBC in a range of challenging contexts, alongside key lessons learned.

8 OHCHR (2011).

9 OHCHR (2023), *Business and Human Rights in Challenging Contexts: Considerations for Remaining and Exiting*.

10 OHCHR (2023); OECD (2018), *OECD Due Diligence Guidance For Responsible Business Conduct*.

Reflections and questions to explore

The work on this report has and will continue to foster reflections and fruitful discussions in the team across the Ethical Trading Initiatives in Denmark, Norway, Sweden and the United-Kingdom. We hope it inspires the readers to do the same within their own organisations.

We will continue to explore these questions and reflections with our members and beyond:

- While regulation on responsible business conduct is being strengthened and guidance and standards are in place, the appropriate efforts and decisions of business are context-dependent and require specific assessments and situational understanding.
- Human rights due diligence is an ongoing process – companies need to evaluate if their due diligence measures and processes are adapted to the level of risks; in challenging contexts a more frequent review of risk assessment is needed to ensure appropriate actions are taken when risks are identified.
- Challenging contexts require innovative approaches to human rights due diligence and the implementation of special measures based on partnerships, collaboration and meaningful engagement with both local and global stakeholders.
- Challenging contexts require new thinking and innovative partnerships and considering new approaches to human rights due diligence. Often, the root causes of a human rights risk are impossible to solve by one single company – collective action is needed, not only between business but across governments, businesses, and civil society together.
- Businesses have a responsibility to be prepared to operate in challenging contexts and assess the need to implement special measures regularly. Whether because they are entering a context that is defined as challenging or because the context in which they are operating changes, preparedness becomes a crucial element of responsible business conduct. “How do you prepare to operate in a a challenging context?” is becoming an increasingly relevant question.
- Challenging contexts need heightened due diligence which often requires additional measures adapted to the context and involves additional resources. Can this be achieved more efficiently by working together and combining resources?
- What does meaningful engagement with stakeholders and rightsholders look like in challenging contexts? How can rightsholders’ voices be heard in contexts where freedom of expression, freedom of association and collective bargaining are restricted? And how can businesses deal with potential threats to the safety of the stakeholders engaged?
- What is the role and responsibility of governments in home states? How can they fulfil their responsibility to protect human rights by requiring, guiding and assisting businesses to respect human rights?

2. Responsible business conduct in Ukraine

Since Russia's military forces attacked Ukraine in February 2022 the war has had a significant impact on Ukraine's business environment. This has increased the importance of heightened due diligence by companies operating in or sourcing from the country. This chapter explores challenges, key human rights risks and actions to uphold responsible business conduct in the Ukrainian context.

2.1 Ukraine as a challenging context: conflict, governance and martial law

The war in Ukraine has led to extensive loss of life, displacement and humanitarian need. As of November 2023, an estimated 10,000 Ukrainian civilians have lost their lives, while the number of soldiers killed reached 31,000 in February 2024.¹¹ Severe human rights violations have been reported in territories occupied by Russian forces.¹² In the two years since the start of the conflict, the war led to the internal displacement of 3.7 million people, with another 6.5 million refugees fleeing abroad. Overall, 14.6 million people are estimated to be in need of humanitarian assistance in 2024.¹³ There has also been significant damage to the country's infrastructure from Russian attacks, including on educational institutions, medical facilities, and energy networks.¹⁴ As of September 2023, the cost of infrastructural damage was estimated at USD 151 billion.¹⁵

The war has also strained government resources within Ukraine. An increase in the national defence budget has contributed to a significant reduction in spending on social protection.¹⁶ Resource limitations have led to a reallocation of resources away from other government responsibilities, such as enforcement of labour law, with the government increasingly relying on non-

governmental organisations and international organisations to identify and mitigate labour violations on forced labour.¹⁷

The imposition of martial law since the Russian invasion has significantly restricted labour rights in Ukraine. Initially introduced in February 2022, martial law has since been extended nine times.¹⁸ The law has multiple implications for workers' rights, particularly for freedom of association. This includes restriction on the right to strike and engaging in public protest, and the suspension of collective bargaining rights for workers employed by enterprises of up to 250 employees.¹⁹ Other provisions include the prohibition of labour inspections and the extension of the standard working hours from 40 to 60 hours per week.²⁰ The government made amendments to the labour code allowing employers to suspend some provisions in collective bargaining agreements and introduce zero hour contracts. The government is also now working on a new draft labour code to further restrict the rights of workers and unions.²¹

11 UN Ukraine (2023), [Civilian Deaths In Ukraine War Top 10,000, UN Says](#); BBC (2024), [Ukraine war: Zelensky says 31,000 troops killed since Russia's full-scale invasion](#).

12 OHCHR (2023), [Report on the Human Rights Situation in Ukraine 1 August to 30 November 2023](#).

13 UNHCR (n.d.), [Ukraine Emergency](#).

14 OHCHR (2023); Human Rights Watch (2022); [Ukraine: Russian Attacks on Energy Grid Threaten Civilians](#).

15 Kyiv School of Economics (2023), [The total amount of damage caused to the infrastructure of Ukraine due to the war reaches \\$151.2 billion — estimate as of September 1, 2023](#).

16 Social protection refers to the 'safety nets' that protect vulnerable groups from economic difficulties, offer them access education or health, or means to access employment. See OHCHR (2023).

17 US Department of State (2023), [Ukraine 2022 Human Rights Report](#).

18 Khalilova, D. (2023), [Ukraine extends martial law, mobilization until Feb. 14](#).

19 US Department of State (2023).

20 US Department of Labor (2023), [2022 Findings on the Worst Forms of Child Labor: Ukraine](#); PWC (2022), [The Law on organisation of labour relations under martial law came into force](#).

21 Interview conducted with Svitlana Samosud, President, Agro-Industrial Workers Union of Ukraine, March 2024.; Guz, S. (2022), [Ukraine's New Labour Law Could 'Open Pandora's Box' for Workers](#).

2.2 Challenges facing employers and businesses

Labour market shocks

Military conscription, fatalities, and injuries, as well as high levels of out-migration of skilled workers, have impacted the size of the labour force and resulted in labour shortages, particularly in relation to skilled workers.²² This has reportedly affected small and medium sized enterprises (SMEs) the most, which account for around 80 percent of national employment in Ukraine.²³

Impact on logistics and exports

Attacks on ports and grain facilities²⁴ have led to port closures, impacting exports, causing fuel shortages and raising price of fuel.

Wages

Loss of business opportunities means that many employers have struggled to pay salaries on time or wages in full.

Destruction of property

Many businesses in the East of Ukraine have experienced disruption to operations as a result of bombing and fighting. Destruction of safety equipment means that many employers are struggling to meet safety standards and has led to loss of income for many businesses. The agricultural sector has been particularly affected by destruction of machinery, and placement of mines on farming land.²⁵ Damages and loss of income suffered by small crop and livestock businesses (up to 250 hectares) are estimated at USD 3.85 billion.²⁶



²² Reuters (2023), *'At what cost?' Ukraine strains to bolster its army as war fatigue weighs*; OECD (2023), *Responsible business conduct implications of Russia's invasion of Ukraine*.

²³ World Bank (2023), *Ukraine Rapid Damage and Needs Assessment, February 2022 – February 2023*.

²⁴ OHCHR (2023).

²⁵ Dutch Ministry of Agriculture, Nature and Food Quality (2022), *Leading sectors of the Ukrainian economy, 100 days of war*.

²⁶ FAO (2023), *Ukraine: FAO surveys impact of war on smallholder farmers*.

2.3 Key human rights risks in company supply chains from Ukraine

The war in Ukraine has exacerbated existing human rights challenges and introduced new ones, both in law and in practice, as shown by the following examples:

Risk area	
Freedom of association and collective bargaining	<ul style="list-style-type: none"> • Martial law has restricted rights to strike and protest, along with some collective bargaining rights for SME workers.²⁷ • Workers in occupied territories are restricted from contacting unions and risk retaliation for doing so.²⁸ • Reticence to be conscripted means that many men reportedly choose to work informally, compromising their bargaining power and access to union membership.²⁹
Occupational safety and health (OSH)	<ul style="list-style-type: none"> • OSH conditions in Ukraine have deteriorated since the start of the war. Workers are less likely to seek information on acceptable workplace conditions at a company before joining.³⁰ • Unexploded mines and other explosives key hazards for workers, particularly those in the agricultural sector.³¹ • Many companies reportedly lost OSH equipment in the war so is improvising. Some companies near the frontline lack access to air raid shelters to protect their workers from strikes.³²
Wages and contracts	<ul style="list-style-type: none"> • As a result of the operational and financial pressures associated with the conflict, many companies are reportedly struggling to pay salaries on time or adequate wages.³³ • Illegal dismissal, pressure to take unpaid leave and unofficial employment are common as a result of the conflict.³⁴
Forced labour, trafficking in persons	<ul style="list-style-type: none"> • Reported lack of enforcement of forced labour laws, and reliance on NGOs for identification of victims of trafficking, exacerbated by the war.³⁵
Child labour	<ul style="list-style-type: none"> • Children from state-run orphanages found working in illegal coal mining in Donbas. Children have also been found in agricultural work, construction and street work.³⁶ • Security issues leading to school closures that interrupt of education for 5.7 million children in Ukraine in 2022 has increased risks of child labour, as has the suspension in labour inspections.³⁷
Discrimination	<ul style="list-style-type: none"> • Insufficient availability of childcare support is a barrier to employment for workers with family responsibilities, exacerbated by the temporary closure of kindergartens as a result of the war. Internally displaced women are at a particular disadvantage in the labour market as women are often considered the primary caregivers within families and are unable to work full-time immediately after relocation.³⁸ • Internally displaced people face wage discrimination and denial of employment as employers reportedly expect that they will relocate.³⁹



27 US Department of State (2023).

28 *Industriall* (2023), [Protecting workers' rights in Ukraine during the war](#).

29 Interview conducted with Džemal Hodžic, ILO Chief Technical Advisor, Ukraine, February 2024.

30 Interview conducted with Svitlana Samosud, President, Agro-Industrial Workers Union of Ukraine, March 2024.

31 FAO (2023).

32 Interview conducted with Džemal Hodžic, ILO Chief Technical Advisor, Ukraine, February 2024.

33 Interview conducted with Džemal Hodžic, ILO Chief Technical Advisor, Ukraine, February 2024.

34 UNDP (2023), [Responsible Business Conduct During War in Ukraine: Context Assessment Study](#).

35 US Department of State (2023).

36 US Department of Labor (2023), [2022 Findings on the Worst Forms of Child Labour: Ukraine](#).

37 US Department of Labor (2023).

38 UNDP (2023).

39 UNDP (2023).

2.4 Actions to uphold responsible business conduct in the Ukrainian context

The rapidly changing situation of armed conflict means that risks and impacts associated with business activities may be more severe, but also means that positive actions of businesses can have a disproportionate positive impact on workers and communities.⁴⁰ For this reason, companies operating in or sourcing from Ukraine must carry out heightened due diligence. As with other challenging contexts, companies should only consider responsible exit from Ukraine as a last resort, after evaluating that RBC is not possible. The table below provides some considerations when determining what decision to take.

Considerations and actions that might be taken
Assessing risks
<p>What are the national and international laws that apply in this context?</p> <p>The expectation of the UNGPs is for companies to adhere to international human rights standards, including ILO Core Labour Standards. Where national law is inconsistent with international human rights standards, for example under martial law, this should not result in companies lowering standards. The UNGPs also state that business may need to consider international humanitarian law in situations of armed conflict⁴¹, particularly if a company is providing support to a party in the armed conflict or if staff in the enterprise are members of the armed forces.</p>
<p>Is it possible to continue to manage risks if staying?</p> <p>Companies should consider their ability to monitor, prevent, mitigate and remedy those enhanced risks.</p>
<p>What are the risks associated with staying?</p> <p>Companies should consider risks associated with continuing to source or operate in the country, particularly in light of reduced oversight of supply chains, martial law that does not align with international human rights standards, etc.</p>
<p>Is it safe to source from Ukraine?</p> <p>Companies should consider whether there are safe areas for employees to live, whether there is access to basic needs such as energy, water, communications. Companies can consider where it is possible to effectively meet RBC requirements.</p>
<p>Are there any vulnerable groups that should be considered?</p> <p>Companies should pay special attention and offer support to vulnerable workers or communities, including refugees and internally displaced people (IDPs) and women, who may be unable to access employment due to childcare commitments, or who may most adversely affected by exiting.</p>

40 OECD (2023), [Responsible business conduct implications of Russia's invasion of Ukraine](#).

41 OHCHR (2011), [Guiding Principles of Business and Human Rights](#).

Evaluating ability to respond

Are there external stakeholders that I can engage with?

Companies should map stakeholders that might support the decision to stay or exit or due diligence activities, whether internal or external. These may include business partners, workers, trade union representatives, local NGOs, and wider communities.

How will I manage the logistical impacts of the conflict?

Companies should consider the financial and logistical impacts of the conflict on both their own business, and on partners within their supply chains.

Is it possible to continue to manage risks if staying?

Companies should consider their ability to monitor, prevent, mitigate and remedy those enhanced risks.

If negative impacts arise, how will these be remediated?

Companies should set up channels for grievance and remedy to support rightsholders if rights violations occur. This should be in place regardless of whether a company stays or exits.

Is it possible to offer any additional support through Corporate Social Responsibility (CSR)?

Companies should note that CSR initiatives focused on humanitarian work do not negate the need for robust due diligence activities.

How will I ensure wages are paid?

Companies should continue to pay wages in full and on time to the extent possible. For exiting companies, this should apply to severance pay too.

Is it possible to assist workers with transfers?

Companies may choose to assist with the movement of workers away from high-risk areas.

How will I manage the psychological impact of the conflict?

Companies should consider the psychological impacts of the conflict on business partners and workers within their supply chains.

Source: OECD, [2023](#); UNDP, [2023](#).

Considerations for a responsible exit

What would be the adverse impacts of leaving?

Companies should consider the potential impact of leaving on workers and communities, including in relation to livelihoods and whether leaving could exacerbate tensions. Ultimately companies should consider whether the decision to exit outweighs the benefits.

How can I support the local economy and workers?

If staying in Ukraine, companies should not suspend or cancel orders. They should allow more lenient payment terms for customers in Ukraine or also support faster payments by updating terms of contract with Ukrainian business partners. If a decision is made to leave, suitable notice should be given to avoid immediate negative shocks of stopping business.

How can I mitigate risks after deciding to exit?

Identifying key roles and responsibilities once the company has exited, including for a new owner or investor, is important to mitigating risks. This process should include responsibilities for business continuity, and agreements on transparency of information sharing for an agreed time period so that exiting companies can maintain visibility of impacts after leaving.

How will I communicate the decision to stay or to exit?

Companies should communicate their decision to stay or exit to all relevant stakeholders to ensure transparency. This includes providing clear information about timelines for a managed, phased exit; and details of the special measures put in place to protect workers whilst continuing to source from the region affected by the conflict.

Source: OECD, [2023](#); UNDP, [2023](#).

2.5 Example: Polar Seafood

Polar Seafood Ukraine is a subsidiary of fishing company Polar Seafood Denmark. Set up in 2012, Polar Seafood Ukraine imports and processes seafood products. The company currently supplies 6 major supermarket chains and 853 stores across the country. Polar Seafood Ukraine's workforce of 45 consists of 23 permanent staff based in Kyiv, in addition to a number of flexible part-time workers in the production facility.

The war has impacted the operations of Polar Seafood Ukraine in multiple ways. Out-migration has both reduced the size of the company's workforce and has meant that Polar Seafood Ukraine has struggled to find qualified recruits due to lack of skilled workers. For the remaining workers, finding childcare is a key challenge, which has resulted in Polar Seafood allowing staff to bring their children into the office, if needed. Keeping workers safe during air raids and taking into account the long-term psychological harm for staff operating in a conflict are also key priorities for the head of the company. Other support offered by Polar Seafood include pay rises to counteract currency depreciation.

The case of Polar Seafood serves as an example of a subsidiary and parent company working together to ensure responsible business conduct in a context affected by war.

When the conflict started, parent company Polar Seafood Denmark gave its subsidiary in Ukraine the flexibility to assess and adjust continued business options, while supporting them with the resources to do so. The parent company has accepted that while this may make operations less profitable in the short term, the establishment of a sustainable business model and supporting Ukrainians are the current top priorities. Polar Seafood Denmark has continued to provide support on an ongoing basis through donations to the army and supporting wider CSR efforts.

Collaboration has also been key to Polar Seafood's approach.

This includes problem-solving with other businesses, government, using business networks for mutual support during challenging periods. Polar Seafood has also worked with the Danish embassy in Kyiv, which facilitates coordination and sharing of good practices.

Assessing the situation on an ongoing basis and focusing on adaptability by avoiding planning too far in advance has helped Polar Seafood Ukraine uphold RBC.

The company aims to be responsive to the individual needs of each worker it employs, including by giving the opportunity to work remotely from other countries if needed. According to Polar Seafood Ukraine, this has helped retain workers who have decided to stay in Ukraine.

3. Case studies

3.1 Primark: Stakeholder engagement-driven approach to responsible exit

Context:	Inability to conduct human rights due diligence amidst political instability and systematic violation of rights
Area of RBC:	Responsible exit as a response to barriers to conduct human rights due diligence
Supply chain:	Garments manufactured in Myanmar
Sector:	Retail

Company background

Primark is a leading fashion retailer with over 400 stores across 16 countries in Europe and the United States. The company has a large ethical trade and environmental sustainability team of over 130 people globally and conduct 2,500 social audits a year, including factory audits during supplier onboarding to assess whether new supplier factories comply with the Primark Supplier Code of Conduct. The team also works with carefully selected third parties to carry out social audits. Factories are audited once a year at minimum, to ensure compliance. As of 2023, Primark sourced from 22 countries.⁴² Before exiting Myanmar, the company sourced from around 20 supplier factories there.

Challenges to RBC in Myanmar: inability to conduct effective human rights due diligence

The human rights situation in Myanmar has deteriorated considerably since the February 2021 military coup. While military violence against civilians predates the coup, violations have reportedly escalated since, with increased security crackdowns on civilians, arbitrary arrests, sexual violence, use of torture - with Rohingya populations most at risk.⁴³ Clashes between the military and armed groups have also contributed to mass displacement and a rise in civilian casualties.⁴⁴

The coup has had widespread ramifications for labour rights across the country, particularly impacting freedom of association. Shortly after the coup the military introduced a state of emergency and enforced martial law, which significantly constrained freedom of expression, right to privacy, and freedom of association – and has included a violent crackdown on union members and leaders.⁴⁵ This has been compounded by a

breakdown in the availability of safe grievance mechanisms and workers' access to remedy.⁴⁶ Indeed, many workers reportedly fear retaliation for lodging grievances due to increased surveillance by both employers and military, who are documented to enter factories on the request of management teams.⁴⁷

Violations of other fundamental labour rights pose further risks for companies sourcing from Myanmar. A study of 208 labour rights violations in garment factories throughout 2023 found reduced wages and wage theft to be the most reported violation, followed

Key lessons

- A decision to exit should follow the UN-GP's and OECD Guidelines and be made after a company's analysis of the adverse impacts of both staying and leaving.
- Significant mitigation measures should be considered to make sure that the company exits responsibly.
- When exiting, it's important to reassess the context on an ongoing basis. Carrying out a planned exit supports this approach.
- Ongoing engagement with specialist organisations, local stakeholders, suppliers and workers by the brands own in-country teams is key to ensuring responsible exit.

42 Primark (n.d.a.), [Who We Are](#); Primark (n.d.b.), [Our Standards](#); Primark (n.d.c.) [Our Global Sourcing Map](#).

43 OHCHR (2023), [Human Rights Council Hears that the People of Myanmar Continue to Suffer Profound Human Rights Harms and that Serious and Systematic Human Rights Violations and Abuses in Nicaragua are Crimes against Humanity](#).

44 OHCHR (2024), [Myanmar: Human rights situation worsens as military lashes out indiscriminately amid losses - Türk](#).

45 Ethical Trading Initiative (2022), [Myanmar Enhanced Due Diligence Sectoral Assessment](#).

46 Ethical Trading Initiative (2022).

47 Business and Human Rights Resource Centre (2024), [Myanmar Garment Worker Allegations Tracker: Three years of military rule](#).

by mandatory overtime, unsafe working conditions and harassment or intimidation.⁴⁸ Child labour and indicators forced labour have also been identified in the garment sector as a result of a wider breakdown of workers' rights.⁴⁹

Primark's responsible exit: stakeholder engagement, local expertise and a phased approach

In September 2022, Primark announced its decision to carry out a responsible exit from Myanmar, terminating the placement of any new orders in October 2022 and completing their exit by October 2023. The decision to exit was confirmed after careful consideration due to Myanmar's significance as a sourcing country, the commercial impact of withdrawal on the business and anticipating the impact that the withdrawal would have on the workers employed by Primark's suppliers. After the military coup, Primark recognised that it had become near impossible to carry out the necessary due diligence required for them to responsibly source in line with their Code of Conduct. The significant challenges associated with factories changing ownership and being restructured also made it harder to prevent, mitigate and remediate harm within their supply chain compounding the inability to conduct effective human rights due diligence. Building on this, the decision to exit Myanmar was also informed by multiple reports of human rights violations, identified through Primark's experience working in Myanmar, feedback from multiple stakeholders and notably the findings of the ETI report into conditions in Myanmar published in September 2022.⁵⁰

Primark engaged with external stakeholders throughout the exit process to carry out as responsible an exit as possible, as advised in standards such as the UNGPs and OECD Guidelines on Conflict Affected Areas. Reassessing the situation on an ongoing basis was key to having a responsible exit plan. Primark note that "making these decisions is not easy and needs to be done carefully. Once you have made the decision to exit, you need to understand how the situation develops." To do this Primark undertook extensive engagement with ETI to better understand what actions would need to be implemented to ensure a responsible exit aligned with the expectations of the UNGPs and OECD Guidelines. Following this, Primark engaged with global union IndustriALL, with whom, alongside other brands, they created a framework for responsible business disengagement in Myanmar.^{51 52}

Primark also consulted with local unions and labour organisations within Myanmar for as long as they were able to function, in addition to the UK government, and local and international industry groups to inform Primark's own responsible exit framework.

Primark increased the presence of qualified staff in Myanmar to oversee a successful implementation of the exit strategy. Prior to announcing the exit, there were three local staff in Myanmar. This was increased to 8 people, in addition to a newly appointed regional manager whose responsibility was solely to supervise the exit. The team was retained in place for six months following Primark's completion of final orders in October 2023, in line with guidance from IndustriALL. The local team was responsible for overseeing the exit, in line with Primark's plan for exiting. Their work included stakeholder engagement when and where possible, communication with suppliers through monthly meetings, in addition to visiting the factories at least every two weeks to engage with and train workers and management teams to help mitigate the impacts of withdrawing. The team reduced the frequency of these visits as the exit reached its final stage.

Key human rights risks in the Myanmar context

- **Freedom of association** is severely restricted due to the dismantlement of trade unions.
- **Access to remedy** is limited and many workers fear retaliation.
- **Forced labour** indicators have been identified in Myanmar's garment sector.
- **Livelihoods** may be impacted if companies exit, and workers cannot find alternative employment.

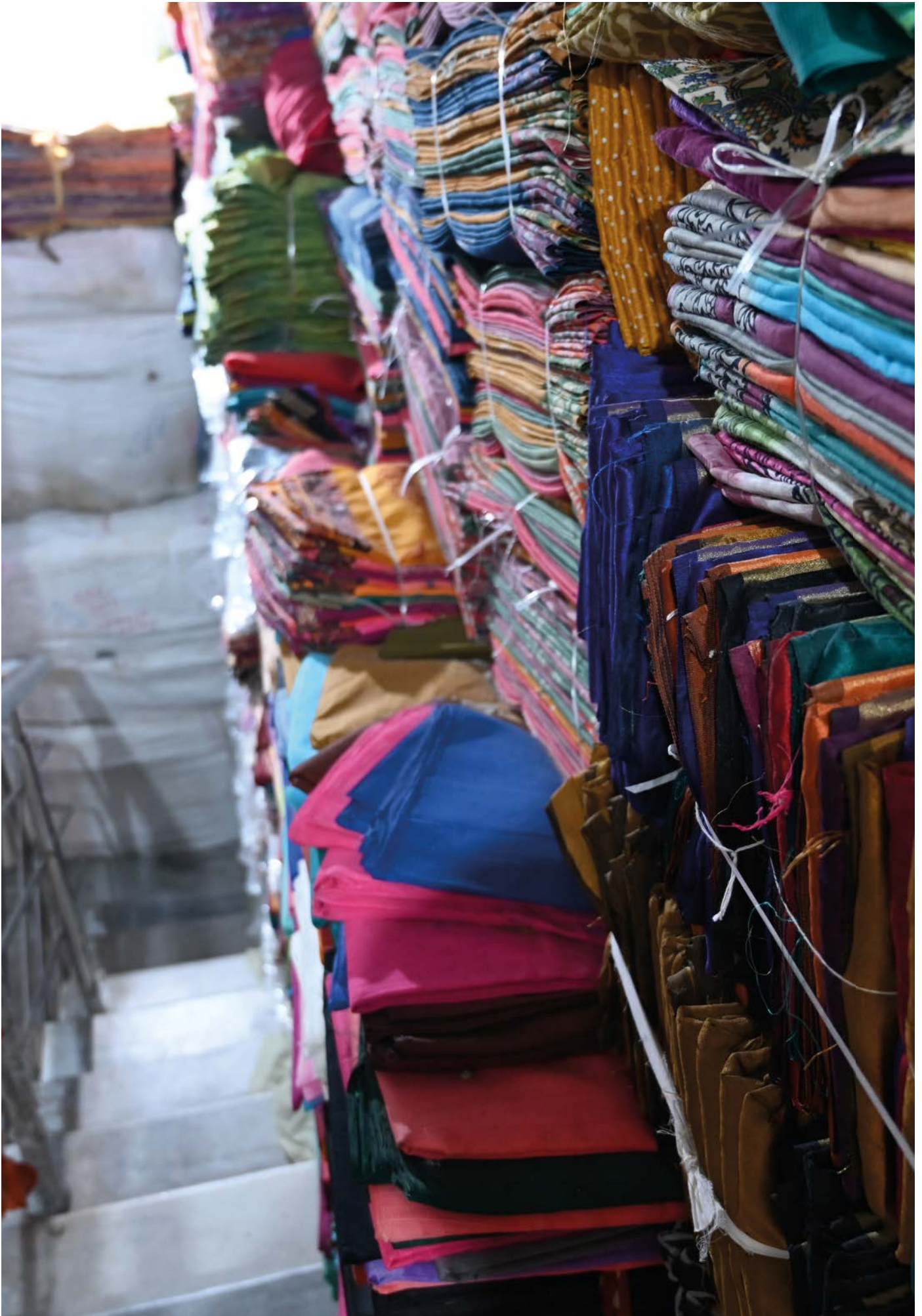
48 Business and Human Rights Resource Centre (2024).

49 Ethical Trading Initiative (2022); US Department of Labour (2022), [2022 List of Goods Produced by Child Labor or Forced Labor](#).

50 Ethical Trading Initiative (2022).

51 Primark (2023), [Sourcing From Myanmar](#).

52 IndustriALL (2023), [Framework Principles of a Brand's Responsible Business Disengagement from Myanmar](#).



By taking a planned exit over 18 months, Primark managed to implement measures to try to mitigate the negative impacts of exit, rather than cutting supplier factories off suddenly. When Primark decided to exit, a key objective was to ensure that workers would not be unnecessarily adversely affected after Primark had left, particularly in relation to severance pay and freedom of association. While Primark completed its final orders towards the end of 2023, it remained committed to keeping in contact with the factories for six months after its last order to confirm that in case of redundancies, the correct severance amounts were paid. The team has also worked to provide additional support for workers in Myanmar. For example, the team established a mental health referral service for workers who are at risk of redundancy, in addition to signposting to wellbeing resources and life skills training to support access to alternative employment opportunities. Primark's local team also worked to establish workers committees and grievance mechanisms

in all factories to leave systems to support positive worker-management dialogue and was also providing training and capacity building on freedom of association to inform workers of their labour rights.

As a final effort to ensure ongoing protection for workers the team handed over any ongoing or open issues to remaining brands that were working in the same factories to ensure continuation of remediation of non-compliances and support to workers.

Find more information

- Ethical Trading Initiative (2022), [Myanmar Enhanced Due Diligence Sectoral Assessment](#).
- IndustriALL (2023), [Framework for a responsible business disengagement from Myanmar](#).
- Primark (2023), [Sourcing From Myanmar](#).

Operating in or sourcing from Myanmar

For companies operating in or sourcing from Myanmar the decision of whether to remain or to disengage continues to be a complex decision. This choice is ultimately the responsibility of each individual company and should be based on their own heightened due diligence processes.

The garment industry represents a key source of formal employment in Myanmar, with around 480,000 workers employed in the industry in 2023. If all European buyers withdrew from Myanmar, an estimated 320,000 workers would have significantly reduced incomes or lose employment entirely, with women most likely to be severely impacted. And all in a context of a worsening humanitarian crisis and food insecurity which could contribute to mass outward migration. For this reason, companies staying sourcing in Myanmar represent a guarantee of livelihood for many workers.

On the other hand, companies and local stakeholders in Myanmar are operating in a context with limited infrastructure to promote and support human rights. Consequently, protecting the safety of workers and local staff is proving increasingly challenging, and in many cases impossible.

In such challenging context, both the decision to stay or to leave can have adverse effects. Whatever action is taken, companies must also take steps to mitigate these impacts and prioritise workers in their decision-making processes, as set out in the [UNGPs](#) and the [OHCHR recommendations](#). Companies should continue to conduct enhanced human rights due diligence and implement special measures to protect workers for as long as they remain operating in or sourcing from Myanmar.

3.2 Salling Group: Partnership to support risk assessment in a context of conflict and instability

Context:	Conflict and instability, and law inconsistent with human rights standards
Area of RBC:	Partnership with local stakeholders and ongoing risk assessment
Supply chain:	Dates produced in the West Bank
Sector:	Food agriculture

Company background

Salling Group is the largest retailer in Denmark, with multiple supermarket chains across Denmark, Poland and Germany.⁵³ To meet growing consumer demand and stakeholder expectations for high quality, responsibly produced and seasonal dates, the retailer decided to join a DANIDA funded maturation project together with DanChurchAid (DCA), a local partner – MA'AN Development Centre, and GSOL ENERGY concerning sourcing of dates from a conflict-affected area, more specifically from the West Bank in Palestine. The main purpose of the participation from Salling Group's point of view was to build up valuable knowledge about how to source responsibly from an area of concern. The project involved establishment of a robust supply chain, which was build up in close collaboration with the mentioned project partners above, and an on-ground date producer based in the Jordan Valley.

The medjool dates grown by smallholder farmers are purchased by the chosen producer, who handles storage and collection before they are exported to the European market. All partners contribute to a partnership that promotes climate-smart and socially viable solutions and decent jobs in the date value chain in the West Bank, as well as enabling Palestinian farmers' access to export markets and sustainable trade in the long run.⁵⁴

Challenges to responsible business conduct in the West Bank: conflict and weak infrastructure

The West Bank is a challenging area to do business due to ongoing instability, illegal settlements and violence, including against the agricultural community. Attacks against local Palestinians by both the

Israeli Security Forces and settlers have escalated further since October 2023, with reports of a rise in violence against agricultural communities resulting in damage of farmland and other property.⁵⁵ More broadly, agriculture sector workers in the West Bank are vulnerable to labour rights violations as legislative protections against forced labour and discrimination are limited, while standards for occupational health and safety are low and often poorly enforced.⁵⁶

Companies operating in the West Bank also face difficulties setting up and running effective export businesses due to the absence of adequate trade and commerce infrastructure. According to DCA, a

Key lessons

- Partnership with civil society organisations can strengthen a company's understanding of the sourcing context, supporting effective identification and prevention of negative impacts within their supply chain.
- In a rapidly evolving context, close collaboration and continuous communication with local partners allows sourcing companies to stay on top of the latest developments and respond to risks as they arise.

53 Salling Group (n.d.), [Vi gør hverdagen bedre](#).

54 GSOL ENERGY is responsible for assessing project needs for green technology. MA'AN Development Centre is responsible for supporting responsible business conduct through value chain analysis, capacity-building and trainings, and facilitating connections with local stakeholders.

55 OHCHR (2023), [The human rights situation in the occupied West Bank including East Jerusalem](#).

56 US Department of State (2023), [West Bank and Gaza Strip 2022 Human Rights Report](#).



variety of restrictions make the export of Palestinian goods difficult and expensive, hinder free movement of farm workers, and limit access to resources such as water and energy.⁵⁷ Further, levels of awareness of and compliance with brand standards among Palestinian producers are reportedly low, requiring Salling Group to build a modified and more supportive social compliance setup when starting to source dates from exactly the selected areas.

Partnership to support sourcing from an ever-changing context

Salling Group's approach to due diligence is underpinned by ongoing information sharing between project partners, which serves to foster better understanding of the local context. DCA, as an organisation based in Denmark, cannot operate in the West Bank at all times. Instead, Palestinian NGO MA'AN Development Centre provides in-country insights on an ongoing basis, offering valuable language skills, local knowledge and networks. For example, before the start of the project, close collaboration with MA'AN enabled the identification of potential local date producers based on their commitments to responsible production practices. Partnerships are central to the project's ongoing risk assessments. To fully understand the risks and impacts for date farmers in the West Bank, DCA and MA'AN Development Centre carried out a human rights impact assessment (HRIA). This involved desk research to identify key contextual risks and stakeholders, followed by worker and community interviews during joint in-person visits to the West Bank in September 2023. The findings and recommendations of the HRIA have formed DCA and Salling Group's due diligence and design of the date sourcing project, including discussions on how to better accommodate livelihood opportunities tailored to women's needs. MA'AN Development Centre is currently supporting ongoing risk assessment to inform due diligence by conducting a follow-up comprehensive value chain assessment.

DCA and Salling Group have strengthened the frequency of communication with their local partners in light of the increase in violence against farmers in the West Bank. This ensures that DCA and Salling

Group are informed on risks and incidents as they arise and are prepared to make rapid decisions on mitigation processes. Close collaboration with in-country partners has also enabled Salling Group to take measures to ensure that the business does not exacerbate risks to workers in their value chain, for example, not publicly disclosing farmers they work with in case this information is used to identify and target farmers in the conflict.

Find more information

- ILO (2023), [The situation of workers of the occupied Arab territories](#).
- OHCHR (2023), [The human rights situation in the occupied West Bank including East Jerusalem](#).
- Salling Group (n.d.), [Vi gør hverdagen bedre](#).
- US Department of Labour (2023), [2022 Findings on the Worst Forms of Child Labour: West Bank and the Gaza Strip](#).
- US Department of State (2023), [West Bank and Gaza Strip 2022 Human Rights Report](#).

Key drivers of human rights risks identified with support of local partners

- Political instability and social tension, including damage to farms; structural and political discrimination/harassment of farmers.
- Women, children, people with disabilities and migrant workers are particularly vulnerable to risk in the date value chain.
- Lack of access to technology and use of chemical pesticides and preservatives – leading to health and safety concerns.
- Lack of access to natural resources; climate risks; barriers to accessing farmland.

⁵⁷ ILO, (2023), [The situation of workers of the occupied Arab territories](#).

3.3 Storstockholms Lokaltrafik: An alternative approach to risk assessment

Context:	Systemic violation of rights and national law inconsistent with human rights standards
Area of RBC:	Risk assessment
Supply chain:	Electric vehicles manufactured in China
Sector:	Transport

Company background

Storstockholms Lokaltrafik (SL) is a public authority responsible for general public transport by subway, bus, commuter train, local train and shuttle boat in Sweden's Stockholm County. As part of SL's efforts towards a more sustainable and environmentally-friendly public transportation system, a transition to electric buses is underway, as the authority seeks to replace its fleet of over 2,000 buses with electric buses by 2035. Currently, SL procures transportation services from public transport operators (PTOs), which purchase e-buses from different manufacturers, including in China.

Challenges to responsible business conduct in China: the issue of transparency

There are widespread reports of significant human rights risks associated with sourcing electric vehicles in China. Reports of state-imposed forced labour in the Xinjiang province, extensive abuses against non-Han Chinese groups across Tibet and Qinghai, and state-run labour transfer schemes across the country⁵⁸ highlight challenges in RBC for all companies sourcing from China.⁵⁹ Such issues are reported to occur at multiple stages in electric vehicle manufacturing in China, including in battery production and production of aluminium.⁶⁰ These risks, paired with a lack of transparency within many Chinese supply chains, mean that companies sourcing from China face a high risk of contributing⁶¹ to state-imposed forced labour.⁶²

Key lessons

- Effective due diligence and risk mitigation within the Chinese context is a significant challenge due to a lack of supply chain transparency, exacerbated by increased state repression and limited opportunities for reliable audits.
- Alternative methods of risk assessment can offer a means of identifying adverse human rights impacts within a company's value chain.
- Where few alternative sourcing locations exist, companies should focus mitigation efforts on components where greater leverage and action is possible, as well as exploring lower risk sourcing countries in the long run.
- Supply chain transparency can strengthen a company's ability to identify human rights violations linked to goods they source.

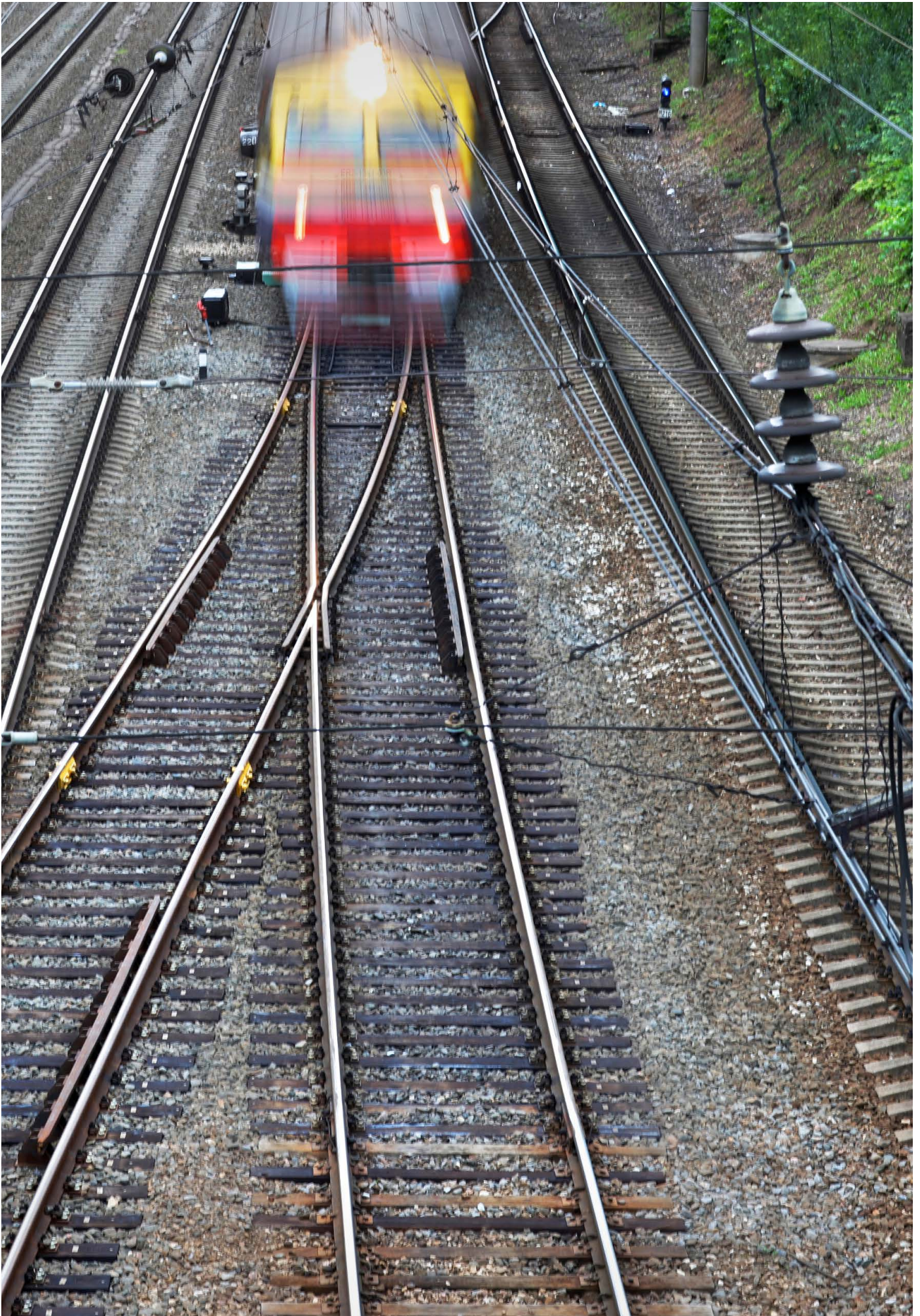
58 Han people make up the largest ethnic group in China. Non-Han people, as minority groups, are often marginalised and therefore face higher risks of their labour rights being violated. See ETI Sweden, Globalworks/Stefan Brehm and Helena Magnusson (2023) p. 18 and 25-26 for further information.

59 Globalworks/Stefan Brehm and Helena Magnusson (2023), [Human Rights Risks Behind Electric Buses in Swedish Public Transportation: An Industry Issue for Collaboration](#) (produced by ETI Sweden in collaboration with Storstockholms Lokaltrafik (SL), Västtrafik, Skånetrafiken, and Luleå Lokaltrafik).

60 Globalworks/Stefan Brehm and Helena Magnusson (2023); Human Rights Watch (2024), [Asleep at the Wheel: Car Companies' Complicity in Forced Labour in China](#).

61 Businesses that source products made wholly or in part by Uyghur forced labour are understood to be contributing to harm. See page 25 of Anti-Slavery International, Helena Kennedy Centre for International Justice, Investor Alliance for Human Rights (2024), [Respecting Rights in Renewable Energy: Investor Guidance to mitigate Uyghur forced labour risks in the renewable energy sector](#) for further information.

62 Anti-Slavery International, Helena Kennedy Centre for International Justice, Investor Alliance for Human Rights (2024).



At the same time, there are severe restrictions on the ability of companies to identify adverse impacts of their activities on human rights within the Chinese context. Legislation on anti-espionage and regulations criminalizing transfer of data, for example, pose barriers to RBC by restricting the work of independent human rights organisations and limiting companies' ability to collect information as part of their human rights due diligence processes.⁶³ At the same time, pressure from the Chinese Government through anti-sanction laws impede companies' ability to make independent business decisions.⁶⁴ Standard due diligence approaches such as social audits are considered ineffective in identifying the issues of state-imposed forced labour in China for a number of reasons, including the threat of retaliation faced by auditors and workers being interviewed.⁶⁵ This leads to many social audits in China being overwhelmingly positive and ineffective at identifying risks in practice. Yet, China remains the world's largest producer of electric vehicles and batteries, with few alternative sourcing locations making disengagement from the Chinese market difficult. Companies operating in or sourcing from China are therefore seeking alternative methods to evaluate their exposure to risks to help inform business decisions.

Innovative approach to risk assessment

Taking into account this context, SL worked with three other Swedish public transport authorities⁶⁶, within ETI Sweden's working group on electric vehicles, to commission a comprehensive risk assessment of human rights risks behind electric buses in Swedish public transportation in 2023. The assessment was carried out by consultancy Globalworks,⁶⁷ which developed an innovative compliance assessment tool in 2018 to undertake text-based analysis using big data. The methodology involves collecting information from social media and online forums on workers' grievances and reported violations of workers' rights, analysing 1.12 million posts using the tool.⁶⁸ Alongside this, researchers closely familiar with the local context analysed academic journals, NGO reports and publicly available government sources, including policies and webpages, to better understand the linkages between state-imposed forced labour practices and suppliers in scope.

Key human rights risks identified

- Forced labour
- Child labour through vocational internships
- Discrimination
- Excessive overtime
- Wage deductions and arrears
- Hazardous working conditions
- Poor living conditions

By analysing worker social media posts about specific suppliers, this approach removes barriers associated with social audits, offering an alternative entry point to worker perspectives. The assessment commissioned by SL and the three other public transport agencies identified a number of human rights violations in their supply chains. Complemented by a detailed analysis of publicly available information, including government sources, this approach also offered a means to map identified issues to specific stages of production and specific suppliers. It allows for a more targeted analysis of risks compared to general country risk reports, thus giving companies better data on which to inform decisions on the steps they need to take to address the issue.

The assessment for the Swedish public transport agencies was also relatively quick to carry out remotely, taking about 1.5 months of working time, making it a cost-effective option compared to standard audits, which tend to involve significant costs associated with on-site visits.

63 Reuters (2023), [China consultancy crackdown sends jitters across foreign business](#); Davidson (2023), [China targets foreign consulting companies in anti-spying raids](#).

64 Anti-Slavery International et. al. (2024).

65 Globalworks/Stefan Brehm and Helena Magnusson (2023).

66 Västtrafik, Skånetrafiken and Luleå Lokaltrafik (LLT).

67 Globalworks is a not-for-profit that specialises in risk assessments that centre worker and community voice. See [Globalworks.se](#) for further information.

68 Globalworks/Stefan Brehm and Helena Magnusson (2023).

Outcomes

The results of the assessment have sparked discussions about responsible business conduct within electric bus supply chains, both within SL and between SL and other transport companies in neighbouring countries. Responsible sourcing of electric buses is now a priority for the working group. SL notes that their “contracts clearly state that we only want responsible products and consider it problematic that on a competitive market some producers provide cheap alternatives based on unethical conduct and human rights violations in supply chain.

However, SL recognise that responsible business conduct in China is an ongoing challenge, and that there are important considerations to be made in ensuring a continuity of supply, meeting their environmental targets and sourcing responsibly. So currently, despite the identification of these risks, responsible exit from China remains difficult for many transport companies due to Chinese dominance of the international electric vehicle market. Under current Swedish procurement regulations, it is not possible to exclude tenders from a specific country.

With this in mind, the company is striving to make the supply chain more sustainable one tier at a time. This involved avoiding sourcing from high-risk regions within China, focusing mitigation efforts on specific components where greater leverage and action is possible, and/or finding lower risk sourcing countries where possible. SL recognise that doing risk assess-

ments on an ongoing basis will be increasingly important in the future due to the rapid development of technology within the electric vehicle sector. For example, the use of new minerals in batteries which contributes to ever changing supply chains and consequent shifting of risks.

Find more information

- Anti-Slavery International, Helena Kennedy Centre for International Justice, Investor Alliance for Human Rights (2024), [Respecting Rights in Renewable Energy: Investor Guidance to mitigate Uyghur forced labour risks in the renewable energy sector](#).
- Globalworks/Stefan Brehm and Helena Magnusson (2023), [Human Rights Risks Behind Electric Buses in Swedish Public Transportation: An Industry Issue for Collaboration](#) (produced by ETI Sweden in collaboration with Storstockholms Lokaltrafik (SL), Västtrafik, Skånetrafiken, and Luleå Lokaltrafik).
- Globalworks/Stefan Brehm and Helena Magnusson (2023), [Human Rights Risks Behind Trains and Trams in Swedish Public Transport: A Challenge Requiring Collaboration](#) (produced by ETI Sweden in collaboration with Storstockholms Lokaltrafik (SL), Västtrafik, Skånetrafiken, and Luleå Lokaltrafik).

3.4 Tony's Chocolonely: A community-led approach to remediation

Context:	Human rights protection limited in practice due to widespread poverty, weak law enforcement and poor infrastructure
Area of RBC:	Community-led child labour monitoring and remediation system and a holistic approach to responsible business conduct
Supply chain:	Cocoa from Ghana and Côte d'Ivoire
Sector:	Food agriculture

Company background

Tony's Chocolonely (Tony's) is a Dutch chocolate company founded in 2005 that sells over 36 million chocolate bars per year. The company sources its cocoa from Ghana and Côte d'Ivoire, which together produce more than 60 percent of the world's cocoa. In their supply chain, cocoa beans grown by smallholder farmers are delivered to cooperatives, and subsequently transported to international exporters who ship them to Europe, where chocolate bars are made.⁶⁹ Tony's has a mission to build a fairer cocoa supply chain, and in 2019 the company launched 'Tony's Open Chain' – a collaborative industry-led initiative of chocolate companies committed to transparent supply chains and higher prices for farmers.⁷⁰

Challenges to responsible business conduct in Ghana and Côte d'Ivoire: Endemic child labour

Widespread poverty in the cocoa growing areas has led to endemic levels of child labour in both Ghana and Côte d'Ivoire. 33 percent of Ghana's population and 37 percent of the population of Côte d'Ivoire live in poverty or lack access to education and basic infrastructure.⁷¹ Low cocoa prices mean that families often turn to illegal farming practices, including use of child labour to make enough income to survive. This situation is compounded by significant gaps in the enforcement of child labour regulations in both Ghana and Côte d'Ivoire due to resource constraints within the relevant

Key lessons

- Community-led child labour monitoring and remediation systems can be highly effective in preventing and mitigating child labour when accompanied by community development initiatives.
- Companies working in contexts where risks are endemic should take a landscape-based approach, rather than just focusing on purchasing practices.
- Transparency on action builds capacity and engagement among other companies in the same supply chain.

authorities, in addition to policy gaps in Ghana, including a lack of a policy addressing the worst forms of child labour.⁷² As a result, there are an estimated 1.56 million children working in cocoa farming across Ghana and Côte d'Ivoire, of which 95% are involved in hazardous work such as using sharp tools or applying fertilisers to crops.⁷³ Children are at particular risk during the busy harvest season and during school holidays.⁷⁴

69 Tony's Chocolonely (n.d.a), [Let's crunch some numbers](#); Tony's Chocolonely (n.d.b), [Why we won't stop paying a higher price for cocoa](#); Tony's Chocolonely (n.d.c), [Tony's Beantracker](#).

70 Tony's Open Chain operates through a shared costing model between all 'Mission Allies', which include companies such as Ben and Jerry's, Huel and Aldi. See [Tony's Open Chain](#) for further information.

71 World Bank (2023), [Poverty and Equity Briefs](#). See also World Bank (n.d.), [Multidimensional Poverty Measure](#).

72 US Department of Labour (2023), [Findings on the Worst Forms of Child Labour](#).

73 Tony's Open Chain (2023), [Tony's Open Chain Impact Report 2022/2023](#).

74 ICI (n.d.), [Child Labour in Cocoa](#).



A community-led remediation system and holistic approach to tackling underlying causes of child labour

In 2017 Tony's set up a community-led Child Labour Monitoring and Remediation System (CLMRS) to identify and tackle cases of child labour within its supply chains.⁷⁵ Tony's found that the most powerful approach in preventing and remediating child labour was for farmers' cooperatives to lead child labour reduction efforts themselves. The CLMRS aims to identify cases of child labour through household visits and mobile surveys led by cooperative members who act as community facilitators. If cases of child labour are identified, the community facilitator discusses different remediation options with the household members, for example helping families obtain birth certificates which enable children to attend school or providing bicycles to travel to school. The appropriate remediation measures agreed with the family are then implemented by the community facilitator, with financial and technical support provided by the International Cocoa Initiative (ICI) and Tony's.⁷⁶

To prevent the use of child labour in the long-term, Tony's also implements child, household and community-level development initiatives as part of their CLMRS, with communities taking charge of these initiatives to ensure that these are tailored to their needs. Such initiatives include promoting educational opportunities by building local schools, training teachers, and encouraging attendance by offering meals at school, as well as measures to improving sanitation, healthcare or access to diverse streams of income within the community. Since introducing the CLMRS, Tony's has increased engagement with farmers' cooperatives to attain their feedback on what they feel would be most effective to reduce prevalence of child labour within their area. Tony's local teams have also been training 'Tony's Ambassadors' to carry out awareness raising within their own communities, in addition to strengthening relationships with local civil society organisations working on relevant topics, such as child abuse.

While the CLMRS is a key component of Tony's approach to responsible business conduct, the company believes that eradicating child labour requires tackling structural inequality and widespread poverty in cocoa growing communities. Tony's approach is based on its 'Five Sourcing Principles', which are applied simultaneously and underpin the company's mission to establish more equal business relationships between the company and its suppliers. In line with these principles, Tony's takes a 'holistic' approach, which assumes that risk is always present and that all households are at risk of child labour due to its high prevalence in cocoa-growing communities. The holistic approach aims to mitigate child labour by proactively tackling the systemic drivers of child labour in Ghana and Côte d'Ivoire, rather than focusing solely on child labour identification and response as part of 'risk-based' due diligence.

Tony's Five Sourcing Principles

1. **Traceable beans** – trading directly with farmers and cooperatives, and ensuring supply chain transparency.
2. **Higher price** – paying a fair price for cocoa so farmers can earn a living income.
3. **Strong farmers** – supporting farmer professionalisation by making cocoa farming safe and sustainable.
4. **The long-term** – ensuring income security for farmers by committing to at least 5 years of sales.
5. **Quality and productivity** – investing in farming skills, knowledge and innovation.

⁷⁵ As of 2022/2023, 18,747 households that are in the Tony's Open Chain partner cooperatives participated in the CLMRS, in addition to 259,840 participants in awareness raising activities in cocoa growing communities of Tony's Open Chain partner cooperatives. See [Tony's Open Chain](#) for further information.

⁷⁶ Tony's Chocolonely (n.d.d), [CLMRS](#).



For example, Tony's Chocolonely aims to close the living income gap by paying more for cocoa through the sourcing principle of paying a 'higher price', including through income diversification and productivity increase. In 2023, Tony's worked with over 17,000 farmers, paying 78 percent more than the farmgate price in Cote d'Ivoire, and 73 percent above the farmgate price in Ghana.⁷⁷ This approach is complementary to the CLMRS insofar as it addresses structural poverty and inequality, two of the key drivers of child labour, forced labour and deforestation in cocoa-growing countries.⁷⁸

Outcomes: Reduction of child labour and 'raising the bar' within the industry

Tony's CLMRS has proven effective in reducing use of child labour in its supply chains in both Ghana and Cote d'Ivoire. While approximately half of all children in Ghana and Cote D'Ivoire are involved in child labour, Tony's reports that rates of child labour are significantly lower (10 percent) in communities that the company sources from. In cooperatives that Tony's had worked with for at least three years, child labour was estimated at less than 4 percent in January 2024, and some cooperatives had a prevalence rate of just one percent.

Tony's Chocolonely aims to both 'raise the bar' and 'raise the floor' in the chocolate industry – including through the collaborative efforts of Tony's Open Chain, which any buyer can join. On the one hand, the company strives to inspire others to grow their responsible business conduct practices. On the other, it acknowledges that not having child labour in their supply chains should be the industry standard. To do this, Tony's aims to inspire other businesses through their transparency and information sharing. According to the team at Tony's, "radical transparency doesn't make us more successful, but it does make us more inspiring." They ascertain that while the CLMRS is resource intensive, Tony's holistic and community-led approach to responsible business conduct is transferable to both other country contexts and other sectors.

Find more information

- Tony's Chocolonely (n.d.), [Child Labour Monitoring and Remediation System](#).
- Tony's Open Chain (2023), [Tony's Open Chain Impact Report 2022/2023](#).

⁷⁷ Tony's Chocolonely (2023), [Tony's Chocolonely Annual Report 2022/2023](#).

⁷⁸ Tony's Cholonely (n.d.), [The Living Income Model for Cocoa](#).

3.5 warfair: Onboarding new suppliers in a challenging context and assessing risks to inform progressive improvement

Context:	Conflict-affected states
Area of RBC:	Comprehensive due diligence through risk assessments
Supply chain:	Various products from conflict-affected states, including Yemen
Sector:	Agriculture and artisan production

Company background

warfair is a Danish company that imports quality food and homeware products sourced from conflict-affected countries to be sold to customers in Denmark and other European markets.⁷⁹ Products range from coffee to cocoa nibs to lanterns and chilli, among others, which are sourced from countries including Afghanistan, Burkina Faso, DRC, Myanmar, Niger, Somalia, and Yemen.

In line with its objective to promote peacebuilding through trade, warfair seeks to support income generation opportunities for people in conflict-affected areas, whose livelihoods are disrupted by conflict and instability.

Data collection and transparency as key to responsible business conduct in challenging contexts

To conduct business responsibly in these challenging contexts, warfair has developed an approach to due diligence that focuses on avoiding working with suppliers that are connected to the conflict whilst promoting compliance with key international labour standards among suppliers that they do work with, who often have limited capacity to meet social standards.⁸⁰ Given the contexts warfair sources from, there is an assumed gap in personnel, systems and procedures to meet core compliance standards, hence the approach warfair has adopted is one that focuses on continuous improvement.

Before entering a context, warfair carries out an information gathering process to identify potential human rights issues. First, contextual analysis is conducted on each country that warfair operates in, covering key political issues, the status of conflict or instability and any other challenges, which are summarised on '[warfair World](#)', a publicly available database. warfair then carries out a desk-based review of the company they intend to work with, screening for corruption cases, links to military groups or other negative media coverage. Where possible, warfair also works with local stakeholders to verify the findings of desk research and identify any further issues.

Key lessons

- Progressive improvement is a key approach to doing due diligence in challenging contexts.
- Effective information gathering about potential or actual rights violations before onboarding and at regular periods can help prevent, identify and mitigate risks.
- Transparency of information on due diligence builds trust with consumers and allows stakeholders to flag any further risks associated with suppliers.

⁷⁹ warfair sources exclusively from countries listed in the World Bank's List of Fragile and Conflict-Affected Situations (FCAS) - considered the most difficult locations to trade in.

⁸⁰ warfair works in line with different labour standards such as the SDGs, the Women's Empowerment Principles, and the Core Humanitarian Standard's 'do no harm' principle. See warfair (n.d.), [Open](#).



Photo: warfair

All suppliers that warfair seek to work with are required to complete a self-assessment due diligence questionnaire as part of the on-boarding process and then again every other year afterwards. The questionnaire gives warfair the opportunity to evaluate the extent to which the company has systems in place to meet their standards, for example whether the supplier has an occupational safety and health policy or policies to promote women's participation in the workforce. It also explicitly requires suppliers to provide information about issues previously observed in the workplace, including any health and safety incidents, or cases of forced labour or hazardous child labour within their operations. Other information requested includes details on wage payment and the provision of equal opportunity in employment.

Once the warfair team have carried out a background check and the companies have completed their due diligence questionnaires, information on the suppliers is reviewed by warfair's independent Ethics Committee. The Committee scrutinizes the information to identify specific risks or capacity gaps that need addressing before deciding whether to source from that particular supplier.⁸¹

warfair understands that when sourcing from or operating in conflict-affected areas, applying the principles of do-no-harm and continuous improvement is the best approach, rather than seeking total compliance from the outset. To this end, the UN Guiding Principles recognize that local contexts may impede the ability of companies to fully meet their responsibility to respect human rights. In such contexts, businesses are expected to respect the principles of internationally recognized human rights to the greatest extent possible in the circumstances, and to be able to demonstrate their efforts in this regard.

For this reason, warfair does not consider adverse impacts as matters on non-compliance, but instead as areas that need improvement. warfair informs the companies about which principles they should strive to adhere to during onboarding, and then works with them on an ongoing basis to increase their capacity as responsible employers, for example, by collaborating on an improvement plan, as in the case of their coffee supply chain from Yemen. Other companies have exhibited improvements in policy and practice due to the requests by warfair's Ethics Committee, such as SomSeedAgri in Somalia, which developed their first anti-corruption and workplace policies as a result of warfair's request and dialogue, and Ziba Foods in Afghanistan, which developed a grievance mechanism. At the same time, certain requirements are mandatory for warfair, such as not using forced labour, child labour, or having direct links with conflict actors. These are communicated through the due diligence questionnaire, both through reference to warfair's publicly available policies, and through the topics and questions covered.

Transparency is a central part of warfair's due diligence process. Once suppliers have completed the due diligence questionnaire and the Ethics Committee has reviewed their practices, warfair publishes the questionnaires and details of its partners on '[warfair World](#)', a publicly available database. Transparency regarding the actors involved in warfair's supply chain also enables external stakeholders to alert warfair to any adverse human rights impacts associated with its suppliers through warfair's public grievance mechanism. By giving full oversight of warfair's supply chain, the database also aims to build trust with consumers, and can be used by suppliers and traders to attain more customers.

⁸¹ The committee is comprised of three independent labour and transparency specialists who work on a voluntary basis.

Challenges to responsible business conduct in Yemen: conflict and humanitarian crisis

One of the countries that warfair sources from is Yemen, a context defined by conflict and humanitarian need. The civil war between the Yemeni government and Houthi forces, which started in 2015, has had a severe impact on Yemen's economy – with half of Yemen's population estimated to live in poverty. Attacks against civilians have been reported, leading to internal displacement of 4.5 million people.⁸² 26.1 million in Yemen people are reportedly in need of humanitarian assistance – with up to 18 million facing food insecurity and lacking access to safe drinking water.⁸³

Despite these challenges, warfair sources coffee, lanterns, beach baskets and traditional Yemeni drink Qishr (Cascara) from companies in Yemen. To do this, warfair has partnered with several different organizations. This includes partnerships with non-profit organization the All Girls Foundation for Development (AGF) and the Yemen Journey for Import and Export of Local Products, which has enabled warfair to source baskets from Yemen. The decision to partner with AGF was based on the findings of warfair's desk research and due diligence questionnaire. This process identified that AGF had mechanisms to prevent, mitigate and remediate human rights risks, including the existence of a complaints mechanism through which supplier workers could put forward their views and hold employers to account. The due diligence questionnaire also identified good practices, including that the existence of a contractor code of conduct. This gave warfair confidence that they wouldn't be contributing to the conflict and that their activities would be supporting livelihoods for women and girls.

warfair's work with other Yemen-based suppliers, such as the multiple small producers it buys coffee from, focused more on progressive improvements. For example, when due diligence questionnaires identified that coffee producer 'The Yemen Journey' lacked formal written policies and grievance mechanisms, warfair worked with the company to build capacity and agree on a plan to develop key internal documents and systems. Following this, the Ethics Committee made a decision to assess the progress made by The Yemen Journey within six months, rather than the usual two years to give more opportunities to respond to supplier needs and to build their capacity more quickly. warfair sees this approach as particularly useful for building supplier capacity in challenging contexts where RBC activities are limited by external factors.

Find more information

- Human Rights Watch (2022), [Yemen Events of 2021](#).
- UNHCR (2023), [Yemen Fact Sheet January – October 2023](#).
- US for UNHCR (2023), [Yemen Crisis Explained](#).
- Warfair (n.d.), [warfair World](#).

82 Human Rights Watch (2022), [Yemen Events of 2021](#); UNHCR, (2023), [Yemen Fact Sheet January – October 2023](#).

83 US for UNHCR (2023), [Yemen Crisis Explained](#); World Bank, (2024), [The World Bank in Yemen](#).



4. Existing resources

4.1 Key resources on responsible business conduct

Author	Title	Description
United Nations	Guiding Principles on Business and Human Rights (UNGPs)	Outlines actions needed to prevent, mitigate and remediate human rights impacts that might arise as a result of business activities. Should be adhered to at all times and by all companies, regardless of sector or country context.
UNDP	Gender Dimensions of the Guiding Principles on Business and Human Rights	Offers comprehensive gender-focused guidance on the UN Guiding Principles on Business and Human Rights.
OECD	OECD Guidelines for Multinational Enterprises on Responsible Business Conduct	Offers detailed explanation of what is meant by responsible business conduct, in addition to key concepts and good practices. While targeted at multinational enterprises, the Guidance is of relevance for all businesses seeking to strengthen their responsible business conduct processes.
Gender-Responsive Due Diligence (GRDD) Platform	Gender-Responsive Due Diligence (GRDD) Platform	Provides a gender lens to due diligence processes, including resources and advice on understanding and implementing gender-responsive due diligence. Primarily targets multinational enterprises and companies with international supply chains.
BSR	Rapid Human Rights Due Diligence	Tool for rapid assessment of human rights due diligence. For use when there is little time to conduct extensive due diligence assessments.
UNDP	Human Rights Due Diligence Training Facilitation Guide	Provides explanation of key due diligence concepts and steps, including an overview of the UNGPs, what is meant by human rights due diligence, and the four steps of human rights due diligence. Applicable to companies in all sectors.
UNDP	Human Rights Self-Assessment (HRSA) Training Tool	Basic training tool that allows users to generate a list of sample risks, depending on their sector, with reference to relevant Sustainable Development Goals (SDGs). For use by companies starting due diligence assessments processes.

4.2 Resources on responsible business conduct in challenging contexts

Author	Title	Description
OHCHR	Business and Human Rights in Challenging Contexts: Considerations for Remaining and Exiting	Includes guidance on when to remain in or exit responsibly from a challenging context. To be used by any companies operating in, sourcing from, or exiting challenging contexts.
UNDP	Heightened Human Rights Due Diligence for Business in Conflict-Affected Contexts: A Guide	Guidance for companies on practical measures to ensure responsible engagement if working in conflict-affected states. Includes key triggers and parameters, when and how to act, communications, stakeholder engagement, grievance mechanisms, and institutional capacity building.
Geneva Centre for Security Sector Governance	Security and Human Rights Toolkit	Toolkit for companies of all sizes working in challenging environments, structured around working with host governments, public security forces, private security providers and communities. Provides guidance, best practice case studies, and fact sheets to inform engagement.
Business and Human Rights Compliance	Conducting business during armed conflict: What is International Humanitarian Law (IHL) and how do companies comply with their obligations?	Provides high-level guidance on what international humanitarian law means, when it applies, and in which situations businesses are bound by it. Includes practical guidance on compliance with international humanitarian law. Most relevant for companies working in conflict-affected contexts.
International Committee of the Red Cross	Armed conflict, international humanitarian law and responsible business conduct. A compendium of resources for businesses	Compendium of guidelines, tools and training modules to support companies in ensuring they do 'no harm' to local communities, while navigating the intersections of security, international humanitarian law, human rights and business operations.
OECD	OECD Due Diligence Guidance for Responsible supply Chains of Minerals from Conflict-Affected and High-Risk Areas	Provides a framework for detailed due diligence to help companies respect human rights and avoid contributing to conflict through their sourcing decisions in supply chains of minerals.
The Voluntary Principles Initiative	Conflict Analysis Tool for Companies	Tool that helps staff understand dynamics of conflict in operational area and determine and mitigate the company's impacts.

4.3 Country-specific resources

4.3.1 Ukraine

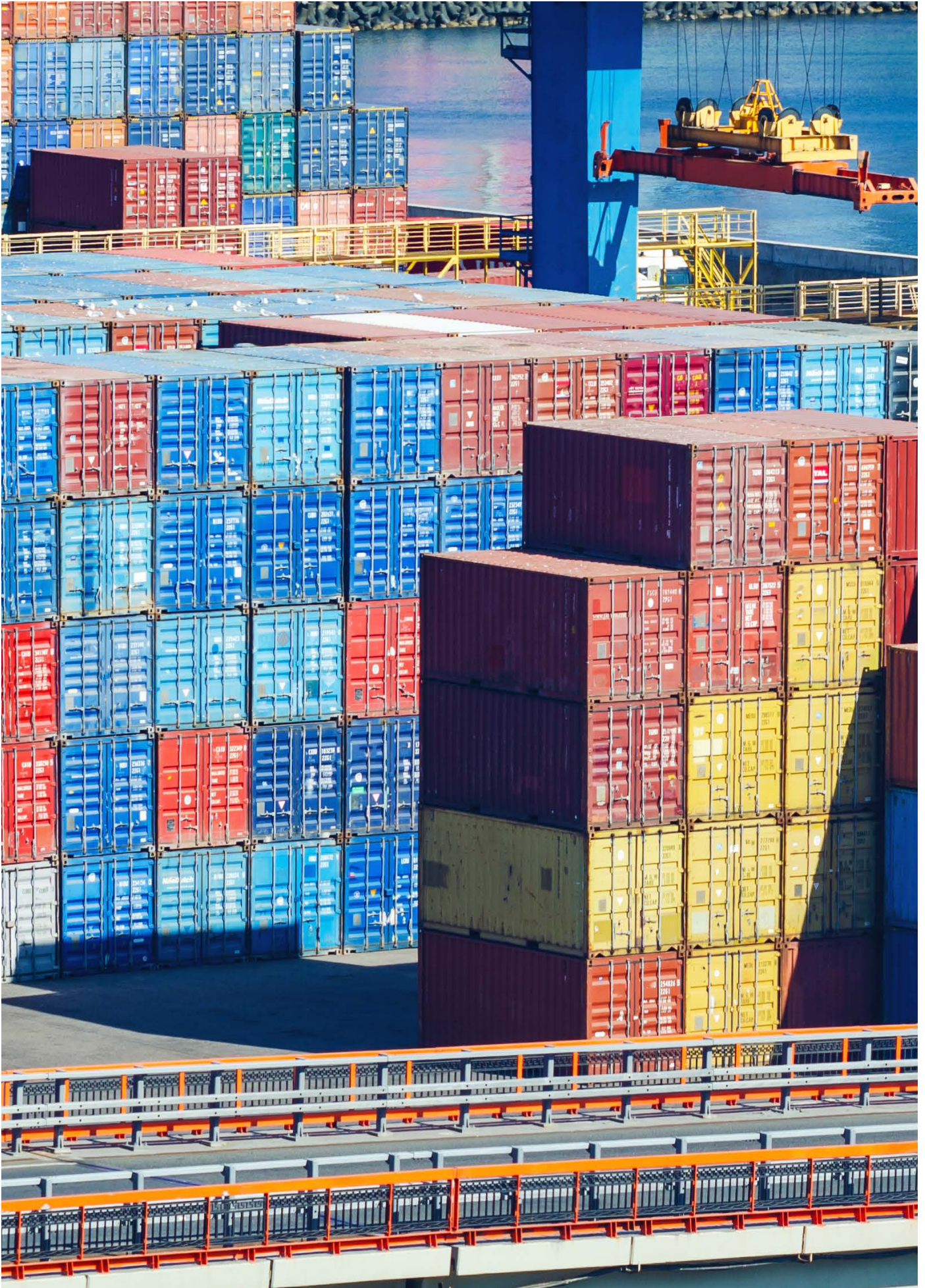
Author	Title	Description
OECD	Responsible business conduct implications of Russia's invasion of Ukraine	Provides guidance and considerations on responsible business conduct for companies working in Ukraine, including short, medium, and long-term considerations. Also includes guidance for companies deciding whether to disengage from Russia.
Stronger2-gether	Practical guide for supporting workers affected by the war in Ukraine	Provides guidance for companies that wish to employ Ukrainian workers in the UK. Includes information on providing administrative assistance with immigration processes and best practices during recruitment.
ECCJ and Frank Bold	From rushed reactions to proper preparedness: Corporate due diligence in times of armed conflict	Provides overview of due diligence considerations in the Ukrainian context, including risk-assessments, supply and value chain mapping, stakeholder communication, and rapid human rights impact assessments.
UNDP	Responsible Business Conduct During War in Ukraine: Context Assessment Study	Provides overview of the impact of the war on the business landscape in Ukraine, salient human rights risks, and routes to remedy. Also gives practical advice on relocation, responsible exit and return, safety responses, and business continuity plans.
Olena Uvarova	Responsible Business Conduct in Times of War: implications for essential goods and services providers in Ukraine	Study on businesses providing essential services in Ukraine, such as banking services, food, transport, electricity or healthcare. Outlines the challenges facing companies offering essential goods and services and provides an overview of the Ukrainian regulatory framework and rights impacted in each relevant sector.
GRIEFF	GRIEFF Social Report: Reporting Period May 2022-April 2023	Publication highlighting examples of good practice implemented by companies operating in Ukraine in response to the challenges of the ongoing conflict.

4.3.2 China

Author	Title	Description
Ethical Trading Initiative	Ethical Recruitment Practices and Forced Labour in China: Guidelines for Employers	Provides overview of the national and international legal framework, in addition to specific guidelines on recruitment, employment and termination, and management systems to prevent forced labour.
ETI Sweden, Stefan Brehm and Helena Magnusson	Human Rights Risks Behind	Research on the electric vehicle sector in China. Includes human rights and working conditions in the electric bus supply chains, in addition to recommendations for public transport authorities sourcing vehicles from China. Useful for transport companies, in addition to companies working in other sectors that aim to understand contextual risks associated with sourcing from China.
Anti-Slavery International	Respecting Rights in Renewable Energy: Investor guidance to mitigate Uyghur forced labour risks in the renewable energy sector	Provides resources for investors on engaging with, identifying or disengaging from companies in China that have been linked with abuses of Uyghur populations. Targeted at the renewable energy sector but may be applicable to companies operating in or sourcing from China more broadly.

4.3.3 Framework for a responsible business disengagement from Myanmar

Author	Title	Description
Ethical Trading Initiative	Myanmar enhanced due diligence sectoral assessment: Findings and considerations from the assessment on business and human rights for the garment sector in Myanmar	2022 report outlining key human rights risks in the garment sector in Myanmar. While aimed at the garment manufacturing sector, the section on due diligence implications may be useful for companies in other sectors currently operating in or sourcing from Myanmar.
Fair Wear	Heightened Human Rights Due Diligence - Brand Guidance Myanmar	Published March 2022. While dated, includes useful 'red flags' and key human rights due diligence questions for companies supplying from Myanmar.



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Etisk Handel Danmark
Ovengaden Oven Vandet 10, st.
1415 København K
www.etiskhandel.dk



Etisk Handel Norge
Hausmanns gate 19,
0182 Oslo
www.etiskhandel.no



Ethical Trading Initiative
LHBO4 Kennington Business Park
1-3 Brixton Road
London SW9 6DE, UK
www.ethicaltrade.org



ETI Sverige
Magnus Ladulåsgatan 1
118 65 Stockholm
www.etsverige.se