

Press Release

Norton Rose Fulbright
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Norton Rose Fulbright and BIICL publish human rights due diligence and supply chain management study

Global law firm Norton Rose Fulbright and the British Institute of International & Comparative Law (BIICL) have published a major report on managing human rights in supply chains.

The study entitled '**Making sense of managing human rights issues in supply chains**'¹ provides a comprehensive overview of the legal and regulatory framework relevant to the management of human rights in supply chains, discusses the components of human rights due diligence in supply chains and sets out observations of current practice and best practice recommendations.

The 2018 report follows a [2016 global study by Norton Rose Fulbright](#) and BIICL which revealed that a significant number of businesses neglect potential human rights risks in their supply chains. The survey revealed that almost half of surveyed businesses have never undertaken a human rights due diligence exercise.

In response to the findings of their first report, the Norton Rose Fulbright – BIICL team sought to address questions relating to supply chain human rights due diligence including:

- What are the components of a programme for managing human rights in the supply chain?
- What are the current approaches to designing and mobilising a supply chain management programme?
- How do external factors influence your internal supply chain management processes?
- What reflects best practice, and what qualities do the most advanced supply chain management practices have in common?

Amongst the key findings, the study revealed that beyond a handful of leading companies with more sophisticated human rights and supply chain management programmes, there appears to be a lack of knowledge about managing human rights issues in supply chains, particularly amongst smaller companies.

¹ The Norton Rose Fulbright and BIICL study is based on academic research and individual interviews with senior executives from companies across various sectors to clarify issues of law, principle and practice in the area of supply chain management and human rights due.

Additionally, collective action, including through sectoral, cross-sectoral and multi-stakeholder initiatives, is particularly beneficial where the nature of the supply chain is more opaque.

Indeed, without effective collaboration between industry peers in carrying out human rights due diligence, and alignment of purchasing practices with human rights expectations, suppliers may be subject to unnecessary cost and time burdens to comply with multiple audits, training and screening exercises of their customers.

Critically, businesses should be aware that in addition to the developing case law around the recognition of a legal duty of care based on principles of control, non-judicial mechanisms for financial and non-compensatory redress continue to develop. Examples include state-based procedures (e.g. OECD National Contact Points) and industry initiatives (e.g. the Bangladesh Accord on Fire and Building Safety arbitral procedure).

[Read the study here.](#)

Norton Rose Fulbright partner Milana Chamberlain commented: “Global supply chains continue to increase in complexity and it is vital that companies build a complete picture of the impacts that their activities have on human rights, local communities and the environment. As illustrated by our 2016 study, many businesses are unaware of their actual human rights impacts and lack tools for effective supply chain management. Our second study endeavours to fill that gap and provides a comprehensive summary of development of law and practice to date as well as practical recommendations for the way forward.”

Lise Smit, Associate Senior Research Fellow in Business and Human Rights at BIICL commented: “The UN Guiding Principles on Business and Human Rights expect companies to undertake human rights due diligence to identify, prevent and mitigate their human rights impacts, including those which occur in their supply chain. Many companies are only just starting to explore the complexities of such supply chain human rights due diligence. The legal landscape is developing fast, with increasing focus on a company’s control over the human rights impacts of its supply chain.”

For further information please contact:

Louise Nelson, Senior PR Manager

Tel: +44 (0)20 7444 5086; Mob: +44 (0)7909 684 893

louise.nelson@nortonrosefulbright.com

Notes for editors:

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2. The British Institute of International and Comparative Law (BIICL) provides informed, independent and practical legal ideas for a global community. Its high quality and respected work involves analysis and debate about contemporary issues on every continent, from its base in the heart of London's energetic and multicultural legal network. BIICL is one of the very few independent legal bodies of its type in the world. (Registered Charity No. 209425. Company Registration 615025). For more information visit www.biicl.org