



THE UNITED REPUBLIC OF TANZANIA
THE COMMISSION FOR HUMAN RIGHTS AND GOOD GOVERNANCE



**REPORT ON THE BUSINESS ACTOR ROUNDTABLE DISCUSSION ON
REALISING RESPONSIBLE BUSINESS CONDUCT IN TANZANIA HELD ON 31ST
AUGUST, 2022 IN DAR ES SALAAM**



The Commission for Human Rights and Good Governance (CHRAGG),
Plot No. 339 Mtaa wa Nyerere Kilimani,
P.O Box. 1049, **DODOMA**.
Phone : +255 734 047 775; +255 734 119 978
E-mail : info@chragg.go.tz
Website: www.chragg.go.tz

SEPTEMBER, 2022

1.0 INTRODUCTION

The Commission for Human Rights and Good Governance (CHRAGG), in collaboration with the Danish Institute for Human Rights (DIHR), conducted a roundtable discussion on the opportunities and challenges of responsible business conduct in Tanzania on 31st August 2022 at the Holiday Inn Hotel in Dar es Salaam. This roundtable discussion convened 28 participants (19 men and 9 women), specifically from the energy/extractive, tourism and manufacturing sectors of Tanzania Mainland and Zanzibar.

This discussion was framed using Pillar II of the United Nations Guiding Principles on Business and Human Rights (UNGPs), which encourages companies to avoid causing or contributing to adverse human rights impacts through their own activities and address such impacts when they occur. The framework provides practical steps for businesses to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services and to ensure greater access to effective remedy by victims of business-related human rights abuses, including through company level-grievance mechanisms.

Advocacy efforts towards the development of a National Action Plan on Business and Human Rights (NAP-BHR) should include the business community in discussions on how responsible business conduct can be achieved in Tanzania. To this end, the roundtable meeting provided an opportunity for business stakeholders to exchange on the business and human rights (BHR) context in Tanzania, including initiatives, opportunities, challenges and needs that exist in the business community. It also strengthened dialogue amongst business stakeholders to build a joint way forward on human rights due diligence. The discussion gave the opportunity to collect and share the needed information, understanding and awareness on Pillar II of the UNGPs (the corporate responsibility to respect human rights); to build knowledge and awareness on Pillar III of the UNGPs (access to remedy, which requires both states and businesses to ensure

greater access by victims of business-related human rights abuses) and steered forward the process of preparing a NAP-BHR that responds to business needs.

1.1 Objectives

The meeting aimed to give business actors an opportunity to deliberate on challenges and opportunities for implementing responsible business conduct, with a particular emphasis on human rights due diligence; to strengthen stakeholder dialogue on implementing human rights due diligence; and to strategize on the preparation of a NAP-BHR to realise accountable and responsible business conduct in the country.

1.2 Program

Time	Component	Speaker/ Facilitator
8:30-9:00	Arrival	
9:00-9:15	Welcome and Opening Remarks	CHRAGG
9:15-9:45	Presentations on the role of businesses in the implementation of Pillars II and III of the UNGPs	DIHR
9:45-10:30	Plenary and group discussion on the status of human rights due diligence and a joint deliberation on way forward on human rights due diligence	CHRAGG-DIHR
10:30-11:00	Morning tea break	ALL
11:00-13:00	Participants' deep dive through small groups discussion on due diligence in the selected focus areas of energy/extractives; manufacturing and tourism.	CHRAGG-DIHR
13:00-14:00	Lunch break	ALL
14:00-16:00	Key strategic entry points for the initiation of the process of NAP-BHR development	CHRAGG
16.00-17.00	Close of day followed by afternoon tea	CHRAGG-DIHR

1.3 Opening remarks

The meeting was officially opened by CHRAGG's Vice Chairperson. He reiterated the good relations between CHRAGG and the business community through various engagements on awareness creation, dialogue, research/study, monitoring responsible business conduct, including investigation of complaints emanating from corporate activities, trainings, etc.

He gave an example of the role of business in achieving the human rights agenda in the country as well as contributing to economic development in the country. He insisted that no matter the size of the business, it must respect human rights. The Vice Chairperson reminded the business community to collaborate with other stakeholders, including local communities, in ensuring that their actions do not create negative impacts on the lives of people. He emphasized the importance of integrating human rights due diligence to create a conducive environment for business activities without causing harm to the community as well as mitigating the impacts of their activities by ensuring effective and timely remedies to victims of business-related human rights abuses.



CHRAGG's Vice Chairman, Hon. Mohamed Khamis Hamad (*standing*) delivering opening speech during the one-day Business Actor Roundtable discussion on realizing Responsible Business Conduct in Tanzania held on 31st August, 2022 at Holliday Inn-Dar es Salaam.

The Vice Chairperson concluded his remarks by acknowledging businesses' role in contributing to positive impacts by creating employment, manufacturing and supply of industrial goods and products, as well as the provision of various services to communities. He urged participants to engage fully in the discussion and come up with strategies on the process of preparing a NAP-BHR that includes their needs and concerns, deliberate on opportunities and challenges for strengthening due diligence in the Tanzanian context.

2.0 PRESENTATIONS AND GROUP DISCUSSION

2.1 SESSION ONE: ROLE OF BUSINESSES IN THE IMPLEMENTATION OF PILLARS II AND III OF THE UNGPS

A facilitator from CHRAGG led this session. She stated that businesses have a responsibility to respect human rights as well as to provide remedies to victims. The facilitator stated that CHRAGG, as Tanzania's national human rights institution, monitors and investigates alleged human rights abuses by businesses. She mentioned some of

CHRAGG's engagements with other stakeholders in business and human rights activities, such as a collaboration with SOMO, a Netherlands-based international non-governmental organization, with which CHRAGG developed mini case studies on the human rights impacts of the East Africa Crude Oil Pipeline (EACOP); and monitoring compliance of labor rights in fishing processing industries in Mwanza and in cut flower plantations in Arusha. In those case studies, the main human rights issues were related to violation of labor rights (low wages; lack of employment contracts; excessive working hours; refusal to grant maternity leave) and health and safety regulation, environmental destruction, unfair compensation for land acquisition and gender-based violence. It was explained that in the context of the EACOP, the participation of pastoral communities in the environmental and social impact assessment was considered to be inadequate. Moreover, these communities were not sufficiently informed about compensation for land acquisitions.

The facilitator further presented CHRAGG's engagement and direct dialogues with the business community to educate and build capacity on the UNGPs for them to better address human rights impacts related to their activities. CHRAGG has also been convening and facilitating multi-stakeholder dialogues on the UNGPs.

The UNGPs' 'Protect, Respect and Remedy' Framework reminds businesses of their role in fostering accountable and responsible business conduct. The UNGPs require states to put in place policy, laws and strategies to allow business to be conducted in a manner that ensures that society is protected from adverse impacts arising from their activities and operations. The business community must respect and comply with policies, laws and strategies put in place by the state. Lastly, on remedy, the facilitator stated that businesses should refrain from causing adverse impact and, at the same time, take special initiatives to identify potential harms, prevent and mitigate any adverse impact on human right by providing victims with adequate remedy avenues while collaborating with any proceeding brought against them. In providing access to remedy, the state has the duty to ensure that the relevant institutions are effectively accessible to victims.



Participants following presentation on the role of businesses in the implementation of Pillars II and III of the UNGPS during the one-day Business Actor Roundtable discussion on realizing Responsible Business Conduct in Tanzania held on 31st August, 2022 at Holliday Inn- Dar es Salaam.

2.2 SESSION TWO: IMPORTANCE OF HUMAN RIGHTS DUE DILIGENCE IN RESPONSIBLE BUSINESS CONDUCT

This session was led by a facilitator from the DIHR. She started by stating that businesses can have many positive impacts on human rights but also continue to be responsible for causing human rights harms, especially with the rise in transnational economic activity and corresponding governance gaps.

The facilitator asked participants to reflect on why businesses should care about human rights. Some responded that the business sector should care for human rights to preserve a company's brand and reputation, guarantee customer loyalty, for recruitment and staff retention purposes, attract investors, avoid prosecution, improve scrutiny, maintain its sustainability in terms of continuing to operate as well as getting the social license to operate. Echoing the first presentation, the presenter further elaborated on the corporate responsibility to respect, meaning that businesses should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved. She insisted that companies must 'know and show' respect for human rights through exercising human rights due diligence.

The facilitator explained the four steps of human rights due diligence outlined in the UNGPs:

- i. Identify and assess actual and potential human rights impact, including along the value chain. Here, the company should not only look at its own actions but also those of other companies with which it has a business relationship;
- ii. Integrate and act upon the findings by taking responsibility where decision-making is vital to allocate budget so as to enable effective responses;
- iii. Track, monitor and verify responses by integrating human rights due diligence in company policy, management and system. It is crucial that the company uses performance indicators, allocates sufficient resources to tracking and monitoring, has recourse to independent monitoring and auditing, as well as joint company-community monitoring; and
- iv. Communicate openly and transparently on how the company addresses the impacts. Communication should be done externally and be accessible to its intended audience. The level of disclosed information should be sufficient to evaluate adequacy of company responses and not pose risks to affected stakeholders, personnel or to legitimate requirements of commercial confidentiality.



Ms. Nora Gotzmann, Chief Adviser at Danish Institute for Human Rights presenting on the importance of Human Rights Due Diligence in responsible Business Conduct during the one-day Business Actor Roundtable discussion on realizing Responsible Business Conduct in Tanzania held on 31st August, 2022 at Holliday Inn- Dar es Salaam.

The facilitator ended her presentation by reminding that there is a critical difference between Corporate Social Responsibility (CSR) and the corporate responsibility to respect. She noted that CSR often continues to be defined as a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis, whereas the corporate responsibility to respect requires companies to exercise due diligence to avoid infringing on human rights and to address the adverse human rights impacts with which they are involved. She emphasised that companies cannot forego their responsibility to respect by implementing CSR initiatives.

2.2.1 Questions and answers

Participants wanted to know whether there is a possibility of a business's being awarded a certificate of recognition for conducting good human rights due diligence. However, since human rights due diligence is a responsibility weighing on companies, businesses should be implementing this as a matter of routine.

Participants were also informed that human rights should be incorporated in the corporate sustainability policy on the environment, social impacts, governance, human resources and health and safety. Moreover, Tanzanian laws for the mining sector have been amended to make CSR mandatory. Lastly, it was recommended that businesses work closely with surrounding communities to reduce unnecessary conflicts and that company-level grievance mechanisms should be accessible to local communities to enable them to lodge complaints.

2.2.2 Group work and reflection

Participants were divided into three groups and were invited to discuss and give feedback on the following questions: What specific activities has your business/organization undertaken to promote implementation of human rights due diligence? What parts of human rights due diligence do you think are most challenging to implement in your business/industry? How could the challenges be addressed? What

could be the three next steps for your business/organization to promote implementation of human rights due diligence?

Following the discussion, the participants came up with the following suggestions:

2.2.2.1 Specific activities undertaken to promote implementation of human rights due diligence

Participants reported that they have imbibed their activities to fulfil their responsibility to respect human rights in the operational policies and procedures that apply throughout their value chain. They mentioned sensitization programs like media platform, capacity building sessions, preparation and publishing of case studies and conducting mediation, reporting through umbrella organizations, conducting company level monthly assessments. Other issues reported include environmental social and human rights impact assessments as key activities to identify and assess adverse impacts; establishment of company-level grievance handling mechanisms; providing remedies to the victims of abuses, with a majority of participants mentioning the importance of proper compensation in cases of evictions and land acquisitions. The participants mentioned the example of Equinor, an energy company, which wanted to pay compensation following international standards, which were higher than those set at the local level, but was ordered by the government to pay according to Tanzanian standards. These lengthy discussions on which standards to apply delayed the start of the projects.

Parts of human rights due diligence which are the most challenging to implement

- i. The process with the full-scale assessment of human rights impacts: Participants mentioned the first step of identifying and assessing actual and potential human rights impact as one of the challenging parts to implement since it requires resources and expertise, which most businesses lack, especially small businesses; and

- ii. The second step, integrating and acting upon findings especially on remedying the victims, was also considered challenging. Here, participants raised concerns on the rewards awarded by state grievance mechanisms especially courts of law for being very high, hence cannot be executed. The last step which was found to be difficult to implement was on tracking and monitoring, especially when the mother company works with a number of subsidiary companies. They stated that it is very difficult to monitor actions of all subsidiary companies to ensure that the human rights due diligence process is implemented effectively if such subsidiary companies are not fully committed to respecting human rights. An example was given of some beverage companies on how they sub-contract promotional companies who use young people to promote their products.

2.2.2.2 How to address challenges

Participants proposed some of the solutions for factors that hinder the effective implementation of human rights due diligence as being:

- i. Developing processes and procedures to integrate human rights throughout company operation;
- ii. Resource mobilisation to enable the availability of sufficient funds for conducting human rights due diligence as well as recruiting skilled personnel;
- iii. Allocation of special basket funds to provide remedy to victims of corporate abuses;
- iv. Companies should advocate for legal and policy reform to ensure laws and policy are in coherence with international laws especially on the quantum of compensation;
- v. To advocate for mandatory human rights due diligence; and
- vi. To strengthen monitoring mechanisms in subsidiary companies to ensure that human rights due diligence is implemented.

2.2.2.3 Three next steps to promote implementation of human rights due diligence

Participants mentioned the following steps to be taken in order to promote the implementation of human rights due diligence:

- i. Continue with sensitization program and capacity building to conduct human rights due diligence;
- ii. Strengthening communication strategy by setting up company-level framework for reporting on human rights activities and performance and other communications to stakeholders relating to human rights and specifically to communities living surrounding business operations;
- iii. Clearly understand specific issues to be imbibed at company level in respect to human rights, which may include deciding on direction, approach, boundaries and focus areas based on the nature of the company;
- iv. Meaningful stakeholder engagement to promote human rights due diligence;
- v. Reform laws and policy to make human rights due diligence mandatory, and
- vi. Deploy independent auditor for monitoring and evaluation of the implementation of human rights due diligence.

2.3 SESSION THREE: KEY STRATEGIC ENTRY POINTS FOR THE INITIATION OF THE PROCESS OF NAP-BHR DEVELOPMENT

The presentation started by playing a video summarizing the key steps of the development of the NAP-BHR process in Kenya, including the commitment of the Kenyan government, the lead taken by the Attorney General, key successive steps, challenges encountered in the process and lessons learned. The session was designed in three group discussions as follows:

- i. Where in the NAP-BHR process do you see key entry points for business engagement?

- ii. How do you think businesses can contribute to the NAP-BHR process and implementation?
- iii. In your view, what are some of the key business/industry priorities for the NAP-BHR process? e.g. types of issues to be addressed?
- iv. What could be the three next steps for your business/organization to engage in the NAP-BHR process?

2.3.1 Entry points for business to engage in the NAP-BHR process

Participants stated that companies should be involved and engaged in the NAP-BHR process through the following entry points:

- i. From the beginning in advocating for the initiation of the NAP-BHR process;
- ii. During multi-stakeholder engagements to discuss NAP-BHR priorities;
- iii. Providing inputs into the National Baseline Assessment;
- iv. Fundraising for the NAP-BHR process; and
- v. Form part of the NAP-BHR Steering Committee.

2.3.2 How businesses can contribute to the NAP-BHR process and implementation

The following were suggested to be done by business as a contribution to the NAP-BHR development process:

- i. Being invited and attending all discussion forums about NAP-BHR processes;
- ii. Being assigned a role to provide information and identify business needs and priorities to be included in the NAP-BHR;
- iii. Forming part of a multi-stakeholder Governance Structure for the NAP-BHR, which can be the Steering Committee;
- iv. Mobilising resources; and
- v. Being involved in the sessional review of the NAP-BHR.

2.3.3 Key business/industry priorities for the NAP-BHR process? e.g., types of issues to be addressed

Businesses suggested the following priorities sectors and issues to be included in the NAP-BHR

- | |
|---|
| <p>(ii) Priority sectors</p> <ul style="list-style-type: none">✓ Agriculture✓ Extractive industry✓ Manufacturing✓ Tourism |
|---|

- | |
|--|
| <p>(i) Priority issues</p> <ul style="list-style-type: none">✓ Labor rights✓ Women and marginalized groups✓ Environment✓ Land rights✓ Taxes and revenues✓ Corruption |
|--|

2.3.4 Three next steps for business/organization to engage in the NAP-BHR process

Participants proposed the following steps for them to take in engaging in the NAP-BHR process:

- (i) Mobilizing resources;
- (ii) By being involved in updating and or supplementing the National Baseline Assessment; and
- (iii) Providing inputs to the NAP-BHR concept note.

Acknowledgments: The workshop was conducted as part of the [Responsible Business Conduct in Sub-Saharan Africa Project](#), made possible thanks to the support from the Permanent Mission of Denmark to the United Nations in Geneva. Responsibility for the content rests entirely with the Tanzanian Commission for Human Rights and Good Governance and the Danish Institute for Human Rights.