## Proposal for G7 Ise-Shima Summit Agenda on "Responsible Supply Chains"

At the Group of Seven (G7) Summit in Schloss Elmau in June 2015, leaders of the G7 countries pledged to promote "responsible supply chains", and announced their commitment to "better application of internationally recognised labour, social and environmental standards, principles and commitments in global supply chains".

Globalisation has resulted in grave human rights violations and environmental destruction throughout international supply chains. Violations such as child labour, forced labour, land grab, environmental damage, and poor working conditions occur in plantations, resource extraction mines, factories, and waste disposal sites.

Now more than ever, the world expects the private sector to minimise the negative impacts business activities have on the environment, society, and economy, and to bring about long term positive impacts. The current Trans-Pacific Partnership (TPP) agreement includes language regarding the need for labour conditions to respect human rights, and it is vital that the participating countries respect and comply with those terms. The 2015 Elmau Summit was ground-breaking, in that such issues were discussed at a G7 Summit for the first time.

We believe that the commitment of the G7 announced last year must be reaffirmed, through the following two points:

## The topic "Responsible Supply Chains" should be included in the Agenda of the G7 Ise-Shima Summit

At the Schloss Elmau Summit, the G7 leaders strongly supported the UN Guiding Principles on Business and Human Rights, and stated the need to increase transparency, the identification and prevention of human rights risks, and the strengthening of complaint mechanisms to promote better working conditions. The G7 leaders also urged the private sector to implement human rights due diligence. It is important to include the topic "Responsible Supply Chains" in the agenda of the G7 Ise-Shima Summit, to lead to a declaration of even stronger commitment. Furthermore, the G7 Accountability Report, to be prepared this year under the lead of the Government of Japan, should include a progress report on the implementation of the Schloss Elmau Summit commitments.

## 2. A process should be commenced to prepare a National Action Plans (NAP), in line with the UN Guiding Principles

The G7 Schloss Elmau Summit welcomed efforts to set up substantive National Action Plans (NAPs) to promote "Responsible Supply Chains". 20 countries, including many advanced economies of Europe and the Americas, have already developed or are in the process of developing NAPs. The Government of Japan is asked to start the process of preparing a NAP, involving a wide range of stakeholders such as the private sector and civil society. Through this, the Government of Japan should fulfil its duty as the chair country of the 2016 G7 Summit, as well as the host country of the 2020 Olympic Games. The following elements should be included in any NAP:

- ① An international code of conduct for human rights incorporating the ILO Core Labour Standards should be established as a procurement requirement for large enterprises;
- ② Support mechanisms for small and medium sized enterprises, where management resources

- tend to be insufficient, should be established to enable them to ensure their supply chains are responsible;
- ③ Procurement standards including respect for human rights and other social and ethical elements should be established for both the central and local Governments;
- Provisions to ensure that all procurement activities of the central Government, the Tokyo Metropolitan Government, and the Tokyo Organising Committee for the 2020 Olympic and Paralympic Games are conducted to the highest standard, so as to set an example for other G7 countries and the international community.

The G7 Ise-Shima Summit is a unique opportunity for Japan, the chair country, to show its leadership. The global public will be focusing on the messages sent from Japan. The Government of Japan should take proactive engagement and actions.

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