



PRESS RELEASE

EMBARGOED: Tuesday 26 August 2014

Report calls for step change on human rights conduct of business in Greater China region

Time to close the gap between international standards and actual practices by Chinese and foreign firms

International, 26 Aug 2014 – Companies operating in Greater China – as well as Chinese firms operating overseas – must do more to respect human rights, according to a new report by an international human rights organization.

The [report](#), released today in Chinese and English by Business & Human Rights Resource Centre, looks at how companies in the region address human rights concerns. The Centre invites companies to respond publicly to allegations of misconduct in areas such as the treatment of workers, environmental pollution, and complicity by technology firms in surveillance or censorship activities. The briefing analyses 223 such approaches to companies.

The response rate from firms headquartered outside the region about their operations in Greater China is 77%. The response rate from firms headquartered in Greater China is 50%. Despite the lower response rate, when firms headquartered in Greater China *do* respond, they are more likely to do so in detail, directly addressing each specific allegation point-by-point (52%), than non-Greater China firms (38%).

Privately owned Chinese firms are more likely to respond to allegations (56%) than state-owned companies (40%).

Lowell Chow, Greater China Researcher & Representative for BHRRC said: *“It is time for business in the Greater China region to match principles on human rights – whether in internationally-recognized frameworks such as the United Nations Guiding Principles on Business and Human Rights, or in their own codes of conduct – with their actions.*

“An environment in which thousands of migrant workers toil in unsafe conditions, working long hours for less than a living wage, or when communities are pushed off their land for industrial projects with inadequate compensation, is unsustainable. There are now clear standards and guidance materials on human rights for business. Companies can no longer feign ignorance of their responsibility to respect human rights, or claim that they do not have the tools to help them do so.”

While a response by a company does not always lead to action, it does indicate the company’s willingness to engage publicly with concerns raised by human rights advocates, and provides a public statement that the company can be held to.

Overall, 23% of the firms headquartered in Greater China that responded either admit or partially admit the concerns raised – with 61% denying them (other firms said further investigations were needed, or referred to another business entity). For firms headquartered outside Greater China, these figures are 32% and 41% respectively.

Phil Bloomer, Executive Director, Business & Human Rights Resource Centre, said: *“We commend the practical steps that many companies are taking to avoid human rights abuses, either directly or through their supply chains – as well as the significant progress the Chinese government has made in lifting people out of poverty. Now all companies and the government must act quickly to ensure workers and communities affected by business activities are treated with dignity and respect.”*

The briefing says that now is the time for action on business and human rights, given:

- Increasing activism by workers and by communities affected by industrial projects;
- Growing awareness among business that operating responsibly can help prevent and limit unrest and preserve reputation;
- A government concerned by growing inequality, environmental damage, and public disquiet; and
- The strong frameworks that are now available for companies and governments that want to do the right thing, including the UN Guiding Principles on Business & Human Rights, which the Chinese government has endorsed.

The briefing concludes with a clear set of recommendations for business and government. For companies, the briefing calls on them to adopt a clear public human rights policy; conduct a thorough impact assessment for their operations whether within China or overseas; implement clear management processes on human rights; report publicly on their progress; engage with critics; and remedy abuses.

It calls on government to develop a national action plan on business and human rights; strengthen the legal framework for victims of human rights abuses to seek and secure redress; enforce existing laws in the areas of labour rights and environmental protection; and strengthen human rights guidance for Chinese firms operating at home and overseas.

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Notes:

1. To arrange interviews contact:

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2. The full briefing paper including a record of company responses / non-responses can be downloaded from here: <http://business-humanrights.org/en/greater-china-briefings>
3. Greater China refers to mainland China, Taiwan and Hong Kong.
4. Four of the over 200 cases to which the Resource Centre has sought company responses relating to Greater China:

[China Water Electric responded](#) in detail to a report by the Cameroonian Network of Human Rights organizations. The report alleged human rights abuses associated with its work on the Lom Pangar dam in Cameroon – including cramped conditions and limited access to potable water at the workers' camp, environmental contamination, and that Cameroonian workers receive worse treatment than Chinese workers. In its response the company described steps it had on access to drinking water (digging wells, monitoring water quality) and on addressing pollution, and it denied discrimination.

[Royal Caribbean Cruises responded](#) to Friends of the Earth Hong Kong's campaign for it to use low sulphur oil when docked in the city, given the serious health impacts of sulphur dioxide pollution from cruise ships. The company responded that it would be switching to low-sulphur fuel when docked.

[China National Petroleum Corporation \(CNPC\) responded](#) to allegations of human rights abuses related to the company's Shwe natural gas and Myanmar-China oil transport projects in Myanmar (including land confiscation without adequate compensation, damage to farmers' and community land, military profiteering, and harm to fishing areas), detailed in reports by Shwe Gas Movement, EarthRights International (ERI) and Northern Shan Farmers' Committee (NSFC).

[Apple's suppliers Jabil, Toyo Rikagaku Kenkyusho and Wintek responded](#) to China Labor Watch's report "Beyond Foxconn: Deplorable Working Conditions Characterize Apple's Entire Supply Chain". Two other suppliers **Catcher** and **Pegatron** declined to respond, and Apple itself did not respond. (Our overall response rate from Apple to human rights concerns is 38%, compared with a global average of 70%).

5. About the Resource Centre:

Business & Human Rights Resource Centre is an independent non-profit organization. We provide the leading information hub on business & human rights: www.business-humanrights.org. Our aims are:

Transparency: We track the human rights conduct of over 5,600 companies worldwide – including abuses and advances

Accountability: We invite companies to respond publicly to allegations by civil society (with a global response rate of 70%)

Empowerment: We equip people in NGOs, companies, and governments with the information they need to make the right decisions, and stimulate informed debate

Website: www.business-humanrights.org

Simplified Chinese website: www.business-humanrights.org/zh-hans

Traditional Chinese website: www.business-humanrights.org/zh-hant

Blog: www.business-humanrights.org/en/about-us/blog

Our researchers are based in Brazil, China, Colombia, Hong Kong, India, Japan, Kenya, Lebanon, Senegal, South Africa, Thailand, UK, Ukraine and USA.

This Greater China briefing joins our [other regional briefings on over 10 regions/countries](#).

For further details, see the ["About us"](#) section of our website.