

JAPAN-EU ECONOMIC PARTNERSHIP AGREEMENT (EPA)  
TRADE AND SUSTAINABLE DEVELOPMENT  
4<sup>TH</sup> JOINT DIALOGUE WITH CIVIL SOCIETY  
3<sup>RD</sup> MARCH 2023

**Due diligence requirements from the  
perspective of social partners**

**Thomas Wagnsonner, EESC (Austria, Workers Group)**



# CORPORATE RESPONSIBILITY FOR HUMAN RIGHTS AND THE ENVIRONMENTAL IN GLOBAL SUPPLY CHAINS - WHAT IS IT ABOUT?

- Human rights infringements and environmental damage regularly occur in connection with human rights violations and environmental damage in global supply chains. Most of the people affected are in the Global South.
- The problem: companies based in the Western industrialized countries – including the EU - are usually not directly active in third countries (countries of the Global South). They do not usually operate directly, but as a rule via subsidiaries or suppliers in global supply/value chains. If people or the environment are harmed there, the parent company or the client in Western industrialized countries normally takes no responsibility.
- Even though a large majority of business in Western industrialized countries feels committed to human rights, human rights infringements in the context of business activities in global supply/value chains happen repeatedly. Due diligence norms, could also serve to level the playing field for businesses and create legal certainty as well as fairer global competition.



# Examples of human rights violations in international value/supply chains



EU Domestic Advisory Group  
under the EU-Japan Economic  
Partnership Agreement



- **Child labour**

160 million children worldwide are victims of child labour, and 79 million of them have to perform child labour under extremely dangerous conditions: for example, they work in conditions on cocoa plantations or in mines, and have become ill or injured as a result of their work. In our chocolate and in our mobile phones is often child labour.

- **Fashion victims**

Over 1,100 people were killed and over 2,000 injured in the collapse of the Rana Plaza textile factory in Rana Plaza in Bangladesh in 2013. The victims? Seamstresses produced T-shirts under inhumane conditions for well-known European companies. Prices are being depressed on the backs of the workers, who have to produce faster and faster and more and more. It is little or no investment in fire safety and little or no investment is made in safety at work. Only after an international outcry insufficient compensation was paid to the victims.

- **Pesticides in agriculture**

80,000 tonnes of pesticides banned in the EU were exported by European companies in 2018. They are banned in Europe because they endanger workers' health and destroy the environment. Nevertheless, they are sold abroad by European companies and used in countries of the Global South, for example for palm oil production - mostly without adequate labour protection. Millions of people suffer pesticide poisoning every year, groundwater is polluted and biodiversity is destroyed. Palm oil is found in every second supermarket product, such as in chocolate cream, ready-made soups, ice cream, or washing powder.

# What might be the solution - Non-binding and voluntary international due diligence standards?

Very influential among those instruments are:

- United Nations Guiding Principles on Business and Human Rights (**UNGPs**)
- **UN Global Compact**,
- **ISO 26000** on social responsibility
- **OECD** Guidelines for Multinational Enterprises (**MNE Guidelines**)

All these voluntary due diligence standards suggest, among other things, that contracts with business partners in Global Value Chains should be designed in a way that organizes business relationships in order to protect Human Rights.

But, voluntary measures have not always been able to prevent grievous violations of fundamental rights, nor do they offer companies legal certainty when engaging in business relations abroad.

This leads to a patchwork of measures that do not provide for legal certainty and legal predictability.



# The requirement for mandatory due diligence norms

- international level:  
**“Mandatory UN Treaty for Business and Human Rights”**
- EU level: supply chain law  
**“Directive on Corporate Sustainability Due Diligence”**
- national level:  
**“Mandatory national action plans for Corporate Sustainability Due Diligence”**



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# Mandatory UN Treaty for Business and Human Rights

International level



# INTERNATIONAL NEGOTIATIONS on a BINDING UN-TREATY for BUSINESS and HUMAN RIGHTS

- The **UN SDGs** target, in various ways, improvements in employment relations, responsible production and consumption, and firm human rights commitments. A binding treaty could support these efforts substantially, by creating an international liability framework.
- According to **ILO statistics**, forced labour generates worldwide in the construction, manufacturing, mining, utilities, and agriculture sectors, USD 43 billion in profits for those businesses that have not committed themselves enough to implementing human rights in their value chain.
- In 2014, the **United Nations Human Rights Council (UNHRC)** adopted Resolution 26/9, in which it decided to establish an open-ended intergovernmental working group (OEIWG), to elaborate an international legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises. The resolution was supported by a large number of developing countries. The current draft was presented in **October 2021**.



# (1) This INTERNATIONAL LEGALLY BINDING INSTRUMENT (TREATY) ON TRANSNATIONAL CORPORATIONS AND OTHER BUSINESS ENTERPRISES WITH RESPECT TO HUMAN RIGHTS must:

- Pertain to business enterprises whose activity has a transnational character, regardless of the enterprise's social purpose and mode of creation, control, and ownership.
- Guarantee the primacy of human rights and the environment over norms in trade and investment matters.
- Make business enterprises and their managers responsible (in civil, criminal, environmental, and administrative law) with regard to respect for human rights and prevention of abuses and violations that are the direct or indirect outcome of their activities. This must apply throughout their value chain (including branches, subsidiaries, subcontractors, suppliers, affiliates, co-contracting parties, financial backers, etc.).



## (2) This INTERNATIONAL LEGALLY BINDING INSTRUMENT (TREATY) ON TRANSNATIONAL CORPORATIONS AND OTHER BUSINESS ENTERPRISES WITH RESPECT TO HUMAN RIGHTS

### Must:

- Introduce a “duty of vigilance” or a similar mechanism of duty of care, to make parent companies and contracting companies legally responsible for the prevention of human rights abuses and crimes.
- Recognize the judicial competence of one of the following jurisdictions: the jurisdiction where the harm occurs; the jurisdiction where the contracting company is registered or domiciled; a different jurisdiction, where the entity has its main place of business or substantial business activities; or any other jurisdiction that would take up the case in the name of universal competence, when such a violation constitutes a violation of a peremptory norm of international law.
- Establish an international mechanism or an international tribunal in order to prevent denials of justice, to facilitate judicial cooperation between states, and to help the victims refer cases to the suitable national or international jurisdictions.



# Directive on Corporate Sustainability Due Diligence

EU level: supply chain law



# “Directive on Corporate Sustainability Due Diligence”

## What exactly is a supply chain law?

A supply chain law obliges companies to comply with international Human Rights and Environmental Standards along their supply chains.

For example, they must pay attention to where there is a risk of human rights violations or environmental degradation along their supply chain.

If a company finds that this risk exists, it must take effective countermeasures and report on them.

An independent authority monitors whether companies comply with these due diligence obligations. If they do not, deterrent penalties must apply and victims must be able to sue the company for compensation.

It must be guaranteed, that

- profit is not based on exploitation and destruction.

- Companies must not have a competitive advantage by disregarding labour rights

- Responsibility must not be shifted to consumers.

- Victims of human rights violations are compensated.

- the fight against the climate is crisis effectively.



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# (1) SUPPLY CHAIN LAW IN EUROPE – AN INTERMEDIARY STATE OF AFFAIRS



- The European Commission presented a Proposal for a Directive on 23 February 2022 to establish binding human rights and environmental due diligence requirements for companies along their supply chains.
- **On the positive side, the Proposal includes two forms of law enforcement**
  - First, authorities are to be able to check compliance with due diligence obligations and impose fines in the event of violations.
  - Second, injured parties are to have the possibility to file a lawsuit in court if damage has occurred that would have been avoided if the duties of care had been complied with. The Directive has the potential to ensure decent working conditions and better protection of the environment in global supply chains.
- **However, in our view, the following improvements are still urgently needed**
  - the present draft only covers selected large companies. Accordingly, the Directive will only apply to companies with more than 500 employees and net worldwide turnover of more than EUR 150 million. In three high-risk areas (textiles, agriculture, raw materials), the legislation will also extend to companies with more than 250 employees and net worldwide turnover of more than EUR 40 million.

# (1) SUPPLY CHAIN LAW IN EUROPE – AN INTERMEDIARY STATE OF AFFAIRS



- The high-risk sectors should be expanded to include construction, energy, transportation, auditing/certification, and financial services. State-owned and state-affiliated enterprises should be explicitly mentioned for reasons of legal clarity.
- The list of human and environmental rights to be respected is incomplete.
- The planned inclusion of trade unions and employee representatives is completely inadequate. There needs to be a mandatory strong involvement in the due diligence process.
- Climate-related due diligence requirements are not currently part of the draft. The urgency of the climate crisis requires the integration of negative climate impacts into the due diligence process.
- The introduction of a liability provision must be effective. However, liability is subject to narrow limits and – in the case of controlled companies – direct liability should be considered irrespective of compliance with due diligence obligations.
- The access to justice in transnational proceedings remains full of obstacles for victims of human rights violations. The draft must therefore include provisions on shifting the burden of proof, longer statutes of limitations, class actions and legal aid.
- Creating fair competition for those companies that comply with human rights, labour rights and environmental regulations must be ensured.

# Two Main Messages from the view of Trade Unions

## 1<sup>st</sup> main message:

“Voluntary due diligence measures such as the UNGPs or private sustainability labels neither have been able to prevent serious violations of Human Rights nor do they offer companies legal certainty in their business relations abroad. Therefore, a "Binding International Treaty for Business and Human Rights and Environmental Protection Standards" and a publicly controlled "certification system" for sustainability labels are needed.”

## 2<sup>nd</sup> main message:

“An EU supply chain law must oblige companies to comply with international Human Rights and Environmental Standards along their supply chains. It must guarantee that profit is not based on exploitation and destruction, and companies must not have a competitive advantage by disregarding labor rights. Moreover, responsibility must not be shifted to consumers, victims of human rights violations are compensated, and the fight against the climate crisis must be effective.”



# Thanks for your attention!



# Human Rights Due Diligence

3 March 2023

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# I Human Rights Due Diligence in Japan

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Keidanren's "Charter of Corporate Behavior & Its Implementation Guidance" (8<sup>th</sup> edition, December 2021) stipulates that the business community of Japan will continue to implement due diligence through establishing mechanisms and procedures to ensure human rights and proactively disclosing the status of its efforts.

Based on the "Charter", Keidanren member companies have been conducting human rights due diligence throughout the entire supply chain, not only by inspecting the working conditions of direct subcontractors, but also by looking into those of indirect/secondary suppliers.

The Government of Japan introduced "Guidelines on Respecting Human Rights in Responsible Supply Chains" (September 2022). The Guidelines are expected to contribute to familiarizing human rights due diligence throughout Japan.

## II EU's Draft Directive on Due Diligence

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In February 2022, the European Commission has released a proposal for Directive on Corporate Sustainability Due Diligence. The proposed EU Directive imposes civil liability.

A company is liable for damages caused by a partner with whom it has direct business relationships (Tier 1). [Article 7.2b, Article 22.1]

In addition, a company might also be liable for damages caused by the activities of an indirect partner (Tier 2), when it is unreasonable to expect that the action to prevent, end or minimize the adverse impact is adequate. [Article 7.3, Article 22.2]

The civil liability scheme, should it be introduced, must be designed by each EU Member State so that it is not overburdensome for companies. Especially, Company shall only be liable for the torts of its indirect partner in very limited cases.

### III Tackling Forced Labor

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The G7 Leaders agreed at the Elmau Summit in 2022 to collaborate through their “own available domestic means” to remove all forms of forced labor from global supply chains including state-sponsored forced labor.

Both Japan and the EU should commit to advancing this objective and avoid placing the onus for enforcement entirely on the private sector.

While the human rights due diligence by the private sector plays a significant role, measures by the government such as targeted sanctions against individuals and entities involved in internationally recognized human rights violations, including entry bans and asset freezes can be effective.

# **Industry perspectives to deliver inclusive economic growth and promote sustainable business behaviour**

**3<sup>rd</sup> March 2023**

**Yukako Kinoshita  
CSR Committee Vice Chair  
Japan Business Council in Europe  
(JBCE)**

# Who is JBCE

- Created in 1999, JBCE is a **leading European organisation** representing the interests of **nearly 100 multinational companies of Japanese parentage operating in Europe.**
- Our members **operate across a wide range of sectors**, including information and communication technology, electronics, chemicals, automotive, machinery, wholesale trade, precision instruments, pharmaceutical, steel, textiles and glass products.
- Building a **new era of cooperation between the EU and Japan** is the core of our activities, specifically in the fields of **Green, Digital and Trade.**

\*JBCE has been referenced as a key actor to foster cooperation between the EU and Japan.

[Joint Statement](#) and [EU-Japan Green Alliance](#) at EU-Japan Summit (27 May 2021)

# JBCE CSR committee activities

Engaging in EU policies related with Corporate Sustainability to foster responsible business conduct while achieving the growth of business

## Enhance dialogue between EU-Japan Business

- Contribution and discussion as a member of Business Round Table
- Exchange views with other Japanese and European associations (CBCC, EBC etc.)
- Initiated and co hosted EU Japan CSR Business Dialogue (2016-2019)
- Contributed to the OECD, ILO on responsible supply chain in Asia programme

## Best practice sharing among members

- Sustainability Reporting
- Business and Human rights
- Gender diversity /Work-life balance
- Transparency and anti bribery , etc.



3rd EU-Japan Business Dialogue in Brussels (November 2018)

## Policy advocacy

- Contribute to the public consultations
- Discussions with EU institutions
- Issue position papers and proposed amendments

Corporate Sustainability Due Diligence Directive

Forced Labour Product Ban Regulation

European Sustainability Reporting Standard

Corporate Sustainability Reporting Directive

Sustainable Finance and Taxonomy

## Join forces with other associations

- Joint statement with JEITA
- Joint position paper with non-EU associations on CSRD
- Joint position paper of Joint Association Roundtable on CS3D

## **Ensure a meaningful and implementable approach**

- Involvement of government is needed, next to companies
- Banning products manufactured with forced labour does not solve the root cause, rather engagement should be stimulated
- Collaborative approach and shared responsibility is needed
- There needs to be sufficient time to properly react on this law, capacity building in companies
- Different approach and guidance is needed in case of state induced forced labor
- Provide guidelines for companies to implement the requirements

## **Harmonisation of requirements and enforcements**

- Key is to align with the international standards as UNGP and OECD MNE guidelines

## **Legal certainty and clarity on liability for companies**

- Should be guaranteed by proportionality
- Liability in the value chain should be limited to "caused by or contributed to"

# Expectations under EU-Japan EPA

From Soft to Hard law



'Tsunami' of requirements on due diligence

Consider meaningful and implementable approach

## 1. Recognition of the objective of requirements and understanding the root cause of the issue

Business or government do not always have a magic wand to tackle the issue on the ground

## 2. Recognition of the importance of creating an enabling environment

Providing infrastructures and incentives, such as capacity building and training, to address issues in supply chains

## 3. Recognition of the shared responsibility towards the issue

Dialogue among governments, industry and stakeholders to create value for business and society across different cultures and systems

## Launching a Shared Responsibility Project

- Facilitate the dialogue between stakeholders to achieve collaboration and empowerment in supply chains -

### **[Tie business and civil society in the third counties]**

1. Identify mutual strategic supply chains and establish a platform with third countries to address supply chain issues
2. Call engagement from business and civil society on issue-specific topics
3. Play a role as a facilitator, a platform and tool provider (with support by all stakeholders) to tackle specific issues

# Japanese voluntary carbon pricing scheme. GX League is planned beyond 2030 in Japan.

Japan commits 46% reduction compared to 2013 by 2030.

For the first time, Japan plans to introduce carbon pricing (called GX League), which includes voluntary Emission Trading Scheme (from 2026) and Fuel surcharge (from 2028).

This ETS is **voluntary scheme** which companies have choice whether to participate ETS or not, and even if they cannot achieve their targets, they can choose whether to buy allowances or just **explain.**

Current carbon tax is only 289 yen(=2 Euro)/tCO<sub>2</sub>. Fuel surcharge (carbon surcharge) is planned to be implemented from 2028.

This GX related bill will soon be approved by the Cabinet.

# GX League (voluntary ETS and fuel surcharge)

## ③ Carbon Credit Exchange Scheme

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- Considering economic rationality, fairness among sectors and companies, international trends and other trends, GX League sets the basic concepts of GX-ETS. Further details will be discussed.

### **PLEDGE** Participants set their own ambitious reduction targets.

As the targets they set are disclosed to capital markets, GX League participants are expected to raise their ambitions.

- METI will openly publish their targets in a database (the GX Dashboard) to help financial sectors to validate them.
- When participants set and achieve targets over the NDCs, they can sell the excess amounts through the carbon credit market. This rule also motivates companies to set more ambitious targets.

### **REVIEW** If they fail to reach the target, they need to explain the reasons (Comply or Explain).

The disclosure of their status incentivizes firms to make the best effort for their targets.

- The database (the GX Dashboard) grants everyone's access to the status of the GX-ETS including each firms' emissions and progress toward their targets. METI is discussing supportive policy measures for the participants depending on the status of the GX-ETS.

### **OPENING MARKET** METI is planning to open a Carbon Credit Market, in collaboration with the JPX

- Any firms, not limited to members of the GX League, can trade carbon credits through the market. The market will announce carbon prices reflecting the status of trade, to send a strong signal to motivate the whole society to move forward toward a decarbonized society.
- In addition to the excess reduction amounts of GX League participants, the market will treat J-credits which come from domestic SMEs and forestry industries and JCMs which come from foreign projects under the strong engagement of both Japan and foreign governments.

### **PRICE STABILIZATION** METI is planning to introduce measures for long-term price signals by setting a carbon price corridor

- METI will set a carbon price corridor which consists of minimum and maximum carbon prices in each year and raise both prices gradually in order to send a strong price signal for GX investments.

# GX League timeline



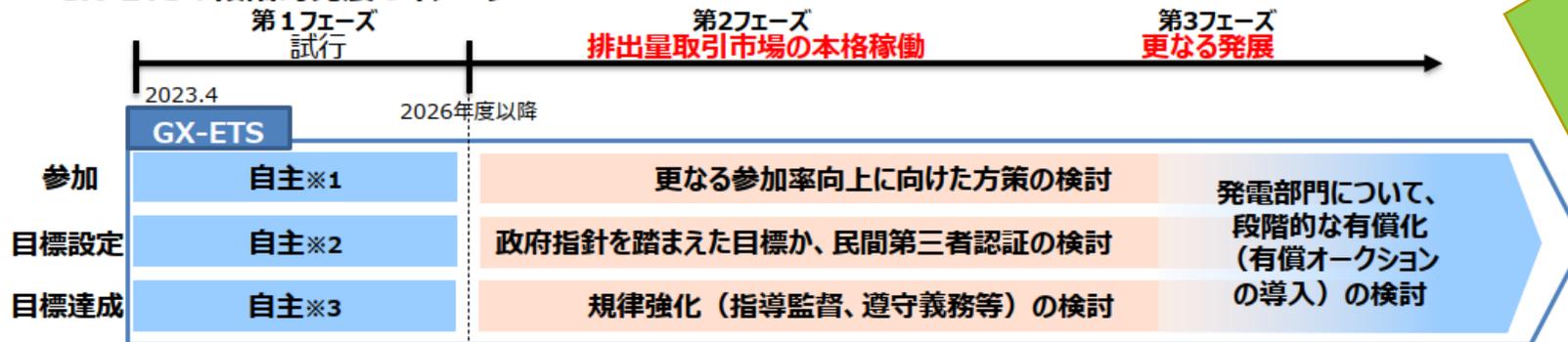
## 【参考】 排出量取引制度（有償オークション）の道行き

- 2023年度より、**GXリーグ**の枠組みにおいて、**企業が自主設定・開示する削減目標達成に向けた排出量取引（GX-ETS）**を導入。
- 知見やノウハウの蓄積、必要なデータ収集を行い、公平性・実効性を更に高めるための措置を講じたうえで、**2026年度より、排出量取引を本格稼働**。
- 発電部門の脱炭素化の移行加速に向け、**2033年度頃から発電部門について段階的な有償化（オークション）※**を導入。

※排出量の多い電気事業法上の発電事業者に対し、CO2排出量に応じた「排出枠」の一部又は全部を、政府からオークションで購入することを義務づける仕組み。

- **Voluntary ETS** will be operated fully from 2023
- **Auction for power sector** will be considered gradually from 2033
- **Carbon levy** will be introduced in 2026

### <GX-ETSの段階的発展のイメージ>



※1 現時点で、679社が基本構想に賛同しており、そのCO2排出量は、我が国全体の4割以上を占める。  
 ※2 2050年カーボンニュートラルと整合的な目標（2030年度及び中間目標（2025年度）時点での目標排出量）を開示  
 ※3 目標達成に向け、排出量取引を行わない場合は、その旨公表（Comply or Explain）

# How is the level playing field be ensured between EU and Japan?



**EU' s Carbon Border Adjustment Mechanism** which will put a carbon price on imports of a targeted selection of products so that ambitious climate action in Europe does not lead to 'carbon leakage' . It aims to encourage industry outside the EU to take steps in the same direction.

Questions to EU DAG (especially EU industry related association)

1. Currently, carbon price in Japan is low compared to EU, and unfortunately, the GX League (new carbon pricing scheme) with current planning would not raise the price. What' s your take on it?
2. How do you think the level playing field could be ensured between EU and Japan?



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# The transition towards a carbon neutral economy: industry prospects for delivering inclusive economic growth

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*03 March 2023 - Brussels*

Sandra Parthie, Member EESC



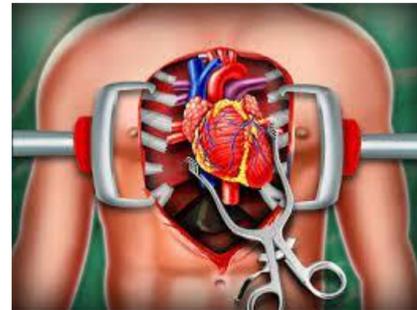
# The Gordon knot



The EU aims to be climate-neutral by 2050 = an economy with net-zero greenhouse gas (GHG) emissions

Simultaneously securing competitiveness, European industry and its value-chains, incl. jobs and employment





## Open heart surgery for Europe's industry

Industry plays an important role in the economic structure of the European Union. It accounts for 83% of EU exports, and more than 30 million jobs.

Industrial policy is very much a cross-cutting policy area affecting numerous other policies, not least with regard to trade policy.





## Trade and Industrial Policy

### Objectives

- Circular economy & resource efficiency
- Reducing strategic dependencies through diversification
- Access to raw materials, resources and markets
- Skills and innovation



### Problems

- EU continues - major exporter of waste to third countries
- Individual company decisions; short-term/China focus
- Lack of domestic resources, incl. energy, and stagnating demand
- Lack of skilled workers & valley of death for innovative products





## **New era for trade policy and value chains**

- strengthening European production capacities for certain essential goods
- secure access to essential inputs when foreign markets are closed
- Improve resilience of value chains
- equipping EU with autonomous defence tools to protect the interests of its businesses





## Who needs to do what?

### **Politics/Governments**

Additional trade negotiations to secure non-discriminatory access to foreign markets and resources

Active promotion of European standards

### **Industry/Companies**

Adopt geopolitical risk assessment strategies for investments

Diversification of value chains

### **Society/Citizens**

Adopt sustainable consumption patterns

Accept responsibilities and ownership for transition: active participation and solution-focus





**THANK YOU!**



# Challenges in Japan to ratify the ILO Fundamental Conventions: **C111**-Discrimination (Employment and Occupation) and **C155**-Occupational Safety and Health



3 March 2023

## C105 (Abolition of Forced Labour, 1957) was approved and concluded in Japan

On June 8, Japan overcame the issues related to the ILO Convention 105, such as the limitation of political acts by public officials, and completed the domestic procedures for ratification.



### ～Statement on it from the General Secretary of JTUC-RENGO (excerpt)～

On June 8, 2022, the House of Councillors of Japan unanimously approved a resolution "to seek approval for the conclusion of the Convention on the Abolition of Forced Labor (C105) at a plenary session.

The ILO's Ten(10) fundamental conventions, which are the minimum standards to be observed in the world of work, are gaining in importance worldwide. Countries are taking a hard look at the actions of each nation and companies that violate the Fundamental Conventions.

In Japan, **the EU-Japan Economic Partnership Agreement** and the Japanese government's Action Plan on "Business and Human Rights" include items **that call for efforts to ratify the Fundamental Conventions**. Under these circumstances, if Japan does not ratify them even though it is one of the principal members of the ILO, it may be perceived by the world as being backward-looking in its respect for human rights. To clarify its stance on the realization of decent work and other issues, **Japan needs to ratify all ten fundamental conventions and implement them appropriately.**

# Issues in Japan to ratify **C111**-Prohibition of Discrimination, 1958

Convention 111 is for the purpose of eliminating discrimination (1) based on 7 factors (race, color, sex, religion, political opinion, national extraction or social origin) and (2) in relation to employment and occupation.

**Obligations of countries that have ratified C111:** It is required to create clear national policies for the purpose of eliminating discrimination and promoting equal employment or occupation opportunities and treatment;

- (1) **Enact laws** as appropriate to ensure acceptance of and compliance with said policies; and
- (2) **Abolish all provisions of laws and regulations, review all administrative orders and conventions** that are incompatible with said policies.

\*According to the ILO, the obligation in (1) may be **progressively** implemented; however, the obligation in (2) must be **immediately** implemented.



## Issues in Japan:

In connection with the obligation in (1), **Japanese domestic legal restrictions are limited. There are only prohibitions against gender discrimination when advertising and hiring.**

With regard to the obligation in (2), it is an issue that there are 1) **provisions that differentiate (protect) based on gender** in consideration of physical and psychological disparities with regard to hiring and labor conditions\*<sup>1</sup>, and 2) **provisions that differentiate (sanction) with regard to expression of political views by public servants** from the perspective of ensuring the neutrality of administrative agencies\*<sup>2</sup>.

\*<sup>1</sup> The Ministry of Health, Labour and Welfare intends for provisions aimed at protecting maternity not to cause problems with regard to the application of convention 111.

\*<sup>2</sup> According to the Ministry of Health, Labour and Welfare, it has been confirmed that the USA, the UK, Germany, Canada, and South Korea, etc. also have some restrictions. Although the content and scope of restrictions varies from country to country, there are many instances in which occupations (USA, UK) and actions/situations (Germany, Canada) are restricted.



## Recent moves toward ratification of the ILO Fundamental Conventions 【Formulation of the NAP on “Business and Human Rights” [Oct. 2020]】

- A National Action Plan (NAP) based on the UN Guiding Principles on Business and Human Rights has at last been formulated in Japan (Oct. 16, 2020, Inter-Ministerial Committee for Japan’s NAP on Business and Human Rights)
- Regarding the ILO Fundamental Conventions, the “Plan” incorporates the following content, as the ministries and agencies in charge have clearly stated.

### Chapter 2 Action Plan

#### 2, Action Plan by Sectors

##### (1) Cross-sectional items

###### a. Labor (Promotion of decent work, etc.)

###### (Concrete measures to be implemented)

- Continual and sustained efforts will be made to pursue the ratification of basic ILO conventions and other ILO conventions that have been recognized as appropriate for ratification. (Cabinet Secretariat; National Personnel Authority; Ministry of Internal Affairs and Communications; Ministry of Foreign Affairs; Ministry of Health, Labour and Welfare; Ministry of Economy, Trade and Industry; Ministry of Land, Infrastructure and Transport; Ministry of Defense)

# Issues in Japan to ratify **C155** – Occupational Safety and Health, 1981

- Regarding the Japanese domestic system related to the C155, the Government of Japan has already taken various measures under related laws and regulations for general workers, seafarers, miners, and public servants (including Self-Defense Forces personnel).
- Article 11(f) provides that the competent authority shall implement the policies of Article 4 of the Convention, introduce or expand the system of testing for chemical, physical and biological factors affecting workers' health. However, except for the Occupational Safety and Health Law and the Rules of the National Personnel Authority, **we do not have testing systems introduced in national laws and regulations.**  
In addition, Article 17 of the Convention states that where two or more enterprises are engaged in activities at the same time in the same workplace, they shall cooperate in the application of the requirements of the Convention. **However, the Occupational Health and Safety Law has no applicable provisions for industries other than construction, shipbuilding, and manufacturing.**
- The second sentence of Article 19(c) of the Convention provides that the representative workers' organization in an enterprise may consult with representative workers' organizations on information concerning measures taken by the employer to ensure occupational safety and health, provided that no confidential information is compromised. **However, there are no provisions in existing laws and regulations that allow for such consultations on the condition that confidentiality is not compromised.**

◆ Ratification status of Convention C155 by principle countries (74 ratified out of 187 countries)

	USA	GB	Germany	France	Italy	Canada	Australia	Singapore	China	Korea
C155	×	×	×	×	×	×	○	○	○	○



Labour 7 Statement to the G7 Leaders' Summit, 2023

## Upholding workers' rights in times of crises

### *Global Supply chains and fundamental principles and rights at work*

We welcome the commitments made last year by G7 Leaders to work towards an international consensus on **business and human rights** and strengthen compliance with international standards in global supply chains, including through mandatory measures. G7 Leaders should pursue their efforts towards internationally accepted, binding human rights due diligence standards.

The G7 should promote the adoption of an **ILO Convention on Decent Work in Global Supply Chains**, support the UN negotiations on the Binding Treaty on Transnational Corporations and Other Business Enterprises, and incorporate the UN Guiding Principles into national law. This is essential to ensure respect for workers' rights, including the right to freedom of association and collective bargaining, but also the right to non-discrimination and to a safe and healthy working environment.

In this regard, we call upon G7 members to **ratify all ILO fundamental conventions**, including **Convention (n° 155)** on Occupational Safety and Health, which has not been ratified by any G7 countries so far, as well **as Convention (n° 187)** on the Promotional Framework for Occupation Safety and Health. We also urge G7 countries to take concrete action to ensure gender equality and to prevent violence against women and girls, including by ratifying ILO landmark **Convention (n° 190)** on the elimination of Violence and Harassment in the World of Work.

# [For more] Domestic and International Trends in Anti-Harassment

## Global

Issued on 25 June 2021

**The Convention on Elimination of Violence and Harassment in the World of Work (C190)** was adopted at the ILO Conference in June 2019



This convention comprehensively prohibits harassment



2015 UN 2030 Agenda for Sustainable Development



Good health and well-being



Gender equality



Decent work and economic growth



Reduced inequalities

## Japan

- ✓ Sexual harassment
- ✓ Harassment concerning maternity, etc.
- ✓ Harassment concerning childcare leave and nursing care leave, etc.

“Power harassment” (incl. abuse of authority and harassment related to sexual orientation and gender identity)



**Act on Harassment Prevention Measures** enacted in June 2020

Power harassment prevention measures, strengthening of measures against sexual harassment, and regulations on accountability, etc. will be enshrined in law

**However, a prohibition on harassment was shelved. Relations with “third parties” was also left as “a desirable effort”.**



EU Domestic Advisory Group  
under the EU-Japan Economic  
Partnership Agreement



**Trade and Decent Work agenda,  
with a focus on ILO C111 - Discrimination  
(Employment and Occupation) and C155 -  
Occupational Safety and Health and C187 -  
Promotional Framework for Occupational  
Safety and Health**

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*EU-Japan Joint Dialogue with civil society  
3 March 2023*

Erika Koller  
Member of the EESC  
Chair of the EU-Japan DAG



# Decent Work Agenda

**The EU DAG welcomes the fact that EU is proposing a global package of actions and instruments that help promote the four pillars of the universal concept of decent work developed by the ILO Declaration on Social Justice for a Fair Globalisation of 2008, amended in 2022, and reflected in the SDGs:**

- promoting employment**
- standards that guarantee labour rights, including eliminating forced and child labour**
- adequate social protection**
- social dialogue and tripartism, with a cross-cutting gender equality objective**





# **Safe and healthy work environment as a fundamental principle and right at work**

**We also welcome the amendment of the ILO Declaration on Fundamental Principles and Rights at Work to include the right to a safe and healthy work environment.**

**We call for both EU support for a binding UN treaty on business and human rights, and an ILO convention on decent work in supply chains.**





# **International OSH efforts of ILO, WHO, ICOH, IALI and voluntary efforts by enterprises and NGOs in global supply chains**

**In 2022, ILO integrated Occupational Safety and Health in its Fundamental conventions, i.e., C155 - Occupational Safety and Health Convention, and C187 - Promotional Framework for OSH Convention are now fundamental.**





# OSH Concern concerning the supply chains

**Mostly ethical considerations about work in globalised supply chains have led to more activities on securing decent work in developing countries and aimed at improving healthy and decent work in global supply chains.**

**Working conditions in the supply chains have to be monitored on a regular basis in order to ensure decent work.**





# **Building Responsible Value Chains in Asia through the Promotion of Decent Work in Business Operations**

**This is an ILO partnership programme and is implemented in the context of an increasing demand on companies to respect human rights and labour rights in their operations, and to promote respect for such rights in their supply chains, including by conducting due diligence.**

**The project adopts a “collaborative supply chain approach”, promoting and supporting collaboration among significant stakeholders at the different levels of supply chains.**

**Partner countries: Bangladesh, Cambodia, Japan, Vietnam**

***1 April 2022 - 31 March 2024***



**EU Domestic Advisory Group  
under the EU-Japan Economic  
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# The project outcomes



**1. Based on the business case for good industrial relations, enterprises will improve compliance with national laws and respect the principles of international labour standards and have strong social dialogue structures and processes**

**2. Stronger tripartite institutions and tripartite collaboration at the national and international level will create an enabling environment for more productive and sustainable enterprises that implement responsible business practices**

**3. Governments increase their evidence base in developing policy measures and home-host policy level collaborations that promote responsible business and labour practices throughout Global Supply Chains**





## **Fundamental ILO conventions and the EPA**

**Article 16.3.3 of the EU-Japan EPA commits the Parties to "make continued and sustained efforts on its own initiative to pursue ratification of the fundamental ILO Conventions and other ILO Conventions which each Party considers appropriate to ratify".**

**Non-ratified fundamental ILO Conventions by Japan are**

**C111 - Discrimination (Employment and Occupation) Convention**

**C155 - Occupational Safety and Health Convention**





# C111

**At the 3rd Joint Dialogue with civil society, held on 27 January 2022, the following was pointed out:**

***Regarding the ratification of the other ILO fundamental Convention, No.111 on Discrimination (Employment and Occupation), the civil society representative pointed out that the often-cited difficulties concerning the ratification of the convention from the perspective of consistency with the domestic legislation, such as restrictions on public officials expressing their political views, are in fact not a big obstacle, because some of other countries that have ratified C111 also have more or less some restrictions on public officials.***





## C155

**Taking into account that the International Labour Conference has added safety and health to the Fundamental Principles and Rights at Work, meaning that all ILO Member States shall commit to respect and promote the fundamental right to a safe and healthy working environment, whether or not they have ratified the relevant Conventions, the EU DAG would recommend the EU-Japan Committee on Trade and Sustainable Development (CTSD) under the EU-Japan EPA to consider incorporating ratification and full implementation of OSH Conventions 155 and 187 among their objectives, and Japan and all EU member states to ratify the C155 as well.**





**THANK YOU!**