

**Third Year Review on the Implementation of Japan’s NAP  
on Business and Human Rights (Draft)  
(April 2023 to the end of March 2024)**

**May 2024**

**Inter-Ministerial Committee on Policy Promotion for the Implementation of  
Japan’s National Action Plan on Business and Human Rights**

Chapter 4. in the National Action Plan on Business and Human Rights (hereinafter referred to as “the NAP”) states that the Inter-Ministerial Committee<sup>1</sup> will follow the progress of implementation of the NAP on an annual basis. The main initiatives of the Government in the third year of the NAP (from April 2023 to the end of March 2024)<sup>2</sup> are as follows.

1 Discussions in the Framework for Promoting the NAP

The following discussions were held at the Inter-Ministerial Committee on Policy Promotion for the Implementation of Japan’s NAP (hereinafter referred to as “the Inter-Ministerial Committee”) as well as the Roundtable for Promoting the NAP (hereinafter referred to as “the Roundtable”) and the Working Group for Promoting the NAP (hereinafter referred to as the “the Working Group”), both of which are to be held by the Ministry of Foreign Affairs (hereinafter referred to as “the MOFA”), under the decision of the Inter-Ministerial Committee.

- (1) In April 2023, the seventh meeting of the Inter-Ministerial Committee was held and decided the Government’s policy on human rights considerations in public procurement. In addition, ministries and agencies reported the progress of dissemination and awareness-raising activities regarding the Guidelines on Respecting Human Rights in Responsible Supply Chains (hereinafter referred to as “the Guidelines”).
- (2) In April, at the fifth Roundtable, the ministries and agencies reported the progress of each measure reported in the “Second Year Review on the implementation of Japan’s NAP on Business and Human Rights.” In addition, the MOFA explained the key performance indicators in five priority areas (indicative) and the draft procedure of exchanging views on the third year of the NAP, and the ministries and agencies discussed them. The MOFA also explained the revised draft of the agreement of the Working Group.

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<sup>1</sup> In March 2021, the “Inter-Ministerial Committee on the Implementation of Japan’s National Action Plan on Business and Human Rights” was established in accordance with the agreement of the relevant ministries and agencies. This was reorganized into the “Inter-Ministerial Committee on Policy Promotion for the Implementation of Japan’s National Action Plan on Business and Human Rights” in December 2021.

<sup>2</sup> The first year of the NAP is from October 2020 to the end of March 2022.

- (3) In May, the eighth meeting of the Inter-Ministerial Committee was held and approved the “Second Year Review on the implementation of Japan’s NAP on Business and Human Rights”. The MOFA also reported on discussions on “Business and Human Rights” at the G7 Summit.
- (4) In July, the 9th meeting of the Inter-Ministerial Committee was held (circulating documents for approval without holding an actual meeting) and approved the revised draft of the terms and reference of the Roundtable and the Working Group.
- (5) In the same month, at the fourth Working Group, the MOFA explained the procedure of exchanging views on the third year of the NAP, and the ministries, agencies and stakeholders discussed it. The Government consulted with the stakeholders to compile opinions on relevant international trends and the status of efforts by Japanese business enterprises.
- (6) In response to the consultation noted under 1(5), the Sub Working Group was established, where members of the Working Group representing stakeholders held discussions. As a result, the “Stakeholder report on the review of the third year of the NAP for the Exchange of Views on ‘Business and Human Rights’” was prepared.
- (7) In the same month, at the sixth Roundtable, the draft Stakeholder report noted under 1(6) was discussed and approved.

## 2 Measures by the Government

The NAP refers to 85 measures that the Government will undertake concerning business and human rights. A list of all the initiatives that have been implemented by each ministry and agency in the third year of the NAP with regard to these items is as per the attachment, of which the following are those that have made particular progress.

### (1) Measures of the Government as an Actor regarding State Duty to Protect Human Rights

From the perspective that the government itself, as one of the economic entities, should lead the initiative in promoting respect for human rights, the Government decided its policy on human rights considerations in public procurement in order to develop a mechanism for business enterprises to promote respect for human rights by means of public procurement. Based on this decision, all relevant ministries and agencies include the following statement in tender instructions and contracts of public procurement: “The Government will make effort to respect human rights in light of the Guidelines.”

The G7 Trade Ministers’ Statement of April 2023 and the G7 Hiroshima Leaders’ Communiqué of May 2023 included G7’s expressed intention to work together to further enhance resilience, predictability, and certainty for businesses alongside ensuring respect for human rights and international labor standards in business activities and global supply chains.

The G7 Trade Ministers’ Statement of October 2023 welcomed the dialogue between

its members and Asian countries, mainly from Southeast Asia, which was co-organized by Japan and the International Labour Organization (ILO) from the perspective of strengthening outreach and engagement on business and human rights beyond the G7.

In addition, as the preparation for the implementation of exchanging views at the meeting of the Inter-Ministerial Committee as stated in Chapter 4.5 of the NAP, the stakeholder members of the Working Group compiled the “Stakeholder Report on the Review for the Exchange of Views on the Third Year of the Action Plan on ‘Business and Human Rights’”, in which they presented 23 proposals on seven themes related to the NAP. The report was endorsed by the Roundtable. The recommendations for the Government based on the relevant international trends and the status of efforts by Japanese business enterprises included in the report will be discussed at upcoming Inter-Ministerial Committee meetings and will be referenced throughout the discussions for the revision of the NAP to be conducted in accordance with the provisions of Chapter 4.6 of the NAP.

## (2) Measures of the Government Promoting Corporate Responsibility to Respect Human Rights

In the third year of the NAP, as with the second year, measures were taken to respect human rights in domestic and global supply chains and to promote human rights due diligence based on the UN Guiding Principles on Business and Human Rights (UNGPs). In particular, reflecting the Guidelines adopted in September 2022, each ministry and agency engaged in activities to disseminate and raise awareness of the Guidelines among business enterprises. These activities included organizing seminars for business enterprises including Small and Medium Enterprises (SMEs) inside and outside of Japan, delivering lectures by government officials at events organized by relevant organizations, presenting the Guidelines at bilateral meetings and international conferences, disseminating information to industry associations and related organizations through relevant events and mailing lists, and providing information through websites, brochures and other media of the relevant government ministries and agencies etc. Main initiatives taken by the various ministries and agencies are as follows.

The MOFA held seminars and workshops in Nagoya, Yokohama and Osaka mainly targeting SMEs. Online seminars were also organized for business enterprises operating or having supply chains in Viet Nam, Cambodia and Bangladesh, and these seminars introduced good practices from Japanese business enterprises that are making advanced efforts and shared the challenges faced by the participants. In addition, through financial contributions to the United Nations Development Program (UNDP), the MOFA conducted a study on human rights issues in supply chains and human rights due diligence training for business enterprises in 14 countries as well as provided support to the governments in 9 countries to develop or implement their national action plans. In addition, with the cooperation of the Vietnamese and Indonesian governments, the ASEAN Intergovernmental Commission on Human Rights, the U.S. Embassy in Japan, and other private companies and organizations, an event was held in Tokyo to discuss

the progress of human rights due diligence efforts by Japanese business enterprises and their impacts on global supply chains.

Aiming to promote Japanese companies' efforts in line with the Guidelines, the Ministry of Economy, Trade and Industry (hereinafter referred to as "the METI") released a series of documents in April 2023 titled "Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains." This Reference Material offers detailed explanations and case examples of corporate initiatives to respect human rights. The METI is also committed to increasing industry engagement and awareness by organizing seminars to encourage the use of the Guidelines and the Reference Material, and further supported by Japan External Trade Organization (JETRO)'s Easy Guidebook for Business and Human Rights and JETRO's Consultation Desk for Business and Human Rights. Additionally, METI strengthens support for SMEs' human rights efforts by conducting SME-targeted seminars, as well as contributing to ILO. This contribution includes developing expert personnel to assist SMEs, an initiative conducted in collaboration with the Japan Federation of Labor and Social Security Attorney's Associations. Moreover, the METI is active in promoting responsible business conduct in Asian countries. Through further contributions to the ILO, METI facilitates the implementation of human rights due diligence among business partners of Japanese enterprises. The Ministry also supported the development of a compilation of good practices of Japanese companies in respecting human rights, a project undertaken jointly with JETRO and the ILO. Furthermore, to deepen discussions on business and human rights in Asia, METI and ILO co-organized a business and human rights dialogue event in Jakarta, Indonesia in September 2023.

The Ministry of Health, Labour and Welfare is also contributing to the promotion of decent work for workers, mainly in the Asia-Pacific region, by providing technical cooperation through voluntary contributions to the ILO to address issues related to human rights in global supply chains such as improving occupational safety and health, and eliminating child labor.

The Ministry of Agriculture, Forestry and Fisheries released the "Guidebook for Respecting Human Rights in Food Enterprises" in December 2023, to support the food enterprises to implement the requirements stated in the Guidelines. In order to further promote efforts to respect human rights in food enterprises, the Ministry also has held seminars.

### (3) Measures regarding Access to Remedy

The amended Whistleblower Protection Act became effective in June 2022 to require enterprises to establish a whistleblowing system to properly handle internal reports from employees, which demands duty of effort for small and medium sized businesses. Pursuant to the amended Act, the Consumer Affairs Agency (hereinafter referred to as "the CAA"), has been taking actions against non-compliant enterprises, such as giving administrative guidance on its compliance status. In addition, in December 2023, the CAA introduced a comprehensive

“Speak-up program launch kit” for company management and employees on the main points of the amended Act. The kit is accessible on the CAA’s website and YouTube channel to raise awareness of private businesses on the need to establish the system. Furthermore, the CAA will continue to make efforts to understand the current status of the legal system and to enhance protection of whistleblowers on business and human rights including through surveys to ascertain the current level of awareness and effectiveness of the system. The CAA plans to gather experts to form a review committee on the whistleblower protection system in May 2024 in preparation for a third-year review after the Act went into effect.

Following the adoption of the updated OECD Guidelines for Multinational Enterprises in June 2023, the MOFA translated them into Japanese, updated the Case-handling procedures of the Japanese National Contact Point (NCP), and made public both of them. The Japanese NCP is seeking to increase awareness among stakeholders both in Japan and abroad, including through the Japanese diplomatic missions overseas. Through such awareness-raising activities, the Japanese NCP continues to work closely with relevant ministries to strengthen the functions of the NCP, which was one of the major issues discussed at the revision of the said OECD Guidelines.

#### (4) Cross-Cutting Areas

On November 30, 2023, the final report of the Advisory Panel of Experts on Ideal Form of Technical Intern Training Program and Specified Skilled Worker System was submitted to the Minister of Justice, the co-chair of the Ministerial Council on Acceptance and Inclusion of Foreign Human Resources (hereinafter referred to as the “Ministerial Council”), after 16 times panel meetings since December 2022.

In response, the Ministry of Justice and the Ministry of Health, Labour and Welfare discussed ideal ways of the future Program and System.

As a result, on February 9, 2024, the Ministerial Council decided the government's policy regarding the review of Technical Intern Training Program and Specified Skilled Worker System. In light of these developments and based on the recent circumstances surrounding the Technical Intern Training Program and Specified Skilled Worker System, the bill for the Partial Amendment Act of the Immigration Control and Refugee Recognition Act and the Act on Proper Technical Intern Training and Protection of Technical Intern Trainees was approved by the Cabinet on March 15, 2024.

The bill established a new scheme for the purpose of developing and securing human resources through employment. To develop human resources with the knowledge and skills acquired from experience, in the appropriate specific fields for those resources to acquire skills through employment in Japan, and to secure human resources for such fields, the bill included following elements: establishing a new status of residence to replace the current technical intern training status; setting up a scheme for accreditation of plans for a new system and for

permission for those who wish to carry out businesses that supervise and provide support for accepting organizations as well as a new organization to carry out affairs related to these matters; restricting entrustment of support for Specified Skilled Worker (i) and clarifying the requirements for permanent residence.

Through Japan International Cooperation Agency (JICA)'s support, pilot projects of a multi-stakeholder platform (Japan Platform for Migrant Workers towards Responsible and Inclusive Society: JP-MIRAI) are ongoing, where companies can participate to address issues related to foreign workers in Japan. As part of this program, JP-MIRAI shares appropriate and transparent information to foreign nationals both in Japan and overseas who are interested in working in Japan through its portal application, and has provided multilingual consultation and grievance services to approximately 3,000 cases since its launch.

With regard to the use of AI and human rights, the preamble of the Hiroshima Process International Guidelines and Code of Conduct, which was agreed upon at the G7 under the leadership of the Government of Japan, also clearly states that private sector activities should be in line with United Nations Guiding Principles on Business and Human Rights. Furthermore, the MOFA has been working in collaboration with UNESCO on a three-year (2022-2025) project titled "Supporting Africa and SIDS to Benefit from AI Technologies while Addressing Ethical Risks" to support developing countries with the implementation of the "UNESCO's Recommendation on the Ethics of Artificial Intelligence" adopted at UNESCO's General Conference in 2021. METI and the Ministry of Internal Affairs and Communications have been engaged in initiatives promoting the appropriate use of AI. These cover organizing a study group for the development of the AI Guidelines for Business Ver 1.0, which refers to international or internationally recognized AI governance frameworks, including the launch of the Hiroshima AI Process agreed upon by the G7. As for the Personal Information Protection Commission, the "Statement on Generative AI" was adopted at the G7 Data Protection and Privacy Authorities Roundtable held in Tokyo in June 2023, and the idea that privacy should be embed in the design, operation and other stages of generative AI was communicated to the world.

### 3 Summary

As mentioned above, in the third year of the NAP, particular progress was made in initiatives to encourage business enterprises in domestic and global supply chains to respect human rights, such as various measures to practically promote human rights due diligence based on the UNGPs, enhance respecting human rights in public procurement, and efforts regarding acceptance and coexistence of foreign human resources.

In particular, reflecting the trend toward the establishment of legal frameworks for human rights due diligence in European countries and the growing interest of domestic and overseas business enterprises in this area, the Government will continuously protect and

promote human rights for society as a whole, including international community, ensure and enhance the international competitiveness and sustainability of Japanese business enterprises, and contribute to achieving the SDGs, by steadily implementing the various measures according to the NAP, while striving to understand the relevant international trends and the status of efforts by Japanese business enterprises.