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HUMAN RIGHTS



HUMAN RIGHTS IMPACT ASSESSMENTS OF PRIVATE SECTOR PROJECTS

Tulika Bansal, Senior Adviser - Human Rights and
Business, Danish Institute for Human Rights

WHAT IS A HUMAN RIGHTS IMPACT ASSESSMENT?

- A *context specific* process for identifying, understanding, assessing and addressing the *adverse effects of a business project, activities or operations* on the human rights enjoyment of *impacted rights-holders* such as workers, community members or consumers.
- It is an *elaborate assessment process*.
- *Stand-alone exercise*, but iterative follow up activities is essential to ensuring long term impacts.
- HRIAs are *on* human rights, *through* human rights, *for* human rights.



HRIA AS A DISCIPLINE IS INSPIRED BY ES(H)IA AND SIA PRACTICES

Social Impact Assessments (SIAs): Tool to assess social impacts of a project

- similarities: such as community engagement and impact mitigation
- distinctions: human rights expertise / approach not guaranteed; SIAs uses a variety of benchmarks, it also looks at project benefits, and there is no explicit focus on rights-holders vs duty-bearers

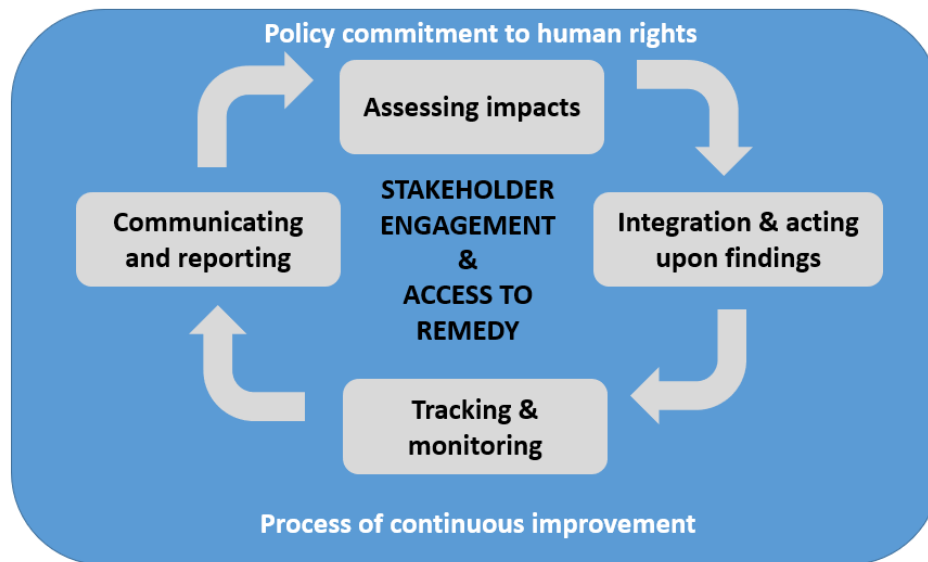
Environmental, Social & (Health) IAs: Tool to assess env., social & health impacts of a project

- Legally required by national law for certain types of projects
- Do not explicitly apply human rights and can overlook critical elements such as:
 1. Labour issues in the supply chain
 2. Post-conflict or conflict-sensitive areas
 3. Security activities related to business operations and/or activities
 4. Gender analysis and an assessment of the gender impacts
 5. Rights of indigenous peoples & focus on vulnerable individuals/groups
 6. Community impacts related to business relationships or activities
 7. In-migration associated with the development of the business project
 8. Legacy human rights impacts associated with the activities of previous business operators
 9. Cumulative impacts, involving human rights impacts of other businesses

HRIA AND HUMAN RIGHTS DUE DILIGENCE

The UN Guiding Principles on Business and Human Rights (UNGPs) require assessment of human rights impacts – not necessarily a ‘human rights impact assessment’.

- Other types of assessments and due diligence activities are also needed to comply with UNGPs
- Integrating elements of HRIA methodology into other assessments and ESG activities can improve quality thereof and enable scalability



Terms of Reference Template: Enhanced Assessment of Human Rights Impacts

Practical guidance and Terms of Reference (ToRs) templates for enhanced assessment of human rights risks and impacts

1. About this practical guidance

This guidance for fund managers is intended to complement [CDC's Briefing Note on Human Rights](#), by providing additional insights into:

- Clarifying the terminology of human rights due diligence and human rights impact assessments (HRIAs), and describing the key parameters which should inform ToRs for various forms of enhanced assessment of human rights risks and impacts;
- Options and key considerations for structuring the approach to enhanced human rights due diligence;
- Questions to ensure effective integration of a human rights lens into E&S due diligence processes;
- A template for adapting ToRs for different approaches to enhanced assessment of human rights impacts.

DIFFERENT TYPES OF HUMAN RIGHTS IMPACT ASSESSMENTS

Integrated HRIAs

*Human rights
integrated into
Environmental,
Social and/or
Health Impact
Assessments*

*Specific topics
integrated into
wider HRIAs
(gender/child
rights)*

Stand-alone HRIAs

*Company-led
HRIAs*

*Community-led
HRIAs*

Issue based HRIAs

*Product based
HRIAs*

Sector-Wide Impact Assessments

*Looking at an
entire business
sector rather than
a project*

Collaborative HRIAs

*Different ideas
around
collaborative
HRIAs.*

*Do not exist yet –
could this be one
of the ways
forward?*

WHAT DO HUMAN RIGHTS IMPACT ASSESSMENTS AIM TO ACHIEVE?



- Identification, avoidance and addressing of adverse human rights impacts - change for people on the ground (rightsholders)
- Establishment of meaningful dialogue between stakeholders in a particular context, including through developing joint ways forward
- Facilitating capacity building and learning of internal and external stakeholders involved
- Enhancing transparency and accountability of the business through documenting the impacts that have been identified and actions taken to address these
- Empowering rights-holders to hold business to account for adverse human rights impacts

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PHASE 1: PLANNING AND SCOPING

- Scoping for HRIA
- The HRIA team
- Terms of reference

Practitioner Supplements:

- Scoping of business activities, human rights context and stakeholders
- Developing terms of reference

PHASE 2: DATA COLLECTION AND BASELINE DEVELOPMENT

- Developing a baseline
- Data collection
- Human rights indicators

Practitioner Supplements:

- Data collection and selecting indicators
- Human Rights Indicators for Business

PHASE 3: ANALYSING IMPACTS

- Types of human rights impacts
- Assessing impact severity

Practitioner Supplement:

Types of human rights impacts and framework for assessing impact severity

PHASE 4: IMPACT MITIGATION AND MANAGEMENT

- Actions to address impacts
- Monitoring
- Access to remedy

Practitioner Supplement:

Impact management strategies, participatory monitoring and example impact mitigation measures

PHASE 5: REPORTING AND EVALUATION

- Reporting
- Evaluation

Practitioner Supplement:

Challenges and approaches and checklist for reporting

STAKEHOLDER ENGAGEMENT THROUGHOUT THE PROCESS

- Rights-holders, duty-bearers and other relevant parties as stakeholders
- Role of stakeholder engagement

Practitioner Supplements:

- Stakeholder mapping and engaging with rights-holders
- Stakeholder engagement questionnaires

Stakeholder engagement



What happens in stakeholder engagement?

Key questions addressed in this section:

- What are the different types of impacts to be considered: actual; potential; caused by the business; contributed to by the business; and directly linked to business operations, products and services through business relationships?
- Why do the UN Guiding Principles focus on 'adverse' impacts and what does this mean for the inclusion of project benefits in HRIA?
- How can the 'severity' of human rights impacts be assessed?

[Read the full Phase 3 guidance here.](#)

Practitioner supplement:

- [Analysing impacts](#)

KEY CRITERIA FOR HUMAN RIGHTS IMPACT ASSESSMENT

Summary of 10 key criteria for human rights impact assessment

Process	Participation	<ul style="list-style-type: none"> • Rights-holders, duty-bearers and human rights actors • Throughout the process
	Non-discrimination	<ul style="list-style-type: none"> • Inclusive engagement and consultation • Gender-sensitive • Vulnerable individuals and groups
	Empowerment	<ul style="list-style-type: none"> • Capacity building to participate
	Transparency	<ul style="list-style-type: none"> • Process and outcomes
	Accountability	<ul style="list-style-type: none"> • Assessment team is supported by human rights expertise • Responsibilities for mitigation are assigned and adequately resourced • Entitlements of rights-holders and the duties of duty-bearers identified
Content	Benchmark	<ul style="list-style-type: none"> • Human rights standards
	Scope of impacts	<ul style="list-style-type: none"> • Actual and potential impacts: caused by the business; to which the business contributes; and impacts linked through business relationships • Cumulative impacts and legacy issues are considered
	Assessing impact severity	<ul style="list-style-type: none"> • Impacts addressed according to severity of human rights consequences • Account for the interrelatedness of human rights, as well as the interrelatedness of environmental, social and human rights factors
	Impact mitigation measures	<ul style="list-style-type: none"> • Addressing follows mitigation hierarchy ‘avoid-reduce-restore-remediate’ • No offsetting
	Access to remedy	<ul style="list-style-type: none"> • Avenues whereby rights-holders can raise concerns or complaints • During and after the assessment

HUMAN RIGHTS IMPACT ASSESSMENTS: CHALLENGES & LESSONS LEARNT FROM PRACTICE

1. **Timing, selection of country and scope:** when and where to carry out a HRIA? Can outcome of HRIA influence decision-making? How deep to go into business relationships?
2. **Stakeholder and rights-holders engagement:** requires local expertise + sufficient time to be meaningful (e.g. through a scoping mission).
3. **Engagement with vulnerable groups:** Use of proxies were needed
4. **Time and resources:** combining cost-effectiveness + sustainability vs scope and depth
5. **Follow up:** ensuring adequate follow up, e.g. through follow-up assessment in same location, needs allocation of resources
6. **Government authorities:** risks vs. value add of engaging with government actors during HRIA
7. **Public reporting and transparency:** Core requirement in this time. Better to be open than be criticized by NGOs /journalists
8. **Making it normal:** HRIA still a very embryonic practice – how to scale up?

EXAMPLES OF HRIA RESOURCES

1. Introduction to HRIA: <https://www.humanrights.dk/tools/human-rights-impact-assessment-guidance-toolbox/introduction-human-rights-impact-assessment>
2. HRIA Guidance and Toolbox (DIHR): <https://www.humanrights.dk/tools/human-rights-impact-assessment-guidance-toolbox>
3. Handbook on HRIA: <https://www.humanrights.dk/news/new-handbook-offers-insights-how-address-impacts-business-activities-human-rights>
4. CDC Toolkit Guidance resource: ToR for human rights due diligence (includes HRIAs): <https://toolkit.cdcgroup.com/reference-materials/>
5. Information on integration of human rights into ESHIAs: <https://www.humanrights.dk/tools/human-rights-impact-assessment-guidance-toolbox/human-rights-eshia-practitioners>
6. Business and Human Rights Resource Centre page on HRIA: <https://www.business-humanrights.org/en/un-guiding-principles/implementation-tools-examples/implementation-by-companies/type-of-step-taken/human-rights-impact-assessments>
7. Various HRIA reports by DIHR: i.e. Nestlé, Eni, Total, other (see website)
8. Examples of HRIA reports by BSR: i.e. Telia, Facebook, other (see website)
9. Examples of HRIA reports by Nomogaia: <http://nomogaia.org/work/>
10. Sector-wide impact assessments: what are they?: <https://www.humanrights.dk/sites/humanrights.dk/files/media/document/Sector-wide%20impact%20assessments%20%28EN%29.PDF>