

Towards rights-compatible use of digital technologies in stakeholder engagement

Online Multi-Stakeholder Consultation | 12-13 November 2024, 14-16h CET *Concept Note*

Registration Link

Background

Stakeholder engagement plays a central role in whether or not companies meet their **corporate responsibility to respect human rights**. And the quality of that engagement bears directly on human rights outcomes for affected people.

Stakeholder engagement is an indispensable part of human rights due diligence. The <u>UN</u> Guiding Principles on Business and Human Rights (UNGPS) stress the importance of understanding the concerns of affected stakeholders by consulting them directly and "in a manner that takes into account language and other potential barriers to effective engagement." Stakeholder engagement is also

Human rights due diligence is about people. It reflects the entitlement of every human being to be treated with dignity. It therefore involves relationships—between an enterprise and those on whom it may have an impact.

OHCHR, The Corporate Responsibility to Respect: An Interpretative Guide, p. 33

essential for ensuring that people have ways of raising **grievances** with companies that they can readily use and trust, and that the outcomes of these processes deliver **effective remedies** to individuals and communities whose human rights have not been respected.

Over the past decade or so, a plethora of guidance has been produced for companies (<u>including as part of OHCHR's B-Tech Project</u>), and significant strides have been made by many businesses in their use of stakeholder engagement to better understand human rights related issues and risks. There is now a high degree of consensus about the key components of stakeholder engagement "good practice." However, people continue to express concerns that businesses often resort to "tick-box" or "compliance driven" approaches that do not amount to **meaningful engagement**. Some also warn that insufficient attention is given to the fact that stakeholder engagement activities themselves have human rights implications, for instance in the way they may perpetuate inequalities or expose people to risk.

For stakeholder engagement to be effective, it must be meaningful. This means that stakeholders are genuinely listened to and understood, and that their concerns are taken properly into account. However, meaningful stakeholder engagement is difficult to achieve in practice, and genuine good practice in this area is rarely publicized.

Digital products and services – such as reporting tools, virtual assistant and digital case management systems, and online survey tools – have the potential to enhance the reach, accessibility and effectiveness of stakeholder engagement efforts. For many companies, these tools are already transforming their efforts to detect, evaluate and respond to human rights concerns up and down their value chains. But these digital products and services can themselves pose human rights issues and risks in the way that they are developed, designed and used, for instance concerning people's privacy and personal security. Moreover, while digital products and services can support and complement stakeholder engagement processes, tick-box exercises solely relying on the "datafication" of stakeholder management do not amount to meaningful stakeholder engagement.

In light of these developments, what steps can we take to ensure that stakeholder engagement through such tools is both meaningful and rights-compatible? What human rights considerations go into the development, design and deployment of these tools? How can we be sure that we are asking the proper questions of the appropriate people, and that the information being collected and analysed is reliable? What can be done to overcome problems of exclusion due to limited access, inequality, illiteracy and the "digital divide?" And, as mandatory due diligence regimes come onstream, what are the implications for the skillsets of future regulators?

Aims of the consultation

In <u>resolution 53/3</u>, the Human Rights Council requested OHCHR to convene yearly consultations regarding challenges, good practices, and the implementation of the UNGPs, and to report back to the council at its 62^{nd} session. In the context of that resolution, this consultation aims to hear from diverse stakeholders about the various ways in which technology can enhance stakeholder engagement activities in a way that is both **meaningful** for all concerned and **rights compatible**.

Despite the rapid expansion of tools to assist companies with stakeholder engagement, and the speed of uptake by companies, their implications for the quality and effectiveness of human rights due diligence and remedial efforts remains underexplored. The aims of this consultation are:

- 1. To conduct a survey of the **current landscape**: What tools are currently available? What are the trends? What have been the experiences of companies and stakeholders with these so far? How have they helped companies to improve their understanding of human rights-related risks and how to address them? How could they be improved? What new solutions or developments may be just around the corner?
- 2. To reflect on the **opportunities** that new tools are opening up, as well as the possible **limitations** and **challenges** that they give rise to: Which kinds of engagement exercises are most amenable to digital solutions, and which require a different, perhaps more specialised or individualised, approach? Does the growing use of technologies and new digital tools make it harder to distinguish between meaningful stakeholder engagement and tick-box exercises, and, if so, what should be done about this? Is there a risk of exclusion of voices and perspectives, for instance due to low literacy, lack of digital skills or lack of access to devices, and, if so, how can this be overcome? To what extent is bias a problem in tool design, and how can this be overcome? How can these new forms of stakeholder engagement support workers and the role of unions? To the extent that human right due diligence becomes mandatory, what kind of oversight is needed and how should regulators prepare?

The outcomes of the consultation will help inform future work OHCHR plans to do in this area and will be included in OHCHR's report to the Human Rights Council at its 62^{nd} session.

Dates and times

The consultation will be conducted **online** and will take place on two successive days:

- Session 1: Current landscape: 12 November 2024 @ 14-16h CET
- Session 2: Opportunities, limitations and challenges: 13 November 2024 @ 14-16h CET

<u>Registration is required through Indico to obtain connection details</u>. We very much hope that participants will be able to attend both sessions.

Format and participation

The format will be an informal, facilitated discussion involving representatives and experts drawn from business, technology developers, civil society, unions, regulators, government, law and academia.