



A Business Human Rights and Environment Act

The clear case for a new law

Why the UK needs new corporate accountability legislation:

- Businesses owned or operating in the UK have caused, contributed and been linked to serious human rights and environmental abuses both domestically and abroad, including [Boohoo's](#) sweatshops in Leicester, [Shell's](#) oil pollution in the Niger Delta, [deforestation in Brazil](#), and [Uyghur forced labour](#), among myriad other [harms](#).
- The scale of these abuses demonstrates the urgent need for new legislation to safeguard human rights and the environment, ensuring that companies and the public sector act to prevent, address and remedy harm in their domestic and global operations, subsidiaries, supply and value chains. A [Business, Human Rights and Environment Act \(BHREA\)](#) would:
 - Plug the serious legal gaps that enable companies to profit from the UK's weak regulatory regime
 - Improve the UK's international reputation regarding human rights and the environment
 - Create a level playing field, to ensure that responsible businesses that do take steps to prevent human rights and environmental harms are not at a competitive disadvantage
 - Respond to the widespread business, political, and public demand for a new law

Key recommendations for a 'Business, Human Rights and Environment Act' (BHREA)

- **Introduce a duty to prevent harm:** Mandate all businesses and the public sector to take all reasonable steps to prevent human rights and environmental harm in their operations, subsidiaries, and value chains. This includes by conducting '[human rights and environmental due diligence](#)' (HREDD) in line with [international standards](#).
- **Adopt the 'Failure to Prevent' model:** As [recommended](#) by Parliament's Joint Committee on Human Rights, a new UK law should be modelled on the world-leading '[failure to prevent](#)' model of the 2010 Bribery Act. This model reverses the burden of proof, meaning that once it is shown that harm has occurred in connection with a business, the burden is on the business to demonstrate that it took all reasonable steps to prevent the harm. Failure to do so could result in civil, administrative, or criminal liability.
- **Ensure inclusive engagement:** The government must ensure that stakeholders—including civil society, trade unions, and affected rights-holders in both the UK and in global value chains—are consulted at all stages of its [National Baseline Assessment](#); while fulfilling its [commitment](#) to assess the best ways to prevent environmental harms and human and labour rights abuses in both private and public sector supply chains; and as part of the design and implementation of a new law.

Please sign the [Good Business Matters pledge](#), and express your support for a BHREA in Parliament at every available opportunity by asking questions, joining debates and signing relevant motions.

How a BHREA would plug legal and regulatory gaps – from Boohoo to Shell

- Notable legal and [regulatory failures](#) in the UK, such as Grenfell and [Boohoo's](#) operations in Leicester, carry a significant human cost. [Causes](#) include fragmented regulation resulting in legal and enforcement gaps; an overreliance on warnings and notices, rather than meaningful sanctions; and reduced budgets for enforcement bodies.
- UK companies can also cause harm abroad through activities in their value chains that disregard human rights and the environment. Some examples include [Shell's](#) oil pollution in the Niger Delta and [BHP's](#) role in the catastrophic Samarco dam collapse. Human Rights and Environmental defenders are [being killed](#), while abuses of workers' rights and attacks on trade unions are at a [record high](#). These attacks and abuses disproportionately affect women and marginalised communities, including Indigenous Peoples.
- While the UK has introduced issue-specific legislation, such as the Modern Slavery Act's Section 54 and the Environment Act's Schedule 17, both are narrow in their respective scope, thus failing to reach the internationally accepted standards on addressing human rights and environmental harms in global value chains. Notably, the transparency provision of the Modern Slavery Act is "[not fit for purpose](#)" to tackle forced labour and the 2024 Modern Slavery Act Committee report [recommends](#) that the UK Government introduce due diligence requirements compatible with international standards. Further, this current approach to issue- and sector-specific regulation creates a patchwork of obligations for businesses, which [increases](#) their compliance burden.
- The public sector is also not sufficiently equipped to prevent public money from being complicit in human rights and environmental harm. For example, public funds have been linked to [forced labour](#) in Malaysia via personal protective equipment procurement and to [environmental harm](#) in the Democratic Republic of Congo via British investment in palm oil. With [spending](#) power surpassing £400 billion in 2023/2024, the public sector must function as a [role model](#) and influence the private sector by including due diligence requirements, sanctions, and [remedies](#) in contract terms, and leveraging the threat of exclusion from public contracts.
- Affected communities and individuals often struggle to get [access to remedy](#) under existing laws due to, for example, the cost and complexity of investigations, necessary evidence sitting in the hands of business, union busting, corruption, and complex corporate group structures that make it very difficult to hold parent companies accountable.
- A BHREA can guide and align work across the four UK nations on environmental and human rights for businesses, as much of the detail, particularly around public procurement, must be conducted at the devolved level. It would introduce an overarching duty for any business falling within the UK's jurisdiction to prevent human rights and environmental harm in a business's operations, subsidiaries and value chains. This would fill any regulatory gaps left by insufficient or incomplete issue-specific legislation, provide greater certainty and streamlined compliance processes for businesses and improve access to justice for affected communities and individuals.

How a BHREA would help improve the UK's international reputation on human rights and the environment

- Although the UK was the first country to adopt a National Action Plan on Business and Human Rights and introduce the Modern Slavery Act, our international reputation as a frontrunner on business and human rights legislation has suffered in recent years as progress has stalled, and we have fallen behind other nations.

- UK businesses have a responsibility to respect human rights, workers' rights and environmental standards in their operations and value chains. [The UK has committed](#) to implement international standards, including the [UN Guiding Principles on Business and Human Rights](#) (UNGPs), the [OECD Guidelines for Multinational Enterprises](#) and the [ILO Declaration on Fundamental Principles and Rights at Work](#). The UK is also a state party to multiple international human rights and environmental treaties that it must uphold.
- The UN has clearly communicated concerns to the UK Government about UK business entities being connected to and potentially accomplices in serious violations of human rights and/or international humanitarian law. Recent 2024 examples include allegations against: [BAE systems](#) for arm sales to Israel; the [London Bullion Market Association](#) for allowing gold from the Tanzania North Mara mine to be traded on the London market, despite allegations of killings, torture and sexual violence by security forces assigned and paid to secure the mine; and [Haygrove Limited](#) for allegedly exploiting migrant workers in the agricultural sector in the UK. Other UN human rights bodies also [question](#) the UK Government's progress and the sufficiency of legal measures in place to ensure corporate accountability and effective remedies for human rights violations committed by UK companies.
- With [international](#) legal developments increasingly addressing corporate abuse in the [EU](#), [France](#), [Germany](#) and [Norway](#), the UK is falling behind its trading partners and allies in legal standards and regulation. Notably, UK businesses themselves see the benefits of mandatory HREDD, with 61% of [surveyed](#) business leaders indicating that they are encouraged by the EU's Corporate Sustainability Due Diligence Directive to invest or increase their investment in the EU.
- The Supreme Court's [decision](#) in *Okpabi v Shell* affirmed the principles in *Vedanta v Lungowe*, that parent companies can, under certain circumstances, have a duty of care to stakeholders affected by the acts of their overseas subsidiaries. Businesses profiting from irresponsible practices may now seek to evade common law liability by loosening their control and oversight over their subsidiaries. Statutory reform is needed to create clarity, level the playing field between businesses with responsible practices and those without, and to remove the legal barriers that victims still face in seeking justice.
- A BHREA would provide legal certainty and help the UK improve its reputation in supporting and upholding international human rights law. It would demonstrate willingness on the part of UK decision makers to address our global impact, enable the UK to keep pace with progressive legal developments elsewhere, and ensure we meet our international obligations using a world-leading British model.

How a BHREA would create a level playing field for businesses

- The current legal framework allows businesses to profit from disregarding their impacts on people and the planet with relative impunity. This penalises responsible businesses that take proactive steps to prevent harm and creates an uneven playing field.
- A clear majority of businesses [surveyed](#) by the British Institute for International and Comparative Law (BIICL) in 2020 believe that current UK laws do not provide clarity (>75%) or sufficient legal certainty (>68%) on human rights obligations. Nearly three-quarters of UK businesses believe that additional regulation would provide benefits including greater legal certainty, a level playing field, and facilitation of leverage to suppliers. This is further reflected by businesses, including the British Retail Consortium, the John Lewis Partnership, Tesco, Sainsbury's and Twinings, who [call](#) for a new mandatory HREDD law, and over 160 businesses and investors, representing more than £1.4 trillion in assets under management, who [call](#) for the failure to prevent liability model.
- Businesses will be impacted by the EU's Corporate Sustainability and Due Diligence Directive (CSDDD), which is set to apply to UK companies generating significant turnover in the EU single market. Additionally, smaller UK businesses supplying to EU companies within scope of the CSDDD will soon be required by their buyers to conduct HREDD. The UK risks further disadvantaging responsible

business by allowing the country to become a safe haven for companies that do not want to comply with stronger accountability models in other jurisdictions.

- The UN Guiding Principles on Business and Human Rights, OECD Guidelines and Bribery Act Guidance all note that due diligence conducted by SMEs should be proportionate to the risks posed by their operations, with [research](#) highlighting no resultant disproportionate negative impacts for SMEs.
- A BHREA would create a level playing field on human rights and the environment in the UK. The ‘failure to prevent’ model is a tested, world-leading British model for business regulation, demonstrated successfully in the Bribery Act, the Criminal Finances Act and the Economic Crime and Corporate Transparency Act. This model [drives](#) a much-needed change in business culture and ensures effective enforcement.
- Simultaneously, it maintains regulatory alignment for those businesses falling under both EU and UK legislation. Like the CSDDD, a BHREA would aim to mandate HREDD in alignment with the UNGPs. Thus, businesses in both the EU and UK would have a similar duty to ensure they have taken all reasonable steps to prevent human rights and environmental harm in their supply chains. This would also align with the government’s [stated](#) international development aim of creating genuine respect and partnerships with Global South countries, and would help to build more [resilient](#) supply chains.

How a BHREA would respond to widespread business, political and public support

- A new law is called for by UK [civil society organisations](#), [trade unions](#), [businesses](#), [investors](#), and more than [126,000 people](#) in the UK who have signed a petition calling on MPs “to hold business, finance and the public sector to account when they fail to prevent supply chain human rights abuses and environmental harms.” New legislation would stop UK consumers from being unwittingly complicit in abuses.
- A new HREDD law has repeatedly been recommended to the UK Government, including by the Government-convened multi-stakeholder taskforce, the [Global Resource Initiative](#). The [Law Commission](#) included an option of a ‘failure to prevent’ human rights abuses offence as one of its proposals for reforming criminal liability in 2022.
- In 2023, Baroness Young of Hornsey introduced the [Commercial Organisations and Public Authorities Duty](#) as a Private Members Bill in the House of Lords. The Bill, which reached its second reading before the dissolution of Parliament in 2024, demonstrates the feasibility of a HREDD law with a duty to prevent in the UK, and is an effective example of what a law of this nature could look like in the UK legislature.
- A BHREA would align with public opinion. YouGov [polling](#) shows that almost three quarters of Britons want the social and environmental impacts of their investments to be given equal, more or some weight compared with financial returns. Four in five people in Britain [support](#) a new law to stop exploitative practices and environmental destruction in company supply chains.
- The Good Business Matters pledge [illustrates](#) cross-party support for a new HREDD law in the UK, with 45 MPs and peers from eight parties publicly declaring their support.

We urge you to express your support for this call in Parliament at every available opportunity, to ask questions, join debates, and sign relevant motions/[pledges](#).

For more information, or suggested Parliamentary Questions/next steps please contact:
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This briefing forms part of a wider series on the need for a new Business, Human Rights and Environment Act. For an issue-specific briefing on the environment and the just transition see [here](#).