

This document is a provisional English translation of the Guidebook for Respecting Human Rights in Food Enterprises (“the Guidebook”). The Guidebook in Japanese are the original, and the English translation is for information only. If there is any discrepancy between the Japanese original and this English translation, the Japanese will prevail.

Guidebook for Respecting Human Rights in Food Enterprises



December 2023

New Business and Food Industry Department, Minister’s Secretariat
Ministry of Agriculture, Forestry and Fisheries



1. Background and purpose of this Guidebook

Human rights are the inherent rights^(Note 1) of all people to ensure their life and liberty, to pursue happiness, and to live with dignity.

With value chains spreading across the globe due to the globalization of corporate activities, adverse impacts of corporate activities on human rights (adverse human rights impacts) has become apparent and posed a growing concern. Against this backdrop, in 2011 the United Nations Human Rights Council endorsed the “Guiding Principles on Business and Human Rights”(Note 2), which rest on three pillars: the State’s duty to protect human rights, corporate responsibility to respect human rights, and access to remedy. In addition, laws and regulations have been introduced to respect human rights mainly in Europe and the U.S., and there is a movement among European and U.S. enterprises to require their business partners to respect human rights. The government of Japan also released its “National Action Plan on Business and Human Rights (2020-2025)” in October 2020 and the “Guidelines on Respecting Human Rights in Responsible Supply Chains” (Note 1) (“the Guidelines”) in September 2022, in order to deepen understanding of and promote respect for human rights by Japanese business enterprises.

In particular, it is important for the food industry to fulfill the responsibility to respect human rights as it has extensive supply chains that cover production, manufacturing, distribution, and retailing. In addition to its significance for risk management and ESG investment, its efforts to respect human rights are a way for Japan's food industry to secure employment and survive amid a declining labor force due to a falling birthrate and aging population. Therefore, this Guidebook has been prepared to help the food industry (the food manufacturing industry, in particular) to implement the requirements stated in the Guidelines.

The Guidebook is easy to understand and concise so that food enterprises can implement human rights measures on their own in line with the Guidebook. In addition, the Guidebook provides form samples and best practices to facilitate the implementation of human rights measures by food enterprises.

In addition, the Guide is structured to help the readers to explain why such efforts are necessary and what kind of efforts are required when they request (or are requested by) its business partners to make efforts to respect human rights.

Each business enterprise is encouraged to use this Guidebook to launch efforts to respect human rights, make its effort public to share experiences, and further enhance human rights efforts as industry-wide initiatives.

* The practices presented in this Guidebook are only examples and do not imply that they must be followed or that is all you need to do. Please note that each business enterprise should consider what specific measures are appropriate in order to fulfill its human rights responsibility, based on its own circumstances, while referring to the Guidebook.

(Note 1) Guidelines on Respecting Human Rights in Responsible Supply Chains

<https://www.meti.go.jp/press/2022/09/20220913003/20220913003-a.pdf>

(Note 2) Guiding Principles on Business and Human Rights<https://www.mofa.go.jp/mofaj/files/000062491.pdf>

New Business and Food Industry Department, Minister’s Secretariat, Ministry of Agriculture, Forestry and Fisheries
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2. Why business enterprises need to respect human rights

(1) Definition of human rights

[Definition of human rights]

Human rights are the inherent rights(Note 1) of all people to ensure their life and liberty, to pursue happiness, and to live with dignity.

Source: Guidelines on Respecting Human Rights in Responsible Supply Chains

- What human rights should business enterprises respect?
Many Japanese business enterprises have traditionally viewed “human rights” as mostly traditional discrimination issues that arise with their own employees and direct customers, such as harassment, Buraku discrimination (Dowa issues), and consumer rights.¹
- However, as shown in the figure on the right, with reference to major international rules and frameworks on human rights, **the scope of human rights to be respected by business enterprises today is much broader, covering the human rights of all people involved in business activities (rights holders).**
- Bearing in mind the breadth of risks related to human rights today, it is necessary to properly grasp, identify, prevent and mitigate risks, and take corrective and remedial actions in the event of any actual violations of human rights.

Areas of human rights to be respected by business enterprises

1 	Insufficient or unpaid funds, living wages	14 	Human rights issues related to technology and AI
2 	Excessive and unreasonable working hours	15 	Privacy rights
3 	Occupational safety and health	16 	Consumer safety and right to know
4 	Right to social security	17 	Discrimination
5 	Power harassment (workplace harassment)	18 	Human rights issues related to gender (including sexual minorities)
6 	Sexual harassment	19 	Freedom of expression
7 	Maternity/paternity harassment	20 	Rights of indigenous and local people
8 	Care harassment	21 	Human rights issues related to the environment and climate change
9 	Forced labor	22 	Intellectual property right
10 	Freedom of movement and residence	23 	Bribery and corruption
11 	Freedom of association	24 	Human rights issues on a supply chain
12 	Rights of foreign workers	25 	Right to remedy
13 	Child labor		

Source: Ministry of Justice, 2021, p. 9. Response to “Business and Human Rights” Issues Required of Business Enterprises (Full Version) (“Report ‘Research and Study on Business and Human Rights’”)

2. Why business enterprises need to respect human rights

(2) The environment surrounding food enterprises

The environment surrounding food enterprises - Respect for human rights of workers at their own business enterprises, subcontractors, and suppliers; and specifying human rights efforts in a contract as a condition for business transaction ~ 2

- Promoting efforts to respect human rights in food enterprises involves two important perspectives. The first is **respect for the human rights of workers in its own enterprise, group companies, and direct business partners**. For example, there are concerns about working environments with unsatisfactory health and safety considerations, harassment, discrimination against non-regular workers and foreign workers in terms of in-house regulations and systems, and human rights violations of foreign technical intern trainees at domestic suppliers.
- The other is **respect for the human rights of workers at indirect business partners**. For example, child labor and forced labor occur in overseas raw material production sites: 70% (112.1 million) of the world's children under child labor are in the agricultural sector according to data from ILO and UNICEF (2020)³ and approximately 10% (2.1 million) of the world's workers under forced labor are in the agricultural sector according to data from ILO (2021)⁴. There is concern about indirect involvement in human rights violations by procuring raw materials from such suppliers.
- Against this backdrop, major food enterprises are increasingly conducting surveys and on-site audits to confirm the status of their suppliers' efforts to respect human rights, and are requiring their suppliers to comply with their own policies on respect for human rights when starting or continuing business with them.



Examples of products for which forced labor or child labor has been identified by international organizations	Examples of products that may have involved child labor		Examples of products that may have involved forced labor
	Agricultural produce	Cocoa, coffee, tea, sunflowers, flowers, palm oil, spices (cloves, vanilla), wheat, rice, corn, bananas, melons, citrus fruits, blueberries, grapes, cassava, potatoes, cashews, hazelnuts, Brazil nuts, chestnuts, beans, olives, sugarcane, tobacco, poppies, khat, cabbages, cucumbers, onions, tomatoes, garlic, broccoli, lettuce	Coffee, tea, palm oil, bananas, strawberries, citrus fruits, Brazil nuts, sugarcane, tobacco, tomatoes, rice, corn, pepper
	Livestock products/seafood	Shrimp, fish, cattle, hogs, poultry, sheep, goats	Shrimp, fish, cattle, hogs, sheep, goats

2. Why business enterprises need to respect human rights

(3) Who respects whose human rights? What are human rights risks?

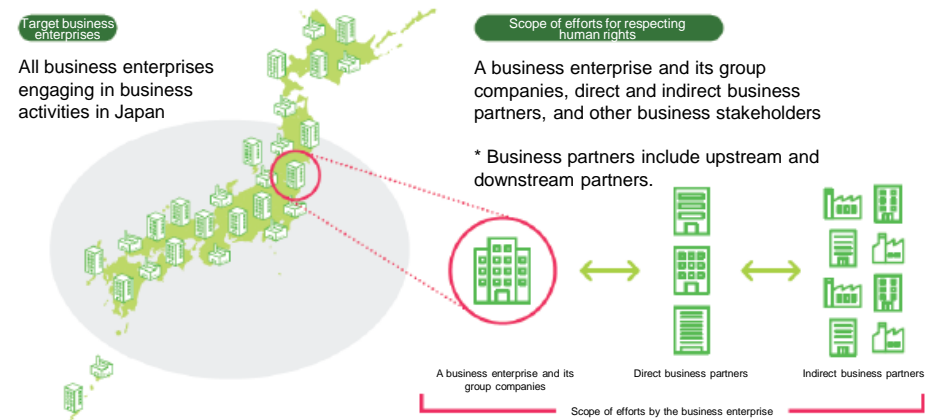
Who has the responsibility to respect human rights?

The Guidelines specifies that regardless of size, sector or other factors, **all business enterprises (including sole proprietors) that engage in business activities in Japan** should make utmost efforts to ensure that human rights are respected in their own enterprises, group companies and suppliers in and outside Japan.⁵

Whose human rights should be respected?

Business enterprises must respect **the human rights of all workers involved in their businesses**, regardless of their employment status, as well as **the human rights of all people affected by their business activities**, including business partner employees, customers, consumers, and local people where their business activities are conducted (rights holders).

Target business enterprises of the Guidelines and the scope of efforts for respecting human rights



Source: p. 3. Guidelines on Respecting Human Rights in Responsible Supply Chains (Digest Version)

Risks related to human rights⁶

- Risks related to human rights are **not risks to a business enterprise**, but risks that the **human rights of rights holders** may be violated (adversely impacted) by the business enterprise's activities.
- For example, the human rights risk of child labor is the risk to the child who is a holder of the rights, specifically the deprivation of access to education and the right to a healthy and safe life.

2. Why business enterprises need to respect human rights

(4) What happens if business enterprises neglect the responsibility to respect human rights?

What happens if business enterprises neglect the responsibility to respect human rights?

- Business enterprises need to understand and assess the risks related to human rights associated with their business activities and work to prevent and mitigate them.
- Proactive efforts to mitigate human rights risks can be **beneficial to corporate management**, while neglecting to do so can be **a risk to corporate management**.



Potential risks of neglecting the corporate responsibility to respect human rights

Legal risk

Lawsuits, administrative penalties, fines, and damages

Operational risk

Strikes and human resource outflows

Risks to business

Decreased sales due to boycotts and being under fire on social media

Financial risk

Decline in stock prices and withdrawal of investments (divestment)



Benefits of fulfilling the corporate responsibility to respect human rights

Contribution to society

Contribution to the realization of a sustainable economy and society

Contribution to business

The trust of society is maintained or earned; increase in sales due to improved brand image

Financial benefits

Improved reputation as an investment destination; improved relationships with business partners; and acquiring new business partners

Attracting talented people

Talented human resources can be attracted and retained

3. Approach to efforts to respect human rights

Related to: Section 2.2, the Guidelines on Respecting Human Rights in Responsible Supply Chains (“the Guidelines”)

There are five particularly important approaches to efforts to respect human rights, including the commitment by management.

Management’s commitment is extremely important	<ul style="list-style-type: none"> ■ Efforts to respect human rights should be promoted in every aspect of business enterprise’s operations, including recruitment, procurement, manufacturing and sales. ■ Enterprise-wide involvement is essential for efforts to respect human rights. ■ It is essential that management, including top executives, commit to engaging in efforts to respect human rights and continue to address the activities proactively and voluntarily.
Adverse human rights impacts can be found in any business enterprise	<ul style="list-style-type: none"> ■ Adverse human rights impacts could exist in any business enterprise. It is recommended that each business enterprise consider how to identify, prevent and mitigate those risks and communicate these efforts.
Dialogues with stakeholders are important	<ul style="list-style-type: none"> ■ It is crucial to hold dialogues with stakeholders(*) throughout all efforts to respect human rights. Stakeholder dialogue is useful to understand the actual status and causes of human rights violations. <p>(*) Business partners; employees of the business enterprise, group companies and business partners; labor unions; worker representatives; consumers, as well as NGOs, such as civil society organizations and other entities; industry organizations; human rights defenders; local residents; indigenous people; investors and shareholders; national and regional governments</p>
Start with high-priority adverse impacts	<ul style="list-style-type: none"> ■ If it is difficult (for small- and medium-sized enterprises with limited resources) to simultaneously implement all efforts, business enterprises should give priority to addressing adverse human rights impacts with higher levels of severity first.
Cooperation among business enterprises is essential	<ul style="list-style-type: none"> ■ It is essential that business enterprises work together and collaborate at the industry level to respect human rights(*). It is also important to share and address challenges in partnership with suppliers. <p>(*) If a business enterprise requires its business partner to engage in efforts to respect human rights in a manner the business enterprise unilaterally imposes an excessive burden on the business partner by using its contractual status, it may be in violation of the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors and the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade.</p>

Source: pp. 10-12. Guidelines on Respecting Human Rights in Responsible Supply Chains



Efforts are never perfect, and business enterprises should always work toward improvement.⁷

- It is not possible to solve all human rights violation risks immediately. Even if there are no problems now, problems may arise in the future. There is no end to human rights efforts at a certain point in time.
- We may be tempted to hide it if our efforts to respect human rights are inadequate.
- Efforts to respect human rights will never be perfect, but are an ongoing endeavor. It is important to proceed human rights efforts with the mindset that we need to constantly improve our efforts because there is no perfect practice.

4. Overview of efforts to respect human rights: What should business enterprises do?

Related to: Section 2.1, the Guidelines

In order to meet corporate responsibility to respect human rights, business enterprises are required to (1) formulate their human rights policy, (2) conduct human rights due diligence, and (3) provide remedy when business enterprises cause or contribute to adverse human rights impacts. (Explanations for each process are provided on the following pages.)

Overview of efforts to respect human rights



4-1 Establishment of a human rights policy

(1) Requirements for establishing the human rights policy

Related to: Chapter 3, the
Guidelines
Chapter 2, Reference Material

First, develop a human rights* policy that meets the following five requirements.

* The scope of human rights are the internationally recognized human rights stated on page 4 of the Guidebook.

Five requirements of a human rights policy and examples of strategies to meet the requirements

	Requirements	Strategy examples
1	It is approved by management, including top executives.	<ul style="list-style-type: none">■ It is discussed at the management meeting and resolved at the board of directors meeting. (The resolution is based on the deep understanding of management.)■ It is published upon approval by the sustainability officer and shared separately with the Board of Directors.
2	It is informed by relevant internal and/or external expertise.* * “Expertise” includes, for example, the advice of experts and confirmation of reliable materials.	<ul style="list-style-type: none">■ Obtain opinions from lawyers and NPOs specializing in children’s human rights when the business enterprise may affect children’s rights.■ Hold dialogues with labor unions, worker representatives, and other related parties and examine human rights issues.■ Prepare the policy with reference to reliable documents.
3	It stipulates the business enterprise’s human rights expectations of personnel, business partners and other parties directly linked to its operations, products, or services.	<ul style="list-style-type: none">■ Should include a statement that the business enterprise urges its suppliers and business partners to avoid involvement in human rights abuses.
4	It is publicly available and communicated internally and externally to all personnel, business partners and other relevant parties.	<ul style="list-style-type: none">■ The policy should be posted on the business enterprise’s website along with top message.■ An implementation status of the policy should be published in an integrated report or through other means.
5	It is reflected in the operational policies and procedures necessary to embed it throughout the business enterprise.	<ul style="list-style-type: none">■ Continuously instill the policy in the business enterprise through training for workers, etc.■ Establish a mechanism for enterprise-wide monitoring of the implementation of the policy.

4-1 Establishment of a human rights policy

(2) Points for consideration after establishing the human rights policy

Related to: Chapter 3, the Guidelines and Chapter 2, Reference Material

It should be noted that establishing a human rights policy is not the end of the process: It is important to disseminate the human rights policy internally, put it into practice, and work to improve it.

- The human rights policy is **the business enterprise's commitment** to make sincere efforts to realize the policy and to honestly correct any problems if identified. Therefore, **the policy should be made public even if efforts to respect human rights** are still underway.
- Establishing and publishing a human rights policy is not the end of the process. Business enterprises should **embed their human rights policy** throughout the business enterprise and **implement the human rights policy concretely** in their efforts.
- It is important to **disseminate the human rights policy internally** and to **reflect the details of human rights policy in a code of conduct and procurement guidelines**. Training is an effective way to disseminate the policy internally.
- In addition, it is useful to **revise the human rights policy** as needed considering the results of human rights due diligence and other factors.
- It is possible that a human rights abuse may occur after the policy is formulated and published. However, it is important for business enterprises (especially top executives) **to move forward with a strong determination to work toward improvement, rather than narrowly interpreting that the occurrence of a problem will not be tolerated.**⁸

4-1 Establishment of a human rights policy

(3) Examples of items to be included in the human rights policy

1. Nature of the policy

A human rights policy expresses the basic idea of a business enterprise concerning overall efforts to respect human rights. It is closely related to the management philosophy and action policy, and it is important to ensure consistency between these important documents in the business enterprise's management and the human rights policy.

2. Coverage of the policy

In general, a human rights policy applies not only to the business enterprise itself, but also to other business enterprises over which the company has a controlling interest. If the enterprise's human rights policy is to be applied to group companies, the definition of "group companies" should be clarified.

3. Stipulating expectations

Cooperation by related parties, including business partners, is essential for implementing a human rights policy. The human rights policy should express the business enterprise's human rights expectation of its personnel, business partners and other related parties.

4. Expressing a commitment to respect internationally recognized human rights

As mentioned above, business enterprises have a responsibility to respect "internationally recognized human rights." Therefore, the human rights policy should explicitly state that the business enterprise shall respect internationally recognized human rights, and include a statement endorsing relevant international instruments.

5. Responsibility to respect human rights and legal compliance

Needless to say, business enterprises must comply with national laws and regulations. However, business enterprises may not be able to meet their responsibility to respect the internationally recognized human rights by merely complying with the laws and regulations of a country in which they operate. If compliance with local laws and regulations do not appropriately respect the internationally recognized human rights, business enterprises will need to seek ways to respect internationally recognized human rights to the greatest extent possible.

6. Business enterprise's priority issues

It is advisable to start with identifying human rights on which the business enterprise may have impacts and to specify in its human right policy that it will implement measures focused on the human rights where particularly severe human rights abuses may occur, as its priority issues. The business enterprise should review the human rights policy if changes in its business and social conditions entail changes in priority issues.

7. How to implement human rights efforts

It should be noted that establishing a human rights policy is not the end of the process. It is important to ensure the human rights policy is embedded and implemented throughout the business enterprise so as to avoid situations where no one has ever seen or is following the policy. The business enterprise may describe how it will respect human rights in the human rights policy.

4-1 Establishment of a human rights policy

(4) Examples of establishing the human rights policy

Note: The following sample is provided to help business enterprises to consider what should be stipulated in their human rights policy. Please note that it is not considered that your enterprise has formulated a policy simply by using the sample as it is. It is advisable that business enterprises thoroughly consider the contents to be included in the policy.

XX (name of the enterprise)'s Human Rights Policy (Sample)

XX ("We") hereby sets forth XX's Human Rights Policy ("the Policy") to help all our officers and employees to gain deeper understanding of human rights and fulfill its responsibility to respect human rights.

Guided by the Policy, we aspire to realize society in which human rights are respected.

1. Nature of the policy

The Policy prescribes XX's policies for respecting human rights in line with its management philosophy. In addition, the Policy is superordinate to the existing documents that govern our efforts to respect human rights ("Procurement Policy," "Supplier Code of Conduct," etc.).

2. Coverage of the policy

The Policy applies to all officers (including equivalent persons) and employees (including employees who are employed for a fixed term, such as contract employees, part-time employees, and temporary employees) of XX.

3. Stipulating expectations

We shall continuously encourage its business partners, suppliers, and other stakeholders to support the Policy and adopt similar policies, and will work together to respect human rights.

4. Expressing a commitment to respect internationally recognized human rights

We respect the human rights listed in the internationally recognized "International Bill of Human Rights" (Universal Declaration of Human Rights and International Covenants on Human Rights) and the "ILO Declaration on Fundamental Principles and Rights at Work" of the International Labour Organization (ILO). We shall engage in business activities in line with the Guiding Principles on Business and Human Rights of the United Nations.

5. Responsibility to respect human rights and legal compliance

We comply with the laws and regulations applicable in each country or region in which we engage in business activities. However, where there is a conflict between the laws of a country or region and the international human rights principles, we shall pursue ways to respect the international human rights principles.

4-1 Establishment of a human rights policy

(4) Establishing the human rights policy (continued)

Note: The following sample is provided to help business enterprises to consider what should be stipulated in their human rights policy. Please note that it is not considered that your enterprise has formulated a policy simply by using the sample as it is. It is advisable that business enterprises thoroughly consider the contents to be included in the policy.

6. Business enterprise's priority issues

We respect the human rights of all officers and employees, customers, community members, business partners, and other stakeholders. We prohibit all forms of discrimination, forced labor, child labor, inhumane treatment, and protect appropriate working conditions and environment, including freedom of association, wages, working hours, safety management. We also provide safe products and services to our customers, disclose appropriate information, and seek to coexist in harmony with the local community, taking into consideration possible impacts of our business activities on the people in the community. In addition to protecting human rights, we will also proactively work on support programs that will have a positive impact on human rights. We have defined our immediate issues related to human rights as shown in the attached table "Priority Issues Related to Human Rights," for which we will establish and appropriately operate a mechanism for human rights due diligence in accordance with the Policy. We will review these priority issues as appropriate in line with changes in the social environment and operational performance.

7. How to implement human rights efforts

We will work to identify, prevent and mitigate adverse human rights impacts, assess the effectiveness of our efforts, and fulfill its accountability through the human rights due diligence mechanism. We will report our human rights endeavors based on the Policy on our website, including measures to respect human rights and the implementation status of human rights due diligence.

If it becomes clear that we have caused or contributed to adverse human rights impacts, we will work to correct and remedy such impacts through appropriate means. In cases where our operations, products, or services are linked to adverse human rights impacts, despite not directly contributing to those impacts, we will exert our influence over business partners, suppliers, and other stakeholders to urge them to take appropriate action.

We will consult with relevant stakeholders in addressing actual or potential adverse human rights impacts.

We will provide appropriate education and training to all officers and employees to ensure that the Policy is effectively implemented, and will embed the Policy into our procedures so that the Policy is practiced throughout our activities.

We will appoint a human rights officer who is responsible for overseeing the compliance with the Policy across our organization.

8. (Other components considered by the business enterprise)

Established: DD/MM, 2023

Taro Norin

President, (Name of business enterprise)

4-2-1 Human rights due diligence: Identification and assessment of adverse impacts

Human rights due diligence: Overview of identification and assessment of adverse impacts

Related to: Chapter 4, the
Guidelines
Chapter 3, Reference Material, and
Worksheet templates

The first step in human rights due diligence is to identify and assess the adverse human rights impacts that your enterprise is (or could be) involved in.

Identify your enterprise's business fields with possible material risks. (Explanations are provided on the following pages.)



- It is necessary to **identify and assess the adverse human rights impacts** in which your enterprise is involved (or could be involved) as the first step in human rights due diligence.
- The human rights due diligence should ensure that risks related to human rights are identified and assessed throughout the supply chain. If it is difficult to identify all suppliers, the business enterprise should try to identify them through dialogues with stakeholders and grievance mechanisms, and be able to explain the reasons why the traceability of its suppliers is limited.
- Refer to Attachment 1 to the Guidebook, “Points to Consider in Addressing Specific Human Rights Risk” for major human rights risks, overall management systems and supplier engagement.
- While exchanging opinions with relevant internal departments and external experts, identify business fields where risks are considered significant and assess the severity of each risk using Attachment 2, “Worksheet templates for identification and assessment of adverse impacts.”

If it is difficult to address all of the identified impacts at once, business enterprises should give priority to adverse impacts with higher levels of severity.

4-2-1 Human rights due diligence: Identification and assessment of adverse impacts

Related to: Section 4.1, the Guidelines
Chapter 3, Reference Material, and
Worksheet templates

(1) Identification of business fields with material risks (Step 1)

Draw a diagram visualizing your enterprise's business fields and business relationships to identify and assess adverse impacts.

Check the supplier's characteristics, the enterprise's and the supplier's overseas offices, countries of operation, and countries producing raw materials. (Also refer to Attachment 1 to the Guidebook; the reference materials listed on p. 29 of the Guidebook; p. 13 of Reference of the Guidebook; and Reference Material (Attachment 1) Reference Documents).

- When identifying risks in your business fields, gather information on the following **four risk factors**.
- If you are not sure how to collect and organize the information, please follow Step1 of Attachment 2 Worksheet templates for identification and assessment of adverse impacts. Filling in the fields will help you identify risks.

Risk	Overview	Examples of risks involved in the food industry (including the agriculture, forestry and fisheries industries)
Sector risks	<ul style="list-style-type: none"> ■ Risks arising from a sector's characteristics, activities, products and manufacturing processes ■ Risks prevalent in the sector on a global basis 	<ul style="list-style-type: none"> ■ Child labor, forced labor (trafficked labor, long-hour, low-wage labor) at raw material suppliers, etc.
Products/services risks	<ul style="list-style-type: none"> ■ Risks related to raw materials used in certain products or services, or to the development and manufacturing processes 	<ul style="list-style-type: none"> ■ Health and safety (slips, trips and falls; getting pinched or caught; cuts and abrasions, and falls from high heights) ■ Child labor (use of sharp tools, carrying heavy loads, etc.)
Geographic risks	<ul style="list-style-type: none"> ■ Conditions of a specific country, which may increase sector risks ■ Weak government governance, widespread poverty, etc. in raw material sourcing countries 	<ul style="list-style-type: none"> ■ Forced displacement of indigenous peoples and other communities ■ Impacts on local communities and traditional livelihoods of monoculture, commercial and large-scale fishing, overfishing, land use for cash crops, water use, and wastewater and waste
Business enterprise-level risks	<ul style="list-style-type: none"> ■ Risks specific to the business enterprise or its suppliers ■ Weak governance or major human rights problems in the past at a supplier of raw materials 	

4-2-1 Human rights due diligence: Identification and assessment of adverse impacts

(1) Identification of business fields with material risks (Step 1) (Sample)

Related to: Section 4.1, the Guidelines
Chapter 3, Reference Material, and
Worksheet templates

Attachment 2 to the Guidebook (Worksheet templates)
(Modified from Attachment 2 (Worksheet templates) to the
Reference Material for the purpose of this Guidebook for use in
the food industry

[Sample]
(Example: Chocolate confectionery,
processed livestock products)

Business fields of the enterprise
Confectionery manufacturing and processed livestock products manufacturing

Mainstay products	Refer to Attachment 1 for points to check				
	Main raw materials	Procurement of raw materials	Manufacturing	Transportation	Sale
Chocolate confectionery	Wheat flour, palm oil, cocoa ...	<p>Description of adverse human rights impacts (including both actual and potential human rights abuse) (Specify where the impact arises)</p> <p>(1) A report by a human rights organization on a country that produces the raw material for palm oil revealed that children under the age of 15 work on oil palm plantations in the country, and that they work long hours for low wages (a supplier). (2) We attended a seminar organized by a human rights organization and learned that a large number of children under the age of 15 work in cocoa-producing countries in Africa (a supplier). (3) We learned from news reports that supervisory guidance was given to operators conducting technical intern training for suspected violations of labor standards-related laws and regulations in the agriculture and food manufacturing industries, and that actual violations were confirmed in many of these cases (a group company).</p>	<p>(1) A report by a human rights organization reported that workers are forced to work for under legal wages due to the vulnerable position of workers in the countries where the supplier is located (a supplier). (2) Since the percentage of women in management positions at a group company was low, we inquired about the requirements for promotion and discovered that nationwide transferability was a requirement for promotion, effectively making it difficult for women to be promoted (a group company). (3) An inspection at the business enterprise's own factory revealed that objects had been placed in front of the emergency exit, which could hinder evacuation in the event of a fire (the business enterprise).</p>	Overtime work by drivers (a transport company)	<p>(1) In the past, there was a scandal in which the chocolate used in a high-priced chocolate cake manufactured by the enterprise was labeled as originating from a country in Europe famous for its high-quality chocolate, but was actually sourced from a different country (the business enterprise). (2) There is the possibility of various types of harassment, such as workplace harassment and sexual harassment against workers in retail stores (retail stores).</p>
		Refer to Attachment 1 to the Guidebook; the reference materials listed on p. 29 of the Guidebook, p. 13 of Reference of the Guidebook; Reference Material (Attachment 1) Reference Documents, and other relevant materials to identify adverse human rights impacts in your business fields.			
Processed livestock food	Poultry, sugars ...	<p>Description of adverse human rights impacts (including both actual and potential human rights abuse) (Specify where the impact arises)</p> <p>(1) According to a human rights organization's report on a country that produces poultry used in processed products, the country's livestock industry employs many migrant workers from neighboring countries, who are forced to work under harsh conditions of low wages and long hours (a supplier). (2) Upon learning at a seminar organized by an industry group that confiscation and retention of passports and other identification documents of technical intern trainees could constitute forced labor, we checked with group companies and found that they had confiscated identity documents in the past (group companies).</p>	<p>(1) We checked the evaluation scores of international human rights NGOs for political rights and civil liberties and found that many countries in Asia, the Middle East and Africa do not fully guarantee freedom of association, and even the countries where our suppliers are located were among the countries where the rights were not guaranteed (suppliers). (2) We checked the working hours of employees of a group company and found that they work more overtime (a group company). (3) Suppliers may not be aware that, even if freedom of association is not fully guaranteed by national laws and regulations, international standards require them to introduce initiatives to respect freedom of association to the extent that it does not conflict with national laws and regulations, such as by creating alternative mechanisms to hear workers' opinions (e.g., grievance mechanisms) (the business enterprise).</p>	Hazardous operations such as loading, unloading, and transporting heavy loads may cause occupational accidents among drivers and at sites where cargo is handled (transport companies).	<p>When selling processed chicken products on its online store, the business enterprise posted the copy, "If you just eat this, you won't have to go to the hospital (?!)," as chicken meat is effective in preventing high blood pressure. This advertisement became subject to an improvement instruction from the Consumer Affairs Agency to modify or delete the representation due to a possible violation of the Health Promotion Act (the business enterprise). (2) We were told that a retail enterprise conducted human rights due diligence to assess the severity and likelihood of adverse human rights impacts and found a high risk of discrimination against its employees (a retailer).</p>
		<p>Situations and causes of the adverse impact above (Specify where)</p>			

In this step, it is desirable to ascertain what suppliers, etc. are involved in the manufacture and sale of the business enterprise's products.

For example, the business enterprise could prioritize sectors, products, or geographical areas considered to be at high risk of adverse impacts, or, if further prioritization is necessary, it could firstly identify the risks associated with suppliers with larger volume, value, or percentage of transactions.

Confirm and describe any adverse human rights impacts that have occurred (or could occur) in your enterprise, group companies, suppliers, etc.

4-2-1 Human rights due diligence: Identification and assessment of adverse impacts

Related to: Section 4.1, the Guidelines
Chapter 3, Reference Material, and
Worksheet templates

(2) Identification of the processes where adverse impacts arise (Step 2)

Identify how adverse human rights impacts arise.

- Specifically identify how adverse human rights impacts occur in each process of your business (who is adversely impacted with respect to which human rights), and the circumstances and causes of such impacts.
- When identifying these, the following methods may be used. If you are not sure how to do this, refer to Attachment 2, Worksheet templates for identification and assessment of adverse impacts, Step 2 (see the next page and Attachment 2 to this Guidebook for samples).

Example of methods	Examples of points to check
Confirmation and investigation based on internal materials	<ul style="list-style-type: none"> ■ Investigate whether information on adverse human rights impacts received through grievance mechanisms (see p. 27 of the Guidebook) and information on past occurrence of adverse human rights impacts occurring at suppliers and others are kept in internal records to confirm the status of such adverse impacts and to check for situations where similar adverse impacts recur. ■ Check contracts and other documents to see if there are arrangements with business partners to prevent adverse human rights impacts.
Questionnaire survey to business enterprises (management and supervisors)	<ul style="list-style-type: none"> ■ Send questionnaires to suppliers, etc., and review the returned responses. ■ Items such as questions to check the system of efforts to respect human rights at business partners, etc. (e.g., mechanisms for preventing or mitigating adverse human rights impacts, or for providing remediation), and items to check whether adverse human rights impacts are occurring, may be included.
Questionnaires and interviews with workers	<ul style="list-style-type: none"> ■ Confirm with workers inside and outside of the business enterprise whether there are actual adverse human rights impacts. ■ If adverse human rights impacts are identified from the questionnaire, conducting interviews with the workers, etc. involved may be considered.
On-site investigation and visits	<ul style="list-style-type: none"> ■ A typical example of points to check includes local workers' working environment (i.e., whether a safe and healthy work environment is provided).
Dialogues with stakeholders	<ul style="list-style-type: none"> ■ Hear about concerns through dialogue with stakeholders familiar with the business enterprise's industry, circumstances of raw materials to be procured, and countries from which raw materials are procured, etc. ■ Hear about the situation of damage and the adverse human rights impacts from stakeholders who are subject to adverse human rights impacts. ■ Confirm adverse human rights impacts of workers through dialogue with labor unions and worker representatives.

4-2-1 Human rights due diligence: Identification and assessment of adverse impacts

Related to: Section 4.1, the Guidelines
Chapter 3, Reference Material, and
Worksheet templates

(2) Identification of a process where adverse impacts arise (Step 2) (Sample)

Attachment 2 to the Guidebook (Worksheet templates)
(Modified from Attachment 2 (Worksheet templates) to the
Reference Material for the purpose of this Guidebook for use
in the food industry

[Sample]

(Example: Chocolate confectionery,
processed livestock products)

Business fields of the enterprise					
Confectionery manufacturing and processed livestock products manufacturing					
Mainstay products	Refer to Attachment 1 for points to check				
	Main raw materials	Procurement of raw materials	Manufacturing	Transportation	Sale
Chocolate confectionery	Wheat flour, palm oil, cocoa ...	Description of adverse human rights impacts (Including both actual and potential human rights abuse) (Specify where the impact arises)	(1) A report by a human rights organization on a country that produces the raw material for palm oil revealed that children under the age of 15 work on oil palm plantations in the country, and that they work long hours for low wages (a supplier). (2) We attended a seminar organized by a human rights organization and learned that a large number of children under the age of 15 work in cocoa-producing countries in Africa (a supplier). (3) We learned from news reports that supervisory guidance was given to operators conducting technical intern training for suspected violations of labor standards-related laws and regulations in the agriculture and food manufacturing industries, and that actual violations were confirmed in many of these cases (a group company).	(1) A report by a human rights organization reported that workers are forced to work under legal wages due to the vulnerable position of workers in the countries where the supplier is located (a supplier). (2) Since the percentage of women in management positions at a group company was low, we inquired about the requirements for promotion and discovered that nationwide transferability was a requirement for promotion, effectively making it difficult for women to be promoted (a group company). (3) An inspection at the business enterprise's own factory revealed that objects had been placed in front of the emergency exit, which could hinder evacuation in the event of a fire (the business enterprise).	(1) In the past, there was a scandal in which the chocolate used in a high-priced chocolate cake manufactured by the enterprise was labeled as originating from a country in Europe famous for its high-quality chocolate, but was actually sourced from a different country (the business enterprise). (2) There is the possibility of various types of harassment, such as workplace harassment and sexual harassment against workers in retail stores (retail stores).
		Situations and causes of the adverse impact above (Specify where)	(1) Due to the employer's lack of awareness of legal compliance (a supplier) (2) A group company was unaware that it is prohibited to establish a transfer requirement without reasonable cause as an act of "indirect discrimination" (a group company). (3) Despite knowing that it was illegal to put objects in front of emergency exits, the business enterprise's lack of awareness of fire prevention was the cause (the business enterprise).	Over time work by drivers (a transport company) Due to the shortage of labor, there are not enough drivers at transport companies and the drivers are forced to work long hours (transport companies).	(1) Lack of compliance awareness in the department in charge and a corporate culture that excessively emphasized business results were the causes (the business enterprise). (2) Due to an unbalanced age group structure of employees, not a few employees have a low awareness of harassment (a retailer).
Processed livestock food	Poultry, sugars ...	Description of adverse human rights impacts (Including both actual and potential human rights abuse) (Specify where the impact arises)	(1) We checked the evaluation scores of international human rights NGOs for political rights and civil liberties and found that many countries in this Middle East and North Africa region had low scores.		When selling processed chicken products on its online store, the business enterprise posted the copy, "If you just eat this, you won't have to go to the hospital (?)," as "chicken meat is effective in preventing high blood pressure. This advertisement became subject to an improvement instruction from the Consumer Affairs Agency to modify or delete the representation due to a possible violation of the Health Promotion Act (the business enterprise). (2) We were told that a retail enterprise conducted human rights due diligence to assess the severity and likelihood of adverse human rights impacts and found a high risk of discrimination against its employees (a retailer).
		Situations and causes of the adverse impact above (Specify where)	(1) A supplier does not check for compliance with human rights standards or use them from which it procures raw materials. In addition, migrant workers are forced to work under harsh working conditions since many of them are illegal workers and in vulnerable situations (a supplier). (2) It is due to the group company's lack of awareness that confiscation and retention of identity documents could constitute forced labor (a group company). (3) There was an atmosphere in the workplace that valued hard work and made it difficult for employees to go home on time or take annual paid leave (the business enterprise).	Introduce initiatives to respect freedom of association to the extent that it does not conflict with national laws and regulations, such as by creating alternative mechanisms to hear workers' opinions (e.g., grievance mechanisms) (a supplier). (2) The business enterprise repeatedly placed orders with short delivery times to this group company, which caused the employees to work long hours (a group company). (3) There was an atmosphere in the workplace that valued hard work and made it difficult for employees to go home on time or take annual paid leave (the business enterprise).	Loading, unloading, and transporting heavy loads are inevitable in logistics and transportation (therefore, it is important to consistently take measures to reduce hazards as much as possible) (a transport company). The causes were that the department in charge did not fully understand the laws and regulations regarding labeling and the internal check system was not in place (the business enterprise). (2) Although efforts to eliminate discrimination have been made at the industry and individual enterprise level, new forms of discrimination have been attracting attention in recent years, such as discrimination based on sexual orientation. Further efforts need to be made (retailers).

Once an adverse human rights impact is identified, describe the circumstances and causes of the adverse impact.

Source: MAFF. Step 1 to Step 3, Attachment 2 Worksheet templates for identification and assessment of adverse impacts, Guidebook for Respecting Human Rights in Food Enterprises

4-2-1 Human rights due diligence: Identification and assessment of adverse impacts

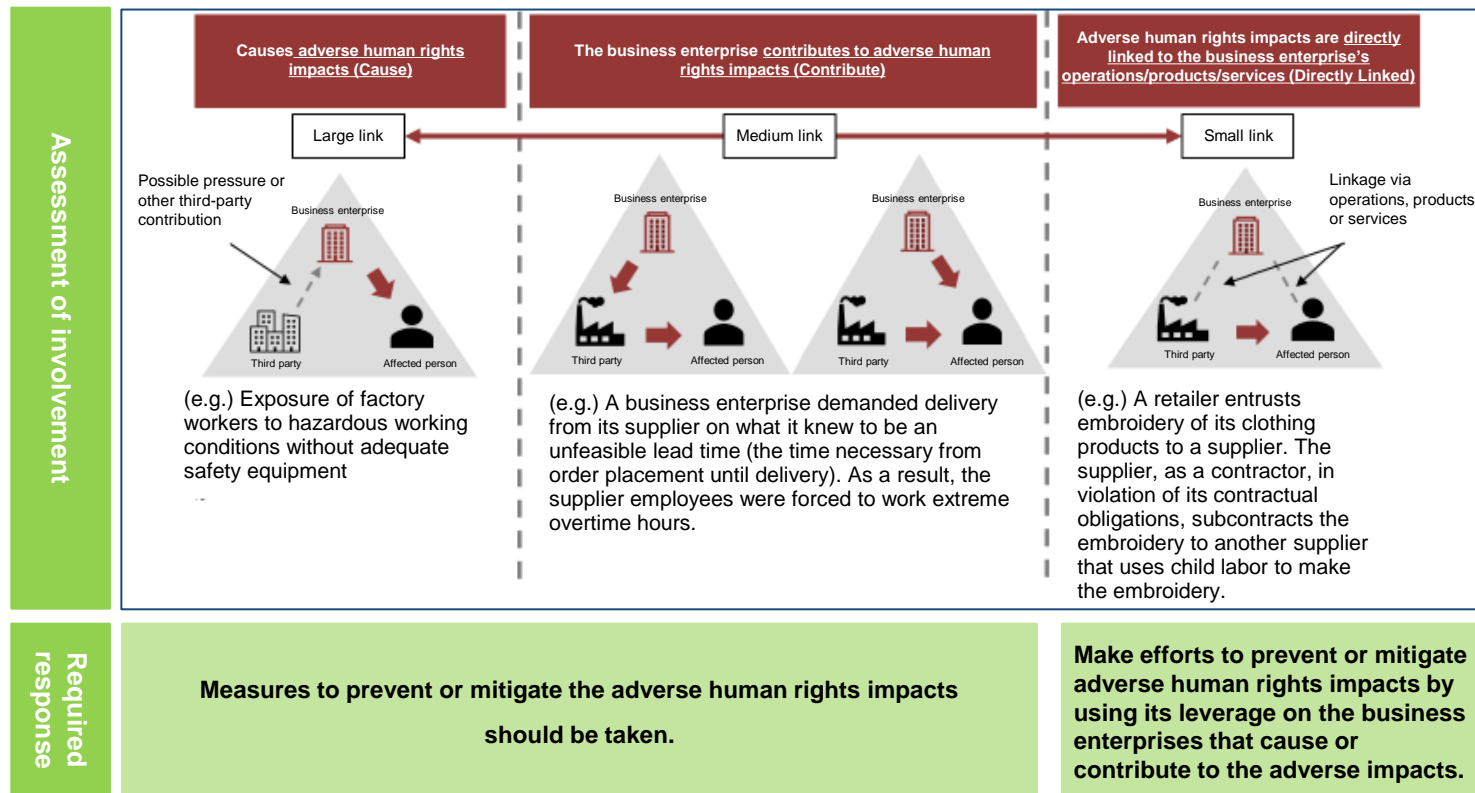
Related to: Section 4.1, the Guidelines
Chapter 3, Reference Material, and
Worksheet templates

(3) Assessment of the business enterprise's involvement in adverse impacts and prioritization (Step 3-1)

Assess business enterprise's involvement in adverse human rights impacts and set priorities for responses.

- Assess your enterprise's involvement in the adverse human rights impacts identified in Step 2 to appropriately address human rights abuse.
- Assess which of the following types those adverse impacts fall under.

Types of adverse human rights impacts and required response



4-2-1 Human rights due diligence: Identification and assessment of adverse impacts

Related to: Section 4.1, the Guidelines
Chapter 3, Reference Material, and
Worksheet templates

(3) Assessment of the business enterprise's involvement in adverse impacts and prioritization (Step 3-2)

- If it is not possible to immediately address all of the identified adverse human rights impacts, **prioritization of responses should be made**.
- Basically, deal with **risks with higher severity** first. If the severity is equivalent, the **risks with the highest likelihood of occurrence** should be addressed first. If the severity and likelihood of risks are of equal importance, the **risks with the strongest relationship** to the enterprise may be addressed first.
- If you are not sure how to do this, refer to Attachment 2, Worksheet templates for identification and assessment of adverse impacts, Step 3 (see the next page and Attachment 2 to this Guidebook for worksheet samples).

Examples of prioritization criteria

Assessment of severity and likelihood of adverse impacts

<div>Severity</div> <div>Most important factors</div>	<div>Scale</div> <div>(Equates to the gravity or seriousness of the impact)</div>	High	The abuse involves severe impacts on the physical, mental, and/or emotional well-being of a person and/or communities; the target community is considered especially vulnerable.
		Medium	The abuse involves a moderate impact on the physical, mental, and/or emotional well-being of a person and/or communities.
		Low	The abuse does not have a long-term or substantial effect on the victims' livelihood and do not target vulnerable populations.
	<div>Scope</div> <div>(Refers to the number of people impacted)</div>	High	A large number of people are affected, which might include the workforce, families, or workers, and surrounding communities.
		Medium	A moderately large number of people impacted.
		Low	A small number of people impacted.
	<div>Irremediability</div> <div>(Refers to any limit in the ability to restore those affected back to a situation at least the same as, or equivalent to, their situation before the adverse impact)</div>	High	Unless action is taken immediately, the impact of human rights abuse can never be remedied.
		Medium	Unless action is taken soon, the impact of human rights abuse is unlikely to be remedied.
		Low	Action is not required immediately to remedy the human rights abuse in full.
<div>Likelihood</div>	High	The event has occurred in the operation (or in the sector) several times per year, and is very likely to occur again.	
	Medium	The event has occurred in the operation several times, and has occurred in the industry in the past.	
	Low	The event has never occurred in the business activities, but it is possible that it has occurred in the industry in the past.	

Assessment of the business enterprise's involvement

Priority will be given to risks that the business enterprise is deeply involved in and is "causing" or "contributing to," or risks occurring at business partners over which the enterprise can exert influence.

Priority

4-2-1 Human rights due diligence: Identification and assessment of adverse impacts

Related to: Section 4.1, the Guidelines
Chapter 3, Reference Material, and
Worksheet templates

(3) Assessment of the business enterprise's involvement in adverse impacts and prioritization (Step 3 (Sample))

Attachment 2 to the Guidebook (Worksheet templates)
(Modified from Attachment 2 (Worksheet templates) to the
Reference Material for the purpose of this Guidebook for
use in the food industry)

[Sample]

Fields, locations, business partners in which there is concern of adverse human rights impacts		Description of the adverse human rights impacts	Involvement of the business enterprise ("Causing," "Contributing," "Directly linked," or "Not applicable")	Severity (Three-level assessment: High, Medium or Low)			Likelihood (Three-level assessment: High, Medium or Low)	Priority
				Scale	Scope	Irremediability		
Example	Supplier A	Forced labor at a factory (Intimidation of employees on a daily basis)	Contributing (Reason:)	High	Medium	High	High	High
Example	Sales department of the head office	- Employees work long hours	Causing (Reason:)	Medium	Medium	Medium	High	Medium
Example	Mine	Child labor in mines	Directly linked (Reason:)	High	Medium	High	Medium	High
1	The business enterprise	Employees work long hours	Causing (Reason: The enterprise's failure to address the adverse impacts is causing long working hours.)	Medium	Medium	Medium	High	High
2	Group company A	Retention of identity documents of technical intern trainees (forced labor)	Directly linked (Reason: Directly linked to manufacture of the business enterprise's product)	High	Low	Medium	High	High
3	Supplier B	Employment of children (child labor)	Directly linked (Reason: Directly linked to manufacture of the business enterprise's product)	High	Low	High	Medium	High
4	Supplier C	Employees work long hours	Contributing (Reason: Orders placed by the enterprise are contributing to long working hours.)					

Assess the business enterprise's involvement in the adverse human rights impacts identified up to Step 2.

If it is not possible to immediately address all of the identified adverse human rights impacts, identify priority risks to be addressed based on the assessment of risk severity and likelihood of occurrence as described on the previous page.

If there are multiple risks of equal importance in terms of severity and likelihood of occurrence, the enterprise can give priority to risks that the enterprise is "causing" or "contributing to" and those that occur at business partners over which it can exert influence.

Source: MAFF. Step 1 to Step 3, Attachment 2 Worksheet templates for identification and assessment of adverse impacts, Guidebook for Respecting Human Rights in Food Enterprises

4-2-1 Human rights due diligence: Identification and assessment of adverse impacts

Related to: Subsection 4.1.2, the Guidelines

(4) Points to consider for the process to identify and assess adverse impacts

In identifying and assessing adverse human rights impacts, the business enterprise should take into consideration: (1) Ongoing impact assessment, (2) Vulnerable stakeholders, (3) Collection of relevant information, and (4) Consideration for business in areas affected by conflicts and other situations, as follows:

Points to consider	Description	Examples of response
Ongoing impact assessment	<ul style="list-style-type: none"> ■ Assessment of human rights impacts should be iterative and increasingly in depth. ■ An impact assessment should be implemented prior to a new activity or business relationship, prior to major decisions or changes in the operation, or in response to or in anticipation of changes in the operating environment. 	<ul style="list-style-type: none"> ■ Conduct regular questionnaire surveys and interviews with business enterprise's employees ■ Hold briefing sessions for suppliers on a procurement policy and conduct a self-assessment questionnaire (SAQ). ■ Hold dialogue with labor unions, worker representatives and other stakeholders on a regular basis.
Paying attention to vulnerable stakeholders	<ul style="list-style-type: none"> ■ When assessing adverse human rights impacts, business enterprises should pay special attention to adverse impacts on vulnerable individuals (foreigners, women, children, persons with disabilities, etc.) 	<ul style="list-style-type: none"> ■ Conduct interviews with foreign workers, technical intern trainees, and women to ascertain their issues.
Collection of relevant information	<ul style="list-style-type: none"> ■ Business enterprises should collect relevant information for identifying and assessing adverse impacts by methods including dialogues with stakeholders, a grievance mechanism, surveys of local business partners, and document inspection. 	<ul style="list-style-type: none"> ■ Hold dialogues with NGOs to collect information on countries from which raw materials are procured ■ Review reports and other information related to human rights violations issued by international organizations.
Consideration for business in areas affected by conflicts and other situations	<ul style="list-style-type: none"> ■ In areas where there is serious violence or harm due to armed conflict, etc., human rights due diligence according to high risk (heightened human rights due diligence) should be conducted. ■ Examples of serious impacts and circumstances requiring considerations: sexual violence in conflict, relationship between the business enterprise's business activities and activities of parties in conflict (e.g., possible, unintentional complicity in the conflict) 	<ul style="list-style-type: none"> ■ It was discovered that the local enterprise that is a joint venture partner has close ties with an insurgent group committing human rights abuses, and that the revenues from the joint venture have become a major source of funding for the insurgent group's human rights abuses. The joint venture should be terminated after careful consideration of the impact of the withdrawal on the stakeholders.

4-2-2 Human rights due diligence: Prevention or mitigation of adverse impacts

Related to: Section 4.2, the Guidelines

Once adverse impacts of the enterprise's business on human rights have been identified, take appropriate measures to prevent or mitigate them by referring to Attachment 1. Points to Consider in Addressing Specific Human Rights Risks.

Where the business enterprise causes or contributes to adverse human rights impacts

- Ensure that the actions that cause or contribute to adverse human rights impacts are suspended or terminated, and prevent actions that may cause or contribute to adverse impacts in the future.
- In the case of actions that may be difficult to suspend or terminate immediately, create a roadmap towards suspension or termination of the actions in stages.

Examples of measures

- As an act of human rights abuse (harassment, etc.) occurred within the business enterprise, the enterprise informs its employees that the act infringes the human rights and urges them to stop the act. When a complaint is filed by a victim, the facts shall be confirmed by the victim and the abuser, etc. If the facts are verified, appropriate measures shall be taken against the offender and steps shall be taken to prevent recurrence.
- Develop operational procedures that can mitigate adverse human rights impacts, and regularly conduct employee training programs.
- Engage in labor-management dialogue on measures to prevent or mitigate the risk of acts of human rights abuses.
- Knowing that the lead time (the time required from order placement to delivery) was unfeasible, the business enterprise asked the supplier to deliver the product with the lead time, causing the supplier's employees to work extremely long hours. Revise lead times and encourage suppliers to stop enforcing long working hours.

Where the business enterprise's operations are directly linked to adverse human rights impacts

- If your business or other activities are directly linked to the adverse human rights impacts, you **should exert your influence** on the entity that is causing the problem.
- If your enterprise has no influence, you should prevent or mitigate adverse human rights impacts by **securing and strengthening influence** or providing **support**.

Examples of measures

- In procuring raw materials, a business enterprise should indicate the stance of its procurement activities in the procurement policy.
- Clarify specific requirements through the development of guidelines and codes of conduct for suppliers.
- Request suppliers to comply with the guidelines and codes of conduct.
- Establish a system to check the progress of suppliers' efforts.
- When human rights abuses occur at a supplier, do not immediately suspend business with the supplier. The business enterprise should work with the supplier to examine ways to remedy the situation.
- If, after repeated requests, the supplier fails to address the adverse human rights impacts and to make improvement, the transaction will be suspended as a last resort.
- Procure certified raw materials. (For example, refer to the "Code of Sustainable Procurement" for Expo 2025, Osaka, Kansai, Japan.)

* However, it is advisable to exercise caution in considering disengagement (suspending transactions) as there is a risk that disengagement will not necessarily lead to the elimination of abuses by the other party, but rather that they may worsen due to lack of monitoring).



Business enterprises should work to prevent or mitigate adverse human rights impacts under the ultimate responsibility of management, after designating the responsible departments and persons.

4-2-3 Human rights due diligence: Tracking the effectiveness of efforts

Related to: Section 4.3, the Guidelines

Evaluate, analyze, and review whether the measures implemented have been effective in identifying, assessing, preventing, and mitigating adverse human rights impacts, and whether there are more effective measures to be taken, in order to promote continuous improvement.

- It is necessary to collect information widely to track the effectiveness.
- In addition to internal data, a business enterprise can collect information from its stakeholders inside and outside of the business enterprise.
- If the results of the tracking reveal that the countermeasures are ineffective or insufficient, the business enterprise should analyze the reasons why the expected effect was not obtained and improve the countermeasures.

Example of tracking methods



Interviews with the business enterprise's employees and suppliers



Questionnaires to suppliers



Visits to factories of the enterprise and suppliers



Periodic analysis and confirmation of records and data (including reported data*)



Audits and third-party investigations

***The whistleblower's consent should be obtained, and due consideration to the confidentiality of the whistleblower be given.**

4-2-4 Human rights due diligence: Communication and information disclosure

Related to: Section 4.4, the Guidelines

Business enterprises should be able to explain measures it is implementing to address adverse human rights impacts.

- It is important for business enterprises to **be able to explain** that they are fulfilling their responsibility to respect human rights and the measures they have taken to address adverse human rights impacts.
- You may think it pointless to publish efforts yet to produce tangible results. However, proactive information disclosure on the efforts to respect human rights **will not reduce the enterprise value**, even when an actual abuse of human rights is identified. On the contrary, such disclosure should receive recognition from its stakeholders as an act of **a business enterprise with high transparency and willingness to improve**.⁹
- By proactively disclosing information on the status of its efforts to respect human rights, the enterprise can earn enhanced public trust. Disclosure includes not only making information available to the public, but also providing information to stakeholders who are likely to be or have been affected by the business enterprise's activities, and disclosing information to business partners. Cooperating with requests for information disclosure from business partners will also improve business relationships.
- Even if it takes time to disclose information to a wide range of internal and external stakeholders due to the company's size or resources, business enterprises should proactively work to disclose information to business partners and stakeholders.

Examples of methods to disclose information

Disclosure of information to business partners

- Responding to questionnaires from business partners
- Respond to a survey on supplier's compliance with the code of conduct
- Responding to on-site visits and audits

Disclosure of information to a wide range of stakeholders inside and outside of the enterprise

- The business enterprise's website
- Integrated reports, sustainability reports, CSR reports, human rights reports, etc.

Provision of information to stakeholders who are likely to be or have been affected by adverse impacts

- Interviews (including those conducted online)
- Communication in writing

[Examples of basic information to be included]

Include basic information on human rights due diligence: Human rights policy and efforts to instill the human rights policy within the organization (including training); Identified and prioritized adverse impacts with material risks, efforts to prevent or mitigate risks; and identified violations and measures to address them

Sources: Ministry of Agriculture, Forestry and Fisheries, 2023, p. 60. Guidance on Sustainable Management for Food Industry; and pp. 27-28. Guidelines on Respecting Human Rights in Responsible Supply Chains

4-3 Remedy

Related to: Chapter 5, the Guidelines

When it has become clear that a business enterprise caused or contributed to adverse human rights impacts, the business enterprise should implement a remedy.

Methods of remedy

- When it has become clear that a business enterprise caused or contributed to adverse human rights impacts, the business enterprise should implement a remedy (or cooperate in the implementation of a remedy).
- Specific examples of remedies: Apologies, restitution, rehabilitation, financial or non-financial compensation (e.g., If unpaid salaries are discovered, pay the unpaid amount immediately.), establishment or statement of a recurrence prevention process, and request for recurrence prevention to suppliers, etc.

Grievance mechanism

- In order to make it possible for grievances to be addressed early and remedied, business enterprises should enable a remedy that is an important element of the responsibility to respect human rights by establishing a grievance mechanism that is a series of processes to address grievances and disputes pertaining to the business enterprises and their stakeholders, or through participation in a grievance mechanism established by an industry organization and others.
- Examples of external grievance mechanisms: Human rights counseling for foreigners (Ministry of Justice, (MOJ)); Consultation service for technical intern trainees in their native language (Organization for Technical Intern Training); Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI)
- Small and medium-sized enterprises may choose to start by introducing **an employee hotline** (e.g., whistleblower hotline) for their own employees.
- Business enterprises should check and revise their grievance mechanisms to ensure that they meet the following eight requirements*.

* Eight requirements: (1) Legitimate (Fair operation enabling trust from the stakeholder groups for whose use they are intended), (2) Accessible (Being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access, which may include language, literacy, and fears of reprisal), (3) Predictable (Providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of processes and outcomes available and means of monitoring implementation), (4) Equitable (Seeking to ensure that aggrieved parties have reasonable access to sources of information, advice, and expertise necessary to engage in a grievance process on fair, informed and respectful terms), (5) Transparent (Keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake), (6) Rights-compatible (Ensuring that both outcomes and remedies accord with internationally recognized human rights), (7) A source of continuous learning (Drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and human rights abuse), and (8) Based on engagement and dialogue (Consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances)

State-based remedy mechanism

- There are trials in courts as a judicial process.
- Non-judicial processes include: the individual labor dispute resolution systems of the Ministry of Health, labor and Welfare (MHLW); the Japanese National Contact Point composed of the MOFA, MHLW and METI based on the OECD Guidelines for Multinational Enterprises; human rights counseling, investigation and remedy procedures provided by the MOJ; and the Native Languages Consultation at the Organization for Technical Intern Training

Sources

1. Ministry of Justice, 2021, pp. 8-9. Response to “Business and Human Rights” Issues Required of Business Enterprises (Full Version) (“Report ‘Research and Study on Business and Human Rights’”)
2. Ministry of Agriculture, Forestry and Fisheries, March 2023, p. 29. Guidance on Sustainable Management for Food Industry <https://www.maff.go.jp/j/shokusan/fund/attach/pdf/esgitakuR4-1.pdf>.
3. ILO and UNICEF, Child Labour: Global Estimate 2020, Trends and the Road Forward, pp.38.
4. ILO, Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, 2022, p.17, p.31.
5. P. 6. Guidelines on Respecting Human Rights in Responsible Supply Chains
6. Ministry of Justice, 2021, p. 8. Response to “Business and Human Rights” Issues Required of Business Enterprises (Full Version) (“Report ‘Research and Study on Business and Human Rights’”)
7. Mitsubishi UFJ Research and Consulting Co., Ltd., March 2022, p. 53. Report on FY2022 Commissioned Fact-Finding Study on Food Enterprises’ Efforts for “Business and Human Rights” (the project commissioned by MAFF)
8. Japan Federation of Bar Associations, 2015, p. 30. Guidance on Human Rights Due Diligence
9. p. 27. Guidelines on Respecting Human Rights in Responsible Supply Chains; Mitsubishi UFJ Research and Consulting Co., Ltd., March 2022, p. 53. Report on FY2022 Commissioned Fact-Finding Study on Food Enterprises’ Efforts for “Business and Human Rights” (the project commissioned by MAFF)

Reference materials and links

- Listed below are links to materials and websites that we used for reference in preparing the Guidebook and that are useful for gathering information and gaining a deeper understanding of human rights initiatives and information. You may find them useful in promoting human rights efforts at your enterprise.

● The Guidelines, etc.

- Guidelines on Respecting Human Rights in Responsible Supply Chains
<https://www.meti.go.jp/press/2022/09/20220913003/20220913003-a.pdf>
- Ministry of Economy, Trade and Industry. Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains
<https://www.meti.go.jp/press/2023/04/20230404002/20230404002.html>
- Ministry of Justice, 2021. Response to “Business and Human Rights” Issues Required of Business Enterprises (Full Version) (“Report ‘Research and Study on Business and Human Rights’”)
<https://www.moj.go.jp/content/001376897.pdf>

● Government websites

- Ministry of Foreign Affairs. Business and Human Rights Information Portal Site (in Japanese) <https://www.mofa.go.jp/mofaj/gaiko/bhr/index.html>
- “Business and Human Rights”: Towards a Responsible Value Chain, Ministry of Economy, Trade and Industry
<https://www.meti.go.jp/policy/economy/business-jinken/index.html>
- Ministry of Agriculture, Forestry and Fisheries: Business and Human Rights
https://www.maff.go.jp/j/kokusai/kokusei/kanren_sesaku/business_and_human_rights.html
- Ministry of Justice: Business and Human Rights
https://www.moj.go.jp/JINKEN/jinken04_00090.html
- Ministry of Justice, 2021. Response to “Business and Human Rights” Issues Required of Business Enterprises (Full Version) (“Report ‘Research and Study on Business and Human Rights’”), [Commentaries on human rights area business enterprises should respecthttps://www.moj.go.jp/content/001376897.pdf](https://www.moj.go.jp/content/001376897.pdf)

Websites of organizations & reference books

- Japan External Trade Organization. Special Feature: Supply Chain and Human Rights
https://www.jetro.go.jp/world/scm_hrm/

International organizations and foreign governments

- ILO Helpdesk for Business
<https://www.ilo.org/tokyo/helpdesk/lang--ja/index.htm>
- Combating forced labour: A handbook for employers and business(ILO) https://www.ilo.org/global/topics/forced-labour/publications/WCMS_101171/lang--en/index.htm
- Supplier guidance on preventing, identifying and addressing child labour(ILO) https://www.ilo.org/ipecc/Informationresources/WCMS_792211/lang--en/index.htm
- United Nations. Guiding Principles on Business and Human Rights (provisional translation) <https://www.mofa.go.jp/mofaj/files/000062491.pdf>
- The Danish Institute for Human RightsHUMAN RIGHTS COMPLIANCE ASSESSMENT(HRCA) QUICK CHECK
https://www.humanrights.dk/sites/humanrights.dk/files/media/migrated/hrca_quick_check_english.pdf
- Responsible Sourcing Tool (U.S. Department of State, Verite): A web-based tool for mapping risks of child labor and forced labor by sector and product/service
<https://www.responsible sourcingtool.org/explorerisk>

CSR Risk Check (Dutch Ministry of Foreign Affairs, MVO): An online tool able to producing a collective report on environmental and human rights risks by product/service and by country (with a focus on qualitative information)

<https://www.mvorisicochecker.nl/en>