

KEYNOTE ADDRESS

**BY YANG BERTHORMAT DATUK LIEW VUI KEONG MINISTER IN
THE PRIME MINISTER'S DEPARTMENT
(LAW AND PARLIMENTARY AFFAIRS)**

**NATIONAL HIGH-LEVEL DIALOGUE ON BUSINESS & HUMAN
RIGHTS: "TOWARDS A MALAYSIAN NATIONAL ACTION PLAN ON
BUSINESS AND HUMAN RIGHTS"**

**24 JUNE 2019 (MONDAY)
DEWAN SAKSAMA, LEVEL 2, LEGAL AFFAIRS DIVISON**

Your Excellency, Mr Stefan Priesner

United Nations (UN) Resident Coordinator for Malaysia

Yang Berbahagia Dato' Junaidah Kamarruddin

Director General, Legal Affairs Division, Prime Minister's Department

Dr Cheah Swee Neo

Secretary, The Human Rights Commission of Malaysia

Your Excellency, Mr Niloy Banerjee

UNDP Resident Representative for Malaysia

Excellencies, Participants, Ladies and gentlemen,

Good morning.

1. On behalf of the Government of Malaysia, I warmly welcome you to the National High-Level Dialogue on Business and Human Rights: "Towards A Malaysian National Action Plan on Business and Human Rights". I am honoured to have been given the privilege to deliver the Keynote Address for the first-ever high-level national dialogue on business and human rights in Malaysia.

2. I wish to congratulate the Legal Affairs Division, Prime Minister's Department, the Human Rights Commission of Malaysia and the United Nations Development Programme for co-hosting this forum. Not to forget, our collaborating partners – the Faculty of Law (UKM), the Malaysian Centre for Constitutionalism and Human Rights and the Institute of Malaysian and International Studies (IKMAS) that have advocated and supported this forum greatly.

3. It is a strong testament of a multi-stakeholder collaboration among different segments of our existing institutions, will bring positive changes for human rights in Malaysia. As the country embarks on bringing human rights perspectives to the business world, admittedly the journey ahead will likely be challenging and at times contentious. As we work towards achieving the ideals of the 17 Sustainable Development Goals and 'leaving no one behind', we should take this opportunity to be critical but constructive; analytical but progressive; economically-driven but community-inclusive; and work through such collaborative partnerships in solving complex issues such as corporate-related human rights harms.

BUSINESS & HUMAN RIGHTS: THE UN GUIDING PRINCIPLES

Ladies and gentlemen,

4. The topic of business and human rights is one that can no longer escape the remit of human rights discourse. While businesses have contributed immensely to the well-being and advancement of our society either through the services they render; or the products they create; or through the employment opportunities they provide; businesses can also have adverse impacts on individuals and communities as well as on their human rights.
5. The adverse impacts of businesses can take many forms, ranging from labour rights violations, infringement of indigenous' rights and environmental degradation (just to mention a few). Over the years, more emphasis has been placed on the expectation of companies, regardless of their size and place of operations, to operate and act as responsible citizens.
6. The Governance Gap created by globalization has been identified by experts as being the root cause to the Business in Human Rights predicament. Acknowledging these gaps, the United Nations' Human Rights Council in 2011 endorsed the United Nations Guiding Principles on Business and Human Rights (UNGP-BHR) – a global

framework that aspires to serve as an authoritative focal point to enhance standards and practices with regard to business and human rights so as to achieve a socially sustainable globalization.

7. The UNGP-BHR is grounded in recognition of its core general principles, namely:- (i) States' existing obligations to respect, protect and fulfil human rights and fundamental freedoms; (ii) the role of business enterprises as specialized organs of society performing specialized functions, required to comply with all applicable laws and to respect human rights; and (iii) the need for rights and obligations to be matched to appropriate and effective remedies when breached.
8. I must stress that though the UNGP-BHR does not create new legal obligations, it is a very important referencing document that brings clarity and elaboration of the legal and policy implications of the duties and responsibilities of States and business enterprises, respectively with regard to human rights.
9. Successful implementation of the UNGP requires that they are owned and understood by multiple ministries, state-owned enterprises, private sector firms, CSOs, NHRIs and the public. To

help ensure the likelihood of buy-in from such a wide group of stakeholders, states have been encouraged to develop National Action Plans (NAP)

THE STATE'S OBLIGATION TO PROTECT HUMAN RIGHTS

10. The States are primarily responsible for setting up effective policies and to regulate business activities to protect human rights standards. In order to implement the UNGP-BHR, States are expected to develop and enact a National Action Plan on Business and Human Rights (NAPBHR). The NAPBHR is expected to assist the states to identify national priorities, develop concrete policy and regulatory options related to business and human rights.

11. Development of a national action plan, or interchangeably referred to as a strategic plan, on a particular policy area is not uncommon to Malaysia. For the past few years, various national action plans have been developed and implemented to support a range of issues of human rights.

12. In 2018, Malaysia launched the National Human Rights Action Plan (NHRAP) and will be moving into the implementation phase this

year. As such, National Action Plans (NAP) are "government – drafted policy documents that articulate state priorities and indicate future actions to support the implementation of legal obligations or policy commitments. It is important to highlight that based on previous experiences, the greatest challenge in the development and implementation of a national action plan is to align it and build upon other policy areas, where there might be overlaps on the same subject matter.

13. On this note, I would like to emphasize that the development of a National Action Plan on Business and Human Rights in Malaysia should not just build upon the existing national priority areas, but should align and support the implementation of other global development frameworks and initiatives such as the 2030 Agenda for Sustainable Development and Paris Agreement on Climate Change.

Distinguished guests,

14. I was made to understand that since the adoption of the UNGP-BHR in 2011, 21 countries around the world have already developed their respective National Action Plan on Business and Human Rights. In

the Southeast Asian region, some countries have already committed to develop and publish their respective national action plan. This includes countries like Thailand and Indonesia. Other countries in Asia include India, Japan and Korea have also announced their intentions or are in the active process of developing these policy initiatives.

BUSINESS AND HUMAN RIGHTS IN MALAYSIA

Ladies and gentlemen,

15. Malaysia is uniquely positioned as a Southeast Asia's business hub, attracting more than 5,000 foreign corporations from 40 countries operating their businesses in many key economic sectors. In a more recent development, the World Bank has put Malaysia in the 15th spot among 190 economies worldwide in its *Doing Business Report* in 2019.
16. Besides, businesses in Malaysia are very much accustomed to the concept of corporate social responsibility (CSR) – a set of voluntary actions companies undertake that goes beyond compliance with the existing laws and regulation. As part of their CSR activity, many

businesses especially Malaysian public listed companies are engaged in corporate disclosure and publicly reports their social responsibility activities.

17. Besides, while large and public-listed companies in Malaysia have expressed their policy commitment and modest progress in embracing human rights into their business operations, such development has yet to reach their respective supply chains, as well as other small and medium-sized players across different sectors of the economy.
18. Consequently, too few of the industry players and companies that have progressed and reached a scale that commensurate with the challenges at hand. The greatest challenge is how does the industry ensure the supply chains, as well as other small and medium-sized enterprises, which form the majority of the industry players are making progress in complying with human rights principles.

WAY FORWARD IN MALAYSIA

Ladies and gentlemen,

19. I must say that acknowledging these challenges, and the importance of encouraging and governing business respect to human rights in Malaysia is a strong manifestation of the government of the day.
20. Allow me to recall that the *Pakatan Harapan's Manifesto* (Promise number 39) pledged to govern the country based on the principles of sustainability and sustainable development. The government will ensure that businesses and development projects are operated following good practices and aligned with the expected international standards.
21. Despite this development, there is no specific government body that is tasked to govern corporate respect to human rights as a whole. The existing government institutions are tasked to govern specific issues such as anti-corruption, anti-trafficking in persons, good governance and integrity (just to mention a few), without an overarching mandate to administer companies' responsibility to respect human rights. At this juncture, I wish to share the recent development, where cabinet on the 20 June 2019 has approved and endorsed the recommendation for Human Rights to be under my Portfolio and I will be assisted by the Legal Affairs Division. I hope this new development will pave a significant and positive way

forward in the governance of human rights in this country.

22. Despite this development, there is no specific government body that is tasked to govern corporate respect to human rights as a whole. The existing government institutions are tasked to govern specific issues such as anti-corruption, anti-trafficking in persons, good governance and integrity (just to mention a few), without an overarching mandate to administer companies' responsibility to respect human rights. At this juncture, I wish to share the recent development, where cabinet on the 20 June 2019 has approved and endorsed the recommendation for Human Rights to be under my Portfolio and I will be assisted by the Legal Affairs Division. I hope this new development will pave a significant and positive way forward in the governance of human rights in this country.
23. I have been informed that today's forum is a follow-up to Malaysia's participation at the inaugural UN South Asia Forum on Business and Human Right in New Delhi, India last year. At the national level, SUHAKAM had since 2010 organized a series of forum and roundtable discussions across Malaysia – engaging with businesses, trade and workers' associations, members of civil society, affected communities, academic and research institutions,

and international expert organizations.

24. In moving forward, we need to continuously create an open and interactive environment, where any segments of our society including businesses, large and small, who value human rights can come together to learn and share views and good practices from each other.
25. This has been the primary objective of today's forum. On that note, I took forward with keen interest to the outcome of today's forum and the stakeholder's and expert's discussion later this evening.
26. I wish you all an enjoyable and fruitful dialogue.

Thank you.