

10 Human Rights Priorities for the Transport and Logistics Sector

An issue brief on the most relevant, urgent, and probable human rights impacts for the Transport and Logistics sector and opportunities for positive impact



In 2011, the UN Human Rights Council unanimously endorsed the UN Guiding Principles on Business and Human Rights, the first international instrument to assign companies the responsibility to respect human rights.

Human rights are inherent to all human beings. They are defined and established in more than 80 international legal instruments¹ and include fundamental protections of human dignity, needs, and freedoms, such as food, housing, privacy, personal security, and democratic participation. Since the adoption of the Universal Declaration of Human Rights (UDHR) in 1948, the responsibility to protect human rights has primarily fallen on governments. Beginning in the early 2000s, however, it became increasingly clear that the freedoms enshrined in the human rights framework could also be violated—and promoted—by the private sector.

In 2011, the UN Human Rights Council unanimously endorsed the **UN Guiding Principles on Business and Human Rights (Guiding Principles)**, the first international instrument to assign companies the responsibility to respect human rights. The Guiding Principles state that governments must put in place good policies, laws, and enforcement measures to prevent companies from violating rights; that companies must refrain from negatively impacting rights even when governments are failing to create or enforce necessary laws; and that victims of corporate abuses must have access to effective remedy. As part of this responsibility, the Guiding Principles require companies to undertake due diligence to identify and manage their negative human rights impacts.

This issue brief identifies the 10 most relevant, urgent, and probable human rights impacts for businesses operating in the transport and logistics (T&L) sector. The information here is gathered from BSR's direct engagement with T&L companies, as well as our 25 years of experience helping companies in all sectors manage their human rights risks.

The T&L sector comprises a wide range of operations and sub-sectors, including aviation, freight forwarding, railroads, trucking, and shipping. While each of these sub-sectors will have its own human rights profile and challenges, this brief highlights risks universal to the sector as a whole.

T&L is a major provider of employment and a key partner in global trade and manufacturing. This provides both challenges and opportunities when it comes to human rights.

¹ Including notably the Universal Declaration of Human Rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR), the International Covenant on Economic, Social and Cultural Rights (ICESCR), and International Labor Organisation (ILO) fundamental conventions.

Top 10 Human Rights Risks for the Transport and Logistics Sector

1 Greenhouse Gas Emissions

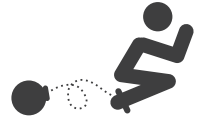
As a major emitter of greenhouse gases, issues of air pollution, and especially climate change, are of high salience for the T&L sector. Climate change generates impacts far beyond the environment, including restricted food supplies, reduction in potable water, mass migration, and, potentially, political upheaval, all of which hold severe human rights implications.



Reference: UDHR Article 1-28

2 Human Trafficking

The movement of goods and passengers often takes place along the same road, sea, and air networks as human trafficking rings. In countries around the world, particularly autocratic and failed states, local shipping companies may be linked to human trafficking in a number of ways, both visible and invisible. T&L companies should ensure that they know the local trafficking context where they do business and engage with forced labor and migration NGOs to ensure that their operations do not contribute to these violations.



Reference: UDHR Articles 1, 2, 3, 4, 13, 23, 24

3 Forced Labor

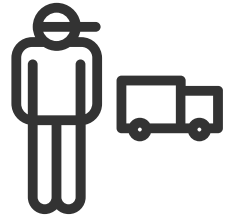
T&L companies rely on large, low-skilled workforces and often use recruitment companies to find and train employees. These companies, especially in poor, autocratic, or highly informal economies, are at high risk of employing workers under forced labor conditions. Indirect workers may be coerced into paying recruitment fees, may work illegally without visas, or may have their passports confiscated and wages withheld. This is even a higher risk where logistics companies hire manpower suppliers: proper vetting of those labor agencies is critical to minimize the risks of forced labor in the supply chain.



Reference: UDHR Articles 3, 4, 13

4 Working Conditions

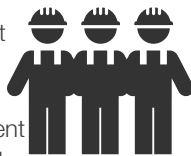
In every sector, global expansion, technological progress, and consumer expectations have pushed companies to compete on flexibility and responsiveness. While this has resulted in significant gains in development in some places, it has also applied downward pressure in others to reduce wages and degrade working conditions. This is especially acute for road transport workers, and the T&L sector should ensure that international norms on rest breaks, hours, and overtime pay are respected, regardless of local norms or competitive pressures.



Reference: UDHR Article 23

5 Collective Bargaining

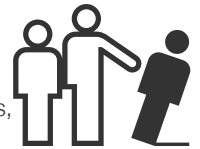
As seen above, competitive pressures affect the workplace in myriad ways. In recent years, this has become especially acute for the issue of collective bargaining. In many countries, independent unions are not only rare, but illegal. This applies still more pressure on employers—and their suppliers—to restrict the ability of workers to voice their concerns and identify workplace violations. Regardless of the extent of their outsourcing or use of contractors, T&L companies should ensure that workers have access to effective means of collective bargaining, whether through a union, works council, or employee association.



Reference: UDHR Article 20, 23

6 Discrimination

The T&L sector has historically been a male-dominated industry, which has at times resulted in unfair hiring practices, pay disparities, workplace harassment, and unfavorable treatment for minority groups in promotion and professional development. For companies operating in global markets, respecting employees' rights means guaranteeing equal opportunities for every member of their diverse workforces.



Reference: UDHR Article 2, 23

7 Security Forces

The T&L sector relies heavily on private security companies to protect staff and inventory. If local security staff are not vetted, trained, and accountable to their employer's social values, they represent a severe risk to local communities. T&L companies should ensure that they avoid security abuses by private contractors by actively engaging with them to ensure their practices, training, and equipment are compliant with human rights.



Reference: UDHR Articles 3, 5

8 Land Acquisition and Resettlement

Infrastructure is critical to the T&L sector. Roads, ports, canals, and other transport networks are often built by third parties, however, and may be developed without adequate consultation and compensation for land expropriated from local communities.



Reference: UDHR Articles 8, 12, 17, 25

9 Grievance Mechanisms and Remedy

The UN Guiding Principles not only require companies to identify and manage their human rights risks, but to actively engage with the people who may be affected and ensure that victims have access to effective remedies. For the T&L sector, this means installing grievance mechanisms that allow workers and communities to point out how the company is impacting them. For some companies, this may be a hotline for employees. For others, it will be a town hall meeting for communities near an infrastructure project. Regardless of the form they take, effective grievance channels are essential for preventing human rights violations and providing remedy to affected parties if they are harmed.



Reference: UDHR Article 8

10 Bribery and Corruption

The T&L sector engages with government extensively, from single vans passing through customs checkpoints to fleets of ships accessing government-owned canals and ports. This makes the sector a high risk for both grand corruption and petty bribery. These acts are inherently human rights violations, as they skew government attention and resources away from the needs of the people they are entrusted to serve. Almost every link in the logistics chain, from where a road is built to how a procurement contract is awarded, contains risks of corruption.



Reference: UDHR Articles 1-28

Top 3 Opportunities for Positive Impact

1 Enable Trade

While trade expansion and access to global markets are crucial to generate growth, transport infrastructure connects people to jobs, education, and health services. For example, the sector can play a great role in promoting access to health by supporting efficient movement of sensitive cargo, such as vaccinations, medications, and technical equipment.

2 Combat Human Trafficking

Given their proximity to the issue of human trafficking, T&L companies can play a vital role in raising awareness about it and work with their suppliers and government partners to identify high-risk areas and telltale signs. Proper labor programs, including a code of conduct, fair labor policies, training, due diligence, and supplier management, are essential to improve practices in the supply chain.

3 Improve Road Safety

In nearly every country, traffic accidents are among the top 10 causes of death. In recent years, a number of international agencies have begun to see this as a development issue, as the poorest and most remote populations are often at the greatest risk. T&L companies can promote road safety through awareness campaigns for the public and their suppliers, and in doing so, achieve positive impacts on employees' and communities' right to life, health, and safety.

Emerging Human Rights Issues

Working Conditions in Ship Breaking

NGOs are increasingly highlighting the risks of child labor, forced labor, and environmental pollution in ship breaking. The T&L sector is seen as responsible for impacts throughout the entire lifecycle of its operations, and this includes disposal of material and equipment.

Transport of Migrants

Every year, millions of people decide to leave their homes to escape conflict or persecution—or simply to improve their lives. This decision often involves transport and carries with it huge risks. T&L companies should understand the increasing human rights risks they face due to this worldwide trend, as well as the opportunities to promote and secure the rights of this often highly vulnerable population.

Accessible and Affordable Public Transport

For many poor people, public transport is their only link to jobs, family, and social services—and one of their greatest costs. The T&L industry can play a key role in promoting access to public transport and, ultimately, access to opportunity.

Conflict-Affected Areas

Building or restoring transport infrastructure is one of the first steps in the post-conflict recovery process. While these environments can be extremely challenging, they also represent one of the most significant ways that T&L companies can contribute their expertise to development.

Promoting the Circular Economy

Logistics plays a critical role in implementing “circular economy” models that minimize the use of resources and reduce carbon footprint. As a technology-intensive industry, the T&L sector should be at the forefront of developing innovative models to reduce waste, reuse industrial byproducts, and invest in renewable energies.

Resources

US DEPARTMENT OF STATE TRAFFICKING IN PERSONS REPORT

The Trafficking in Persons report is one of the most comprehensive resources of governmental anti-trafficking efforts.²

IFC PERFORMANCE STANDARD 5 ON LAND ACQUISITION AND INVOLUNTARY RESETTLEMENT

The International Finance Corporation's (IFC) Performance Standards on Environmental and Social Sustainability provide guidance to IFC clients on identifying human rights risks and impacts. PS5 advises companies to avoid involuntary resettlement wherever possible and to minimize its impact on those displaced through mitigation measures, such as fair compensation and improvements to living conditions.³

² <https://www.state.gov/j/tip/rls/tiprpt/>

³ http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards/ps5

BSR's Work

Our Human Rights Expertise

We draw on a team of nearly 20 human rights experts and a network of partners from business and civil society to tackle global challenges and ensure that companies in all sectors meet and exceed global human rights standards. Our work includes surveying and benchmarking human rights practices and policies across industries to aid our member companies' efforts to craft comprehensive, responsible approaches to human rights.

 See more: <https://www.bsr.org/human-rights>

Human Rights Working Group

BSR Human Rights Working Group brings over 35 companies together to share best practices, develop solutions, and work toward the implementation of the UN Guiding Principles.

Global Business Coalition Against Human Trafficking

The Global Business Coalition Against Human Trafficking (gBCAT) provides a collaborative space for companies to advance the fight against modern slavery. A group of companies passionate about finding solutions to human trafficking founded gBCAT in 2010 and tasked BSR with expanding the group's scope and capacity for impact.

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Our Work with the Transport and Logistics Industry

BSR members include some of the world's largest and most influential T&L companies. BSR helps its members address their core corporate responsibility concerns and connect broader environmental, social, and governance issues to transport and logistics operations.

 See more: <https://www.bsr.org/en/industry-focus/transport-and-logistics>

Clean Cargo Working Group

Over the past decade, BSR-led collaborative initiatives have helped dozens of T&L companies engage with their business partners and peers to improve their environmental and social performance. Our Clean Cargo Working Group includes 22 ocean carriers, representing more than 87 percent of global ocean container capacity.

 See more: <https://www.bsr.org/en/collaboration/groups/clean-cargo-working-group>

Maritime Anti-Corruption Network

The Maritime Anti-Corruption Network (MACN) is a global business network working towards its vision of a maritime industry free of corruption that enables fair trade to the benefit of society at large. MACN Members promote good corporate practice in the maritime industry for tackling bribes, facilitation payments, and other forms of corruption by adopting the MACN Anti-Corruption Principles, communicating progress on implementation, sharing best practices, and creating awareness of industry challenges.

 See more: <https://www.bsr.org/collaboration/groups/maritime-anti-corruption-network-working-group>

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BSR is a global nonprofit organization that works with its network of more than 250 member companies and other partners to build a just and sustainable world. From its offices in Asia, Europe, and North America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. Visit www.bsr.org for more information about BSR's 25 years of leadership in sustainability.



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