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# **RESPONSIBLE BUSINESS CONDUCT**

FIRST NATIONAL ACTION PLAN FOR  
THE UNITED STATES OF AMERICA

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December 16, 2016



## THE SECRETARY OF STATE

### WASHINGTON

The United States is committed to promoting human rights and leading the global fight against corruption. Corruption is not only immoral, it diverts public and private resources away from priorities such as feeding children, improving schools, and building the infrastructure that promotes development. Corruption enables the abuse of human rights, erodes democratic institutions, fuels organized crime and terrorism, and contributes to economic inequality. For companies investing overseas, corruption is a significant market access barrier that impedes business and economic growth.

Through our partnerships with the private sector, labor groups, civil society, other governments, and international organizations, the United States has fought corruption overseas by encouraging companies to embrace high standards of responsible business conduct. U.S. companies are among the most sought-after partners across the globe because they take seriously their responsibility to follow the rule of law, uphold human and labor rights, and strengthen the communities in which they operate.

To encourage these efforts, the United States is pleased to launch its first-ever National Action Plan on Responsible Business Conduct. We undertook this process to enhance coordination within our government, push for higher standards and a more level playing field globally, and strengthen public-private coordination to help U.S. companies attain their responsible conduct goals in a variety of environments around the world.

This National Action Plan is not an end unto itself, but one more step we can take to ensure we all work together to achieve inclusive growth and sustainable outcomes around the world.

Sincerely,

A handwritten signature in black ink, appearing to read "John F. Kerry".

John F. Kerry

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# Introduction

On September 24, 2014, President Obama announced that the U.S. government would work with the U.S. private sector and other stakeholders to develop a National Action Plan (NAP) to promote responsible business conduct (RBC) by U.S. companies operating abroad. This effort marks the first time the U.S. government has undertaken a whole-of-government process to focus, improve, and expand its efforts to promote RBC.

## Responsible Business Conduct

RBC is a broad concept based on the idea that businesses can perform well while doing good and that governments should set and facilitate the conditions for RBC to take place. The concept places particular importance on two aspects of the business-society relationship: (1) emphasizing and accentuating the positive contributions businesses can make to economic, environmental, and social progress; and (2) recognizing and avoiding possible adverse impacts of business conduct, as well as addressing them when they occur.

U.S. companies are among the global leaders in RBC and are widely recognized for their commitment to promoting human rights, respecting the rule of law, engaging in fair play, and strengthening local communities through long-term investments and corporate social responsibility programs. As a result, governments and people around the world seek out U.S. products, services, and investments. The U.S. government remains committed to playing a leadership role on RBC by working with the business community, civil society, labor and other stakeholders, through a whole-of-government approach to advance RBC principles, and to highlight U.S. companies that stand out as RBC leaders. In doing so, the U.S. government helps shape global standards in efforts to ensure that rights are respected around the world and that companies benefit by doing business responsibly.

Globally, the U.S. government is dedicated to engaging on RBC at the most senior levels. The June 2015 [G-7 Summit Leaders' Declaration](#) recognized “the joint responsibility of governments and business to foster sustainable supply chains and encourage best practices.” The October 2015 [G-7 Labor and Employment Ministerial Declaration](#) sets out how G-7 countries will strive to lead by example in their own practices to collaborating with stakeholders to facilitating RBC by companies. The “responsible supply chains” issue is expected to be an important part of the agenda for the G-20 under the German Presidency in 2017.

The U.S. government also actively engages on these issues through the Organization for Economic Co-operation and Development (OECD) Working Party on RBC, with the Office of the United Nations (UN) High Commissioner for Human Rights and the UN Working Group on the

issue of human rights and transnational corporations and other business enterprises, and with the International Labor Organization (ILO) through its work to advance Decent Work in Global Supply Chains.

RBC principles are encompassed in both the OECD Guidelines for Multinational Enterprises<sup>1</sup> and the UN Guiding Principles on Business and Human Rights.<sup>2</sup> As laid out in these two international frameworks, a key role of governments is to provide guidance and encouragement to the private sector through a combination of laws, regulations, policies, programs, and initiatives to promote companies' respect for human rights and labor rights and operating responsibly.

### Purpose of the NAP

This NAP is designed to reinforce and strengthen the U.S. government's role in advancing RBC through effective intra-governmental coordination and policymaking, promoting high standards globally, facilitating current and future RBC efforts through enhanced collaboration, and highlighting and supporting U.S. industry leadership. The U.S. NAP presents the many ways in which the U.S. government, including in cooperation with business, labor, civil society, foreign governments, and other stakeholders, already upholds its responsibilities and fosters an environment for responsible conduct by businesses operating overseas. This NAP also highlights new initiatives that build on this strong foundation, and outlines how the U.S. government, in cooperation with business and other stakeholders, will strengthen efforts to promote high standards.

The NAP focuses on a broad range of issues including but not limited to: human rights, the rights of indigenous peoples, labor rights, land tenure and property rights, anti-corruption, and transparency. The U.S. government recognizes that environmental issues are also integral to RBC and are affected by, and have an impact on, many of these areas. Therefore,

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<sup>1</sup> The OECD Guidelines for Multinational Enterprises (OECD Guidelines) are recommendations by governments to multinational enterprises operating in or from OECD countries. They provide non-binding principles and standards for RBC in a global context consistent with applicable laws and internationally recognized standards. The OECD Guidelines are the only multilaterally-agreed and comprehensive code of RBC that governments have committed to promoting. Relatedly, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Due Diligence Guidance) is a voluntary framework that lays out a five-step process to help companies respect human rights and avoid contributing to conflict through their mineral sourcing practices. The U.S. Securities and Exchange Commission has relied on the OECD Due Diligence Guidance as the only current internationally accepted due diligence framework for source and chain of custody of minerals when implementing the Dodd-Frank conflict minerals regulations.

<sup>2</sup> The UN Guiding Principles on Business and Human Rights (UN Guiding Principles) are grounded in recognition of: (a) States' existing obligations to respect, protect, and fulfill human rights and fundamental freedoms; (b) 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 (c) The need for rights and obligations to be matched to appropriate and effective remedies when breached. These Guiding Principles apply to all States and to all business enterprises, both transnational and others, regardless of their size, sector, location, ownership, and structure.

environmental issues are addressed in this document to the extent that they overlap with RBC. The Obama Administration's environmental objectives are comprehensively addressed, and the roles of business and other stakeholders in achieving them, through certain executive statements of policy such as President Obama's [Climate Action Plan](#), and Executive Orders (E.O.s) such as [E.O. 13693, Planning for Federal Sustainability in the Next Decade](#).

### Organization of the NAP

While this NAP focuses on U.S. government initiatives relating to the conduct of U.S. enterprises operating abroad, the U.S. government supports RBC principles domestically and has taken meaningful steps to uphold them. For example, the Obama Administration continues to take important steps to strengthen procurement rules to ensure federal purchasing practices reflect U.S. values.<sup>3</sup> This Administration has also articulated a set of ["good jobs" principles](#) for businesses operating in the United States. These principles highlight the importance of worker voice, workplace safety, and the fundamental promise of a decent living from a fair day's work.

This NAP is organized into five categories of action:

- (1) Leading by Example
- (2) Collaborating with Stakeholders
- (3) Facilitating RBC by Companies
- (4) Recognizing Positive Performance
- (5) Providing Access to Remedy

Each category contains descriptions of the U.S. government's ongoing and future commitments and initiatives to further RBC. While the efforts outlined here are representative of the U.S. government's overall approach, this NAP is not intended to be an all-encompassing document capturing the full extent of activities or specific commitments on RBC issues.

This NAP begins another example of an open dialogue through which the U.S. government will continue to communicate, coordinate, and assess its actions. Ongoing feedback from stakeholders will be essential to achieving progress now and sustaining it in the future. Stakeholders can provide feedback and suggestions at any time via email at [NAP-RBC@state.gov](mailto:NAP-RBC@state.gov).

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<sup>3</sup> Trafficking: <https://www.whitehouse.gov/the-press-office/2012/09/25/executive-order-strengthening-protections-against-trafficking-persons-fe>  
LGBT: <https://www.whitehouse.gov/blog/2014/07/21/president-obama-signs-new-executive-order-protect-lgbt-workers>

# The National Action Plan

## LEADING BY EXAMPLE

The U.S. government advocates for strong RBC policies and practices around the world and recognizes the importance of leading by example, implementing this philosophy by continuing to review and improve its own efforts and by learning from others. The U.S. government remains committed to working with governments to raise global standards for RBC, including on labor rights, human rights, and anti-corruption, and to lead a race to the top. Promoting RBC benefits companies from all countries that fight corruption, combat human trafficking, promote labor and human rights, and adhere to high standards. Through leadership on these issues in various international organizations, including the UN and OECD, the U.S. government will continue to advocate for effective implementation of relevant international provisions in order to advance RBC.

Our efforts to encourage good practices and promote and facilitate remedies are strengthened when stakeholders work collaboratively based on common frameworks, standards, approaches, and through coordinated action. In order to further facilitate such collaboration, the U.S. government will continue its leadership on RBC in relevant multilateral venues, and other regional bodies across the globe. Consistent with its leadership role, the U.S. government remains committed to enforcing relevant laws and regulations that have an international reach.

The U.S. government will continue to encourage and model good practices by leveraging its purchasing power, which totals more than \$450 billion for goods and services each year, including nearly \$25 billion on services performed overseas. Through this influence, the U.S. government aims to accelerate the pace at which RBC practices are developed, adopted, and sustained globally by improving awareness of best practices related to human rights among the tens of thousands of companies with which it does business each year, and encouraging contractors to exercise due diligence and take steps where existing practices can be strengthened.

Outcome 1.1: Promoting RBC Globally	
New Actions	Implementing Department or Agency
<b><u>OECD Guidelines for Multinational Enterprises:</u></b> For the first time, in 2016 the U.S. National Contact Point (USNCP) for the OECD Guidelines published an annual report and in 2017 will develop an outreach plan to continue its efforts to broaden understanding and implementation of the OECD Guidelines among business. The USNCP will help organize two workshops related to the OECD's work.	State
<b><u>UN Guiding Principles on Business and Human Rights:</u></b> In addition to funding efforts that promote awareness and implementation of the UN Guiding Principles, the U.S. government, through State, will continue to disseminate the UN Guiding Principles through our bilateral, multilateral, and public diplomacy efforts. State will continue to participate in and host discussions with companies, civil society groups, and others on these Guiding Principles, including through its on-going UN Guiding Principles Workshop Series. The <a href="#">most recent workshop</a> in the series focused on the relevance of human rights and the application of the UN Guiding Principles framework to the selection of sites, preparations for, and activities related to large-scale, global sporting events.	State
<b><u>Corruption Consortium:</u></b> An important deliverable from the International Anti-Corruption Summit held in the United Kingdom in May 2016, State and the U.S. Agency for International Development (USAID) will launch the Global Anti-Corruption Consortium (GACC), a new initiative to support international efforts to expose corruption, raise public awareness, and facilitate action by government, law enforcement, and multilateral organizations. GACC will expand the quality and scope of civil society investigations and reporting by mentoring investigative journalists and facilitating collaboration among anti-corruption civil society actors. The initiative will improve civil society's ability to pursue action by government and international bodies to combat corruption.	State, USAID
Ongoing Commitments and Initiatives	Implementing Department or Agency
<b><u>Bilateral and Multilateral RBC Statements:</u></b> The United States uses bilateral and multilateral diplomacy to promote RBC and business environments conducive to RBC. Examples include the 2015 <a href="#">G-7 Leaders' Declaration</a> on sustainable supply chains and the <a href="#">2015 U.S.-China statement</a> at the U.S.-China Strategic and Economic Dialogue recognizing the importance of RBC by both countries' firms operating abroad. State and other agencies will continue to seek to expand the number of countries adopting policies and practices conducive to RBC.	State, DOL
<b><u>Inter-American Convention Against Corruption:</u></b> The United States will continue to actively support implementation of the Inter-American Convention Against Corruption, including through active participation in the country review process.	DOJ, State, Treasury, Commerce
<b><u>Asia-Pacific Economic Cooperation (APEC):</u></b> The U.S. government has played an important role in numerous APEC initiatives to combat corruption, including the recent <a href="#">APEC Principles on the Prevention of Bribery and Enforcement of Anti-Bribery Laws</a> , as well as the <a href="#">APEC General Elements of Effective Voluntary Corporate Compliance Programs</a> adopted by APEC Leaders in 2014. For example, in August the United States and Peru hosted an all-day APEC Workshop on anti-bribery corporate compliance programs and incentives, organized by the Peruvian High-Level Anticorruption Commission and the Department of Commerce. The U.S. government is also actively engaged in the Business Ethics for APEC Small and Medium Enterprise Initiative, the world's largest collective action mechanism to strengthen ethical business practices in the medical device, biopharmaceutical, and construction and engineering sectors.	State, Commerce
<b><u>International Labor Organization:</u></b> The U.S. government will continue to engage with representatives of employers and workers, and with other governments, to address key	DOL, State



issues including but not limited to: employment, protection of worker rights, and social protection. To that end, the U.S. government played an active role in the <a href="#">June 2016 International Labor Conference</a> discussion on the opportunities and challenges in advancing decent work in global supply chains.	
<b>Promotion of Robust Safeguards at the World Bank and other International Financial Institutions (IFIs):</b> The U.S. government will continue to play a leading role in encouraging strong safeguard and sustainability policies across multilateral development banks and other IFIs. Over the course of the World Bank’s recently-completed Safeguards review, the U.S. government supported strong provisions in the Bank’s Environmental and Social Framework approved in August 2016, including a new safeguard on labor and working conditions, and encouraged the World Bank to incorporate human rights issues in its safeguards.	Treasury, DOL, State, USAID

Outcome 1.2: Utilize U.S. Law, Multilateral Agreements, and Diplomacy to Promote and Enforce High Standards	
New Actions	Implementing Department or Agency
<b>Enhanced Enforcement of U.S. Laws Relating to Forced Labor or Convict Labor:</b> As a result of the February 2016 enactment by the President of the <a href="#">Trade Facilitation and Trade Enforcement Act of 2015</a> , the U.S. government has removed an exception (the “consumptive demand” clause) in 19 U.S.C. § 1307 that allowed for the importation of certain forced labor-produced goods if they were not produced “in such quantities in the United States as to meet the consumptive demands of the United States.” This exception existed since 1930, and its removal facilitates the Department of Homeland Security’s (DHS) ability and ongoing commitment to prevent and investigate the importation of goods manufactured with forced labor.	DHS
Ongoing Commitments and Initiatives	Implementing Department or Agency
<b>Robust and Consistent Enforcement of U.S. Laws and Regulations:</b> The U.S. government will protect the integrity of our financial system and combat money laundering and financial crimes by continuing to enforce its laws in order to protect human, labor, and civil rights. Laws whose enforcement advances key priorities relevant to RBC include those listed in <a href="#">Annex II</a> .	DOJ, Treasury
<b>Free Trade Agreements:</b> The United States has sought to promote the role that governments can play in encouraging companies to engage in RBC in the context of 21 <sup>st</sup> century free trade agreements (FTAs). For example, the Trans-Pacific Partnership (TPP) countries agreed to establish a TPP Development Committee that would promote public-private cooperative initiatives to help certain TPP partners reach their development goals, which include the promotion of broad-based economic growth; enhanced opportunities for women in domestic and global economies; and education, science and technology, research, and innovation. All U.S. FTAs since 2004 also contain transparency and anti-corruption provisions, including requiring our trading partners to criminalize both domestic and foreign bribery. For instance, the TPP includes a historic transparency and anti-corruption chapter. The TPP Parties have also agreed to encourage companies to voluntarily adopt corporate social responsibility principles that the TPP parties have themselves supported or endorsed relating to labor and environment issues.	USTR, State, Commerce, DOL
<b>Anti-Bribery and the OECD:</b> The United States plays a leadership role in the <a href="#">Anti-Bribery Convention</a> ’s monitoring mechanism, conducted by the <a href="#">OECD Working Group on Bribery in International Business Transactions</a> , which has been instrumental in increasing the number of countries enacting and enforcing foreign bribery laws. In the coming year, the U.S. government – led by State, the Departments of Justice (DOJ) and Commerce, and the Securities and Exchange Commission (SEC) – will continue to push	State, Commerce, DOJ, SEC

for robust country reviews of Parties to the Antibribery Convention and examine obstacles to advancing the global efforts to address international bribery and corruption.	
<b>Executive Orders and Regulations that Set Global Standards:</b> DOL will continue to vigorously enforce new and existing protections for job applicants and workers of federal contractors, including those who are based outside of the United States. See <a href="#">Annex II</a> for policies promoted by E.O.s that impact the responsible conduct of foreign companies that do business with the U.S. government.	DOL, State
<b>Addressing Illegal, Unreported, and Unregulated (IUU) Fishing:</b> Following the June 2014 Presidential Memorandum on Establishing a Comprehensive Framework to Combat IUU Fishing and Seafood Fraud, the U.S. government has taken steps to develop a <a href="#">Trusted Trader</a> program as part of an effective seafood traceability process to combat IUU fishing and seafood fraud. The program will establish incentives for RBC by supporting enhanced streamlined entry into U.S. commerce for certified importers. Another outgrowth of the Memorandum was the establishment of a 14-agency <a href="#">National Ocean Council Committee on IUU Fishing and Seafood Fraud</a> , which is overseeing the implementation of the <a href="#">March 2015 Action Plan</a> . Through the <a href="#">Oceans and Fisheries Partnership</a> , the U.S. Agency for International Development (USAID) will continue its commitment to strengthen regional cooperation to combat IUU fishing, promote sustainable fisheries, and conserve marine biodiversity in the Asia-Pacific region. The Safe Ocean Network, launched through State's Our Ocean Conference, is a global community fighting against IUU fishing through detection, enforcement, and prosecution measures that increase collaboration between countries and counter-IUU organizations. More than 40 counter illegal fishing projects in 46 countries worth over \$82 million over five years are affiliated with the Safe Ocean Network as of October 2016 to address the issue.	State, USAID, Commerce, DHS, DOL
<b>International Anti-corruption and Good Governance Act (IAGGA):</b> The U.S. government will continue its commitment to implement the IAGGA.	State, USAID, Commerce
<b>Federal Funding Accountability and Transparency Act of 2006 (as amended):</b> Under this law's implementing regulations, federal awardees currently report a variety of data on their first tier sub-awardees. The Department of the Treasury (Treasury) will continue to make this data available to the public on <a href="http://www.usaspending.gov/">http://www.usaspending.gov/</a> .	Treasury

Outcome 1.3: Leverage U.S. Government Purchasing Power to Promote High Standards	
New Actions	Implementing Department or Agency
<b>Research and Tools on Preventing Trafficking in Global Supply Chains:</b> The State Department funded research on "Strengthening Protections Against Trafficking in Persons in Federal and Corporate Supply Chains" to develop a set of online tools and resources to help federal contractors and corporations analyze, prevent, and address human trafficking risks in their global supply chains. In 2016, State and non-governmental organizations launched ResponsibleSourcingTool.org. <a href="#">This online platform</a> focuses on the sectors and commodities at greatest risk for trafficking and provides guidance on developing effective management systems. State anticipates funding the development of additional sector-specific tools and the maintenance of the site over the next five years. In addition, DOL is funding research on forced labor in specific industries' global supply chains and an ILO-led Global Business Network on Forced Labor.	State, DOL
<b>SFTool Social Sustainability Procurement Best Practices:</b> Through the <a href="#">Sustainable Facilities (SF)Tool</a> , the General Services Administration (GSA) makes available recently released content providing best practices for addressing social sustainability impacts, including human rights and labor rights impacts, on high risk procurements. These best practices provide a detailed framework for how social sustainability risks should be	GSA

assessed by USG procurement personnel at the pre-award and post-award stages of a federal procurement. The SFTool also references associated tools and provides sample contract language that can be used by organizations wanting to address their social sustainability risks on procurements.	
<b>Enhanced Information Sharing Among State and Local Governments on Public Procurement Best Practices:</b> The White House Office of Intergovernmental Affairs (IGA) will coordinate a dialogue among selected state and local government officials and the federal government on ways to better protect human rights in public procurement. State and local governments represent significant purchasing power through procurement policies.	IGA
<b>Compliance with Procurement Regulations:</b> Pursuant to E.O. 13673, DOL and OMB will work with other agencies to designate agency Labor Compliance Advisors who will build greater awareness and understanding of RBC by contractors with whom those agencies do business. For example, a labor compliance advisor could support agency review efforts in the event a contractor, in accordance with requirements of the End Trafficking in Government Contracting Act (22 U.S.C. 7104c), reports a trafficking violation in its supply chain to the government.	DOL, OMB
<b>Responsible Retirement Plans:</b> DOL's <a href="#">Employee Benefits Security Administration clarified in October 2015</a> that plan fiduciaries under the Employee Retirement Income Security Act may under the proper conditions invest in economically targeted investments (investments selected for the environmental, social, and governance benefits they create), enhancing the investment return to the employee benefit plan investor.	DOL
<b>Ongoing Commitments and Initiatives</b>	<b>Implementing Department or Agency</b>
<b>State and Department of Defense (DOD) Contracting with Private Security Providers:</b> DOD requires private security companies (PSCs) with which it contracts to demonstrate conformance with standards consistent with the <a href="#">International Code of Conduct for Private Security Service Providers</a> (ICOC), a set of human rights and humanitarian principles agreed upon by certain states, PSCs, and NGOs. Similarly, State requires PSCs servicing its Worldwide Protective Services II contract to confirm their conformance with the same standards and has incorporated membership-in-good-standing in the <a href="#">ICOC Association</a> as a requirement for bidding on that contract. State will also review if and how such approaches may be applied to their local guard force contracts.	State, DOD
<b>"Prohibition of Acquisition of Products Produced by Forced or Indentured Child Labor," (E.O. 13126)</b> , signed on June 12, 1999 and in effect since 2001, is intended to ensure that U.S. federal agencies do not procure goods made by forced or indentured child labor. The U.S. government will seek to review the status and effectiveness of implementation of these requirements and take steps to improve implementation, as feasible and appropriate.	DOL
<b>"Strengthening Protections against Trafficking in Persons in Federal Contracts," (E.O. 13627)</b> , signed on September 25, 2012, and its associated regulatory changes, created new prohibitions on trafficking and trafficking-related activities in federal supply chains that are designed to help identify and prevent human trafficking in global supply chains. On December 8, 2016, the U.S. government published draft guidance on anti-trafficking risk management best practices and mitigation considerations for public comment. This guidance is designed to help an agency determine if a contractor is taking adequate steps to meet its anti-trafficking responsibilities under the Federal Acquisition Regulation (FAR) and the FAR Council's regulations implementing E.O. 13627 and the National Defense Authorization Act for Fiscal Year 2013. This guidance, coordinated by OMB in partnership with DOL and State, and other agencies, will assist agencies in developing appropriate internal procedures and controls for awarding and administering Federal contracts to improve monitoring of and compliance with actions to prevent human trafficking. In	OMB, State, DOL

addition, the Council intends to amend the regulations to provide a definition for “recruitment fees,” which is a critical component to help prevent trafficking in federal supply chains.	
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Outcome 1.4: Conducting Due Diligence in U.S. Development Funding and Trade Finance	
New Actions	Implementing Department or Agency
<b>Enhancing Overseas Private Investment Corporation (OPIC) and Export-Import Bank of the United States (EXIM) Standards:</b> <a href="#">OPIC</a> and <a href="#">EXIM</a> will enhance existing procedures and standards that require companies receiving their support to implement RBC principles. OPIC is reviewing its Environmental and Social Policy Statement, while EXIM has developed an improved mechanism for interested parties to provide comments, complaints, or suggestions on the environmental and social consequences of its pending and currently approved transactions, including reviewing ways to improve the <a href="#">new portal for online submission</a> .	OPIC, EXIM
<b>Social Safeguards for U.S. Development Assistance:</b> USAID will develop a social safeguards screening questionnaire that Missions may use as an assessment tool when designing new projects (including public-private partnerships) to ensure due diligence on social and human rights issues. USAID will also establish a resource library of tools and human resources that can be deployed for various social analyses; conduct a gap analysis to identify topics not addressed by current guidance; convene stakeholder consultations regarding recommendations for future guidance or policies; and pilot the social safeguards assessment tool with interested USAID missions. These actions will be in line with international best practice, existing G-7 commitments, and safeguard policies already in place by U.S. agencies.	USAID
<b>Land Tenure in Development Assistance Activities:</b> The U.S. government reaffirms its support for the consistent implementation of the Voluntary Guidelines on the Responsible Governance of Tenure (VGGT), which provides a global framework for improved land and resources governance. The U.S. government will commit to adhering to and aligning its relevant overseas development assistance activities to the VGGT.	USAID

# COLLABORATING WITH STAKEHOLDERS

The U.S. government places a premium on collaborating with non-governmental stakeholders to build trust, develop common objectives, identify good practices, resolve issues, and facilitate learning. U.S. companies doing business around the world encounter a range of challenges, from lack of infrastructure, to corruption, to difficult operating environments. These challenges can hinder their ability to produce and deliver goods and services, and can also present dilemmas for companies seeking to operate responsibly and adhere to high standards.

To address these challenges, many companies join forces with other actors who have a shared interest in finding solutions and promoting rule of law and sustainable development. Such joint efforts often take the form of multi-stakeholder initiatives (MSIs), or dialogues, which typically involve businesses from a particular sector, civil society and/or labor stakeholders, and sometimes governments and/or academics. Within these initiatives or dialogues, each set of participants brings valuable expertise to the table. MSIs are critical for translating principles into standards that apply across a business sector. In so doing, they can provide pragmatic and effective responses to RBC challenges.

Agencies within the U.S. government have been catalysts for and participants in several MSIs, including providing start-up funding for the formation of the [Fair Labor Association](#), which comprises companies across several sectors as well as academic, civil society, and other participants; facilitating the launch of, and acting as a leading member of, the [Voluntary Principles on Security and Human Rights](#) (VP), which guide oil, gas, and mining companies on providing security for their operations in a manner that respects human rights; and helping to launch and actively participating in the development of the ICOC and continued involvement as a member of the board of the [ICOC Association](#).

Through the [Extractive Industries Transparency Initiative](#) (EITI), the United States is committed to promoting transparency in the extractives sector by playing an active role on the International EITI Board and Board committees. The U.S. commitment to EITI — both to promote it abroad and to implement it at home — sends a strong signal to our international partners that transparency is critical for countries at all levels of development, and in all regions.

Outcome 2.1: Enhance the Value of Multi-Stakeholder Initiatives on RBC	
New Actions	Implementing Department or Agency
<b>Enhancing the Value of MSIs:</b> The U.S. government will establish a formal mechanism for facilitating coordination among agencies engaged in relevant MSIs, in order to establish common approaches and expectations, share relevant experiences and good practices, and explore synergies. The U.S. government will continue to play a leadership role in promoting and improving the value and relevance of key MSIs, especially those in which it participates formally.	State
<b>Promoting Worker Voice throughout Global Supply Chains:</b> DOL, State, and USAID will promote worker voice and empowerment throughout global supply chains and will commit to: (1) building innovative tools to empower workers to directly report to relevant Departments concerns in federal supply chains; and (2) leverage public-private partnerships, stakeholder engagement, and labor diplomacy to promote worker empowerment throughout global supply chains. This effort will enhance the visibility of workers' perspectives and of their representative organizations, and promote the ability of workers to organize. Various U.S. government agencies have funded and/or participated in initiatives to support stronger worker voice, such as through the <a href="#">Partnership for Freedom</a> and the <a href="#">Supply Unchained</a> initiatives.	DOL, State, USAID
<b>Promoting Best Practices for Key Performance Indicators (KPIs):</b> The U.S. government will convene stakeholders to discuss the development and promotion of effective metrics, including KPIs, for measuring and managing labor rights impacts in supply chains. This will be done in collaboration with industry groups, auditing organizations, worker organizations, and other civil society actors.	DOL
<b>Promoting Rights and Accountability through RBC:</b> In May 2016, USAID launched a new <a href="#">Broad Agency Announcement</a> calling for organizations and companies to collaborate in the development, piloting, testing, and scaling of innovative, practical, and cost-effective interventions to address human rights and anti-corruption in business activities globally. USAID seeks through this announcement to create more strategic, focused, and results-oriented approaches to generate solutions to rights abuses and corrupt practices in global commerce, and form partnerships to target risks and prevent violations. Under this umbrella announcement, USAID will continue its Supply Unchained initiative to better identify — and counter — human trafficking and other labor exploitation at its source.	USAID
<b>Wildlife Crime Tech Challenge:</b> USAID's Wildlife Crime Tech Challenge recently selected sixteen Prize Winners and four Grand Prize Winners who submitted the most creative, innovative, and promising science and technology solutions to combat terrestrial and marine wildlife crime, with a focus on combating corruption and reducing consumer demand for illegal wildlife products. Grand Prize Winner New England Aquarium's solution will digitize customs paperwork and conduct real-time analysis to identify illegal wildlife products hidden in legitimate trade. The National Whistleblower Center, another Grand Prize Winner, will build a secure, transnational reporting system designed to fight corruption by incentivizing insiders to securely report wildlife crime.	USAID
Ongoing Commitments	Implementing Department or Agency
<b>Open Government Partnership (OGP):</b> In 2011, President Obama joined seven other heads of state to launch the OGP, a global platform between governments and civil society to promote government transparency, participation, and accountability to citizens. By June 2016, OGP had grown to 70 member states that have made over 2,500 commitments to further government transparency and accountability in just five years. OGP member states — and hundreds of civil society leaders — are committed to	State, USAID

working together to promote transparency, empower citizens and civil society, fight corruption, and transform how governments deliver services for their citizens. The United States has released three <a href="#">NAPs</a> under OGP, most recently publishing an update to its third action plan this past September. In demonstration of U.S. commitment to OGP, the USG intends to provide \$4 million to support the OGP Support Unit over the next four years, potentially including support to members in the development of National Action Plans, government and civil society consultations, peer learning and exchange, and technical assistance programs. In addition, USAID Missions have financed millions of dollars-worth of OGP-related activities — \$14 million in FY2015 alone — ranging from sponsoring citizen consultations, to coordinating OGP workshops with senior government officials, to providing technical assistance with implementation of OGP NAP commitments.	
<b>ILO-International Finance Corporation (IFC) Better Work Program:</b> More than 60 American apparel brands are part of the <a href="#">Better Work</a> program, implemented by the ILO in partnership with the IFC. DOL has funded Better Work programs in Bangladesh, Cambodia, Haiti, Jordan, Lesotho, Nicaragua, and Vietnam. The Better Work program is being implemented in 1,343 export apparel factories, supporting better labor conditions for approximately 1,750,000 workers worldwide.	DOL
<b>DOL Technical Cooperation:</b> DOL funds a range of projects involving collaboration with private sector actors on RBC issues, including: <ul style="list-style-type: none"> <li>• A \$12 million project, <a href="#">From Protocol to Practice: Building a Bridge to Global Action on Forced Labor</a>, supports global and national efforts pursuant to the 2014 ILO Protocol and Recommendation on Forced Labor. Among other things, this project will organize a global supply-chain forum focused on the role of business in addressing forced labor.</li> <li>• A <a href="#">\$6 million DOL project in Brazil and Peru</a>, launched in March 2014, partners with national governments, businesses, and civil society organizations to combat forced labor and promote the exchange of good practices between the two countries. In Brazil, the project partners with the state of Mato Grosso's <a href="#">Integrated Action Program</a> to provide <a href="#">livelihood opportunities</a> to households vulnerable to forced labor. In Peru, the project has conducted research on forced labor in <a href="#">gold mining</a> and <a href="#">logging</a> and trained more than 1,000 government officials on the issue of forced labor.</li> </ul>	DOL
<b>Engagement with International Cocoa and Chocolate Industry:</b> As the Secretariat for the <a href="#">Child Labor Cocoa Coordinating Group</a> (CLCCG), DOL plays a leadership role in facilitating coordination among the Governments of Côte d'Ivoire, Ghana, and the United States and the international chocolate and cocoa industry (including six major producing companies) to address the worst forms of child labor in cocoa growing areas of Côte d'Ivoire and Ghana. CLCCG members held their annual meeting in June 2016 at DOL to discuss new project funding and other initiatives.	DOL
<b>Partnership for Freedom:</b> The U.S. government has provided funding and technical assistance for the <a href="#">Partnership for Freedom</a> , a public-private partnership among NGO Humanity United and DOJ, State, DOL, and the Departments of Health and Human Services (HHS), and Housing and Urban Development (HUD). <a href="#">Under the second of three challenge competitions</a> , federal agency participants committed to providing outreach and disseminating information to potential applicants for financial support from Humanity United, and to contributing technical expertise to “challenge competition” awardees that have developed technological solutions to identify and address labor trafficking in global supply chains.	DOJ, State, DOL, HHS, HUD
<b>Burma Labor Law Initiative:</b> The <a href="#">Initiative to Promote Fundamental Labor Rights and Practices in Myanmar</a> , developed by State, DOL, and the Office of the U.S. Trade Representative (USTR), in partnership with Japan, Denmark, the European Union, and	State, DOL, USTR



<p>the ILO, was launched in 2014 and aims to help modernize Burma’s labor laws in line with international labor standards, build government capacity to administer and enforce labor law, and foster a stronger dialogue among the government, business, labor, and civil society. The parties met for a two-day stakeholder forum in Yangon in May 2015 and again in September 2016 to advance both the labor law reform and stakeholder dialogue elements of the initiative.</p>	
<p><b>Sustainable Development Goals:</b> <a href="#">The 2030 Agenda for the Sustainable Development and its 17 Sustainable Development Goals</a> (SDGs or Global Goals) establish an ambitious framework to make progress on many of the fundamental social, economic, and environmental challenges facing the world over the next 15 years. The U.S. government encourages uptake and implementation of the SDGs and intends to facilitate dialogue among key actors to discuss best practices, public-private partnership opportunities, lessons learned, and action necessary to ensure the SDGs’ success. As part of this initiative, DOL has been actively engaged in the ILO-led Alliance 8.7, a coalition of business and other stakeholders committed to increasing action to achieve SDG Target 8.7 on the elimination of the worst forms of child labor, forced labor, and human trafficking.</p>	<p>State, Treasury, USAID, DOL</p>



# FACILITATING RBC BY COMPANIES

The U.S. government encourages businesses to treat tools like the OECD Guidelines and the UN Guiding Principles as a floor rather than a ceiling for implementing responsible business practices, and to recognize that implementing RBC should be a continuing process. The U.S. government is supportive of company efforts to voluntarily report on human rights impacts, anti-trafficking measures, transparency and anti-corruption efforts, and other related aspects of their global operations, including the opportunities and challenges they face. Given the heightened risk of serious human rights impacts in conflict-affected areas, the U.S. government particularly encourages corporate due diligence and reporting under such circumstances.

The U.S. government generates and vets relevant information that can be used to conduct appropriate due diligence and risk assessment. While the concept of due diligence is increasingly well understood and accepted among businesses, the tools and resources available to effectively conduct detailed and appropriate risk and impact assessments can be sparse, particularly in many of the complex environments where this type of data is most needed.

To help address those gaps, the U.S. government deploys significant resources to produce and disseminate a variety of reports that help describe the state of human rights, labor rights, [commercial](#), and investment conditions across the world, and produces [international company profiles](#) to provide U.S. companies with information to help them vet potential business partners. In certain instances, the government also funds third-party reports that contain information useful to those seeking to promote and implement RBC. As part of the ongoing effort to facilitate RBC, the U.S. government will continue to enhance these resources, making them increasingly user-friendly and easier to find for the purposes of corporate human rights due diligence and social impact assessment.

Outcome 3.1: U.S. Government Reports	
New Actions	Implementing Department or Agency
<b>Country-Level Land Governance Profiles:</b> USAID will develop and/or update 15 public country-level land governance profiles, which explain the land laws, land use patterns, gender concerns, land administration, and land markets within a given country. These profiles are an invaluable introduction for businesses that are looking to make land-based investments in a given country, and are conscientious about investing in an ethical and responsible manner. These profiles are also a critical resource for Embassy staff and others who counsel foreign businesses on potential investments.	USAID
<b>RBC Online Resource Tool:</b> State will create a repository for U.S. government reports, sorted by country and subject, to make it easy for a business to review all available U.S. government reporting relevant to the operating environment in particular countries.	State

<b>Supporting Voluntary Reporting on RBC:</b> Voluntary reporting on RBC by U.S. companies will help them achieve their RBC goals while promoting RBC more widely and helping to build the U.S. “brand.” State and other agencies will welcome and recognize new methods of reporting in support of RBC and create an online resource to that end.	State
<b>Ongoing Commitments and Initiatives</b>	<b>Implementing Department or Agency</b>
<b>DOL Child Labor and Forced Labor Reports:</b> DOL publishes and updates three reports on international child labor and forced labor (the <i>Findings on the Worst Forms of Child Labor</i> , the <i>List of Goods Produced by Child Labor or Forced Labor</i> , and the <i>List of Products Produced by Forced or Indentured Child Labor</i> ) that serve as valuable resources for government action, civil society advocacy, and private sector due diligence on these issues. Since 2015, DOL releases these three reports through a new mobile application, <a href="#">Sweat &amp; Toil: Child Labor, Forced Labor, and Human Trafficking Around the World</a> , which streamlines this wealth of information and makes it available on mobile devices. DOL regularly engages with companies and industry groups on how they can use these tools to strengthen their social compliance programs.	DOL
<b>Human Rights Reports:</b> State will continue to publish its annual <a href="#">Human Rights Reports</a> , which cover internationally recognized individual, civil, political, and worker rights, as set forth in the Universal Declaration of Human Rights and international agreements.	State
<b>Trafficking in Persons (TIP) Report:</b> State will continue to use the TIP Report to engage foreign governments in dialogues to combat trafficking, advance anti-trafficking reforms, and to target resources on prevention, protection, and prosecution programs.	State
<b>Reducing Child Labor and Forced Labor: A Toolkit for Responsible Businesses:</b> This DOL online resource, launched in December 2012, will continue to provide step-by-step guidance to businesses that seek to develop and improve social compliance systems to address child labor and forced labor in supply chains. The Toolkit is available to the public in English, Spanish, French, and Portuguese and will be regularly updated based on feedback from users.	DOL
<b>Investment Climate Statements:</b> State has and will continue to increase the focus on RBC in its annual country reports on investment climates. These reports, which have long covered all aspects of global investment climates, now include descriptions of labor rights and corporate responsibility practices.	State
<b>Country Commercial Guides:</b> Commerce will continue to include an anti-corruption section in <a href="#">U.S. and Foreign Commercial Service Country Commercial Guides</a> .	Commerce
<b>Anti-Corruption Publications:</b> U.S. government agencies will continue to provide information to companies through a number of U.S. and international publications designed to assist firms in complying with anti-corruption laws, including <a href="#">The FCPA Resource Guide</a> .	State, DOJ, SEC, Commerce
<b>Responsible Investment in Burma:</b> In 2012, the U.S. government issued the <a href="#">Reporting Requirements for Responsible Investment in Burma</a> , which required U.S. persons undertaking new investment in Burma to report on certain policies related to responsible and transparent business practices. On October 7, 2016, the President signed <a href="#">Executive Order 13742</a> , which terminated the sanctions program with regard to Burma and made compliance with the reporting requirements voluntary. State will continue to host the voluntary reports on the <a href="#">Doing Business in Burma</a> website and use the information collected as a basis for informed consultations with U.S. businesses to encourage and assist them to develop responsible business practices in Burma. State is also working closely with the Government of Burma as it develops and implements standards for responsible business practices.	State, Treasury

Outcome 3.2: Build U.S. Government Officials' Capacity to Support RBC	
New Actions	Implementing Department or Agency
<b>RBC Training for U.S. Embassies:</b> State will establish a plan in 2017 to further integrate instruction on RBC into relevant training for diplomats and other U.S. government employees stationed overseas. Training will initially focus on ensuring that officers dealing with economic and labor issues have a background in RBC. Content will be adapted for use in USAID and other agency training courses. Some training on specific aspects of RBC is already standard for U.S. diplomats and other government employees. U.S. embassies are already engaged in promoting and recognizing RBC via their participation in the Secretary of State's Award for Corporate Excellence (ACE) process. They are also tasked with referring companies and others to the USNCP, as appropriate.	State
Ongoing Commitments and Initiatives	Implementing Department or Agency
<b>FCPA Training:</b> State and Commerce will continue to provide FCPA and related anti-corruption training to Commerce's U.S. and Foreign Commercial Service officers and State Foreign Service officers so that they may raise awareness about corruption and compliance programs and assist U.S. companies as appropriate when confronted with corruption overseas.	State, Commerce, DOJ, SEC
<b>Labor Attaché Program:</b> In 2014, DOL established a new program through which staff members from its Bureau of International Labor Affairs are stationed in U.S. embassies overseas for a period of two to three years. DOL has placed attachés in Bangladesh, Colombia, and Vietnam to date. Acting as part of the U.S. Embassy team, these attachés play a leading role in engaging with various stakeholders, analyzing relevant legal and policy developments, articulating U.S. government interests and objectives, and working to promote awareness of international labor standards and best practices.	DOL
<b>USAID New Training Module on Supply Chains and Trafficking:</b> USAID routinely offers training to all USAID staff on Counter-Trafficking in Persons (CTIP). In 2016, a new module was developed and incorporated into the CTIP training, and replicated in USAID training for economic growth officers on effective approaches to counter labor trafficking and other labor abuse in specific sectors and supply chains.	USAID

Outcome 3.3: Capacity Building and Technical Support to Promote Enabling Environments	
New Actions	Implementing Department or Agency
<b>Responsible Land-Based Investment:</b> USAID will support responsible land-based investment by helping the private sector pilot the <a href="#">Analytical Framework for Land-Based Investments in African Agriculture</a> , which are internationally accepted guidance that helps companies mitigate land tenure risks and make their investments more inclusive, responsible, and sustainable. This commitment will provide limited financial assistance, as well as technical assistance, to help first mover companies implement the guidance and make their investments more responsible and inclusive of local communities, including indigenous peoples. USAID will coordinate closely with other G-7 governments and the New Alliance for Food Security and Nutrition.	USAID
<b>Support for Reducing Land Conflict in West Africa:</b> State is supporting a program to reduce land conflict in Sierra Leone, Liberia, and Guinea by strengthening the capacity of civil society organizations to work on land rights and tenure issues as they relate to the UN Guiding Principles on Business and Human Rights. This program complements USAID's existing investments in Côte d'Ivoire to support responsible business practices in the process of diamond sourcing, support country compliance with the Kimberley Process Certification Scheme, and stem the flow of conflict diamonds, while improving community land rights.	State

<b>Stakeholder Engagement in Extractive Industries in East Africa:</b> State is funding a program to promote RBC in East Africa. The goal of the program is to strengthen civil society's capacity to meaningfully participate in business and human rights initiatives in East Africa and to reduce conflict for communities in the operations of extractive companies.	State
<b>Ongoing Commitments and Initiatives</b>	<b>Implementing Department or Agency</b>
<b>Raising TIP Awareness in the Agricultural Sector:</b> The Department of Agriculture (USDA) will continue to work with DHS's <a href="#">Blue Campaign</a> to develop food and agriculture-focused materials to raise awareness of human trafficking with industry partners and will engage with HHS to increase awareness of trafficking in <a href="#">USDA StrikeForce</a> states across the country that may be particularly susceptible to trafficking due to extreme poverty. The StrikeForce teams collaborate with more than 500 community partners across 20 states to address rural poverty.	USDA, DHS
<b>Engagement with Companies on Anti-Corruption Issues:</b> DOJ, SEC, Commerce, State and other U.S. government agencies conduct outreach to the business community and will continue to coordinate with the private sector on anti-corruption issues. To this end, DOJ will continue to provide businesses, through its FCPA opinion release procedures, the opportunity to seek an opinion as to whether certain prospective, non-hypothetical conduct conforms with DOJ's enforcement policy. Commerce and State, including through Foreign Commercial Service officers and State Foreign Service officers, will continue to raise awareness about corruption and the importance of effective compliance programs, and assist U.S. companies as appropriate when confronted with corruption overseas. High-level Commerce officials also meet with business leaders around the world and advocate with government officials on rule of law and anti-corruption issues, and the Commercial Law Development Program (CLDP) meets regularly with U.S. businesses to better understand their concerns about, and provide programming in priority countries on, the legal and regulatory reforms needed to reduce corruption and level the playing field in developing countries for U.S. companies.	DOJ, SEC, State, Commerce
<b>Dodd-Frank Section 1502:</b> Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) supports regional and international efforts to break the link between conflict and natural resources and prevent armed groups or abusive state forces in the African Great Lakes region from benefiting from the sale of certain natural resources that are sourced from the Democratic Republic of the Congo (DRC) or an adjoining country. Section 1502 requires certain companies to submit annually a description of the measures taken to exercise due diligence on the source and chain of custody of the four "conflict minerals." Commerce will continue to work with the U.S. Geological Survey to issue annually a list of conflict mineral processing facilities to assist in this reporting and will develop recommendations on ways to improve accuracy and establish standards of best practices. State will continue to provide guidance to help companies ensure that their products and their suppliers' products do not directly or indirectly finance armed conflict or result in labor or human rights violations. Through the <a href="#">Public-Private Alliance for Responsible Minerals Trade</a> , State and USAID work in partnership with U.S. companies and civil society to support conflict-free sourcing from the DRC and African Great Lakes region.	State, USAID, SEC, Commerce, USGS
<b>Eliminating Child and Forced Labor in Agricultural Supply Chains:</b> In 2011, USDA, DOL, and State released the <a href="#">Guidelines for Eliminating Child and Forced Labor in Agricultural Supply Chains</a> , developed as part of a multi-stakeholder process that included high-level officials of these agencies, representatives of business, civil society, and academics. The Guidelines' specific elements should be integrated into any agricultural company program to reduce child or forced labor, and include adhering to ILO standards on child	USDA, DOL, State

labor and forced labor; mapping supply chains and conducting risk assessments; providing communication and monitoring mechanisms; and developing plans and programs for remediating violations. DOL is now funding a four-year <a href="#">pilot project in Turkey</a> to test implementation of the above Guidelines by a leading company.	
<b><a href="#">Massive Open Online Course (MOOC) on Land Tenure and Property Rights</a>:</b> USAID successfully developed and led a MOOC on Land Tenure and Property Rights in 2015. The university-level course was free and open to the public. Almost 2,000 participants from more than 60 countries participated in the 14-week course, which features lectures and case studies from a wide variety of experts in the field. A second Land Tenure and Property Rights MOOC will launch in 2017 with expanded lessons on responsible land tenure activities within USAID's program cycle, utilizing geospatial analytics and data for evidence-based programming, and the importance of understanding and supporting customary tenure in development programming.	USAID
<b><a href="#">International Law Enforcement Academy (ILEA) Program</a>:</b> Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) operates five ILEAs around the world. ILEA facilities are in Botswana, El Salvador, Hungary, Thailand, and Roswell, NM. ILEA also operates an affiliated Regional Training Center in Ghana. State coordinates the input of 16 U.S. federal law enforcement agencies and selects state and local partners to develop and deliver training to officers from 85 countries around the world. Courses cover a variety of topics including trafficking in persons, wildlife trafficking, counter-narcotics investigations, financial crimes, and money laundering; ILEAs also offer a six-week course on Law Enforcement and Leadership Development. The program builds criminal justice sector capacity in partner countries, develops operational relationships within key regions, and forges key relationships with the U.S. law enforcement community. Approximately 140 courses are offered through the ILEA program each year, reaching nearly 4,500 officers.	State
<b><a href="#">Financial Action Task Force (FATF)</a>:</b> The United States is a founding member of the FATF and will continue to be actively involved in advancing the FATF's global efforts in combating money laundering, terrorist financing, and other illicit financing threats that pose a risk to the integrity of the international financial system. The United States recently underwent a Mutual Evaluation Review to assess levels of implementation of the FATF Recommendations.	Treasury
<b><a href="#">Combating Illegal Logging and Wildlife Trafficking</a>:</b> Through its Environment and Natural Resources Division, DOJ partners with the Department of the Interior's U.S. Fish and Wildlife Service and USDA's Forest Service with the support of State and USAID to provide capacity-building training for investigators, prosecutors, and judges in other countries to prosecute illegal logging and wildlife trafficking cases. DOJ will continue to work to build the capacity of enforcement officials in other countries so they are better able to address these crimes in the countries of origin. In 2016, DOJ provided training to six southern African and five west African countries on wildlife trafficking, and in Colombia, Peru, and Cameroon (for four Congo Basin countries) on illegal logging. DHS will continue to investigate illegal logging and wildlife trafficking cases and work closely with DOJ to prosecute violators.	DOJ, DOI, USAID, State, DHS
<b><a href="#">Combating Cultural Property Looting and Smuggling</a>:</b> Through its Criminal Division and the Environment and Natural Resources Division, DOJ partners with State, Treasury, Federal Bureau of Investigation (FBI), DHS, and others to coordinate and share information as a part of the Cultural Property Task Force and also works with foreign law enforcement partners to investigate and prosecute individuals involved in the illegal looting, sale, and smuggling of cultural property (including international antiquities and U.S. Native American artifacts). DOJ will continue to participate in the Cultural Property Task Force and coordinate with international law enforcement partners to investigate and prosecute cases.	DOJ, Treasury, FBI, DHS

# RECOGNIZING POSITIVE PERFORMANCE

U.S. companies make tremendous contributions to societies around the world by generating economic growth, creating jobs, spurring innovation, and providing solutions to pressing challenges such as access to clean energy, healthcare, and technology. As the U.S. government seeks to promote RBC tools and best practices, it is important to recognize and highlight when companies achieve high standards and put these tools into action, with meaningful results for workers, communities, and the company itself. U.S. government agencies recognize specific companies that maintain high standards or have positive development impacts. Rewarding activities helps affirm and draw attention to the significant efforts of deserving companies, and serves to reinforce how the U.S. government and U.S. firms work together to leverage comparative advantages to accomplish shared objectives, whether it be in environmental sustainability, labor rights and human rights, or anti-corruption measures.

Outcome 4.1: Recognize RBC Best Practices	
New Actions	Implementing Department or Agency
<b>Promoting Human Rights in the ICT Sector:</b> The impact and importance of business conduct in the ICT sector has grown as social, commercial, educational, and recreational interactions increasingly take place online. State, working with other agencies and stakeholders, will develop a regular mechanism to identify, document, and publicize lessons learned and best practices related to corporate actions that promote and protect human rights online. State will also foster continued engagement among relevant stakeholders to support ongoing dialogue and collaboration on respecting human rights within the ICT sector.	State
<b>Modernize the Secretary of State's Award for Corporate Excellence (ACE):</b> For 17 years the ACE has recognized the best of U.S. business conduct abroad. Until recently, the ACE focused principally on corporate philanthropy rather than a company's efforts to ensure that its core business is conducted responsibly. In 2015, the ACE was given out in distinct categories for the first time, designed to align with RBC international best practices. Partly as a result of these updates, the ACE ceremony received unprecedented global participation, with a 470 percent increase in Twitter activity, articles in Voice of America and the Huffington Post, and a 100 percent increase in ceremony viewership online. <a href="#">For 2016</a> , the ACE will continue its focus on highlighting RBC best practices, and will be awarded for transparent operations, inclusive hiring, sustainable oceans management, and small or medium enterprises.	State
Ongoing Commitments and Initiatives	Implementing Department or Agency
<b>DOL <a href="#">Iqbal Masih Award for the Elimination of Child Labor</a>:</b> The <a href="#">Iqbal Masih Award</a> is a non-monetary award presented annually by the U.S. Secretary of Labor to recognize the exceptional efforts made by an individual, company, organization, or national government to reduce the worst forms of child labor internationally. DOL will continue to consider outstanding private sector efforts for this award.	DOL



# PROVIDING ACCESS TO REMEDY

As set out in the UN Guiding Principles, countries are responsible for taking appropriate steps to establish means by which those allegedly affected by human rights abuses may seek effective remedies.<sup>4</sup> However, not all countries have such mechanisms in place. As to remedies in the United States, the U.S. government will continue to help provide access to a grievance mechanism and the potential for remedy through its active USNCP for the OECD's [Specific Instance process](#) and through the World Bank's [Stolen Asset Recovery Initiative](#). The U.S. government will also seek to strengthen judicial systems in other countries through its foreign assistance programs; to build consensus internationally for strong remedy mechanisms through its participation in the UN, OECD, ILO, and other multinational organizations and fora; and to advance its agenda on remedy through consultations at home with relevant stakeholders.

Outcome 5.1: Exploring and Enhancing Platforms for Remedy	
New Actions	Implementing Department or Agency
<b>Improving the Performance of the USNCP for the OECD Guidelines:</b> Delivering on the June 2015 <a href="#">G-7 Leaders' Summit Declaration</a> , the USNCP commits to undergo a <a href="#">peer review</a> in the fall of 2017 contingent on OECD Secretariat availability. The USNCP will publish a 2017 outreach plan in early 2017, which will include outreach to stakeholders outside of the United States. By 2017, the USNCP will implement procedures to reduce barriers for stakeholders who would like to engage in the USNCP process but do not speak and/or read English. The USNCP facilitated its first-ever <a href="#">successful mediation</a> in 2015 and <a href="#">two successful mediations</a> as of June 2016. By 2016 the USNCP also implemented 97 percent of the recommendations of its <a href="#">Stakeholder Advisory Board's 2014 report</a> . The mandate of the <a href="#">Stakeholder Advisory Board</a> to the USNCP will be updated to further address priorities espoused in this NAP.	State
<b>Consulting with Stakeholders on Remedy:</b> The United States will host stakeholder outreach and explore with one or more U.S. advisory committee(s) as to how the U.S. government can work with U.S. companies to help address concerns about the perceived lack of accessible and effective remedy available to those who feel they have been negatively impacted by U.S. business conduct abroad. As part of this consultation, the United States will solicit advice on how best it could support access to remedy, including the potential development of tools or guidance related to non-government-based mechanisms that would assist U.S. businesses that wish to improve their own individual and collaborative efforts to address this challenge.	State

<sup>4</sup> Access to remedy encompasses judicial, administrative, legislative, and many other appropriate means of redress. As such, the United States notes that not all harms are necessarily redressable via individually enforceable judicial remedies in its domestic courts.

## Annex I: The NAP Process

Following the President's announcement of the U.S. National Action Plan on Responsible Business Conduct, the White House National Security Council (NSC) was designated to lead and coordinate the U.S. government's efforts to develop the NAP. The NSC first convened the U.S. government interagency in fall 2014 in order to map out the development of the NAP, including U.S. interagency collaboration and stakeholder outreach.

From the beginning, the NSC-led NAP process included a wide array of executive branch agencies that work on aspects of RBC. In total, more than a dozen agencies were involved in the development and drafting of the NAP, including: Commerce, DHS, DOD, DOJ, DOL, EXIM, GSA, OMB, OPIC, State, Treasury, USAID, USDA, USTR, the Small Business Administration, and the Environmental Protection Agency.

The interagency team identified robust stakeholder consultation as a key priority, which is why the White House announced the opportunity to provide input into the NAP on RBC in November 2014. Representatives from various U.S. government agencies participated in four full-day "open dialogues" on the U.S. NAP held in New York, California, Oklahoma, and the District of Columbia. Each open dialogue featured a wide range of stakeholder groups, and the diverse locations allowed each to focus on certain RBC issues of particular relevance to stakeholders in that location, including but not limited to: the financial sector, the technology sector, extractive industries, the impact of business on indigenous groups, transparency and reporting, and government purchasing practices. The U.S. government would like to thank the hosts and participants in these open dialogues: New York University Stern School of Business, the U.S. Council for International Business, the University of California Berkeley Haas School of Business, the U.S. Network of the UN Global Compact, the University of Oklahoma College of Law, the Global Business Initiative on Human Rights, and the International Corporate Accountability Roundtable.

In addition to the four open dialogues, the U.S. government created a dedicated email address for stakeholder input on the NAP process through which we received written input from a variety of different stakeholders.<sup>5</sup> U.S. government officials also met with NGOs, academic institutions, foreign government officials, labor unions, businesses, indigenous peoples, and industry associations to solicit input for the NAP. Key themes raised by stakeholders included the need to identify ways the U.S. government is taking steps to protect human rights both at home and abroad, conduct business activities overseas in a manner that is protective of human health and the environment, improve on the performance of the USNCP for the OECD Guidelines, and promote RBC through U.S. government procurement practices.

Throughout the course of the consultations, one of the many process-related recommendations was to develop a national baseline assessment on the current state of RBC laws and policies in the United

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<sup>5</sup> [NAP-RBC@state.gov](mailto:NAP-RBC@state.gov)



States. The early stages of interagency work on the NAP benefitted from this feedback and subsequently included a stocktaking of laws and policies implemented to date that support RBC.

The NAP is focused on the greatest risks and opportunities for furthering RBC abroad. The U.S. government encourages all U.S. companies to implement the voluntary best practices contained in the OECD Guidelines, UN Guiding Principles, and other relevant frameworks consistent with U.S. law and policy.

## Annex II: Key Domestic Executive Orders and Regulatory Efforts

The Executive Orders and regulations listed below are examples of U.S. government actions designed to lead by example and help promote the responsible conduct of businesses operating in the United States and abroad.

### Executive Orders:

- *“Strengthening Protections against Trafficking in Persons in Federal Contracts”* (E.O. 13627), signed on September 25, 2012, and its associated regulatory changes, created new prohibitions on trafficking and trafficking-related activities in federal supply chains to identify and prevent human trafficking in global supply chains. E.O. 13627 also mandated compliance plans for federal contracts performed overseas and exceeding \$500,000 in value.
- *“Non-Retaliation for Disclosure of Compensation Information”* (E.O. 13665) and an implementing final rule prohibit covered federal contractors and subcontractors from discriminating against employees and job applicants who choose to inquire about, discuss, or disclose their own compensation or the compensation of another employee or applicant. The E.O. modifies a prior Order (E.O. 11246).
- *“Further Amendments to Executive Order 11478, Equal Employment Opportunity in the Federal Government, and Executive Order 11246, Equal Employment Opportunity”* (E.O. 13672) prohibits covered Federal contractors and subcontractors from discriminating against employees and job applicants employment on the basis of sexual orientation, and gender identity. The E.O. modifies a prior order (E.O. 11246) which prohibited employment discrimination by companies doing business with the Federal Government on the bases of race, color, religion, sex and national origin and required those companies to take affirmative steps to ensure nondiscrimination on those grounds.
- *“Establishing Paid Sick Leave for Federal Contractors”* (E.O. 13706) and an implementing rule require certain employers that contract with the Federal Government to provide their employees with up to seven days of paid sick leave annually, including for family care and absences resulting from domestic violence, sexual assault, and stalking.

[The U.S. Foreign Corrupt Practices Act of 1977 \(FCPA\)](#): In general, the FCPA prohibits certain classes of entities and individuals, including U.S. companies and citizens and companies publicly traded on a U.S.

securities exchange, from offering to pay, paying, promising to pay, or authorizing payments to foreign officials to influence their acts or decisions or to secure other improper advantages.

“No Safe Haven” Initiative: The [“No Safe Haven”](#) initiative aims to deny entry into the United States and U.S. citizenship to the corrupt, to bribe payers, to those who benefit from corruption, those who commit certain human rights violations, and to human rights abusers and war criminals. The initiative is complemented by Presidential Proclamation 7750, which suspends the entry, in part, of public officials who accept bribes and the individuals who provide them, along with immediate family members of public officials who benefit from the corruption.

Kleptocracy Asset Recovery Initiative: DOJ uses legal tools to trace and recover the proceeds of foreign corruption in the United States. A team of prosecutors works with federal law enforcement agencies to track the proceeds of foreign corruption, prosecute those who launder the proceeds of corruption, and put forfeited assets to use for the benefit of the people of the country victimized by such abuses of public trust. The Initiative ensures that corrupt foreign leaders cannot seek to launder or spend their stolen wealth in the United States. DOJ also participates in various international fora on asset recovery and, along with the Departments of Treasury and State, pushes to strengthen the global implementation of the international anti-money laundering and counter-terrorist financing standards through the FATF. In addition to the Kleptocracy Initiative established in 2010, DOJ has five other anti-corruption programs. DOJ focuses on investigating and prosecuting domestic public integrity offenders, bribe payers, taxpayers who seek to conceal foreign accounts, and money launderers who facilitate the movement, use, and concealment of corrupt funds, and DOJ continues to provide legal assistance to its foreign partners to fight corruption and ensure it is not a profitable enterprise.

Money Laundering and Bank Integrity: Treasury administers the Bank Secrecy Act (BSA), which, among other things, requires financial institutions to maintain effective anti-money laundering (AML) compliance programs. Effective AML programs include, among other things, the ability to detect and report suspicious activity, including corruption, and to conduct due diligence and enhanced measures when banks, broker-dealers, or other institutions deal with senior foreign political figures. DOJ prosecutes criminal violations of the BSA focusing on criminal violations by financial institutions whose actions threaten the integrity of the individual institution or the wider financial system, as well as professional money launderers and gatekeepers. These unique cases reinforce the obligation on U.S. businesses in the financial sector to harden their infrastructure against financial crime—including bribery, misappropriation, and theft—and reinforce the private sector’s role as a strong line of defense against the introduction of ill-gotten gains to the U.S. financial system.

The Trafficking Victims Protection Act: The Act (22 U.S.C. § 7103) and its Reauthorizations provide comprehensive tools and direction to combat trafficking in persons both internationally and domestically. The Act also authorized the establishment of the Office to Monitor and Combat Trafficking in Persons to lead USG diplomatic efforts on trafficking, and the President’s Interagency Task Force to Monitor and Combat Trafficking in Persons to coordinate USG anti-trafficking efforts.

[Enforcement of the U.S. Lacey Act](#): The U.S. government enforces the U.S. Lacey Act's prohibitions on the trade in fish, wildlife, and plants taken in violation of U.S. and foreign laws. In particular, the U.S. government enforces the Lacey Act against those who illegally trade in wildlife products such as rhino horn and elephant ivory, which is threatening the extinction of these animals. In addition, the U.S. government enforces the Lacey Act to punish those who purchase or trade in timber and wood products when that wood was harvested in violation of the laws of the country of harvest.

[Enforcement of the U.S. Act to Prevent Pollution from Ships implementing the International MARPOL Convention](#): The U.S. government enforces the U.S. Act to Prevent Pollution from Ships, the U.S. law implementing the international marine pollution convention known as MARPOL. Such enforcement actions are brought against shipping companies that illegally discharge waste oil into the ocean rather than legally dispose of it at port.

[Combating Impunity for International Human Rights Violations](#): DOJ's [Human Rights and Special Prosecutions Section](#) [investigates and prosecutes international human rights violations](#) using several U.S. statutes, including the War Crimes Act, 18 U.S.C. § 2441, and the Torture Act, 18 U.S.C. §§ 2340-2340A. Under these statutes, perpetrators may be held directly or indirectly responsible for specified war crimes or torture committed abroad, including in the course of conducting business, under the circumstances articulated in the statutes.

[The International Emergency Economic Powers Act](#): The Act (50 U.S.C. §§ 1701, *et seq.*) authorizes the President to declare a "national emergency" in response to "any unusual and extraordinary threat, which has its source in whole or substantial part outside the United States, to the national security, foreign policy, or economy of the United States." Pursuant to this authority, the President may prohibit certain transactions, including those with a specially-designated global terrorist or specially-designated nationals associated with specified foreign regimes who commit gross human rights abuses. Absent proper license or authorization, violations of such orders, regulations, or prohibitions carry civil and criminal penalties.

[Transparency](#): The U.S. government is engaging in efforts to strengthen financial and corporate transparency to make our country even less attractive for the corrupt looking to spend the proceeds of their crimes. To that end, DOJ has submitted to Congress a package of legislative proposals that will improve the United States' ability to combat money laundering, particularly when linked to foreign official corruption, and to locate and recover stolen assets and other criminal proceeds. Additionally, Treasury recently announced a final rule to increase transparency in the financial system. The final Customer Due Diligence rule, which was first noticed in 2014 and was subject to a public comment process, will require that financial institutions—including banks and other entities—collect and verify the personal information of the real people (also known as beneficial owners) who own, control, and profit from companies when those companies open accounts. It clarifies and expands BSA obligations and will be fully implemented by financial institutions no later than two years after its effective date (i.e. May 11, 2018). Finally, Treasury, on behalf of the Administration, sent to Congress draft legislation that would require companies formed within the United States to file adequate, accurate, and current information on its beneficial owners with Treasury. The proposed legislation includes penalties for

failure to comply and is necessary to prevent the misuse of companies formed under state law. To address potential vulnerabilities in the domestic real estate market, Treasury uses its authorities to require certain title insurance companies to identify the natural persons behind shell companies used to pay “all cash” for high-end real estate in six major metropolitan areas.

## Annex III: Glossary

ACE .....	Secretary of State's Award for Corporate Excellence
AML .....	Anti-Money Laundering
APEC .....	Asia-Pacific Economic Cooperation
BSA .....	Bank Secrecy Act
CLCCG .....	Child Labor Cocoa Coordinating Group
Commerce .....	U.S. Department of Commerce
CTIP .....	Counter-Trafficking in Persons
DHS .....	U.S. Department of Homeland Security
DOD .....	U.S. Department of Defense
DOJ .....	U.S. Department of Justice
DOL .....	U.S. Department of Labor
DRC .....	Democratic Republic of the Congo
EITI .....	Extractive Industries Transparency Initiative
E.O. ....	Executive Order
EXIM .....	Export-Import Bank of the United States
FARC .....	Federal Acquisition Regulatory Council
FATF .....	Financial Action Task Force
FBI .....	Federal Bureau of Investigation
FCPA .....	Foreign Corrupt Practices Act
GSA .....	General Services Administration
HHS .....	U.S. Department of Health and Human Services
HUD .....	U.S. Department of Housing and Urban Development
IAGGA .....	International Anti-corruption and Good Governance Act
ICOC .....	International Code of Conduct for Private Security Service Providers
ICT .....	Information and Communication Technology
IFC .....	International Finance Corporation
IFIs .....	International Financial Institutions
ILEA .....	International Law Enforcement Academy
ILO .....	International Labor Organization
IUU .....	Illegal, Unreported, and Unregulated
KPIs .....	Key Performance Indicators
MOOC .....	Massive Open Online Course
MSIs .....	Multi-Stakeholder Initiatives
NAP .....	National Action Plan
NGO .....	Non-Governmental Organization
NSC .....	National Security Council
OECD .....	Organization for Economic Co-operation and Development
OGP .....	Open Government Partnership
OMB .....	Office of Management and Budget
OPIC .....	Overseas Private Investment Corporation
PSCs .....	Private Security Companies
RBC .....	Responsible Business Conduct
State .....	U.S. Department of State
TIP .....	Trafficking in Persons

