

FIHRRST COMPLETES FIRST NATIONAL STUDY OF RESPECT FOR HUMAN RIGHTS AMONG 100 LISTED COMPANIES IN INDONESIA

More than eight years have passed since the United Nations Human Rights Council unanimously endorsed the Guiding Principles on Business and Human Rights in June 2011, yet uptake has in the main been slow. In order to both ascertain the extent of their adoption and promote their growth in Indonesia, The Foundation For International Human Rights Reporting Standards (FIHRRST) has recently utilized its Business and Human Rights International Standard for Certification (BHRISC 2011) to complete a study and ranking of 100 Indonesian Public Companies.

Although a Baseline Study on Business and Human Rights in ASEAN was published by the Human Rights Resource Centre in 2013, this marks the first occasion that a comprehensive national study of such scope has been carried out within ASEAN. As such, FIHRRST would like to express its gratitude to the Open Society Foundation for its support in making this possible.

The companies chosen for the study, entitled Growing Respect for Human Rights, were those listed on the Indonesia Stock Exchange (IDX) and included in the Kompas 100 Index, based on the consideration that these have strong liquidity and large market capitalization and are thus likely to be more open to the adoption of respect for human rights in their operations.

There being no specific expectations, the results of the study thus provided some interesting areas for further discussion. Not surprisingly, perhaps, just four companies reached the “pioneering” status, scoring between 51% and 86%, while a sobering 90 scored less than 41% - certainly room for future improvement.

What also stood out was that companies scored well in areas that have been highly regulated over the years such as workplace health and safety, and elimination of discrimination in the workplace, while almost all have a grievance mechanism in place. Sadly, such matters as upholding indigenous rights, security, and supply chains all failed to register even 10%, while there is still to be full commitment to the implementation of gender equality.

The results of the study and company rankings were warmly received on their unveiling on 16 July 2019 in the presence of representatives of the companies, government ministries

and civil-society organizations, all of whom realize that this is a shared commitment. Indonesia's Minister of Law and Human Rights, Yasonna Laoly, welcomed the initiative, remarking, "FIHRRST's effort in conducting a ranking study of 100 public companies is worthy of appreciation. It is expected that in the future this study can be synchronized with government programmes to achieve economic growth for the welfare of the people."

Marzuki Darusman, as Chair of FIHRRST, acknowledged that it will take the involvement of all key actors to attain success, but also confirmed that FIHRRST has developed a long-term programme to assess and rank companies' human rights performance in Indonesia on an annual basis, the ranking to be known as Indonesia Business and Human Rights Ranking (IdBHR).

Perhaps more importantly though, he explained FIHRRST's overall aim for the project: "This is not for naming and shaming, but rather to raise awareness that respecting human rights throughout company operations is not just the right thing to do, but the global standard and requirement to which all business should aspire to operate."