

THE AMBEDKAR PRINCIPLES

EMPLOYMENT AND ADDITIONAL PRINCIPLES ON ECONOMIC AND SOCIAL EXCLUSION FORMULATED TO ASSIST ALL FOREIGN INVESTORS IN SOUTH ASIA TO ADDRESS CASTE DISCRIMINATION

- 1** Caste discrimination remains a serious problem in the countries of South Asia. The Principles outlined below are an attempt to address this. They are intended to acknowledge the degree of historic injustice against Dalits and to compensate for this through **affirmative action**, in line with international Human Rights standards, although not to the detriment of other excluded groups. They will enable foreign investors or companies trading in the region to contribute to eliminating caste discrimination in the labour market. Much has been learned from the use of similar principles aiming to create equality in employment, such as the Wood-Sheppard Principles in the UK and the MacBride Principles in Northern Ireland – relating to racial and religious discrimination respectively - and from principles developed in relation to investment in countries with serious and structural human rights violations, such as the EU Code of Conduct and the Sullivan Principles drawn up in the 1970s to address apartheid in South Africa.
- 2** The main **Employment Principles** are firmly rooted in and seek to build upon the labour rights that are already supported by the international community - governments, trade unions and employers' associations alike - in the form of the conventions of the International Labour Organisation (ILO). They can be seen as the practical application of a number of these rights for a large section of the South Asian population that has been subjugated for centuries. These people are severely discriminated against even today on the basis of being born into a particular 'caste' or social group.
- 3** At present the obligations of states with regard to implementing labour rights are increasingly being complemented by instruments that call upon the corporate sector to be responsible and accountable for its impact on the wider society, including those whom it employs or whose employment it influences through the sub-contracting chain. One of these instruments is the UN Global Compact, of which Principle 6 requires supporting companies to seek 'the elimination of discrimination in respect of employment and occupation'. Another is the Global Sullivan Principles, which state that companies will 'work with governments and communities in which we do business to improve the quality of life in those communities, their educational, cultural, economic and social well being and seek to provide training and opportunities for workers from disadvantaged backgrounds'. There are similar commitments in the OECD Guidance for Companies and the (draft) United Nations Norms on the Responsibilities of Transnational Corporations and other Business Enterprises with Regard to Human Rights. The **Additional Principles** on exclusion have also been evolved from these international standards.
- 4** Companies supporting the Principles are asked to give them general endorsement, to work progressively towards their implementation and to make an **annual report** on their progress as part of their diversity or corporate social responsibility reporting, and also to consider engaging in some form of external audit. The Principles are built upon the urgent need in any society for positive or affirmative action for severely and structurally disadvantaged groups.
- 5** In the Principles the term 'Dalits' is used, as that is the term chosen by many of the former 'untouchables', or 'Scheduled Castes' as the Indian Government refers to them. In this context 'Dalits' also includes indigenous people(s) (in India referred to as 'Scheduled Tribes'). 'Caste discrimination' is referred to by the **United Nations** as 'discrimination by work and descent', and was the subject in August 2002 of **General Recommendation 29** by the UN Committee for the Elimination of Racial Discrimination. The countries of 'South Asia' to which we refer are primarily India, Nepal, Pakistan, Bangladesh and Sri Lanka.

EMPLOYMENT PRINCIPLES

Those who endorse the Employment Principles will be building on existing national anti-discrimination laws and policies, acting in the spirit of internationally recognised human and employment rights and putting into practice the general commitments found in international standards, as referred to above. They will:

- 1** Include in any statement of employment policy a reference to the unacceptability of caste discrimination and a commitment to seeking to eliminate it;
- 2** Develop and implement a plan of affirmative action, including training on caste discrimination for all employees and making specific reference to Dalit women, particularly where Dalits are under-represented as employees in relation to the local population;
- 3** Ensure the company and its suppliers comply with all national legislation, particularly in relation to bonded labour, manual scavenging and child labour, pay specific attention to the role that caste relations might play in legitimising or covering up such forms of labour, and contribute actively to the implementation of existing anti-caste laws such as the Civil Rights Act and the Prevention of Atrocities Act;
- 4** Use fair recruitment, selection and career development processes, with clear objective criteria, and ensure that these processes are open to scrutiny from Dalits themselves as well as other civil society groups;
- 5** Take full responsibility for their workforce, both direct and sub-contracted, including the supply chain, in seeking to detect and remedy any caste discrimination in employment conditions, wages, benefits or job security;
- 6** Evolve comprehensive training opportunities for employees and potential recruits from Dalit communities (integrated with other staff where possible but separate where not), and including language support for English-deficient candidates, with the aim of enabling Dalit workers to fulfil their potential, and will wherever possible set targets for numbers of Dalit employees;
- 7** Designate a manager at a sufficiently senior level to carry out the policy who will aim, in the context of meeting business needs, to maximise the benefits of a diverse workforce and ensure that the policy, its monitoring and the related practices are carried through;
- 8** Develop effective monitoring and verification mechanisms of progress at the level of the individual company, and also co-operate in monitoring at the levels of sector and the state, involving Dalit representatives including women in these mechanisms;
- 9** Publish annually a report on progress in implementing these Principles - preferably in relation to an appropriate section of the Annual Report;
- 10** Appoint a specific board member with responsibility for oversight of this whole policy area.

ADDITIONAL PRINCIPLES TO ADDRESS ECONOMIC AND SOCIAL EXCLUSION

Investors who support the Additional Principles will encourage increasingly wide ownership of land and capital, and broaden opportunities for skills development, in the context of social and economic rights. The Principles should be a vital element in any social and/or environmental audit prior to investment. 'Socially excluded communities' refers primarily to Dalits but in particular contexts may include tribal peoples, women and religious minorities. Those who endorse the Additional Principles will:

- a** Require that all corporate support to community development programmes and other charitable activities in caste-affected countries or areas include the participation of Dalits in both planning and implementation, and that they receive at least an equal share in any benefits;
- b** Where land is leased and/or purchased ensure it has not been misappropriated, or otherwise removed, from socially excluded communities;
- c** Seek to place a proportion of supply and/or service contracts with local enterprises from socially excluded communities;
- d** Avoid exploitation of local resources to the detriment of local communities;
- e** Aim to ensure nothing is done which may drive local communities towards ecologically insensitive activities or the desperation of violent protest, undertaking local consultation to guarantee this;
- f** Vigorously encourage and enable a degree of ownership of the investing institution by socially excluded communities;
- g** If a bank or financial institution, ensure that lending to Priority Sectors (in India a legal requirement) seeks particularly to assist Dalit Self-Help Groups and Dalit entrepreneurs;
- h** Support educational projects for socially excluded communities at all levels, primary, secondary and in the form of training for posts at executive or management level;
- i** Promote and support the teaching of English to Dalit communities, and encourage State and Government authorities to do the same, as the use of English greatly increases employment potential for excluded sectors;
- j** Put in place a protective system for whistleblowers.

*The Employment Principles were presented in draft form to the International Consultation on Caste-Based Discrimination held in Kathmandu between November 29th and December 1st 2004. The International Dalit Solidarity Network has received comments and amendments during 2005, from its member bodies and senior figures in private companies. At a meeting on working with the private sector in The Hague, Netherlands, October 2005 it was agreed to include the Additional Principles in relation to wider social and economic rights.

Those endorsing these Principles should write to this effect to
the International Dalit Solidarity Network,
Nørrebrogade 66C,1 sal,
DK 2200 Copenhagen N, Denmark,
email rn@idsn.org.

Nørrebrogade 66C, 1.sal
DK-2200 København N
Denmark
Tel: +45 35 24 50 80
Fax: +45 35 36 67 46
rn@idsn.org

www.idsn.org