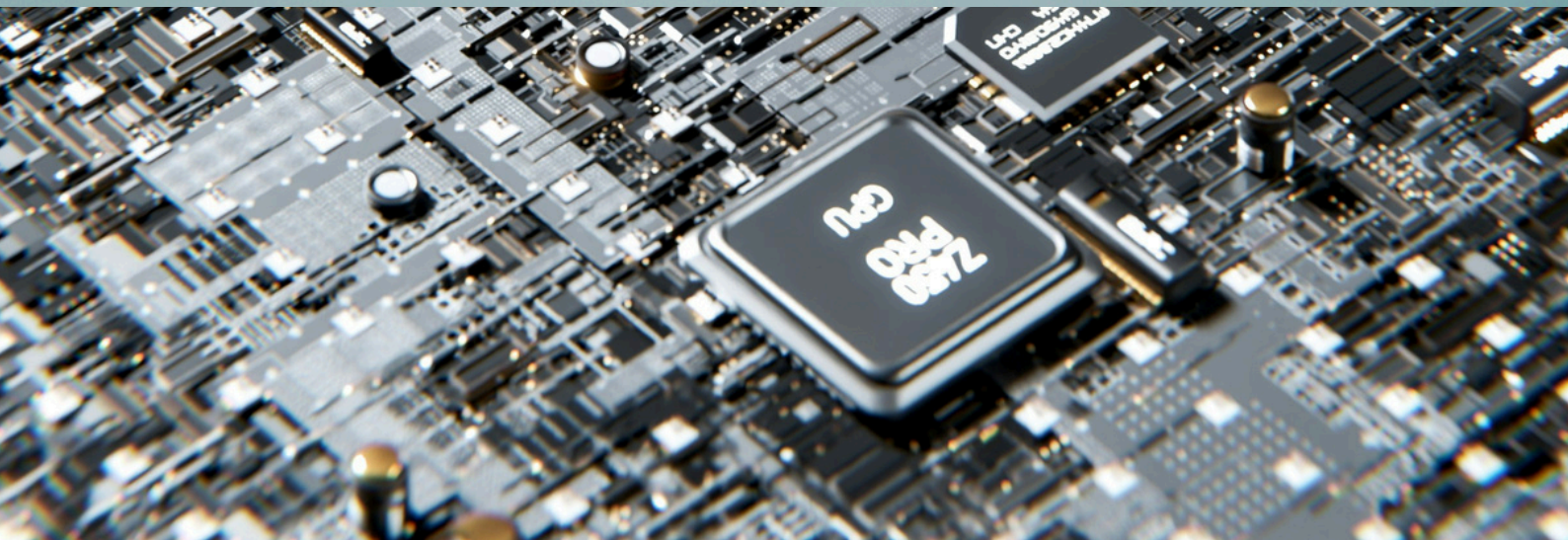




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## **Business & Human Rights in the Arms Trade:**

### **Implications for Institutional Investors**





# Legal & Policy Brief

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# Summary

This briefing begins by setting out business's responsibilities when operating in the arms trade. This responsibility applies to all businesses engaged in conventional and non-conventional weaponry, munitions, components, parties, and suppliers to those components and parts. It applies equally to those companies making planes as it does to those making semi-conductors, those providing software and cloud-based support for militaries, and artificial intelligence companies whose operations are being used (or may be used in the future) to make targeting and proportionality decisions.

Once the responsibility is established, I turn to business's failings in the arms trade. In short: I cannot identify a single company in the arms industry that has lived up to its human rights responsibilities. Yet. Even those companies that have strong human rights standards for their consumer-focused operations do not apply those standards to their military-focused operations. The dominance of the U.S. in the arms sector—and its current insistence on flouting international law—heightens the risk businesses in the arms sector will *cause* or *contribute to* human rights and humanitarian law violations.

The institutional investors that financially support these companies

The briefing report takes an approach of commonly asked questions and rather blunt (and sometimes sardonic) answers. These questions are too important to be anything but blunt, particularly as an increasing number of businesses and institutional investors have asked questions indicating a desire to find the great loophole that will justify their choices from a human rights perspective.

I don't have time for those efforts.

*We* as a global society do not have time for those efforts.

If your institutional managers insist on investing in arms despite the risks, they do so *at their own risk*. But, they cannot use or hide behind human rights while doing so.

The foundation for this briefing report can be found in two academic articles, both of which will be freely available on the websites of the journals they are printed in:

- Tara Van Ho, *Enforcing International Humanitarian Law through the Business Responsibility to Respect*, *Cardozo Journal of International & Comparative Law*, vol. 9, issue 1, pages 55-112 (2025).
- Tara Van Ho, *Trump's Lawlessness and the International Legal Obligation to Restrict Arms Transfers to the United States*, *Minnesota Journal of International Law*, vol. 36 (2026) (forthcoming).

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# Introduction

This briefing begins by setting out business’s responsibilities when operating in the arms trade. This responsibility applies to all businesses engaged in conventional and non-conventional weaponry, munitions, components, parties, and suppliers to those components and parts. It applies equally to companies making planes and tanks as those producing semi-conductors, software and cloud-based support, or artificial intelligence that can be used for military purposes.

Once the responsibility is established, I turn to business’s failings in the arms trade. The remainder of the briefing report focuses on the implication of these findings for institutional investors, and it takes an approach of commonly asked questions. Sometimes the answers are thorough; sometimes they are rather blunt (and slightly sardonic). Please know that this is a work in progress, but reflective of decades of trying to help businesses take this seriously, and trying to help non-governmental organizations and states ensure accountability when businesses cause or contribute to conflicts and war crimes.

## **1. What are the human rights responsibilities of businesses engaged in the arms trade?**

Under the 2011 United Nations Guiding Principles on Business and Human Rights (“UNGPs”), all businesses (regardless of size, industry, or structure) have an independent responsibility to “respect human rights,” meaning to refrain from interfering in the realization of human rights. The responsibility to respect exists regardless of any state’s ability or willingness to regulate the business. Unanimously endorsed by the U.N. Human Rights Council, embraced by business enterprises, and invoked by domestic and international courts and tribunals, implemented in several States through domestic legislation, and invoked by domestic, regional, and international juridical bodies, the UNGPs now represent the minimum expectation the international community has for all businesses, including those in the arms trade.

To meet this responsibility, businesses are normally expected to undertake “human rights due diligence” (“HRDD”), a process by which the business works with stakeholders to identify real or potential risks the business poses, directly or indirectly, to human rights through its operations, goods, value chains and business relationships. Once the real or potential risks are identified, the business needs to develop mitigatory measures in consultation with stakeholders and affected rightsholders<sup>[1]</sup> and, where necessary, employ reparatory measures (again, in consultation with affected rightsholders). If a business operates in or supplies goods and services to a “conflict-affected or high-risk area” (“CAHRA”), the business must engage in heightened human rights due diligence (“hHRDD”). Like “normal” HRDD, hHRDD should examine the business’s direct and indirect impacts on human rights, but the business must also consider its impact on conflict dynamics, including relationship with parties to a conflict. For

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[1] “Rightsholders” refer to those individuals who have human rights that were adversely affected by the business’s operations, goods, value chains, and business relationships. It is usually a narrower category of individuals than “stakeholders.”

businesses engaged in the arms trade, this includes understanding how the components, parts, munitions, or weapons it sells are fueling or sustaining the war and/or breaches of human rights within the conflict.

A business owes reparations where it has caused or contributed to an adverse impact on human rights. If a business is directly linked to an adverse impact through business relationships, they are expected to use their leverage to affect change in a business partner. (I'll tell you what those terms mean later in this briefing note.) If a business is supposed to take action and doesn't, its responsibility can increase. This means that a business that isn't expected to provide reparations at first might become responsible for reparations over time. It also means that for a business to avoid incurring greater responsibility they need to: (1) use their leverage effectively; (2) see change commensurate with the risk they identify (the more severe the risk, the faster the change needs to occur); and (3) consider terminating relationships where their leverage is unlikely to affect change.

Unlike an allegation in criminal law, the business does not need to prove "beyond a reasonable doubt" that the allegations are true before it takes action. Instead, the business is expected to act in a precautionary manner, aiming to mitigate risks before they become realities. As such, a business should react to credible accusations of problematic conduct by a business partner, including a client. By "credible accusations," I mean ones that come from credible sources, including directly from rights-holders, that pass what can best be called the "laugh test": is the allegation so outrageous that it seems improbable? If it doesn't meet that threshold, it should be taken seriously and mitigatory measures implemented.

## **2. What's different about the human rights responsibilities of institutional investors from the companies it invests in?**

Not much. You should be asking these same questions of your investees. You should be using your leverage to ensure they adopt and implement adequate hHRDD. When they don't, you should consider whether you need to terminate your relationship with them. I talk about terminating relationships more below.

## **3. What's an adverse impact? Does it change during a conflict period? How do we use *lex specialis* in this area?**

An adverse impact usually correlates to a violation of human rights. The International Court of Justice has been clear that human rights protections continue to apply during an armed conflict, but the laws of armed conflict define what constitutes a human rights violation where there's a conflict between human rights law and humanitarian law (or the laws of war). For example, under human rights law,

There are also times when it relates to conduct that would not constitute a violation of international human rights law, such as where a business's relationship with a party creates conditions in which an armed conflict is more likely to erupt.

Imagine a business prioritizes its investments in an area of Country A that is dominated by a particular people (“People A”), who share a race and are economically and politically powerful. People A’s dominance comes at the expense of a minority group (“People B”). The company continues to prioritize investments that support People A and fails to invest in areas that would benefit People B. The company’s presence exacerbates the economic inequality between the two groups, and is likely to move the area closer to an armed conflict. The business’s conduct creates the conditions for conflict, which is an adverse impact on human rights.

Applying this to the arms trade: imagine a business sells components for a weapon to State C, which has a bad habit of invading its neighbors in breach of the U.N. Charter. State C invaded one of its neighbors in 2014. In 2017, the company sells State C an important component for maintenance of its warships. This enhances the likelihood that State C will invade another neighbor in the future, meaning this is an adverse impact on human rights even though it is not a human rights or humanitarian law violation. In 2022, State C invades State D. The business that sold the component is at least related to the adverse impacts suffered by the victims of State D.

#### **4. Wait, are you saying that the arms company is responsible for all the damages arising from the conflict?**

No, I’m not saying that. I was just describing what an adverse impact is when it’s not directly correlated to a human rights violation. To know if the business has a responsibility for the damages, we need to trace that action and understand its relationship to the conflict and to the events that transpire in a conflict. Only then will we know if the business has caused, contributed to, or is merely directly linked to a harm. If a business has caused or contributed to the harm, it owes remedies and reparations. If it is directly linked to the harm, then it must effectively exercise leverage.

#### **5. What does it mean to “cause or contribute” to an adverse impact? What’s it mean to be “directly linked to” those impacts?**

The three terms sit on a “continuum” and a business can move between them depending on its conduct. To determine where the business sits, you should first identify its:

- Power
  - Directly over the harm,
  - In relationship to another party, or
  - Over the environmental conditions that give rise to an adverse impact.
- Independence, meaning whether it can unilaterally end the harm or its engagement in the harm.

These terms also have a continuum: a business can have strong power, weak power, or it can exist somewhere in between. Similarly, a business can be highly independent (meaning it alone can stop the harm or its involvement in the harm) or it can have very weak independence (meaning it is largely dependent on other actors and also has little ability to leave the situation or relationship). Many businesses will sit somewhere in between.

The stronger a business's power and independence, the more likely it is causing the harm, the weaker the power and independence, the more likely it only directly linked to the harm, or possibly not linked to the harm at all. Most businesses will sit somewhere in between, and there will be questions about whether it is contributing to a harm or merely directly linked to it. When these cases arise, three additional factors matter:

- Severity of the harm (either by its nature or by the number of people affected). The more severe the harm, the more leverage must be used effectively and swiftly to terminate the harms.
- Predictability of the harm. A business that undertakes adequate and appropriate due diligence should be able to identify predictable harms, meaning those that are likely to arise.
- Mitigatory measures. A business that takes appropriate steps to prevent harms from arising is less likely to incur a responsibility to remediate those harms when they do arise. The better the mitigatory measures, the more likely the business is to be only directly linked to a harm.

A business's responsibility is determined by understanding how these factors interact with one another.

## **6. What kinds of mitigatory measures would you expect?**

What is likely to be effective to stop a partner from harming human rights? That answer is usually a combination of competency and money, and a business's mitigatory measures should be aimed at addressing these issues. For an arms company, I'd expect their mitigatory measures to include:

- Training partners in the appropriate use of weapons;
- Limits on the number or nature of weapons they can have based on their training in human rights and humanitarian law;
- Limits on the number or nature of weapons based on their historical compliance with human rights and humanitarian law;
- Reporting lines so that if someone suspects the weapons supplied are or are likely to be used in violation of the U.N. Charter or the laws of armed conflict, the company can be alerted early and take steps to limit further supplies;
- Contractual clauses that require the party to pay substantial amounts of money when the weapons are misused (along with clarity as to how these provisions will be enforced).

## **7. When you discuss businesses engaged in the arms trade, do you mean those companies that build airplanes and tanks? Is it just conventional weapons or companies supplying militaries directly?**

"Businesses engaged in the arms trade" refers to any business, of any size, in any state, that produces any part, component, munition or weapon that is captured by the definition of conventional arms used in the 2013 Arms Trade Treaty as well as any unconventional arms: drones; artificial intelligence; security monitoring software; facial recognition technology used by military and security services; and anything else that is used to monitor and wage attacks during periods of conflict or oppression.

And yes, the notion of component and part is equally broad. Any semi-conductor or chip incorporated into a weapon, insulation that protects weapons from overheating, or TNT for use in the production of bullets and missiles are all captured.

## **8. What if we don't know that our components or parts are being used in weapons?**

Why don't you know? Did you fail to do your due diligence? Because if so, that's no excuse. Was the problem a predictable, expected or anticipated issue with diversion? If so, that's no excuse. Was this the result of a slightly unpredictable diversion that could have been guarded against with adequate diligence and measures? If so, not a defense.

Was it a completely unpredictable series of events, likely never to repeat, and that could not be predicted in advance and which no reasonable measures could have prevented? Like, what if the plot of Oceans 11 was real but instead of robbing a casino in Las Vegas they were robbing your components and parts to sell them to war criminals? Then, you're off the hook. For now, at least. You should still review your security processes and procedures to see if there's something better you could do in the future, because if you don't learn from this episode then that's a problem in the future.

## **9. This seems very broad. Is it really fair to hold a semiconductor manufacturer responsible for the fact that their semi-conductors get diverted and eventually sold to Russia for use in military equipment?**

Whether it's "fair" or not is a rather silly question when talking about the arms trade and war, is it not? Is it fair for civilians to die in an armed conflict? No, but sometimes it's lawful. In wars, we don't talk about fairness. We talk about rights and responsibilities.

When it comes to the businesses engaged in the arms trade, they are often what we call "the lowest cost avoider." They can control the distribution of their products and enact appropriate contractual and tracking measures to avoid diversion and misuse. As such, they are expected to act because they can do so effectively when others either cannot act or when their actions would be ineffective, less effective, or more costly.

## **10. Do you know of any arms trade businesses meeting their responsibilities that we could invest in responsibly?**

Nope. Not a one.

I know, that's not what you wanted to hear. It's not what I wanted to say, either. But, it's where we're at today.

I hope some day that changes, and I'll be honest: if Anthropic's defense against the U.S. Department of Defense works, it might become the leader in the field that we can build off of.

## **11. Why Can't We Just Rely on the State's Arms Export Approval?**

Because States aren't doing their job with those arms export approvals. Their decisions are often politically driven. They lack transparency so you don't even really know why they made the decision they did on a particular export (this is a complaint I share with the arms industry itself). Too frequently, arms exports have been approved for situations where there are credible accusations of their use in widespread and systematic violations of human rights, war crimes, crimes against humanity, and even genocide without adequate investigations and consideration. (That's not just my conclusion; it's the conclusion of multiple domestic courts.)

The UNGPs exist precisely because States can't be trusted to protect human rights. Businesses in highly-regulated industries were relying on (some might even say "hiding behind") the State to say "this is okay" and "that's not okay" but the States weren't abiding by the law. Consequently, businesses were using State militaries to clear oil fields of protesters, and the militaries were committing war crimes. Or the business was paying the State to say the business could do something, and because the business was really powerful and the State was less powerful, the State was just going with the business's requests. When these things happened, human rights were harmed.

The only way to counteract this was to insist that the business responsibility to respect human rights is independent of the State's obligation to protect human rights. As such, absent compulsory orders by a business's home state (or other acts constituting legal distress), the business needs to conduct its own hHRDD before transforming or selling weapons, components, parts, or munitions.

## **12. This seems unfair for businesses in the arms trade. We are already highly regulated. That should be enough.**

There's that fairness word again. You know how I feel about that word in this context.

That said, I agree. It should be enough, if only States did their jobs and actually regulated you as rigidly as your weapons deserve. But, they don't. So, you're on the hook now. If you want this to change—if you want me to have to say in 5 years, "Yes, you can rely on arms exports licenses granted by X, Y, and Z countries" —then you should advocated for greater regulation and transparency by your state regulators. They could publish the criteria they use to make their decisions, and they should publish the reasoning behind their decisions. If they do that, and they consistently show they are meeting their human rights responsibilities, I will revise my guidance in 2031.

But, take heart: while I can't recommend businesses in the arms trade, there are lots of other highly regulated businesses already doing HRDD and hHRDD, even when their findings conflict

with their regulating states. Pharmaceutical companies, food and agricultural companies, and even some extractive industries are already employing HRDD and hHRDD. This means there's a path forward for arms companies where there is a political and legal will to engage in HRDD.

### **13. What if the business only sells arms to states abiding by IHL?**

This starts the analysis at the middle, which is not a good place to start. IHL only applies when there is an ongoing armed conflict. But how did the conflict start? What was your contribution to that? Are you selling to the aggressor or the defender under the U.N. Charter? And how do you know that they're the aggressor or defender? Were your weapons used in widespread or systematic violations of human rights that led to the conflict starting? How do you know?

Also, it's great when a state abides by IHL (it should happen way more often than it does!), but who is making that assessment for you? Is it the State you're selling to or their political ally? Because that's not a credible assessment. You might be surprised to learn this, but States have a historically bad record of assessing their own conduct. They often feel they're in the right even when their actions are (very) legally wrong.

Finally, what standard are you employing when you say the state is "abiding by IHL"? Are you requiring those concerned about IHL compliance to prove the state breached IHL beyond a reasonable doubt? Because that's not an appropriate standard here. You should be taking preventative measures before anyone can prove that the State breached IHL using or relying on your goods and services.

### **14. Okay, but what if we invest in a company that only sells arms to States abiding by IHL and victims of wars of aggression?**

This covers some situations that you should be concerned with, but not all. You need to consider not just the conflict itself, but also what underpins the conflict, what led to it, and what's likely to occur after conflict (in what is known as the period of "transitional justice"). What's the likelihood these weapons are diverted to another party to the conflict? What's the likelihood they are transformed into weapons used by the police when the conflict is done? What is your plan for that period of time? What mitigatory measures do you have?

### **15. What if the receiving State is a victim, abiding by IHL, has a strong record of human rights, and a plan for transitional justice?**

That sounds amazing! But, I thought you were interested in investing in arms companies here on Earth. That's my fault for making that assumption. (Oh, and no, this does not mean you should be investing in arms on other planets!)

## 16. What constitutes a “credible allegation” of a breach or risk?

This will depend on what kinds of civil society activity is allowed in the State at issue. Anything coming from the International Court of Justice, the International Criminal Court, international commissions of inquiry, the International Committee of the Red Cross, the offices of the United Nations (U.N.) Secretary General, U.N. Office of the High Commissioner for Human Rights, the U.N. High Commissioner for Refugees, U.N. Fact-finding missions, U.N. treaty bodies (the experts responsible for overseeing compliance with individual human rights treaties), and U.N. special procedure mandate holders should be considered credible at all times. While the U.N. political branches (General Assembly, Security Council, Human Rights Council, etc.) can be, well, *political*, the entities I identified above are all staffed with professionals whose training and education generally means they are used to sorting fact from fiction. More importantly, they (1) are *all* aware that everything they say about a State will be scrutinized heavily, and (2) have too much work to do on too little resources already. As such, they generally only report areas of concern when it is necessary to do so. In addition to these highly credible groups, you should also pay attention to reputable non-governmental organizations, newspapers, and academics. There is no clean list for this group, but you should consult experts when needed. Please note that simply because a non-governmental organization has a focus on a singular situation, state, conflict, or area does not mean it is inherently biased or untrustworthy. In fact, you should have stakeholders that are purely local in areas of concern.

Remember that when evaluating the accusations and developing a mitigatory plan, you should not be applying a *beyond a reasonable doubt* burden of proof. The responsibility of the business is to be proactive to avoid harms, not reactive to establish guilt. Leave the guilt-finding to the criminal prosecutors and judges; you focus on reducing harms associated with your products and services.

## 17. But, if we don't do it others will. Or maybe no one will. And wouldn't that be bad too?

I must admit: I've never understood this argument when it comes from other grown adults. As my mother used to tell me: just because your friends jump off a bridge doesn't mean you should, too. In my adult life, I've known people accused of murder, sexual violence, and theft. Not once did I think that meant I should do it, too.

As for the idea that no one will invest in weapons if you don't? Oh, how I wish the world worked like that!

Instead, it's more likely that States will invest in their defense industries. This is a good thing: States *should be* investing in their own defenses (and the defenses of their allies). That's part of their role and their relationship with their citizens. Ideally, these States also abide by their own international human rights, humanitarian, and arms trade obligations. Ideally, when they don't, their citizens will hold them accountable.

**Starting Questions  
for businesses & investors**

# Are your Arms Going to a “Conflict-Affected or High-Risk Area?”

1. Who are our customers? Who do they sell onto?
2. What are the records of these customers in terms of U.N. Charter violations and human rights violations? For example:
  - In the past 15 years, has the relevant State or party to a conflict:
    - Continued an ongoing unlawful conflict or an occupation or annexation of another State in violation of the U.N. Charter?
    - Invaded another State in violation of the U.N. Charter?
    - Been credibly accused of crimes against humanity, which are widespread attacks on civilian populations that can include:
      - Murder;
      - Forcible displacement;
      - Enforced displacement;
      - Enslavement, including through state-sanctioned “education” camps, or prison camps where trials are either arbitrary or non-existent;
      - Enforced disappearances;
      - Apartheid; or,
      - Sexual violence.
    - Been credibly accused of war crimes, including:
      - Indiscriminate attacks against civilians or civilian infrastructure?
      - Torture of prisoners of war, civilians, or “enemy combatants”?
      - The use of settlements to move civilians of the occupying state into territory belonging to the occupied?

If the answer to any of these questions is “yes,” you need to develop hHRDD and significant mitigatory measures.

You might be asking “why 15 years instead of 5 or 10?” Quite simple: the average lifespan of a peace agreement is 14 years, which mean it takes (at least) 15 years before the State is no longer “conflict-affected.”

Even then, some states may have other indicators of high-risk for even longer:

- In the past 20 years, has the customer (or a customer of a customer):
  - Been credibly accused of an atrocity crime?
  - Had a repressive or authoritarian government, or one described by credible sources as a “democratic authoritarian” or “elected authoritarian”?
  - Refused to undertake the kinds of reforms necessary for a previous experience with authoritarianism that often help inculcate a democracy: truth commissions and public apologies; investigations, prosecutions, and punishments of those responsible for widespread and systematic violations of human rights or humanitarian law; and/or reparations programs for those whose rights were violated under the previous regime; and institutional reforms to ensure past violations are not repeated in the future.

- Been accused of structural discrimination (on the basis of race, religion, ethnicity, nationality, class, political identity, or any other firm identity that matters to those within the country) and suffered from periodic outbursts of violence on the basis of these divisions?
- Had identifiable groups with significant imbalances in economic, political, civil, social, or cultural power? This includes a single party holding political power for extended periods of time, limitations on who can vote or hold government office, significant economic inequality, or repression of a particular language or other cultural expression?
- Suffered from widespread acts of violence, including enforced disappearances and arbitrary detentions?
- Allegedly engaged in widespread land displacement on discriminatory grounds (including economic discrimination) in a manner that renders people homeless or otherwise in a vulnerable position.
- Allegedly engaged in ad hoc or rising repression of speech critical of the ruling party, or of particular corporations and economic elites?

Why **20 years** for this but not for the other stuff?

- These questions relate to a few different situations. The first 3 questions relate to periods of time following the commission of an atrocity crime or a democratic transition. periods following post-atrocity crimes and democratic transitions post-authoritarianism and emerging democracies; and pre-conflict situations. The final 5 questions relate to pre-conflict indicators.
- Empirical research suggests that a post-authoritarian democratic state is most vulnerable to backsliding in its first 20 years. It actually takes approximately 52 years of democracy before democracy is considered consolidated with a 90% confidence rate. By focusing on the first two decades, businesses are focused on those states that are most vulnerable to backsliding. After 20 years, businesses should monitor situations on the ground to identify any threats of rising authoritarianism.
- Given the forward-looking nature of HRDD, I matched the timing for atrocity crimes to those of democratic backsliding as they share a common issue of power and oppression. Atrocity crimes (war crimes, crimes against humanity, and genocide) are the most serious crimes in international law, each defined in specific treaties, including the Rome Statute of the International Criminal Court. They are not subjected to statutes of limitation and a failure to address past atrocity crimes can be a problem for States (and businesses) even after 20 years. Businesses should always consider whether unaddressed atrocity crimes are affecting community relations, and whether this is indicative of an ongoing issue with oppression.
- Research provides several indicators of an impending conflict, even where a State does not have a history of conflict. The primary indicators relate to imbalances of power between identifiable groups.

# Is Your hHRDD Adequate?

1. Do we *have* a human rights due diligence process? Do we alter it to *heightened* human rights due diligence in conflict-affected areas?
2. Does our hHRDD process consider all the various circumstances that would be classified as a “conflict-affected and high-risk area?”
3. Does our hHRDD apply to all potential transfers of all potential weapons, components, parts, services, and munitions?
4. Does our hHRDD process involve stakeholder and rightsholder consultations in the States in which we sell weapons? Do stakeholders know how to participate in these discussions if they need to? Do we alleviate the cost of participating in our consultations so that people do not bear the financial cost of assisting us in a core business activities?
5. Do we have reporting lines for stakeholders, and the stakeholders of our business partners, to report abnormalities or areas of concern that we might know about or have thought about?
6. Do we have a list of knowledgeable experts we can reach out to should we need more information or connections? Do we adequately pay these experts and consultancy firms, and guarantee their independence, to ensure they can do this work well and without bearing the financial cost of assisting us in a core business activity?
7. For conflict-affected areas:
  - a. Do we check the safety and security of our stakeholders to ensure they can participate in consultations?
  - b. Do we adequately and effectively incorporate U.N. Charter violations into our decision-making process?
  - c. Do we adequately and effectively incorporate past violations of human rights and humanitarian law into our decision-making process?
  - d. Do we adequately consider the history of our clients in determining the likelihood of recidivism to conflict or the misuse of weapons in violations of human rights or humanitarian law?
  - e. Do we pause transfers when we are made aware of credible allegations?
  - f. Do we talk to our home country openly about risks?
  - g. Have we undertaken adequate steps to prevent diversions?
8. For high-risk areas:
  - a. Do we check the safety and security of our stakeholders to ensure they can participate in consultations?
  - b. Do we ensure that what is shared with us in consultations is only shared with a government or non-governmental organization in a manner that conceals the accusers identity and that cannot be used for retribution against stakeholders?
  - c. Have we sought credible analysis of conflict-related risks factors from consultants? Have we adequately paid these consultants?
9. Have we incorporated contractual clauses about the appropriate use of weapons in all our contracts?
10. Have we incorporated contractual clauses about training in the use of weapons in all our contracts?
11. Have we incorporated standards for terminating contracts on the basis of human rights and humanitarian law considerations (including even before a conflict arises) in all our contracts?

12. Does the breach of a contractual clause mentioned in ## 7-9 above result in specific monetary damages that we can recover? How are we to recover these damages? Who do the damages go to if we recover them? In areas where we do not have adequate leverage, do we identify means in which to enhance our leverage? Do we talk to other businesses engaged in the arms trade or other businesses operating in this area to identify means by which we can collectively use leverage to affect change?
13. Do we have clear standards for when we will stop selling, trading, transferring, or providing products to business partners? Does this include processes for states that regulate us?
14. Do we have a non-judicial remedial process already in place to handle complaints about the use of our weapons? Do our stakeholders know how to use this process? Does this process have the capacity to order the company to provide remedies?

# Should You Pause Arms Transfers?

1. Have there been credible accusations of atrocity crimes? If so, have you had an adequate opportunity to consult all relevant stakeholders and determine whether there are grounds to *fear* or *worry about* your weapons, components, parts, services, or munitions being misused? Does your conclusion pass laugh & smell tests (or are you likely to hear or see me utter your name in disgust on a panel or in a blog post?)
2. Can you reach stakeholders on the ground to discuss risks? Can they safely participate in consultations freely, or with your protection? Can they afford to participate in your consultations?
3. Have your independent experts been able to adequately investigate any indicators of atrocity crimes, rising authoritarianism or imminent conflict? Are they receiving adequate information from stakeholders (including any affected governments)?
4. Do you have a remedial panel who can review any decision you make?

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