



Norway: Companies face new human rights due diligence, reporting

*By Fiona Webster and Stephanie Rosseau
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Approximately 8,000 companies in Norway face new human rights due diligence obligations under measures featured in the Transparency Act, (the Act) effective 2 Jul 2022. Those companies will have to carry out regular human rights due diligence, publish an annual statement on human rights and decent working conditions (the first must be published by 30 Jun 2023), and respond to third-party requests for information regarding adverse human rights impacts.

Highlights

- Companies will be subject to the Act if they meet two or more criteria — they must have 50 or more full-time employees averaged over the fiscal year, a balance sheet of NOK 35 million or more, or sales revenue of NOK 70 million or more.
- Human rights include internationally recognized human rights and decent working conditions (such as fundamental human rights, workplace health, safety, environmental issues and living wages).
- Companies must conduct due diligence proportionate to the size and nature of their enterprise, and the context of their operations. This includes mapping adverse impacts on human rights and decent working conditions the company has caused or contributed to, or that directly relate to services, activities or products through suppliers or business partners.
- Companies' annual statements must include specified information in the Act and must be signed by all board members of the company's executive board — or the general manager if there is no board.
- Companies must respond in reasonable time to third-party requests for information about how the company is addressing actual or potential adverse impacts identified in its due diligence assessment. In certain circumstances, companies can refuse to provide information.
- The Ministry of Children and Family Affairs can issue regulations regarding due diligence, reporting and third-party information rights, and clarification about the issues comprising fundamental human rights and decent working conditions.

- The Norwegian Consumer Authority will enforce the Act, and could impose fines for noncompliance, and issue compliance orders.

Related resource

- [Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions \(Transparency Act\)](#) (English and Norwegian) (Parliament, 1 Jul 2021)

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