Briefing: Call on the UK government to support the UN Binding Treaty on Business and Human Rights and engage in the process to hold corporations accountable for human rights violations

On 25-29th October 2021, governments will meet in Geneva to discuss the latest draft of the UN Binding Treaty on Business and Human Rights. This is a proposed treaty that seeks to regulate, in international human rights law, the activities of transnational corporations and other business enterprises;

We, supporters of the Treaty, urge UK parliamentarians to:

- 1. Call on the UK Government via a Parliamentary Question to engage positively with the UN Binding Treaty;
- 2. Become members of the Global Interparliamentary Network that supports the UN Binding Treaty process by signing the declaration at <u>www.bindingtreaty.org;</u>
- 3. Support the development of UK legislation to hold corporations accountable for human rights and environmental abuses.

Suggested parliamentary question:

 The UK Government has committed to implementing the UN Guiding Principles on Business and Human Rights. These principles set out that States should implement a 'smart mix' of policies to ensure the protection, respect and fulfilment of human rights along investor, business and public procurement supply and value chains. An international instrument on transnational corporations is a necessary part of ensuring businesses are meaningfully held to account - how does the Government plan to support these vital negotiations for a UN Binding Treaty on Business and Human Rights?

Holding corporations accountable for rights abuses

Corporations can create quality jobs, provide vital products and services, and generate tax revenues. But too frequently their practices harm people and the planet, and international rules fail to hold businesses to account when abuses do occur.

Transnational corporations benefit from an impunity gap where their power, complex corporate structures, and operations across multiple jurisdictions result in barriers to victims receiving justice.

A UN binding treaty would complement the new laws in France, Germany and Norway which require corporations to assess and mitigate the risks that they pose to human rights. The European Union is bringing forward similar legislation in 2021.

Briefing Paper of the UK Working Group on the UN Binding Treaty on Transnational Corporations, October 2021

These legislative initiatives reflect the widespread exploitation of labour in global supply chains, including modern slavery, large-scale environmental pollution, tax avoidance and corruption conducted by irresponsible corporations who face little prospect of being held accountable. The resulting human rights violations fall disproportionately on the most marginalised in the Global South and prevent countries from realising their development aspirations.

The COVID-19 pandemic has further exposed structural injustices in the global economy. Corporations have continued to make profits, including transnational pharmaceutical companies that are profiting hugely from the unequal roll-out of vaccines. Meanwhile, workers in global supply chains have lost their livelihoods, seen their pay and conditions cut, and been forced to work in unsafe conditions. Human rights defenders have experienced increased attacks and repression.

The UN Binding Treaty

The UN Binding Treaty aims to create an *international* instrument to regulate the activities of transnational corporations and hold them accountable for rights abuses, complementing national and regional initiatives. Crucially, this would be legally-binding, and would signal a move away from decades of failed attempts to create corporate accountability via voluntary initiatives. The principle that internationally recognised human rights should be protected by way of appropriate systems of binding enforcement and redress is clearly established in both international law and in broader norms governing international political relations.

The Office of the High Commission on Human Rights, numerous states in the Global South and the European Parliament have given strong backing to the intent of the Treaty and are actively involved in the ongoing process. Many hundreds of very diverse civil society organisations, as well as parliamentarians, have participated in the sessions of the Intergovernmental Working Group in Geneva and discussed the evolving drafts. Across Europe, more than 800,000 citizens have <u>called for the Treaty and an end to corporate courts</u>.

Social movements, trade unions, women's rights organisations and NGOs believe that the Treaty will provide an avenue to address the systemic and disproportionate power of transnational corporations. The future Treaty has the potential to address the asymmetries of power between States and corporations on the one hand and affected communities and individuals on the other. The Treaty must also integrate a strong, intersectional gendered approach, explicitly analysing how activities may have different, disproportionate, or unanticipated impacts on women whatever their identity, status or role compared to men. Being intersectional means recognising and addressing specific impacts and issues that may be experienced by groups of rights-holders based on their gender, as well as other multiple aspects of their identity. The future Treaty needs to guarantee specific protection of individual and collective human rights, especially for those in the Global South.

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Crafting an effective treaty requires the participation and support of governments, including the UK government. However, the UK government has rejected the idea of the Treaty, preferring to keep the failed status quo of voluntary approaches to the UN Guiding Principles on Business and Human Rights.

We, the supporters of the treaty process, **appeal to all governments to ensure that the negotiations continue and successfully produce a final document that fulfils the above-mentioned aspirations.**

The Treaty process to date

For decades, newly independent and developing countries have been calling, within the United Nations, for more effective measures to regulate transnational companies and their influence. In June 2014, the Human Rights Council adopted the <u>Resolution 26/9 on the elaboration of an International legally binding instrument on transnational corporations (TNCs) and other business enterprises with respect to human rights.</u> This established an open-ended intergovernmental working group (OEIGWG), with the mandate to elaborate such an instrument.

After two annual Sessions (2015 and 2016), during which parties discussed the elements that must be included in the treaty, the Chairperson-Rapporteur (Ecuador) of the OEIGWG presented the <u>Elements for the Draft Legally Binding Instrument</u> for substantive negotiations at the start of the Third Session in 2017. In August 2021, the Presidency of the OEIGWG published a <u>Third Draft of the UN Binding Treaty</u>, to be discussed in the **Seventh Session held to be held 25-29th October 2021**.

For further briefing and proposed parliamentary questions, please contact:

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