 

# Statement by Viviane Schiavi, Senior Policy Executive

# International Chamber of Commerce, Permanent Observer to the United Nations General Assembly

**Fourth session of the Intergovernmental Working Group on transnational corporations and other business enterprises with respect to human rights**

**Subject 1: General Framework**

**Geneva, Monday, 15 October 2018** *Check against delivery*

Mr. Chairman,

I am speaking on behalf of the International Chamber of Commerce. ICC has observer status with the UN General Assembly and represents over 45 million companies across the world. We have actively and constructively engaged with our business members on this important matter. ICC has endorsed, promoted and disseminated the UN Guiding Principles on Business and Human Rights among our members around the world. We continue to actively assist businesses worldwide to meet their responsibility to respect human rights and we are committed to continuing a constructive dialogue

Together with Business at the OECD, Business Europe and the IOE, we have provided a detailed response to the “zero draft treaty" and “draft optional protocol prepared for this fourth session of the IGWG. This can be found on the OHCHR website, as well as at the back of the room. In this joint statement, we make it clear that the global business community does not support the “zero draft treaty" and “draft optional protocol” because they undermine the broad consensus achieved by the UN Guiding Principles.

Mr. Chairman,

We do not believe that these texts make a helpful contribution to the field of business and human rights and we believe that they risk undermining important progress made in this sphere under the UN Guiding Principles. Furthermore, the process followed by the IGWG to date does not give business confidence that this initiative will provide credible and workable solution to such complex human rights issues

Mr. Chairman

Assigning liability on companies with transnational activities, and not on those with domestic activities or SOEs, undermines the practical and holistic approach of the UNGPs. The Zero Draft Treaty and Draft Optional Protocol also do not take into account important factors that help determine a company's human rights responsibility, such as its size, systemic human rights issues that may not be unique to one firm, and situations where States are not meeting their international obligations to protect against human rights.

Furthermore, vastly expanding the application of extraterritorial jurisdiction the Zero Draft Treaty and Draft Optional Protocol disregards State sovereignty and ignores many States' poor human rights performance, while looking to transnational businesses to fill those governance gaps. By doing so, the Zero Draft Treaty and Draft Optional Protocol would exclude many victims from being able to access a remedy, it would inhibit essential foreign direct investment, and it would allow States that are not meeting their human rights to pass the buck onto certain businesses.

Mr. Chairman

The business community would like to underscore again that its many concerns about the Zero Draft Treaty, the Draft Optional Protocol and the IGWG process in no way diminish its commitment to act responsibly to respect human rights. Identifying and responding to human rights risks - including through impact assessments, stakeholder engagement, use of leverage and increased disclosure - has become a core part of corporate activity and companies are continuously improving their efforts in this regard. In line with this, companies do not want to conduct business, either directly or indirectly, with suppliers or business partners that are causing human rights abuses.

Since the UN Guiding Principles were endorsed in 2011, efforts to embed respect for human rights are advancing and improving every year aided by collective experience and greater clarity on how to overcome specific challenges. The business community advocates strongly for a continuation of this principled, pragmatic and proven approach to achieve real on-the-ground progress in protecting human rights.

Thank you.