Mr Chairperson/Rapporteur

As I noted yesterday in my opening statement, ICC remains unconvinced that a treaty-based approach can be truly effective in dealing with the web of complex interrelationships between business and human rights.

Without prejudice to this view, with regard to the specific provisions of the draft treaty, ICC recognises that efforts have been made to revise the text, taking into account some of the concerns expressed by governments and business groups in past sessions of the Working Group.

Some amendments have been made, for example, to Article 3.  While we welcome the removal of the power for States to exempt small and medium-sized business from the ambit of the instrument, the provisions of the draft treaty are still not clear, as noted by a number of delegations yesterday.  The text can be interpreted as applying principally to transnational corporations.  Clarity in the scope of legal rights and obligations in any new instrument is critical to business.  It is our view that wording in the proposed Article 3(1) – that the legally binding instrument shall apply particular but not limited to those activities of a transnational character – creates the impression of a tiered level of application that serves to undermine clarity of the scope.  Given the heterogeneous nature of global supply chains, we remain concerned that this approach may inadvertently create gaps in human rights protections.  We believe that further work, and clarity, is required to address these concerns.

Many thanks, Crispin Cornoy