**PHILIPPINES**

Sixth Session of the Open-Ended Intergovernmental Working Group for the Elaboration

Of an International Legally Binding Instrument on Transnational Corporations and Other Business Enterprises with respect to human rights

**Wednesday, 28 Oct (AM)**

**10.00 to 13.00**

**Statement**

Thank you, Chair- Rapporteur.

The Philippines has the following comments on the articles under discussion:

**On Article 8 on Legal Liability,** the Philippines is of the view that the draft instrument should be clearer or more specific as to when a natural person may incur liability under the LBI. Under the doctrine of corporate entity, a corporation is a juridical person separate and distinct from the members composing it and as such, the members generally cannot be made personally liable for acts and omissions of the corporation, subject only to very limited exceptions.

**On Article 8.6** requiring the establishment and financial security to cover potential claims of compensation, the Philippines suggests changing State Parties “may require” to “shall require”. This is because if the TNC or OBE declares bankruptcy or dissolves or ceases to exist, the claimant will have financial security to run after.

Thank you, Chair- Rapporteur.