

ENNHRI Statement on EU and its Member States' involvement in the development of a Treaty on Business and Human Rights

ENNHRI, the <u>European Network of National Human Rights Institutions</u>, brings together <u>over 40 National Human Rights Institutions (NHRIs)</u> across Europe to enhance the promotion and protection of human rights across the region.

<u>NHRIs</u> are state-mandated bodies, independent of government, with a broad constitutional or legal mandate to promote and protect human rights at the national level.

NHRIs address the full range of human rights, including those related to business activities. In line with the <u>UN Guiding Principles on Business and Human Rights</u> (UNGPs) NHRIs provide a guidance on human rights to states but also to business enterprises and other non-State actors. NHRIs can also play a role of non-judicial grievance mechanisms.

ENNHRI's work on business and human rights

European NHRIs have initiated a multitude of actions connected to the activities of European companies including investigations of human rights violations and abuses in specific sectors and analyses of legal and policy frameworks. European NHRIs regularly engage with potential affected and affected stakeholders including trade unions, civil society, children and young people, among others. European NHRIs have also developed guidance and tools for businesses, governments, public buyers and rights-holders, and promoted and supported the development and implementation of national action plans on business and human rights. Through ENNHRI's Business and Human Rights Working Group, European NHRIs are also represented at the European Commission's Platform of Sustainable Finance.

ENNHRI have been actively following developments in the open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights since its establishment. In 2018, ENNHRI made a <u>statement commenting on the 'Zero Draft'</u> of the proposed treaty on business and human rights and intervened in discussion of the First Revised Draft.



EU actions on a treaty on business and human rights

Since the adoption of the renewed <u>EU strategy for Corporate Social Responsibility</u> (CSR) in 2011, the EU has taken <u>positive steps</u> to ensure responsible business conduct and the EU's commitment to the UNGPs is regularly highlighted in UN forums. However, the CSR strategy is nearly a decade old and governance and protection gaps still remain.

A treaty on business and human rights could make a significant contribution to addressing current governance and protection gaps and to strengthening the prevention of business-related human rights violations and abuses. It would also improve access to remedies for victims of such violations and abuses, wherever they are.

A treaty on business and human rights is relevant to, and should be coherent with, EU policy positions and future actions:

- The EU goal of a global level playing field;
- <u>The conclusions of the Finnish conference on EU vision</u>, and the current <u>German Presidency priorities</u>;
- Future mandatory human rights due diligence requirements;
- The future EU Action Plan on business and human rights;
- The sustainable development agenda of the EU;
- The European Green New Deal;
- Measures to deal with the COVID-19 pandemic ('build back better') and the resulting joblessness.

A treaty on business and human rights should be coherent with EU actions and initiatives, such as:

- Due diligence disclosure requirements in <u>the Non-Financial Reporting Directive</u> (and its current revision);
- The <u>EU Timber Regulation</u>, responsible sourcing of minerals originating in conflict-affected and high-risk areas, and the <u>Kimberley Process</u>;
- <u>Tax transparency</u>;
- Sustainable finance and the EU taxonomy for sustainable activities;
- Public procurement directives;
- Requirements for <u>human rights to be considered within trade negotiations</u>;
- Action Plan on Human Rights and Democracy 2020-2024.



A call on the EU and its Member States

While cognisant of the support given by the European Parliament and the European Economic and Social Committee to the treaty's negotiation, there is no substantive involvement by the EU and its Member States in the process to develop a treaty on business and human rights. ENNHRI recommends that:

- The EU and its Member States agree on a joint approach and participate in the drafting of a treaty on #BizHumanRights;
- The EU and its Member States agree on a formal negotiating mandate for the European External Action Service to help shape the further negotiation process;
- The EU and its Member States put their extensive political and diplomatic competencies to use and actively participate in the drafting process during the next sessions of the Openended intergovernmental working group;
- The 'trio' of states holding the EU Council Presidency over the next 18 months, Germany, Portugal, and Slovenia, actively promote a common position among EU Member States.

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