

(CHECK AGAINST DELIVERY)

General Statement by India under Agenda Item 4 at the Seventh 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 (25-29 October 2021) delivered by Mr. S. Senthil Kumar, First Secretary, Permanent Mission of India (Geneva, 25th October 2021)

Thank You Chair,

At the outset, India would like to thank the High Commissioner for Human Rights for her opening remarks. We also congratulate you for your election as the Chairperson-Rapporteur to steer the proceedings of this session.

Mr. Chair,

2. Business enterprises play a key role and impact the lives of people with their activities. The 2030 Agenda for Sustainable Development as adopted by the United Nation General Assembly (UNGA) also recognises the business sector as a key partner for the United Nations and governments to achieve the sustainable development goals. Considering the global expansion of businesses, the international community has increasingly felt the need to recognise the corporate responsibility of businesses to respect human rights.

Mr. Chair,

3. At international level, deliberations have been now going on for almost five decades on the subject of regulation of the activities of transnational corporations so as to ensure corporate social responsibility and respect for human rights. A significant achievement on this subject was the adoption of the United Nations Guiding Principles on Business and Human Rights by the United Nations Human Rights Council in 2011. As we celebrate the Tenth Anniversary of the UN Guiding Principles on Business and Human Rights (UNGPs), the obligation of protecting and respecting human rights in the business context has assumed greater significance, especially during the COVID-19 pandemic.

Mr. Chair,

4. As the largest democracy in the world, protection of human rights has been an intrinsic part of the Indian tradition. India's rich cultural values are based on the principle of inclusive development for all. India's endorsement of UNGPs reflect our commitment that businesses respect human rights. We have issued National Guidelines on Responsible Business Conduct in 2019, which provides the framework on Business Responsibility Reporting in India that takes into consideration the UNGPs and SDGs as its key drivers.

5. India has taken steps in streamlining of gender perspective in its business policies. The Companies Act of 2013 mandates companies to spend at least 2% of their profits on socially beneficial activities including promotion of gender equality, empowerment of women and providing shelter for the needy. Certain companies are also required to appoint at least one-woman director on the board. As of 2021, the top

1000 listed companies are required to file the Business Responsibility and Sustainability Report (BRSR) and mandatorily file the same from FY 2022 onwards.

6. India has also been working on a National Action Plan on BHR at the domestic level.

7. These initiatives at the national level in India complement already existing machinery comprising of an independent judiciary, national and state commissions to monitor compliance with human rights, legal and policy measures and an independent media.

Mr. Chair,

8. This Open-ended Working Group established pursuant to HRC Res. 26/9 of 2014 has made significant progress since its first session.

9. In this context, we believe that enhanced discussion and further clarity is still required on a number of elements in the current draft text, including on scope, jurisdiction, rights of victims, liability issues amongst others. India reiterates its position that this instrument should focus only on business activities of a transnational nature and not to national enterprises as we already have domestic laws to regulate them. Such an instrument needs to maintain a fine balance with the socio-economic developmental concerns of developing countries and LDCs on one hand while also making transnational corporations more responsible in the protection of human rights. We believe, any international legal instrument needs to be flexible and balanced so as to have the widest possible acceptance that will ensure its effectiveness.

Mr. Chair,

10. We understand that the discussions and negotiations on this subject will be a long-drawn process and are committed to engage in a constructive manner in the discussions over this week.

Thank You.