



European Union

**UNITED NATIONS
HUMAN RIGHTS COUNCIL**

**Open-ended intergovernmental working group on transnational corporations
and other business enterprises with respect to human rights**

7th Session

Statement by the European Union

Geneva, 25 October 2021

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Mr Chair-Rapporteur,

The EU and its Member States would like to thank you and the secretariat of the High Commissioner's Office for organising this session.

This year marks the 10th anniversary of the UN Guiding Principles on Business and Human Rights, a milestone in the global efforts to promote respect of human rights in the context of business activities. Thanks to pioneers like Professor John Ruggie, the Guiding Principles have established a framework for orienting the actions of governments, civil society and business enterprises to prevent business-related human rights abuses and to remedy them when they occur.

Despite notable efforts over the last decade, there are still too many business-related human rights abuses and further progress in our discussions is necessary. The European Union and its Member States are firmly committed to taking stronger action to promote and implement business and human rights standards within and outside Europe. Let me give a few examples.

We are conscious that mandatory standards matter, in order to enhance protection and to ensure a level playing field for businesses. The European Commission is finalizing a legislative initiative on Sustainable Corporate Governance that would establish one of the first cross-sectoral legislations in the world with mandatory human rights and environmental due diligence across companies' supply chains .

We also need to support companies in their efforts to carry out due diligence. Earlier this year the European Commission and the European External Action Service published guidance on existing international due diligence standards to assist EU companies in addressing forced labour risks and impacts in their own operations and in their supply chains.

Yet advancing business and human rights also requires working on other areas, such as promoting decent work in supply chains, including sustainable development provisions in trade agreements and ensuring access to remedy for victims. Actions in these areas are interlinked and require coherence. This is why, together with our

Member States, we have started working to develop a comprehensive framework to ensure that our actions to implement the UN Guiding Principles are well coordinated, mutually reinforcing and coherent.

Looking ahead, we support the efforts of the UN Working Group on Business and Human Rights to develop a roadmap for the next decade of business and human rights. The renewed roadmap will serve as reference for our actions to promote international standards that build on the consensual approach of the UN Guiding Principles.

Mr Chair-Rapporteur,

Our belief in a consensual approach for promoting international standards also applies to the current process. The EU believes in the capacity of an international legally binding instrument to enhance global protection against business-related human rights abuses. However, as we have stated throughout the process, an international instrument can lead to global standards only if it builds on the existing consensual framework and is supported by a critical mass of UN members across regions.

We thank you for the efforts undertaken that led you to presenting a third revised draft for a legally binding instrument. However, we must continue in-depth discussions to work towards a satisfactory draft that can reach wide and cross-

regional support and that is truly implementable. Also based on the interventions by several States and by us during and beyond these negotiations, there are many issues that will require much more hard work. Any potential LBI needs to be effectively implementable in order to achieve the instrument's objectives, in particular to effectively enhance the protection of victims of business-related human rights violations and create a more global level playing field.

We are concerned, as other States have indicated as well, about the level of detail and prescriptiveness of the draft instrument, in a number of policy areas such as civil and criminal liability, applicable law and jurisdiction, or judicial cooperation and more in general, about consistency with obligations laid down by existing international instruments, as well as with the UN Guiding Principles.

It is clear that substantial changes to the text are required to meet the concerns of UN members and to achieve wide cross-regional support. It is also about rethinking the approach on what should be the 'core' provisions of this instrument. It is up to us collectively to honour John Ruggie's legacy and make 'shift happen'.

We encourage you, Mr Chair-Rapporteur to use your leadership in this process to engage with UN members and stakeholders - including civil society organisations, trade unions and the business community - to work towards consensus so we can offer victims the protection they need.

Dear Chair-Rapporteur,

The EU stands ready to continue to work with you in this process. The EU will work with you and with partners and stakeholders to explore ideas for a consensus-based legally binding instrument aligned with the UN guiding principles and that will allow for the necessary progress to be made.

We look forward to the discussion during this session.

I thank you Mr. Chairperson-Rapporteur.