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**Seventh session of the Intergovernmental Working Group on transnational corporations and other business enterprises with respect to human rights**

**Item 4: “Article 14 – Consistency with International Law principles and Instruments (Friday AM)”  
October 29, 2021**

- Thank you Chair
- The language of this article mandates that States establish a regulatory regime consistent with the proposed LBI. However, this Article neglects the competing priorities that States must consider when reaching agreements, including the right to development.
- We take note of the States who have raised questions and reservations on Article 14, and point out that it is another regrettable example of lack of broad and cross-regional consensus on the draft instrument.
- Finally, Chair, I would like to take a moment to address some of the comments made regarding international trade and investment dispute settlement.
- Trade has been a major driver of development for decades – stimulating inclusive economic growth and creating millions of jobs for men and women often with better working conditions, higher wages and better opportunities for women than in domestic markets. It enhances skills development,



knowledge flows, productivity and competitiveness. In the context of our shared recovery from the COVID-19 pandemic – this is even more urgent.

- An open trade and investment environment leads to growth and development of economies, which will be vital in the rebuilding efforts post pandemic.
- One important aspect in this context is investment protection, which will be vital to encourage as much investment as possible. Markets that provide protections to foreign investors will increase investor confidence and be more attractive as investors are making investment decisions.
- This is important now more than ever as countries and our global economy work to recover.
- Thank you.