10th Session of the Open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights

GENERAL STATEMENTS: JOINT ORAL STATEMENT OF CIDSE ET AL.

December 16th, 2024

Thank you, Mr. Chair-Rapporteur:

I am speaking on behalf of CIDSE, CCFD-Terre Solidaire, Fastenaktion, Misereor, DKA Austria and Trócaire.

First and foremost, we want to congratulate you on your recent appointment as Permanent Representative of Ecuador to the UN and Chair-Rapporteur of this Open-ended intergovernmental working group. We want to share our concern about the lack of progress in the process based on the experience of the 9th session, where it was only possible to read up to Article 3. With such a pace, it is unlikely that States will be able to advance the reading up to Article 24 in a week. To foster efficient negotiations, we would like to suggest that the new Chair Rapporteur encourage the State delegations to stick to the programme of work to allow States that have not had the chance to provide input yet during the past sessions to have the floor primarily.

We would also like to raise some concerns related to the provisions from the Updated draft that will be discussed as per the programme of work.

- First and foremost, we would like to highlight the fact that businesses do have responsibilites when it comes to the protection of the environment and the climate. In this sense, the Updated draft excludes environmental and climate aspects. Provisions from the Third draft on environmental and climate-related impact assessments no longer appear as part of due diligence obligations. It is problematic that the reference to the human right to a safe, clean, healthy and sustainable environment, which also justifies environment-related provisions in terms of human rights, was also deleted.
- 2) It also has significant weaknesses regarding the **due diligence obligations** that States should impose on companies, and it is unclear to what extent few due diligence obligations (only mentioned in prevention) apply to a company's entire supply and value chain.
- 3) The Updated draft also remains **vague concerning liability**. The explicit requirement from the Third draft on compensation for damages (reparation to a victim) was removed and must be an element of liability.
- 4) As for **bilateral and multilateral agreements** established in Article 14.5, States would no longer be required to ensure that new trade and investment agreements are compatible with human rights obligations under the LBI. This deletion is unacceptable given the huge negative impact new trade agreements can have on policy spaces of States to comply with human rights obligations. The LBI should ensure the primacy of human rights with regard to bilateral and multilateral agreements.

Finally, we would like to raise, once again, our huge disappointment towards the EU, which still lacks a mandate. Last year, in this room, the EU representative held in his speech that a future EU Corporate Sustainability Due Diligence Directive "could form a basis for the EU's future involvement in the negotiations". CSDDD entered into force on July 2024, and the EU has made no progress on adopting the mandate. We urge the EU to take consistent steps to engage actively and formally in LBI negotiations.

Thank you very much!

Delivered by Clara Alibert, CCFD-Terre Solidaire