Council of Global Unions/Joint trade union statement

21 October 2022

Trade union statement ahead of 8th round of negotiations for a Business and Human Rights treaty

UN negotiations for a business and human rights treaty (Binding Treaty) taking place in Geneva 24-28 October will put the need for action to end corporate abuses of human and labour rights in the spotlight.

Trade unions will continue to make the case for a legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises.

"The convergence of crises: climate, cost of living, the pandemic and conflict have shown serious deficiencies in corporate human rights due diligence processes. Too many multinationals have denied workers' respect for human rights exposing the failed model of voluntary corporate social responsibility. Millions of workers in global supply chains are open to human and labour rights abuses from a deeply flawed model which allows companies to hide from their responsibilities," said Sharan Burrow, ITUC General Secretary

Cases of abuses of workers' rights by companies are on the rise. According to <u>ITUC Rights Index</u> 113 countries exclude workers from their right to establish or join a trade union, up from 106 in 2021 to 113. 87% of countries violated the right to strike and four in five countries blocked collective bargaining.

Pressure has been increasing for regulatory action to hold companies accountable for human rights abuses at national and regional levels with new legislation coming into force.

Earlier this year the Labour Ministers of the G7 agreed to engaging constructively in discussions at both the UN and the ILO for a consensus-based legally binding instrument on corporate supply chain accountability and the ILO adopted building blocks for future normative and non-normative action on decent work in global supply chains.

Trade unions are calling on governments to engage constructively in the Binding Treaty negotiations.

"It is imperative that the European Commission obtain a mandate to engage in the negotiations. Similarly, G7 governments are called on to live up to their promises. States that voted for the original 2014 resolution are also encouraged to continue supporting the process for a Binding Treaty.

Governments must not become distracted by proposals for a framework treaty, which will not deliver the type of Binding Treaty that will truly end corporate impunity for good.

At the upcoming Binding Treaty negotiations, global trade unions are calling for the following priorities to be strengthened:

- A broad substantive scope covering all internationally recognised human rights, including fundamental workers' and trade union rights, as defined by relevant international labour standards.
- The coverage of all business enterprises regardless of size, sector, operational context, ownership and structure.
- Parent company-based extraterritorial regulation and access to justice for victims of transnational corporate human rights violations in the home state of transnational corporations.
- Regulatory measures that require business to adopt and apply human rights due diligence policies and procedures.
- Reaffirmation of the applicability of human rights obligations to the operations of companies and their obligation to respect human rights.
- A strong international monitoring and enforcement mechanism.

"To ensure that the global economy is not only resilient but also conducive to social progress, governments must restore the social contract by rebuilding trust in democracy and a fair and equitable economy. This starts with the regulation of highly exploitative global supply chains — the heartbeat of our current trading system. Ending the impunity for corporate human rights abuses with a Binding Treaty is an important step towards a sustainable recovery," said Sharan Burrow.

ENDS

Update on the 2022 IGWG Process

The 8th session of the open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights (IGWG) takes place 24-28 October 2022.

Despite the best efforts of the Chairpersonship of the IGWG, the "Friends of the Chair" group, was unable to meet with required regional representation. As a result a fourth revised draft has not been prepared in time for discussion at the UN negotiations.

The IGWG will review the third revised draft again, with a focus on Articles 6-12. Global trade unions re-iterate their willingness to support the "Friends of the Chair" group with perspectives from the world of work.

The third revised draft builds on previous versions by introducing further conceptual clarity and represents a text that is politically viable for States and non-State actors alike. It is a good basis for negotiation.

Trade unions have considered the Chair's proposals for Articles 6-12, which appear to streamline the provisions by making them less prescriptive. While this is aimed at achieving the broadest possible support for the draft, there is a risk of losing much-needed detail to truly achieve accountability for corporate human rights harms. At the 8th session, trade unions will reiterate the need for a draft text that is reasonably prescriptive while enjoying the broadest support of Member States and Civil Society.