

**Oral contribution on the second revised draft of the legally binding instrument:**

to the sixth session of the “open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights”, 26-30. October 2020, Room XX, Palais des Nations

The session during which the oral intervention is to take place: Wednesday Morning, Agenda Item 4, Article 8 Legal Liability

How the intervention will take place: in person delivery

The type of stakeholder speaking: NGO with ECOSOC status

Name of the State or organization(s): Verein Sudwind Entwicklungspolitik

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As said in our opening statements we Südwind and the other members of the Treaty Alliance Austria, a coalition of 15 Austrian NGOs and trade unions, highly welcome the “Second revised Draft”.

Specifically we want to contribute with this statement to Article 8.7.

The liability regime for breach of due diligence in Article 8.7 is now based on business relationships and no longer on contractual relationships. This will allow to take the diversity of relationships along global supply chains better into account. It will ensure that companies cannot hide behind the fact that there is no direct contractual relationship with a damaging party whose activities they should have influenced.

This is especially important in complex supply chains e.g. in the garment or electronics industry. In order to further clarify the principles of parent company liability, and joint and several liability, for human rights abuses that occur throughout their business relationships, including their value chains, we propose to amend article 8.7 to include joint and several liability. This would ensure that all companies involved in the abuse in terms of article 8.7 are liable for the harm caused by others through their business relationships, as well to guarantee remedies for the affected workers and communities.