

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

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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” and the process of consultations and negotiations that led to it. With regard to the amendments, we are pleased that the draft has gained in clarity and therefore we believe the draft provides a good basis for constructive discussion in this important sixth session.

The outbreak of the corona pandemic disrupted global supply chains and had a significant impact on the global labor market. It became obvious that the existing voluntary standards again could not protect employees from the effects of the corona crisis. The Treaty Alliance Austria therefore launched the campaign "Human rights need laws. So that supply chains do not hurt". In this campaign we call inter alia for support for the UN Binding Treaty.

We are asking both the EU and our Member States to take up leadership to develop common positions and engage constructively in this sixth session. Austria is not only a member but also holding the presidency of the Human Rights Council, therefore Austria should take up its responsibility and constructively engage in this and upcoming sessions.

There are many positive developments in the “Second Revised Draft” that should serve as a good basis for constructive EU engagement, however, we would like to draw attention to the need for improvements in the following areas:

- In Article 6 it should be clarified that corporations are liable if they fail to comply with their human rights due diligence obligations.
- In Article 7 the reversal of the burden of proof must be included directly in the agreement so that legal action is not rendered ineffective in advance.

We call on all states and especially the EU to formulate constructive proposals for further elaboration at the sixth session. This debate is necessary to face the challenges of globalization and to stop human rights abuses by corporations.