

Key messages from high-level panel debate on

## “Business & Human Rights: roles and prospects for the EU”

organized by Claude Rolin (PPE), Entraide & Fraternité, CIDSE, CIFCA<sup>1</sup>

7<sup>th</sup> March 2017



**Mgr Ramazzini**, Bishop of Huehuetenango-Guatemala, shared his experience from the ground where he witnesses many Human Rights abuses linked to the activities of transnational corporations. He welcomed the European Parliament’s urgent resolution on Guatemala human rights defenders, which echoes the Church’s claim for all to live a “dignified life”.

*“Business activities should benefit poor people and improve lives. This is a Constitutional principle: States, such as Guatemala, must be organized to protect and fulfil the common good and human dignity. In certain cases, we have good laws, but these are not complied with. This is the case with the ILO Convention 169 on Indigenous peoples’ right to free, prior and informed consent. In other cases, laws are unjust, like the mining laws, which allow use of cyanide and ask only 1% royalties, but we have difficulty changing these as our Congress is not working in the common interest. In addition, concerning the Association*

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<sup>1</sup> En collaboration avec Broederlijk Delen, Wereldsolidariteit/Solidarité mondiale, Commission Justice et Paix, Comité O. Romero.

*Agreement between EU and Central America, we witness that the trade chapter prevailed over other chapters such as cooperation and dialogue. We need to change the order. A UN legally binding treaty on Business & Human Rights can and must address these issues. This treaty should improve well-being for all citizens in Guatemala. It should foster better conditions of life for poor people, particularly indigenous people.”*

**Claire Courteille-Mulder**, Director of the ILO Office in Brussels, deplores the lack of implementation of its conventions.

*“It is largely due to weakness of inspectors to control their implementation. We need to strengthen capacities to make sure states and companies comply with their obligations, to ensure redistribution of wealth in countries such as Guatemala. For that, we need to ensure coherence and cooperation of different initiatives such as the OECD National Contact Points and the UN Guiding Principles on Business & Human Rights. If we construct a Treaty, we should build it on existing experiences and investigate how we can respond to those. As multinational companies work with subcontractors in global supply chains, legal frameworks are complex. Work on making human rights due diligence a requirement, as France has done, is important. We should also recognize the great power of consumers, who can address bad business practices through boycott.”*

**Markus Krajewski**, Chair of Public Law and International Law at the University of Erlangen-Nürnberg, presented the results of the study CIDSE commissioned. He acknowledges that many conflicts leading to Human Rights abuses arise from unbalanced power relations.

*“The requirements of trade and investment agreements limit policy space of governments to change laws and strengthen legal protection, working as quasi-Constitutional norms.” As it is difficult to change or withdraw from international treaties, we need to rebalance human needs and the needs of businesses, addressing rights and obligations of foreign businesses together with principles of fairness and justice in court systems that consider all these elements in a given situation. This cannot be done only through implementation of existing non-binding instruments like the UN Guiding Principles: a non-legal obligation by definition does not exist. The weaknesses of National Contact Points and of domestic laws are at the heart of the issue. Issues like that of parent-subsidiary responsibility show that problems are legal: we need to establish new rules to oblige states to regulate impacts of business activities. Alongside political and moral claims, we can make the legal argument that the EU has the obligation, by the Treaty of Lisbon, to secure human rights and fundamental values in its trade policy, and so should take up an active role in the negotiations on the UN binding treaty.*

**MEP Claude Rolin**, Vice Chair of Committee on Employment and Social Affairs, shared his impressions from the recent debate around CETA.

*“These negotiations have launched a debate on including human and labour rights in trade agreements. It offers a window of possibilities to ensure that we redress the imbalanced power relations, and to make sure a good living for all citizens. We have to stop opposing voluntary and mandatory measures, they can add to each other in order to complete the*

*respect of human rights. However, we need to recognize the historic momentum of the UN treaty and the need for the EU to take a proactive role in the negotiations. The economy makes sense only if it brings more value to the human being; the economy must be at the service of human beings, not the contrary!”*

