

Europe – Third World Centre

Investigation and publication centre on the relations between the Third World and Europe

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WORKSHOP ON TRANSNATIONAL CORPORATIONS AND HUMAN RIGHTS

Oral statement

Thank you Mr. Ambassador. The CETIM is an organization based in Geneva that was created 40 years ago to promote a more equitable international system and fairer North-South relations. Since its creation, it is actively engaged in the promotion of human rights, in particular economic, social and cultural rights, and the right to development. It acts as an interface between civil society organizations and social movements in the Global South and the United Nations human rights protection mechanisms in Geneva.

The CETIM has been following the debate in the UN on corporate accountability since 40 years and it has been doing a lot of research and publications on this matter. We have been witness of the increasing power of transnational corporations and the parallel dismantling and failure of all attempt at the United Nations to seriously monitor and control their activities. The neoliberal era has led to a dramatic increase in the power and rights enjoyed by TNCs while the few obligations and regulations that existed at the international level have been dismantled and are now terribly weak. We are now facing a situation of impunity. Massive human rights violations committed by TNCs remain unpunished, in particular when they occur in developing countries, and the international economic and financial system itself, is at risk, as has shown the recent crisis.

The human rights council has a huge responsibility. What it has been doing so far is not enough. The working group on business and human rights is the only special procedure that cannot receive communications on human rights violations committed. And regarding the guiding principles, the problem is not so much their content but rather that they are only guiding principles, and thus that they are not binding, not enforceable and provide for no sanctions. It would an illusion to hope that we will be able to discipline the most powerful actors in the global economy today with voluntary guidelines and soft laws. This is precisely why the TNCs support them. But when it comes to protecting their rights and their interests, they recur to hard law, free trade agreements, investment treaties, arbitration tribunals and strong enforcement mechanisms.

Time has now come to correct this asymmetry ! We would like thus to congratulate the government of Ecuador and South Africa for having taken the initiative of reviving the proposal for binding norms to control the activities of TNCs and their impact on human rights. You can count on our full support and the support of a huge number of social movements and civil society organizations around the world. It is not an easy task that we have in front of us but if successful it can potentially contribute to improve the livelihoods and better protect the human rights of millions of peoples around the world.

Countries will face a lot of pressures so that they do not support the proposal of establishing an intergovernmental working group to develop and adopt a binding instrument on TNCs. Developing countries in particular fear they will be losing foreign investments and see TNCs leave their countries. Let me emphasize an important point here : having a convention or a binding instrument is precisely the best protection against that threat because it guarantees that the same standards and regulations will be applied everywhere. TNCs will therefore not be able to play countries against one another and they will simply have no other options but to adapt and in fact as by some experts yesterday, they will continue to make huge profits. Thank you.

Geneva, 12th March 2014