



South Centre

Statement

10th Session of the Open-ended Intergovernmental Working Group on Transnational Corporations and Other Business Enterprises with Respect to Human Rights

Mr. Chair and Distinguished delegates,

Mr. Chair, we congratulate your election and leadership as Chair of this Working Group.

The South Centre is an Intergovernmental Organisation comprised of **55 developing countries** coming from Africa, Asia, and Latin America and the Caribbean.

The urgency of the current global challenges demands bold action. Climate change, deepening inequalities, and the rapid pace of technological advancements require us to rethink the role of business in society. The Legally Binding Instrument on Business and Human Rights and the work of this working group present a unique opportunity to ensure that companies respond for their actions that constitute human rights violations.

To achieve this, the negotiations in this Working Group should move beyond identifying challenges, towards building convergence on key issues. These include:

Strengthening rights of victims of human rights violations and ensuring their access to effective remedies. The Working Group could learn from, and increase cooperation with, other international forums, including through innovative mechanisms like the new Loss and Damage fund established at COP28.

Clarifying the jurisdiction of courts is necessary to reduce obstacles to access to justice, ensure that victims can access effective remedies, hold businesses accountable throughout their operations and ensure that victims have avenues for remedy regardless of where the harm occurs or the complexity of the corporate structure involved. It will also be necessary to prioritise vulnerable communities and focus on those facing historical discrimination, people living in occupied territories, and other groups disproportionately impacted by business activities.

Furthermore, the LBI must establish a **clear duty to prevent human rights violations** by businesses, requiring proactive regulation to ensure that companies respect human rights throughout their operations and value chains. The legally binding instrument would be essential for supporting States' efforts towards adopting effective and substantial due diligence regulatory frameworks that go well beyond 'vigilance' and include absolute liability for businesses engaged in inherently risky activities.

The LBI can also be a powerful tool in supporting states' efforts towards a just transition and digital transformation. By integrating human rights considerations into these processes, we can ensure that technological advancements and economic shifts benefit all members of society, leaving no one behind.

Finally, we would like to recognise that the efforts of this Working Group are a crucial opportunity to create a legally binding instrument that protects human rights and actively promotes a more just, equitable, and sustainable world. The South Centre remains committed to supporting the ongoing work of this Working Group.

Thank you.