**24 October 2016**

**Statement by the State of Palestine at the OEWIG on TNCs and OBEs**

Thank you Madame Chair,

 At the outset we would like to express once again our support to the mandate of the intergovernmental working group established by Resolution 26/9 of June 2014. The UN Guiding Principles on Business and Human Rights are complementary and not in contradiction to a legally binding instrument, and the adoption of such an instrument could help to protect the most vulnerable. Indeed, an international legally binding instrument on transnational corporations and other business enterprises with respect to human rights would contribute to redressing gaps and imbalances in the international legal order that undermine human rights, and could address the lack of remedy procedures for affected communities of corporate human right abuses.

While States having the primary responsibility to protect human rights, by, inter alia, adopting legislative and judicial measures, to ensure that corporations fulfil their own responsibility to respect human rights. The responsibility of corporations entails a direct obligation to prevent, mitigate and redress the human rights abuses occasioned by their operations.

The involvement of corporations in unlawful activity may amount to complicity or a contribution to a violation of international law. Corporations may also be the primary instigators of an abuse in their own countries or extraterritorially - in such cases accountability for corporations must be addressed as part of the process of developing a legally binding treaty.

Some operating environments, such as conflict-affected areas, increase the risks of enterprises being complicit in human rights abuses committed by other actors. In contexts of occupation, where the occupying State is unwilling to effectively protect human rights within the occupied territory and is in fact itself committing human rights violations within the occupied territory.

In occupied Palestine, a number of Israeli and multinational corporations have linked their business operations to Israel’s settlements, enabling, facilitating and profiting from the illegal construction and growth of the settlements. And this despite clear international laws and standards according to which businesses operating in conflict zones must ensure that their activities do not cause or contribute to violations of the bodies of law applicable to situations of armed conflict. Such violations have an adverse impact on the human rights of individuals, in contradiction with the UN Guiding Principles on Business and Human Rights, the UN Global Compact and relevant international laws and standards, and entail financial, reputational and especially legal risks, including the possibility of liability for corporate complicity in war crimes.

In this regard, we look forward to the publication of the database next March as mandated by the Human Rights Council resolutions 31/36 and we do believe that the database will contribute, on an international level, to identifying the corporations benefiting from and/or conducting businesses in the OPT, allowing States and others to guide and advise corporations under their jurisdiction to prevent human rights violations, and complying with their international obligations, and to ensure that accountability is carried out in instances where corporations carried out the abuse.

In conclusion, we believe it to be of vital importance for the legally binding instrument to include language aimed at preventing and addressing the heightened risk of business involvement in abuses in conflict situations, which includes situations of foreign occupation colonialism and post colonialism. Also to ensure that corporations withdraw from operating in areas where human rights impact assessment and due diligence, and/or credible third-party documentation indicates that their activity threatens to, or currently does, impair the enjoyment of human rights or international humanitarian law.

Thank you.