

**Open-ended Inter-Governmental Working Group on transnational corporations and other business enterprises with respect to human rights**

Oral Statement

CAFOD, CIDSE (International family of Catholic social justice organisations), Trócaire and CCFD-Terre Solidaire.

Article 9 – Prevention

Thank you Chair. This statement is on behalf of CAFOD, CIDSE, CCFD-Terre Solidaire and Trócaire, Catholic agencies that are members of Treaty Alliance.

We welcome the zero draft as a good basis for negotiations, including the emphasis on Prevention in Article 9. We have some concerns about 9.5 which needs revision, as some small companies for example, exploratory mining companies, can still be responsible for significant abuses.

In our view, the references to mandatory due diligence in article 9 build on the UN Guiding Principles and offer an opportunity for the Treaty to complement and significantly strengthen the impact of all existing National Action Plans, including from CAFOD's perspective, the one developed by our own government in the UK.

The UN Guiding Principles were adopted 7 years ago. We can learn from experiences on Human Rights Due Diligence in the interim to develop the zero draft text here and ensure that the final Binding Treaty is effective in practice.

As groups that lobbied strongly for both the EU Non-financial Reporting Directive and the Modern Slavery Act in the UK, we recognise the strengths of these laws but their clear limitations as well. Transparency and reporting by business is an important element of effective human rights due diligence. But reporting alone is not enough. So we are pleased that the ideas outlined in Article 9 of the zero draft include reporting but also go further on broader HRDD measures with a legally binding nature. It is also important to further explore the link to liability set out in the draft. This link is more likely to drive actual change by company directors when it comes to their decisions about the activities of their subsidiaries, environmental practices, negotiating prices with firms in their supply chain and consultations with workers and affected communities.

This will help achieve our shared aim of Human Rights Due Diligence which stops businesses from abusing human rights in the first place. Catholic agencies recognise the need for stronger international regulation of businesses, given the central role that global companies play in our society. We have submitted written comments and will continue to engage in this process because this Binding Treaty will strengthen the position of all those businesswoman and men who want to act responsibly in how they do business.

Thank you.