**Oral statement Armin Paasch on behalf of CIDSE, Broederlijk Delen, CAFOD, CCFD, DKA, MISEREOR and Trocaire**

More than ever, citizens are mobilizing for action to stop climate change and corporate activities damaging our shared environment, health and future. Fires in the Amazon point to the complicity of mining and agribusiness corporations in demand and supply of products, causing deforestation and violence against human rights defenders and indigenous peoples. These events show why an international instrument is needed.

In this context, CIDSE, Broederlijk Delen, CAFOD, CCFD, DKA, MISEREOR and Trocaire welcome the revised text for the legally binding instrument as a good basis for negotiations. The structure is more coherent and the text more precise. And we call on all States, including the EU member States to actively and constructively engage in the negotiations, and not only make questions for clarification.

Among the recommendations put forward in our written contribution, we would like to highlight the following two:

1. In articles 5 on the prevention, **human rights due diligence** shall not be limited to contractual relationships. This would be a significant step back against the UN Guiding Principles on Business and Human Rights and other international standards, and it would create perverse incentives to dispense with formal contracts with their suppliers. According to the UN Guiding Principles, human rights due diligence should cover all types of business involvement in negative human rights impacts: causation, contribution and direct links to its operations, products and services.
2. With respect to the **consistency with international law**, we welcome the improvement achieved in Article 12.6 that requires that other bilateral and multilateral agreements by States must be compatible with human rights obligations under the Treaty. However, Article 12 fails to clearly establish the primacy of human rights over trade and investment rules. We propose to add a specific clause on the primacy of human rights obligations, notably in trade and investment agreements as Article 12.7. Such clause should, *inter alia*, require human rights and sustainability impact assessments prior to the start of trade negotiations, and a clear obligation to secure the primacy of human rights obligations in any dispute settlement mechanisms including ISDS, as long as they exist. Moreover, CIDSE supports the call to abolish Investor-State Dispute Settlement mechanisms.

Thank you very much!