

**Opinion of the European Economic and Social Committee on Binding UN treaty on business and human rights****(own-initiative opinion)**

(2020/C 97/02)

Rapporteur: **Thomas WAGNSONNER**

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**1. Conclusions and recommendations***Conclusions*

1.1. The EESC fully endorses human rights as a universal and inalienable, indivisible, interdependent, interrelated and therefore mandatory basis for all societal engagement. Human rights are a foundation for Europe's wealth and a peaceful life. The EESC emphasises that all social and political human rights must guarantee a decent way of living for all people and that their infringement must not lead to unjustified profits.

1.2. Human rights infringements can be better prevented when there is an internationally-agreed binding standard, designed to be implemented and protected by states. The EESC welcomes an approach recognising that it is the duty of states to protect, promote and fulfil human rights and that businesses have to respect those rights.

1.3. The EESC welcomes that the current draft text has considered substantive issues proposed by the EU, such as its recommendations for on the scope to encompass all businesses and for a stronger conceptual alignment with the United Nations Guiding Principles on Business and Human Rights (UNGPs). The rules shall be built coherently with existing due diligence systems, especially the UNGPs, to facilitate easier implementation and to avoid redundancies.

1.4. As the scope of the draft treaty, based on EU recommendations, now encompasses all business activities, generally regardless of size, the EESC encourages the EU and its Member States to take measures to support businesses with the implementation of their human rights obligations, which could be based on their existing voluntary CSR engagements, particularly with regard to international activities. The EESC recognises the difficulties in applying the measures foreseen in such a treaty for SMEs and urges the EU and its Member States to strongly support SMEs and facilitate practical frameworks to enable them to ensure that they respect human rights in their activities.

1.5. The EESC stresses that non-binding and binding measures are not mutually exclusive, but shall complement each other.

1.6. Systems like the OECD Guidelines for multinational enterprises (OECD MNE Guidelines) and the Reporting standards of the UNGP show that there are already practical ways of implementing stringent human rights standards of conduct on the business side. Businesses that have already committed themselves to those standards, should not incur additional burdens. To avoid creating redundancies the optional protocol envisaged in the implementation mechanism shall take into account the system of OECD National Contact Points, which would have to be adapted to support binding rules, or other existing national human rights institutions (NHRIs).

1.7. Despite much-welcomed major progress, especially in Europe, in relation to non-binding guidelines for respecting human rights in the business context (e.g. UNGPs, OECD MNE Guidelines), a binding treaty is important for those businesses that are not yet taking their responsibilities seriously. In this way, worldwide uniform human rights standards, jurisdiction and applicable law as well as fair and effective access to justice will be assured for victims of business-related human rights infringements. This will also serve to level the playing field for businesses, create legal certainty and create fairer global competition.

1.8. The EESC recommends that one forum <sup>(1)</sup> conducting fair proceedings should have jurisdiction particularly when it is unclear whether a parent company, one of its subsidiaries or a supplier is potentially liable, even if the companies are located in different countries. The EESC stresses that through the strong provision on mutual legal assistance, forum shopping can be avoided.

1.9. The EESC believes that the work of the Open Ended Intergovernmental Working Group shall continue. Accordingly, the EESC stands ready to give input as the voice of organised civil society. The EESC affirms that social dialogue, social partners and civil society organisations significantly contribute to respecting human rights.

#### *Recommendations*

1.10. In the interest of furthering and fostering human rights and creating a level playing field for businesses based on coherent and stringent worldwide standards, the EESC calls on the European institutions, in particular the European Commission and the European Council and the Member States, to support the ongoing current treaty process and constructively engage in the negotiations.

1.11. The current draft has potential for substantive improvements that must be addressed. The European Commission needs a clear mandate to coordinate the necessary European engagement.

1.12. The EESC recommends that there shall also be provisions allowing for flexibility between commensurate but not overburdening rules for SMEs on the one hand, and more stringent rules for high-risk industries on the other. Moreover, the EU shall offer special support instruments to help SMEs to manage the challenges of such a treaty (e.g. an agency, support for peer learning).

1.13. The EESC fully supports the resolutions adopted by the European Parliament (EP) <sup>(2)</sup>, in particular its calls for full commitment to the development of a binding instrument and specifically the need for an international grievance and monitoring mechanism. The EESC notes that there are international systems, like the complaints procedure at the ILO, which can serve as a template for more ambitious international enforcement, because binding rules will not be effective without strong engagement by states and enforcement mechanisms.

1.14. Where not already developed, national action plans shall be drawn up to implement human rights due diligence and there shall also be a European action plan. When developing, implementing and enforcing the action plans, organised civil society must be involved.

1.15. The EESC recommends that the European Commission study the feasibility of a 'Public EU Rating Agency' for human rights in the business context.

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<sup>(1)</sup> Oxford Dictionary of law (7<sup>th</sup> ed) — The place or country in which a case is being heard.

<sup>(2)</sup> i.a: EP resolution of 4 October 2018 [2018/2763(RSP)].

1.16. The EESC recommends that there shall be a strong international monitoring and enforcement mechanism, with the possibility of bringing complaints to an international committee. Moreover, there shall be an independent UN officer (ombudsperson) for victims of human rights infringements, investigating and supporting their claims where necessary, which independently follows up on alleged infringements and brings them to the attention of the committee.

1.17. The draft includes a very broad definition of human rights. A reference in the draft treaty's preamble to the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and the Sustainable Development Goals (SDGs) shall include them as fundamental to its interpretation. In particular, human rights — such as the right to a healthy environment, education and data protection — must be more explicitly referred to and included within the scope of the treaty.

1.18. The draft already stipulates a choice of competent jurisdictions, which needs further refining and so the EESC considers that, when a company is involved with its business activities in transnational supply chains, it shall be ensured that jurisdiction can be asserted in its country of domicile. It shall also be made clear that local subsidiaries and suppliers can be sued or at least joined to claims in the country of domicile of the parent or recipient company.

1.19. The EESC notes the importance of witnesses and the role of whistle-blowers. It welcomes the protective provisions included in the current draft text. NGOs working in this area shall be supported.

1.20. The EESC recommends that there must be clarification regarding the interplay between due diligence and liability, including clear and practical provisions to make sure that due diligence incorporates ongoing monitoring in supply chains, along with respective liability, should that fail. A further clarification shall build on the concepts already developed for the UNGPs.

1.21. The EESC recommends that there shall be criminal liability in cases of grave negligence. In the case of less serious offences, such as neglecting the duty to report regularly, administrative liability shall be stipulated.

1.22. The draft text includes a provision on reversing the burden of proof in civil liability, which shall be clarified to ensure consistent application across jurisdictions and to ensure that victims can rely on its application when necessary.

1.23. In relation to trade and investment agreements, it shall be made clear that implementation measures for a treaty on business and human rights are justified and cannot be circumvented by investment dispute resolution <sup>(?)</sup>.

1.24. The current draft allows to opt-in to a dispute settlement system. This shall be reconsidered in order to fit better within existing frameworks, as those of the nine core human rights instruments with dispute settlement include an opt-out provision.

1.25. The EESC welcomes the fact that the current draft text addresses issues of mutual assistance. However, the provisions on the cost of proceedings have changed substantially. With the exception of cases of frivolous litigation, victims shall not have to bear the costs of proceedings.

1.26. The EESC endorses a legally-binding instrument on business and human rights, but strongly encourages close cooperation with social partners and civil society organisations.

## 2. Background

2.1. The SDGs target, in various ways, improvements in employment relations, responsible production and consumption and firm human rights commitments. A binding treaty could support these efforts substantially, by creating an international liability framework.

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<sup>(?)</sup> OJ C 110, 22.3.2019, p. 145.

2.2. International guidelines on business and human rights include the UNGPs and the UN Global Compact (UNGC), as well as guidelines developed at the OECD (OECD MNE Guidelines) giving multinational enterprises a framework for Corporate Social Responsibility (CSR) strategies and also legal implementation by structuring their contracts when operating abroad and using global supply chains. The OECD also provides guidance documents on a number of sectors. Their effect on encouraging the implementation of due diligence in supply chains<sup>(4)</sup> shows that it is possible to manage risks and implement stringent standards pertaining to human rights infringements.

2.3. The infringement of human rights affects the lives of people, their communities, the environment or their property. The EESC has thus welcomed initiatives such as this<sup>(5)</sup> and emphasises that the participation of civil society and trade unions in due diligence procedures is important. Responsible business conduct has become an issue for businesses. Civil society as well as trade unions see that businesses are making efforts to broaden the practical implementation of human rights and better business conduct. In the ongoing discussions on the treaty, business representatives emphasise the importance of worldwide human rights applying to all employees, the effective implementation of ILO standards and rules for health and occupational safety. CSR reports are not marketing tools but a way to illustrate that responsibility is being assumed. The EESC encourages the MS to take strong measures to implement their human rights policies and to support businesses in relation to their voluntary CSR engagement, particularly with regard to international activities.

2.4. However, voluntary measures cannot prevent all rights infringements<sup>(6)</sup>. Binding measures accompanied by appropriate sanctions would serve to ensure adherence to a minimum legal standard, also by those businesses that do not take their moral responsibility as seriously as those that implement a high human rights standards, e.g. on the basis of the UNGPs. Binding rules shall be shaped coherently with existing due diligence systems, especially the UNGPs, to facilitate easier implementation and to avoid redundancies. Voluntary and binding measures are not mutually exclusive, but complement each other.

2.5. The EESC recognises that most businesses, especially in the EU, are committed to upholding human rights. However, according to ILO statistics, forced labour generates worldwide in the construction, manufacturing, mining, utilities and agriculture sectors, USD 43 billion in profits for those businesses that have not committed themselves enough to implementing human rights in their value chain.

2.6. The Corporate Human Rights Benchmark was created by professional investors together with human-rights NGOs<sup>(7)</sup>. The benchmark is designed to be a tool for investors to identify responsible firms, so it would be in the interest of companies to show a good performance. It shows that implementation of the UNGPs is low with regard to many benchmarked companies. Especially noteworthy are active companies worldwide, such as McDonalds and Starbucks, which are especially active in Europe, and have a low implementation ranking on the UNGPs. Over and over again, international, non-European, companies gain advantages over European companies, committed to the observance of human rights. Over 40 % of benchmarked companies score no points in human rights diligence at all and two thirds of benchmarked companies score under 30 % in UNGP implementation, which also includes European companies.

2.7. Even though a large majority of business feels committed to human rights, human rights infringements in the context of business activities happen again and again. The binding treaty would assure victims that worldwide uniform human rights standards, an applicable law as well as fair access to authorities and courts will be ensured. This would also serve to level the playing field for businesses and create legal certainty as well as fairer global competition.

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<sup>(4)</sup> <http://www.oecd.org/daf/inv/mne/oecd-portal-for-supply-chain-risk-information.htm>

<sup>(5)</sup> OJ C 303, 19.8.2016, p. 17.

<sup>(6)</sup> Some of the most recent examples: hazelnut pickers in Turkey, <https://www.nytimes.com/2019/04/29/business/syrian-refugees-turkey-hazelnut-farms.html>; gravestones produced with child labor <https://kurier.at/politik/ausland/blutige-grabsteine-was-fried-hoeft-mit-kinderarbeit-zu-tun-haben/400477447>; mineral extraction for electric car batteries <https://www.dw.com/de/kinderarbeit-f%C3%BCr-elektro-autos/a-40151803>

<sup>(7)</sup> <https://www.corporatebenchmark.org/>

2.8. The EU follows an agenda of promoting and spreading human rights in its external policies. The EU Conflict minerals regulation, the Non-financial Reporting Directive and the Timber Regulation are examples in which human rights due diligence has been strengthened. Clauses in Free Trade Agreements include commitments to the protection of these rights. Certain EU MS — foremost France, but also the UK and the Netherlands — have adopted legislation enhancing corporate accountability and firmer frameworks for human rights due diligence. The Fundamental Rights (FRA) Agency analysed European competences regarding business and human rights and found that there are definitive grounds for EU competences as well as MS competences<sup>(8)</sup>. Accordingly, it advises an open method of coordination approach. The competence issues must be clarified before formal ratification of the convention takes place; however, in principle a mixed competence must be assumed. Proceedings against infringements of fundamental rights by businesses are handled indirectly through administrative, civil or criminal law. They raise issues of international private and international (corporate) criminal law, legal matters which have to some extent been harmonised in the EU.

2.9. The EP has adopted a number of resolutions on the topic and has been a strong supporter of active participation in the negotiations on a binding legal instrument. The EP has also requested a study on *Access to legal remedies for victims of corporate human rights abuses in third countries*<sup>(9)</sup> formulating concrete recommendations to the EU institutions to improve such access.

2.10. The Council has requested an opinion from the FRA on *Improving access to remedy in the area of business and human rights at the EU level*. This opinion found substantial potential for improvement.

2.11. In 2014, the United Nations Human Rights Council (UNHRC) adopted Resolution 26/9, in which it decided to establish an open-ended intergovernmental working group (OEIWG), to elaborate an international legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises. The resolution was supported by a large number of developing countries. The current draft was presented in July 2019.

2.12. The EU has participated in the working group, but has disassociated itself from the results of the working group session of October 2018, citing a number of issues. The most important of these seem to be issues of applicability to all businesses and not only transnational ones, closer orientation to the UNGP and a more transparent process. As the current draft text stands, substantive issues proposed by the EU seem to have been taken into consideration. In view of the legal issues of harmonisation, the EU should strongly participate in the process, with an official negotiation mandate, to represent the interests of the European Union and its Member States.

2.13. There are major economies, which are as of now not actively participating, such as the US, or do not seem to be strongly engaged, such as China, in the treaty process. Giving the treaty wide scope of application will serve to promote responsible business conduct, including by firms from these major economies. Even if they do not ratify the binding treaty, entering with their operations into the European common market, will make them potentially liable in Europe, according to the binding treaty. It would be a necessity for those countries to implement more stringent rules on human rights due diligence, if they wish to profit further from European markets.

### 3. General comments

3.1. The EESC fully endorses human rights as a universal and inalienable, indivisible, interdependent, interrelated and therefore mandatory basis for all societal engagement, be it politics, international cooperation, social dialogue, economy or business. Human rights have been a foundation for Europe's wealth and a peaceful life on our continent. More than that, they and the European social state model including universal education systems have guaranteed economic development and material well-being. The EESC emphasises that all social and political human rights must guarantee a decent way of living for all people in the world and that their infringement must not lead to unjustified profits.

<sup>(8)</sup> FRA opinion on *Improving access to remedy in the area of business and human rights at the EU level* p. 62.

<sup>(9)</sup> EP/EXPO/B/DROI/FWC/2013-08/Lot4/07, Feb. 2019 — PE 603.475.

3.2. The EESC considers that prevention of human rights abuses should be the foremost goal of a binding treaty. When there is an internationally agreed minimum binding standard for business conduct, businesses need even more support and guidance in implementing measures and the EU and its MS need to recognise the responsibility they have in making sure responsible business conduct does not lead to unfair competition.

3.3. The EESC fully supports the resolutions adopted by the EP and reiterates its call for a full commitment to and active engagement in the process in Geneva for the development of a binding instrument including the need expressed therein for a grievance mechanism. The European Commission should act on these resolutions and show a strong commitment.

3.4. The EESC also agrees on the necessary content of a binding treaty as set out by the EP, namely:

- building on the UNGP framework,
- defining **mandatory due diligence obligations** for transnational corporations and other business enterprises **including** their **subsidiaries**,
- the **recognition of the extraterritorial human rights** obligations of states and the adoption of regulatory measures to that effect,
- the **recognition of corporate criminal liability**,
- mechanisms for **coordination and cooperation among states on investigation, prosecution and enforcement of cross-border cases** and
- the **setting-up of international judicial and non-judicial mechanisms for supervision and enforcement**.

3.5. The EESC also supports the EP's opinion that if claimants are able to choose the jurisdiction, states will be incentivised to introduce stringent rules and fair legal systems, to keep such cases within their jurisdiction. However, enforcement mechanisms should ensure that it is in the best interests of states to legislate for obligatory due diligence concerning business and human rights. There are international systems, such as the complaints procedure at the ILO, which can serve as a template for more ambitious international enforcement.

3.6. Binding rules shall not lead to a situation in which businesses adhering to responsible business conduct are the target of frivolous litigation. The extent to which a binding act makes businesses responsible for violations needs to be clearly defined. Accordingly, rights infringements can be better prevented, when there is an internationally agreed binding standard, implemented and protected by states. This is reflected in the current approach of the draft text, which does not introduce direct obligations to businesses but obligates states to implement an agreed standard according to their own legal systems.

3.7. The study by the EP and the opinion by the FRA referred to above explore particular issues that come up regularly when people try to claim human rights infringements by companies, their subsidiaries or in their supply chain before European courts.

3.7.1. The **jurisdiction** of European courts is usually reserved for European defendants. This means that a Europe-based company may be sued in a European court, but its subsidiaries, which are based in the country where the damage occurred, typically may not. Suppliers and intermediaries in the supply chain are even farther removed from the European company in question. The EESC notes that it must be ensured that victims of business-related human rights infringements have, as a matter of human rights, guaranteed access to fair proceedings, courts and authorities. Especially when it is unclear if the parent company, one of its subsidiaries or suppliers is potentially liable, one forum conducting fair proceedings shall have jurisdiction.

3.7.2. The EP study also illustrates mediation procedures that can be used by victims to state their claims. The EESC explicitly welcomes such valuable voluntary procedures as popularised by the OECD, the UNGP and the Global Compact, but notes that these procedures do not solve the issue of human rights infringements by firms that do not apply the human rights aspects of CSR. Therefore, official prosecution is necessary as well.

3.7.3. Gathering **evidence** is often difficult for claimants for practical reasons. Cases often involve large numbers of people and language barriers. While it is often easy to prove that a local company is a subsidiary or a supplier of a European company, proving the extent of control exercised is very difficult for victims. When a European jurisdiction can be asserted, the **costs of proceedings** can be extreme, even when victims of infringements succeed. There is much potential for improvement in international judicial cooperation. The EESC welcomes the fact that the current draft text addresses issues of mutual assistance but demands that victims shall not have to bear the costs of proceedings, with the exception of cases of frivolous litigation.

3.8. When EU MS, on an individual basis start stipulating more stringent mandatory **due diligence** frameworks this will lead to a mismatch of such standards within the EU. Companies that are located in EU MS with more stringent due diligence requirements shall not be out-competed by those that are not. The EESC notes that companies shall have a level playing field and legal certainty, with clear responsibilities.

3.9. The EESC therefore considers active engagement and participation of representatives of the EU in the coming process to be crucial. It cannot be in the interest of the EU and its MS not to participate actively in the drafting of a human rights treaty with potentially major ramifications for the international trade system<sup>(10)</sup>. The current draft has potential for substantive improvements that must be addressed. The European institutions and the MS have to engage actively and the European Commission needs a clear mandate to be able to coordinate the European engagement.

3.10. As the treaty will have to be implemented and enforced by the MS and the EU, where not already developed, national actions plans shall be drawn up in the Member States, setting out how human rights due diligence will be implemented. There shall also be a European action plan, in order to make sure all levels of European governance participate according to their competences. When developing, implementing and enforcing the action plans, organised civil society has to be involved.

3.11. The European Commission shall study the feasibility of a 'Public EU Rating Agency' for human rights in the business context, developing a system on which basis auditing firms can be certified and regularly controlled (criteria, monitoring). Such an agency could support business (in particular SMEs) by trying to define and improve their human rights exposure, with beneficial effects for businesses on questions of liability. The exploration of this concept could be an issue for a subsequent opinion.

3.12. Human rights responsibility should become a required subject in economic, business and related curricula and training and such an educational emphasis could be supported by EU education programmes.

#### 4. Specific comments

4.1. The treaty is being developed by a working group of the UNHRC, which is responsible for the implementation of the UN human rights covenants. As the norm-addressees of the treaty are states and not individuals (such as corporations or persons who are victims of infringement), the set-up of such a working group at the UNHRC does make sense, while other organisations, such as the ILO and WTO are easily involved. The EESC believes that the work of the OEIGWG shall continue.

4.2. The underlying mandate of the OEIWG focuses on transnational situations. Business associations and trade unions have argued for a broader scope, covering all business (e.g. state-owned enterprises and domestic business enterprises). The EESC welcomes the fact that the revised draft text has considered those demands in principle. However, the draft text needs further clarification. In this regard, the EESC demands that EU institutions actively involve themselves.

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<sup>(10)</sup> The EESC noted the relevance of a UN binding treaty in OJ C 110, 22.3.2019, p. 145, point 2.19.

4.3. There shall be a strong international monitoring and enforcement mechanism, with the possibility of bringing individual complaints to the international committee. More than that, there shall be an independent UN officer (ombudsperson) for victims of human rights infringements, investigating and supporting their claims when necessary and independently following up on alleged infringements to bring them to the attention of the committee.

4.4. The draft includes a very broad definition of human rights. The EESC welcomes the inclusion of the ILO 190 Convention in the preamble. However, the ILO's Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy also includes a comprehensive catalogue of declarations and rights pertaining to multinational enterprises and work, which also specifically notes the conventions and recommendations on occupational safety and health. Recent developments in human rights have also emphasised more strongly the rights to a healthy environment and data protection and shall be considered. The above-mentioned documents and rights belong to a basic corpus of human rights, which is applicable worldwide and therefore shall be considered within the scope of the treaty. The EESC welcomes the fact that the gender dimension of human rights infringements, an often overlooked aspect, has been more strongly embedded into the prevention part of a binding treaty.

4.5. The draft already stipulates in principle a choice of competent jurisdictions, which must be further refined. When a company is involved with its business activities in transnational supply chains (e.g. receiving wares or resources), it shall be ensured that jurisdiction can be asserted in its country of domicile. It shall also be made clear that local subsidiaries and suppliers can be sued or at least joined to claims in the domicile country of the parent or recipient company.

4.6. There shall be further clarification regarding the interplay between due diligence and liability, including clear and practical provisions to make sure that due diligence incorporates ongoing monitoring — in the sense of a system of checks and controls — in supply chains, along with liability, should that fail. English case law has developed a standard of control for parent companies regarding infringements by their subsidiaries<sup>(1)</sup>, which might inspire a clearer provision on liability specifically for subsidiaries. The current draft text focuses on contractual relationships, which might make it difficult to reliably map liability along global value chains, as business relationships may take different forms along these chains. There is potential to improve the current text, and a further clarification shall build upon the concepts already developed for the UNGP which the EU shall make a priority.

4.7. As the scope now encompasses all business activities, and not only transnational ones, there shall also be provisions allowing for flexibility between commensurate but not overburdening rules for SMEs on the one hand, and more stringent rules for high-risk operations on the other. Moreover, the EU shall offer special support instruments to help SMEs to manage the challenges of such a treaty (e.g. an agency, support for peer learning).

4.8. The EESC notes the rules on mutual legal assistance and international cooperation in the current draft. Such functions can perhaps be facilitated through the international offices of a UN ombudsperson, mentioned above.

4.9. The draft text includes a provision on reversing the burden of proof in cases of civil liability, which shall be clarified to ensure a consistent application across jurisdictions and make sure that victims can rely on its application when necessary. That would mean at least that claimants of human rights infringements shall only be required to prove the existence of a definite connection between the perpetrator of the infringement (such as a supplier or subsidiary) and the (recipient or parent) company, which shall in turn be required to plausibly explain that the infringements were not within its control. The EESC doubts that relegating the reversal of the burden of proof to the courts, instead of legislation, will serve legal certainty and consistent application.

4.10. The EESC notes the importance of witnesses and the role of whistle-blowers. It welcomes the protective provisions included in the current draft text. NGOs working in this area shall be supported.

4.11. There shall be criminal liability in cases of grave negligence. In the case of less serious offences, such as neglecting the duty to report regularly, administrative liability shall be stipulated.

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<sup>(1)</sup> See FN 9, p. 40.



4.12. The EESC welcomes the inclusion of a provision on consistency with other bilateral and multilateral agreements. However, in relation to trade and investment agreements, it shall be made clear that implementation measures for a treaty on business and human rights are justified and cannot be circumvented by investment dispute resolution.

4.13. It shall be possible among states to enforce the implementation of a binding treaty. There already exist procedures, which can inspire such possibilities, such as the complaints procedures under the ILO constitution, which allows the social partners and states to file complaints against the non-observance of ILO Conventions. If states can file complaints against each other, worldwide implementation can be enforced. Responsible companies would be better protected against unfair competition. Such complaints shall also be accessible for social partner organisations and NGOs. If such a system is established independently of ILO procedures, it shall operate without prejudice to the ILO system and its provisions.

4.14. The current draft allows to opt- in to a dispute settlement system. This shall be reconsidered to fit better within existing frameworks, as those of the nine core human rights instruments with dispute settlement include an opt-out provision.

4.15. In the revised draft, the provisions on statutes of limitations and the applicable law were scaled back compared to the 'zero draft'. As these provisions contain important procedural rights for victims the EESC recommends going back to the text of the zero draft.

4.16. Representatives of organised civil society, especially business representatives, have pointed out the late availability and publication of draft documents in the ongoing treaty process in Geneva. This must be improved in order to allow for well-balanced and constructive feedback. Transparency must be ensured for all participants in all steps of the process.

4.17. The EESC endorses a legally-binding instrument on business and human rights, but strongly encourages close cooperation with social partners and civil society organisations.

Brussels, 11 December 2019.

*The President*  
*of the European Economic and Social Committee*  
Luca JAHIER

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