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## NEWS RELEASE

### **IOE SECRETARY-GENERAL QUESTIONS ECUADOR-INITIATED PROPOSAL FOR NEW LEGALLY-BINDING TREATY ON BUSINESS AND HUMAN RIGHTS**

IOE Secretary-General Brent Wilton today strongly questioned an initiative for a new legally-binding treaty on business and human rights at a workshop in Geneva on “Human Rights and Transnational Corporations”.

The Workshop, convened by the Permanent Mission of Ecuador to the UN in Geneva, follows Ecuador’s proposal delivered at the UN Human Rights Council last September, and supported by the African Group, the Arab Group, Pakistan, Sri Lanka, Kyrgyzstan, Cuba, Nicaragua, Bolivia, Venezuela and Peru, on “the necessity of moving forward toward a legally-binding framework.”

Speaking on behalf of the IOE’s 150 business and employer member federations around the world, Brent Wilton underlined the commitment already shown by business to respect the UN Guiding Principles on Business and Human Rights. Endorsed by the Human Rights Council in 2011 following a six-year long multi-stakeholder consultation process, the Guiding Principles enjoyed wide consensus and are currently in the initial promotion and implementation phase. Pointing out that it will inevitably take time for an initiative on the scale of the Guiding Principles to fully take hold, compared with policy developments in other domains, Brent Wilton said that there was already firm engagement, both on the part of the UN Working Group on Business and Human Rights and businesses themselves, to promote implementation measures. The IOE itself has produced comprehensive guidance in the form of a publication that has enjoyed widespread uptake.

Rather than focus on the development of a new legal instrument, Brent Wilton underlined the IOE’s support for the continued work of the UN Working Group which is reporting wider uptake of the Guiding Principles among business. “An essential element to the engagement of business is the state fulfilling its duty to protect,” said Wilton. “We encourage governments to support those states who are struggling to realize their duty to protect. A society where human rights are realized by the government positively impacts company efforts to respect them.”

The September statement claims that “A legally binding instrument would provide the framework for enhanced State action to protect rights and prevent the occurrence of violations”. There is no evidence to suggest that this is the case and previous experience, such as the failure of the draft “Norms on the Responsibilities of Transnational Corporations” to take off in 2003, suggests rather that there is likely to be little agreement at the end of the day on a single global corporate liability standard addressed only to multinational corporations.

“Let’s focus on the impressive uptake to date of the UN Guiding Principles,” concluded Brent Wilton, “and channel the collective efforts of governments and business to build on the very solid basis they provide for addressing human rights.”

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