



Rights campaigners call on policy-makers in the EU and beyond to end corporate abuses

FIDH and seven of its members and partners from Africa, Asia, Europe and Latin America call for strong legislation to make companies responsible for preventing and addressing the adverse impacts of their activities on human rights and the environment.

Every day, communities worldwide are exposed to the devastating human rights and environmental harms caused by many business operations. Some of them even pay with their lives for fighting corporate impunity. Several countries have passed or are currently considering legislation that could render corporations more responsible and accountable for such abuses. FIDH and seven of its members and partners from Brazil, Chile, Norway, Peru, South Africa, South Korea, Spain and Taiwan, gathered in Brussels from 25 to 27 April 2023, stress once again the need for legislators to enact effective legislation on business and human rights.

The EU is moving towards a Directive on Corporate Sustainability Due Diligence (CSDDD), the bloc's attempt at setting human rights and environmental obligations for companies. After a key vote on 25 April in the European Parliament's Legal Affairs Committee, MEPs involved in the process are one step closer to joining the European Commission and the Council of the EU in negotiations of a final text. The legislation will have impacts well beyond Europe's borders. The stakes are too high for the EU to miss the mark by adopting weak standards. It is still time for Europe to set a strong example.

It is essential that the Directive be wide in its scope and its support to those whose rights and environment are affected by corporate abuse. As the effects of the climate crisis ripple across continents, the Directive must also oblige companies to set and achieve ambitious targets to reduce emissions.

Corporations of every sector and size, wherever they operate or invest, must be required to respect all human rights and the environment. Due diligence – a continuous, preventative and risk-based process – is a means to that end. It should be conducted across the whole value chain, in alignment with international standards. The fact that corporate activities or a part of

them occur outside the borders of the states where they are based, should not justify impunity. States cannot, without violating international standards, let companies escape their obligations or allow them to violate human rights only because they operate extraterritorially.

An ambitious Directive must stand for justice

Crucially, the CSDDD should contain strong provisions on access to justice if it wishes to stand with affected communities and individuals across the world. Ambitious legislation could finally rectify some of the gaps that have so far hindered redress and effective remedy. The burden of proof should not be on rights-holders who endure human rights and environmental violations, but on the company liable for them. Access to information as well as legal and financial support must be guaranteed to claimants.

The legislation will only be truly effective if it recognises and puts at the centre affected communities as the rights-holders, and civil society representatives as essential stakeholders. That can be achieved through an obligation to conduct meaningful consultations all along the way and to respect the right to free, prior and informed consent. It should also ensure that they can find redress according to the more protective existing laws for their case, whether that is the law of the country where the violation happened or the one of the country where the parent company is registered.

The Directive should not set a ceiling on ambitious rules for corporate accountability. When implementing the CSDDD, Member States should retain the right to go further in protecting the environment and human rights through more extensive national laws. Furthermore, the Directive's provisions should not weaken existing national and international laws and standards, nor serve as an excuse to lower existing protections – they should reinforce or complement them.

Finally, any mechanisms such as contractual clauses, third-party auditing or multi-stakeholder initiatives should not be seen as a way for companies to excuse themselves from doing their own due diligence or used to hinder access to remedy.

Momentum for binding corporate accountability standards is growing in countries across the world. Our organisations call on decision-makers worldwide to develop and implement laws that effectively protect human rights and the environment and tackle climate change. Once they enter into force, a strong EU Directive and domestic legislation can empower communities who have for a long time been at the front line of the fight against corporate impunity.

Signatories:

Asociación Pro Derechos Humanos España - APDHE (Spain)

Centro de Políticas Públicas y Derechos Humanos - Perú Equidad (Peru)

Environmental Rights Foundation (Taiwan)

Korean Transnational Corporations Watch (South Korea)

International Federation for Human Rights

Lawyers for Human Rights (South Africa)

Norwegian Helsinki Committee (Norway)

Observatorio Ciudadano (Chile)