

A call for EU human rights and environmental due diligence legislation

2 December 2019

We the undersigned civil society organisations and trade unions, are calling for effective EU legislation that establishes a mandatory human rights and environmental due diligence framework for business, companies and financial institutions operating, or offering a product or service, within the EU. Such legislation should establish a corporate duty to respect human rights and the environment and require companies and financial institutions to identify, prevent, mitigate and account for abuses and harm in their domestic and global operations, activities, products, services, supply chains and exports. The legislation should hold such companies legally accountable and provide access to justice for victims.

Some businesses and financial institutions are already taking steps to meet their responsibility to respect human rights and the environment in their global operations, subsidiaries, portfolios and/or supply chains. However, too many others are linked to serious abuses. Exploitative working conditions, including modern slavery and child labour; gender discrimination and violence; violations of trade union and workers' rights; corruption and tax evasion; toxic pollution; rampant destruction of forests; the climate crisis, land-grabs and evictions of indigenous peoples and local communities, and violent attacks on human rights, environmental and land defenders are widespread in the global value chains of companies conducting business in the EU. Women, children, indigenous peoples, workers and their unions, human rights defenders and marginalised groups tend to be particularly affected.

Current EU policy and legislation fails to adequately address this challenge. Despite growing attention being paid to these issues, **there are still no cross-sectoral laws in the EU requiring companies and financial institutions to identify, prevent, mitigate and account for human rights abuses and environmental damage of their operations, subsidiaries or value chains.** Absence of such laws, makes it impossible for companies to be held legally accountable when they neglect their responsibility to respect human rights and the environment. Meanwhile, consumers across the EU purchase products and services tainted by abuses and environmental devastation, and millions of savers have their (pension) savings invested in companies that are behind these abuses. It's time to change this! The reliance on a voluntary approach to promote business respect for human rights and the environment has proven insufficient and does not prevent violations of human rights and environmental damages.

What we're calling for and how it would make a difference

Human Rights and Environmental Due diligence is a concept familiar to companies and governments. The standard has already been set out in detail in the UN Guiding Principles on Business and Human Rights, in the OECD Guidelines for Multinational Enterprises as well as the sector specific and general OECD Due Diligence Guidances. Following France's adoption of a duty of vigilance law in 2017, other countries are adopting or discussing similar legislation. A number of companies, sometimes supported by multi-stakeholder initiatives, already have systems in place to implement these guidelines. It is now time for the EU to build on these

precedents and harmonise the expectations towards companies in law, protecting both human rights and the environment.

We want companies and investors to be required to carry out human rights and environmental due diligence – that is, to identify, assess, stop, prevent and mitigate the risks and violations to all human rights, including workers and trade union rights, and the environment posed by their own activities, subsidiaries, investee entities, and business relationships, within and outside the EU. Rights holders, in particular workers, their unions and affected communities should be involved in the negotiation and implementation of due diligence plans. Due to their leverage as shareholders, investors should actively seek to ensure that such plans be in place. **If a company fails to respect its obligations and abuses do occur, avenues must be available to hold it to account in court** and for victims of abuses to receive justice and remedy.

New binding EU legislation that increases protection for individuals and communities, workers and their representatives, human rights defenders, and the environment is needed. It will provide clarity on what the minimum standard for responsible business conduct means in practice and stimulate the shift we need towards a more sustainable and fair level playing field. An effective legislation will lead to a better protection of human rights. It will contribute to giving consumers, savers, retail investors and stakeholders at large the much needed confidence that products, services or financial products are free from human rights abuses and environmental damage. The EU's reputation as a leader in promoting responsible business conduct will also be enhanced.

The EU needs to provide global leadership. Around the world, policy makers, business leaders, academics and campaigners are supporting legislative change to end irresponsible corporate practices. Across Europe and beyond, there is a growing trend towards introducing mandatory human rights and environmental due diligence at the national level. At the UN, a treaty is being developed to regulate the activities of transnational corporations and other business enterprises in international human rights law. We expect the EU to play a constructive role in the UN backed negotiations.

As the world's largest economy, founded on the principles of democracy, human rights and the rule of law, with various human rights and environmental policy goals, **it's vital that the EU takes the lead in** and develops a clear and comprehensive economy-wide legislation.

Signatory Organisations and Networks:

11.11.11, Belgium

Action Aid International

ActionAid France

African Coalition for Corporate Accountability (ACCA)

Aitec

Amis de la Terre / Friends of the Earth France

Amnesty International

Anti-Slavery International

Attac France

Austrian Federal Chamber of Labour (AKA)

Banana Link
Bangladesh Center for Workers' Solidarity (BCWS)
Bangladesh Revolutionary Garment Workers Federation (BRGWF)
Bangladesh Garment and Industrial Workers' Federation (BGIWF)
Bischöfliches Hilfswerk MISEREOR
Both ENDS
Bread for All
Brot für die Welt
Business & Human Rights Resource Centre
CCFD-Terre Solidaire
Citizen Power Initiatives for China
CIDSE
Clean Clothes Campaign
Client Earth
Collectif Ethique sur l'étiquette
Comité Pauvreté et Politique
Comité pour l'abolition des dettes illégitimes (CADTM)
Commerce Équitable France
CORE
Diakonia
DKA Austria
Ecologistas en Acción
Entraide et Fraternité (Belgium)
European Coalition for Corporate Justice (ECCJ)
European Environmental Bureau
European Federation of Building & Woodworkers (EFBWW)
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)
European Public Service Union (EPSU)
European Trade Union Committee for Education (ETUCE)
European Trade Union Confederation
European Transport Workers' Federation (ETF)
Fair Trade Advocacy Office
FairFin
Fairtrade Finland
Fairtrade Germany
Fairtrade International
FERN
Forest Peoples Programme
France Amérique Latine (FAL)
Frank Bold
Freedom Fund
Freedom United
Friends of the Earth Europe
Friends of the Earth Germany (BUND)
Friends of the Earth Sweden
Front Line Defenders
Germanwatch

GLAN | Global Legal Action Network
Global Aktion
Global Witness
Human Rights International Corner (HRIC)
industriAll
INKOTA-netzwerk
International Dalit Solidarity Network
International Dalit Solidarity Network (IDSN)
International Federation for Human Rights (FIDH)
La campaña No a los Tratados de Comercio e Inversión
Latinamerikagrupperna
Ligue des droits de l'Homme (LDH)
MANI TESE
Max Havelaar France
Max Havelaar Netherlands
National Garments Workers Federation (NGWF)
NaZemi
NeSoVe - Netzwerk Soziale Verantwortung
Notre affaire à tous
Observatorio RSC
Oxfam
PMU
Policies for Equitable Access to Health (PEAH)
Polish Institute for Human Rights and Business (PIHRB)
PowerShift
Rainforest Alliance
ReAct
Réseau des Organisations de la Société Civile pour le Développement du Tonkpi (ROSCIDET)
Rethinking Value Chains collective
Rights and Accountability Network (RAID)
Robin Wood
ShareAction
Sherpa
Stop the traffik
Südwind
SÜDWIND e.V., Germany
Terre des Hommes France
The Hunger Project - Germany
Traidcraft Exchange
Trócaire
UNIEuropa
Union Sindical Obrera (USO)
UNISON
VOICE Network
Weltladen-Dachverband e.V
Women's International League for Peace and Freedom Netherlands
World Economy, Ecology & Development e.V. (WEED)

World Fair Trade Organization - Europe (WFTO-Europe)
World Wildlife Fund (WWF)





European Federation of Building and Woodworkers



European Federation of Food, Agriculture and Tourism Trade Unions

