

AMNESTY INTERNATIONAL PUBLIC STATEMENT

30 April 2020 EUR 01/2252/2020

AMNESTY INTERNATIONAL WELCOMES THE EUROPEAN COMMISSION'S COMMITMENT TO INTRODUCING A LAW ON BUSINESS AND HUMAN RIGHTS

Amnesty International welcomes an announcement by the European Commission that it will initiate legislation in 2021 requiring businesses to respect human rights and prevent environmental harm across their global supply chains and business relationships. In a webinar with Members of the European Parliament on 29 April, Justice Commissioner Didier Reynders stressed the need for mandatory, inter-sectoral rules that will also sanction those businesses that fail to address risks to human rights and the environment.

The Commission's commitment is a critical step forwards towards corporate accountability of EU companies and an important signal at a time of crisis that economic stimulus must be built on a foundation of respect for human rights and sustainability.

In order for the forthcoming legislation to be meaningful and effective, Amnesty International calls on the Commission to ensure that the legislative proposal should:

- Apply to business enterprises of all sizes, independent of sector or location within the value chain, domiciled, operating, or offering a product or service, within the EU;
- Impose an enforceable obligation on business enterprises to respect human rights and the environment, including the obligation to carry out due diligence to prevent any harm. This includes the duty for business enterprises to take all appropriate measures to ensure respect for human rights and the environment within their global value chains and by their business relationships;
- Establish corporate liability for human rights and environmental harm;
- Ensure access to remedy; and
- Provide authorities with effective instruments to ensure enforcement, including sanctions.

The corporate accountability law will be an important instrument to implement the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles) which the EU and its Member States have endorsed. It should be accompanied by additional measures such as aligning the EU's economic diplomacy, its investment and trade policy and economic stimulus packages with the principles of the UN Guiding Principles, strengthening businesses' capacities to carry out due diligence and improving access to remedy for victims.

Finally, Amnesty International urges the co-legislators, the Council of the European Union and the European Parliament, to join forces to draft and adopt a meaningful and effective EU legislation to ensure corporate accountability. As the world's largest economy, the EU has a particular responsibility to use its economic and political power to influence and shape the fair regulation of the global market so that is based on human rights and sustainability.