

March 15, 2022

The Honorable Mélanie Joly, M.P. Minister of Foreign Affairs of Canada House of Commons Ottawa, Ontario, K1A 0A6 Via e-mail: <u>melanie.joly@parl.gc.ca</u>

## Canada must actively and constructively engage in the Open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights

Dear Minister Joly

I am writing on behalf of the 39 member organizations of the Canadian Network on Corporate Accountability (<u>CNCA</u>) to call on Canada to prioritize the demands of communities harmed by corporate activities, and to engage constructively at the next session of the UN Intergovernmental working group on transnational corporations and other business enterprises with respect to human rights (IGWG) to elaborate a legally binding instrument (UN Binding Treaty) on transnational corporations and human rights.

Specifically, we urge the Government of Canada to

- cease calling for an alternative framework
- publicly acknowledge that the current draft of the UN Binding Treaty is a foundation for ongoing negotiations, and
- commit to constructively engage in the 8<sup>th</sup> session of the treaty negotiations

At the recent United Nations Forum on Business and Human Rights, in the fall of 2021, the Government of Canada issued a written statement endorsing a US initiative to "explor(e) alternative instruments, **binding or nonbinding**"<sup>1</sup> as an alternative to the current UN Binding Treaty. (emphasis added)

We are concerned that this position could serve to undermine the years of negotiation and effort by victims of corporate abuse, human rights defenders, civil society, faith-based organizations, trade unions and academics who have mobilized to call for and advance a UN Treaty to help close global accountability and protection gaps and put an end to continuing corporate human rights abuses. The draft UN Binding Treaty currently <u>contains</u> several key positions of civil society organizations and social movements from around the world.

<sup>&</sup>lt;sup>1</sup> Canada's statement includes: "We welcome and acknowledge that the United States has taken the initiative to address some of these limitations, and in this regard, we look forward to participating in expert level discussions on alternative frameworks." (emphasis added). It is available at:

https://static.sched.com/hosted\_files/10unforumbhr2021/c7/Canada%27s%20Written%20Submission%20Forum%20session %202021.pdf).

For years, CNCA member organizations - such as the Canadian Labour Congress, Friends of the Earth Canada and Development and Peace: Caritas Canada - have joined their international counterparts<sup>2</sup> in calling on the Government of Canada to proactively engage in good faith in the negotiations for a binding international treaty on business and human rights.<sup>3</sup>

Until the fall of 2021, Canada was largely absent from the treaty negotiation process. We are concerned that what we understand to be Canada's first substantive contribution is inconsistent with meaningful engagement in the treaty negotiations.

Engaging constructively with government representatives from other States, as well as with civil society representatives at the 8<sup>th</sup> session of the treaty negotiations on October 24-28, 2022 will demonstrate Canada's commitment to advancing an international human rights framework on corporate accountability, while ensuring sustainable development and the presence of responsible investment and business activities in and beyond our country. It will also reinforce global momentum towards national mandatory human rights due diligence laws.

We would be pleased to provide you with further information and look forward to constructive dialogue on these issues, to support Canada's engagement in the UN Binding Treaty negotiations. We thank you for your attention to this important matter.

Sincerely,

Emily Dwyer Policy Director, Canadian Network on Corporate Accountability

The CNCA unites 39 human rights, labour, international development, environmental and faith-based organizations from across Canada who collectively represent the voices of millions of Canadians. The network promotes the adoption of mechanisms in Canada to ensure that Canadian companies respect human rights and the environment in their global operations and supply chains, and to guarantee access to effective remedy for those who are harmed by corporate activity.

 Cc: Catherine Godin, Director General, Office of Human Rights, Freedoms and Inclusion Global Affairs Canada
Mariam Khan, First Secretary (Legal Affairs), Accountability, Human Rights and United Nations Law Division, Global Affairs Canada

<sup>&</sup>lt;sup>2</sup> For example, the 2020 letter from CIDSE <u>https://www.cidse.org/2020/09/28/over-230-bishops-join-their-voices-to-stop-corporate-abuse/;</u> and the 2020 joint statement to the IGWG from ITUC and the Global Union Federations http://documents.clcctc.ca/international/LEGALLY-BINDING-INSTRUMENT-FINAL-EN.pdf

<sup>&</sup>lt;sup>3</sup> That process was initiated in 2014, when the UN Human Rights Council created an intergovernmental working group to draft a legally binding treaty on business and human rights that would regulate transnational companies and create a level playing field for all companies operated across borders. The draft currently being negotiated focusses on the access to remedy and justice by victims of corporate abuse and the legal accountability of transnational corporations.