

Mr. Chairperson-Rapporteur,

- The national human rights institutions (NHRIs) which constitute the European network of NHRIs (ENNHRI), believe that a **binding treaty will make a significant contribution** to addressing current governance gaps and strengthening prevention of business-related human rights abuses while also improving access to remedy for victims of such abuses, wherever they are.
- Any binding treaty must emerge both in form and substance from the **established international consensus**.
- Thus, the treaty needs to be complementary with the UN Guiding Principles on Business and Human Rights. **Alignment with the UNGP** means that the contents of the agreement must not lag behind those of the UNGP. At the same time, the agreement can and should go beyond the UNGP where necessary to fill protection gaps.
- Despite existing shortcomings the revised draft is a **very good basis for further intergovernmental negotiations**. By focusing on the most urgent issues, namely the prevention of human rights violations and access to effective remedies for those affected, it is well suited to close human rights protection gaps, especially in transnational supply chains.
- **ENNHRI welcomes** that the **scope of the draft has been broadened** to cover all business activities and that there are no exemptions for any businesses.
- **ENNHRI also welcomes** that compared to the zero draft the revised draft is **better aligned with the UNGP** as it draws on its terminology and concepts, especially the concept of human rights due diligence.
- **ENNHRI is pleased** that the **European Union has recognized these positive developments**.
- The **EU is the largest economy in the world** with substantial influence in the global economy. Despite positive developments and despite the growing awareness by businesses of their responsibility to respect human rights, there remains **insufficient progress on the part of European businesses in implementing human rights due diligence**.
- **ENNHRI expresses concern** about the **continuing adverse impacts of businesses** on human rights, both within and outside of Europe.
- **ENNHRI regrets** the European Union is **not yet agreed on a formal negotiating mandate** for the treaty process. **The entry of the European Union into the process would involve decisive countries of origin of large transnational companies and would almost double the tractive power of the process**.
- Therefore **ENNHRI urges** the EU and all EU Member States to **achieve a formal negotiating mandate** as soon as possible to **finally constructively engage** in the drafting process of the treaty.

Thank you.