



Statement by His Excellency Archbishop Ivan Jurkovič  
Permanent Observer of the Holy See to the United Nations  
and Other International Organizations in Geneva  
at the 38<sup>th</sup> Session of the Human Rights Council  
Item 3 – Clustered ID with WG on transnational corporations and human rights

*Geneva, 22 June 2018*

Mr. President,

Perhaps today more than ever, economic and financial issues attract our attention because of the growing influence that financial markets play in the material well-being of most of humankind. The Holy See Delegation has continuously recalled the necessity of an appropriate regulation of the activities of Transnational Corporations, guided by an ethical approach that can ensure a decent standard of living realized through respect of human dignity, rather than a mere economic interest. In the context of business activities, this implies that an integral respect for communities and their rights cannot be separated from care for the environment. In fact, a healthy environment is essential to human life. Businesses make a contribution to the community by fostering the special dignity of human work. Employment, just like business, is a noble and essential vocation, it is “part of the meaning of life on this earth, a path to growth, human development and personal fulfilment”.<sup>1</sup>

While trade and investment agreements do not prohibit measures and policies aimed at protecting human rights *per se*, they may limit the options of a State to fulfil its human rights obligations. In the context of the debate on the relationship between trade and investment and human rights, the host States’ freedom to regulate has become a proxy for human rights. These provisions are not mutually exclusive and could be combined, resulting in regulatory certainty and a long-term legal framework.

Given the transnational nature of both economic freedoms and human rights, robust transnational legislation has to be promoted to support Governments in their duty to protect against third-party human rights abuses. Such a legal framework should lie at the core of the international human rights structure. The corporate responsibility to respect human rights is the basic expectation that society has of business. Moreover, access to remedy should be a core element of such an instrument since even the most concerted efforts cannot prevent all abuses, and victims should be

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<sup>1</sup> Pope Francis, Encyclical Letter, *Laudato Si'*, (24 May 2015), 128.

able to seek redress. Abuses attack the well established truths that every person enjoys an intrinsic and inalienable dignity and that we are all members of the human family. Moreover, recent history teaches us how systemic violations of human rights by some corporations can lead to forced migration. Such movements can be caused by violence, land grabbing, exploitation of resources and monopolization of seeds; all factors that can lead to starvation and to the depletion of resources necessary to fulfil the minimum requirements of life.

Mr. President,

Since care for the environment is essential to make our societies live and flourish, the negotiations of an international legal instrument on business and human rights must take into consideration the protection of the environment from unsustainable exploitation. In the work of the upcoming session of the Working Group, we need to take into consideration the need of “a critical evaluation of the environmental impact of economic decisions (...), in order to take into proper account their long-term human and environmental costs. To the extent possible, such an evaluation should involve local institutions and communities in decision-making processes”<sup>2</sup>. It is important to recall that in this effort governments, local communities, business, human rights’ defenders, each and all play a critical, interlinked, role in fostering sustainable development and the creation of a fairer world for all of society.

Thank you, Mr. President.

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<sup>2</sup> Pope Francis, Address to participants at the meeting for executives of the main companies in the oil and natural gas sectors, and other energy related business, 9 June 2018.