

APRIL 2025

Report



Corporations in the UN Business and Human Rights Treaty Negotiations



Friedrich-Alexander-Universität
Center for Human Rights
Erlangen-Nürnberg | CHREN



Table of Contents

About the Clinic and the Authors2

List of Abbreviations3

Executive Summary4

Recommendations.....6

Timeline of Treaty Negotiations7

Introduction8

Corporations in the Creation of International Law9

Key Business Organisations involved in the Treaty negotiations..... 10

 The International Organisation of Employers (IOE) 10

 The United States Council for International Business (USCIB)..... 12

 The International Chamber of Commerce (ICC) 12

 Advocacy Positions of Business Organisations Involved in the Treaty Negotiations 14

Strategies for Corporate Engagement in the Treaty Process 17

 The Example of Corporate Support for BHR Regulation in Europe 17

 Opportunities and Risks Analysis of Corporate Engagement in the Treaty Process 18

 Strategic Pathways for Corporate Engagement in the Treaty20

About the Clinic and the Authors



Friedrich-Alexander-Universität
Center for Human Rights
Erlangen-Nürnberg | CHREN



Project Supervisors and Doctoral Researchers: Bruna Singh and Stephanie Regalia.

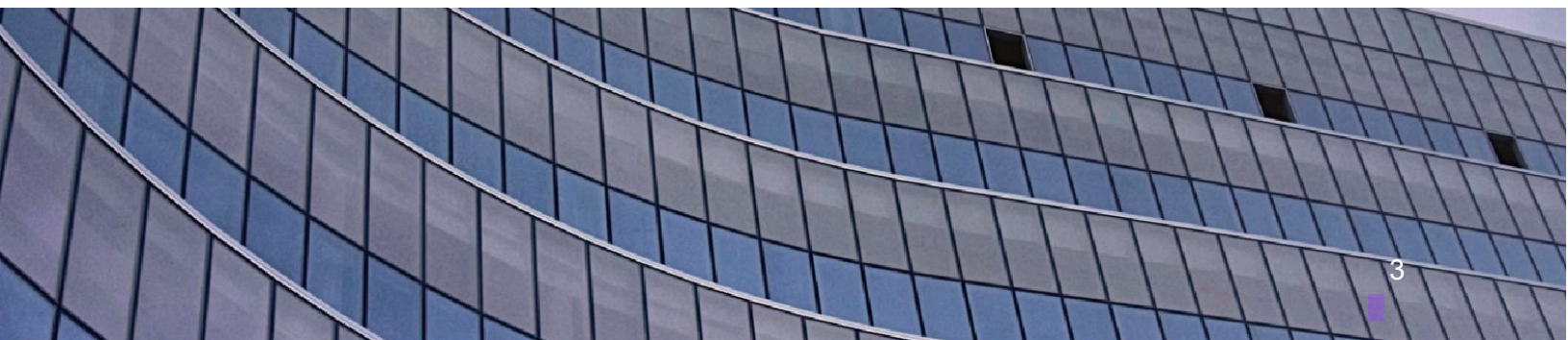
Master's Students: Angelina Widholm, George Kwame Gyan-Kontoh, Daniela Vallejo, K.S. and Gabriela Mancera.

The **CHREN Human Rights Clinic** is an initiative launched by the Chair for Public Law, Public International Law and Human Rights (Professor Patricia Wiater) and the Centre for Human Rights Erlangen-Nürnberg (CHREN) in 2024.

© 2025: CHREN Human Rights Clinic, Friedrich-Alexander-Universität Erlangen-Nürnberg. Disclaimer: This report is the responsibility of the CHREN Human Rights Clinic alone and does not reflect the views of Friedrich-Alexander Universität Erlangen-Nürnberg. This paper is an academic study provided for informational purposes only and does not constitute legal advice. Transmission of the information is not intended to create, and the receipt does not constitute, an attorney-client relationship between sender and receiver. No party should act or rely on any information contained in this Report without first seeking the advice of an attorney.

List of Abbreviations

BHR	Business and Human Rights
BHR Treaty / the Treaty	Business and Human Rights Treaty, a generic expression for the “legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises”
CSDDD	Corporate Sustainability Due Diligence Directive
G20	Group of 20
GC	General Council
EU	European Union
ICC	International Chamber of Commerce
ILO	International Labour Organisation
IOE	International Organisation of Employers
IWG	Intergovernmental Working Group on Transnational Corporations and Other Business Enterprises with Respect to Human Rights
IWG members	Intergovernmental Working Group on Transnational Corporations and Other Business Enterprises with Respect to Human Rights members
MB	Management Board
NGO	Non-governmental organisation
OECD Guidelines	Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises on Responsible Business Conduct
SME's	Small and medium-sized enterprises
TNC	Transnational Corporations
UN	United Nations
UN Working Group	United Nations Working Group
UNGPs	United Nations Guiding Principles on Business and Human Rights
US	United States
USCIB	United States Council for International Business





Executive Summary

For the past 10 years, negotiations at the United Nations have been underway to develop a legally binding instrument on business and human rights (hereafter the Treaty or BHR Treaty). These discussions have produced multiple drafts, with civil society, academia, and NGOs closely monitoring the positions of various States and actively engaging in the process. However, despite this strong stakeholder involvement, relatively little attention has been paid to the role of corporations themselves in shaping the Treaty's development and direction.

This report addresses this gap by providing an informative analysis of corporate participation in the BHR Treaty negotiations, highlighting key findings on corporate engagement, ways in which business associations influence the negotiation process, as well as risks and opportunities associated with the participation of businesses in the treaty negotiation process. The report seeks to inform on business involvement in the Treaty negotiations to date but does not advocate in favour or against this form of corporate engagement.

Key findings

The IOE, USCIB and ICC are the main voices of business interests in the BHR Treaty negotiations

The International Organisation of Employers (IOE), United States Council for International Business (USCIB), and the International Chamber of Commerce (ICC) represent global business networks advocating corporate interests and expressing concerns about the Treaty's potential impacts. While strongly supporting the UN Guiding Principles on Business and Human Rights in their statements, they oppose the current BHR Treaty draft due to concerns over feasibility, legal implications, and economic consequences. A key issue in their positions on the different Treaty drafts is the risk of shifting human rights duties from states to corporations, which they argue could hinder meaningful local progress and global economic participation. While they acknowledge the need for corporate accountability, they advocate for voluntary approaches aligned with the UNGPs rather than binding regulation for corporations at the international level.



The IOE, USCIB and ICC’s positions appear to contradict recent business-led efforts in favour of mandatory regulation in the field of business and human rights

Over the last decades corporate advocacy in favour of human rights and sustainability regulations has grown significantly. These efforts have principally focused on regulation in Europe, in particular relating to the Corporate Sustainability Due Diligence Directive, as well as other Global North regions. This raises the concern that businesses advocating in favour of mandatory regulation are maybe not aware that the main voices representing business in the UN Treaty negotiations are advocating against this form of mandatory regulation at the international level. This begs the question whether engaging progressive businesses to take a stance in favour of a Treaty draft with strong provisions on rights of victims and corporate accountability might be beneficial to ensure a level-playing field across the world and ensure the Treaty’s success.

Engaging businesses more directly on the topic of the BHR Treaty raises both risks and opportunities

Corporate engagement in the BHR Treaty remains a complex and contested issue, presenting both challenges and opportunities. While the Treaty could provide a valuable platform for business to contribute through consultative processes, there is also a risk that it may provide an opportunity for businesses to further lobby against strong human rights provisions, weaken existing protections, and marginalise the voices of suppliers and smaller enterprises—particularly those in the Global South.

Corporate engagement in the BHR Treaty negotiation process can take various forms

These include consultative mechanisms, dialogue with stakeholders, and formal contributions during intergovernmental working group (IWG) sessions. However, while business involvement is actively encouraged, NGOs and affected communities face significant barriers to participation, limiting their influence despite their critical role in advocating for stronger protections. The challenge remains to balance corporate engagement with inclusive representation.

One strategic approach could be to raise awareness with progressive businesses on the possible contradictions between their public commitments to binding regulation on human rights due diligence, and the positions adopted by business associations seemingly representing their interests during the BHR Treaty negotiations to date. Businesses could take a leading role in urging these associations to review their positions and advocate for stronger human rights protection, as well as binding regulation that can provide a common ground for business regulation internationally.

Recommendations



For States:

- Track the participation of businesses in the Treaty negotiations process.
- Monitor and disclose corporate lobbying efforts with State delegations.
- Increase transparency on business participation and corporate influence on the negotiations.



For Businesses:

- Assess whether public support for business and human rights regulation is consistent with the statements and positions of business organisations engaged in the Treaty negotiations.
- Issue clear, public statements on positioning in relation to the BHR Treaty.
- Ensure that public statements, lobbying efforts and internal positions are consistent across sustainability, human rights and/or public relations departments within the company.
- Proactively engage business organisations to support efforts towards binding regulation in the field of business and human rights.
- Strengthen partnerships with civil society to build credible commitments to human rights.
- Engage business from Global South and the whole value chain on the topic of binding BHR regulation.



For Civil Society Organisations:

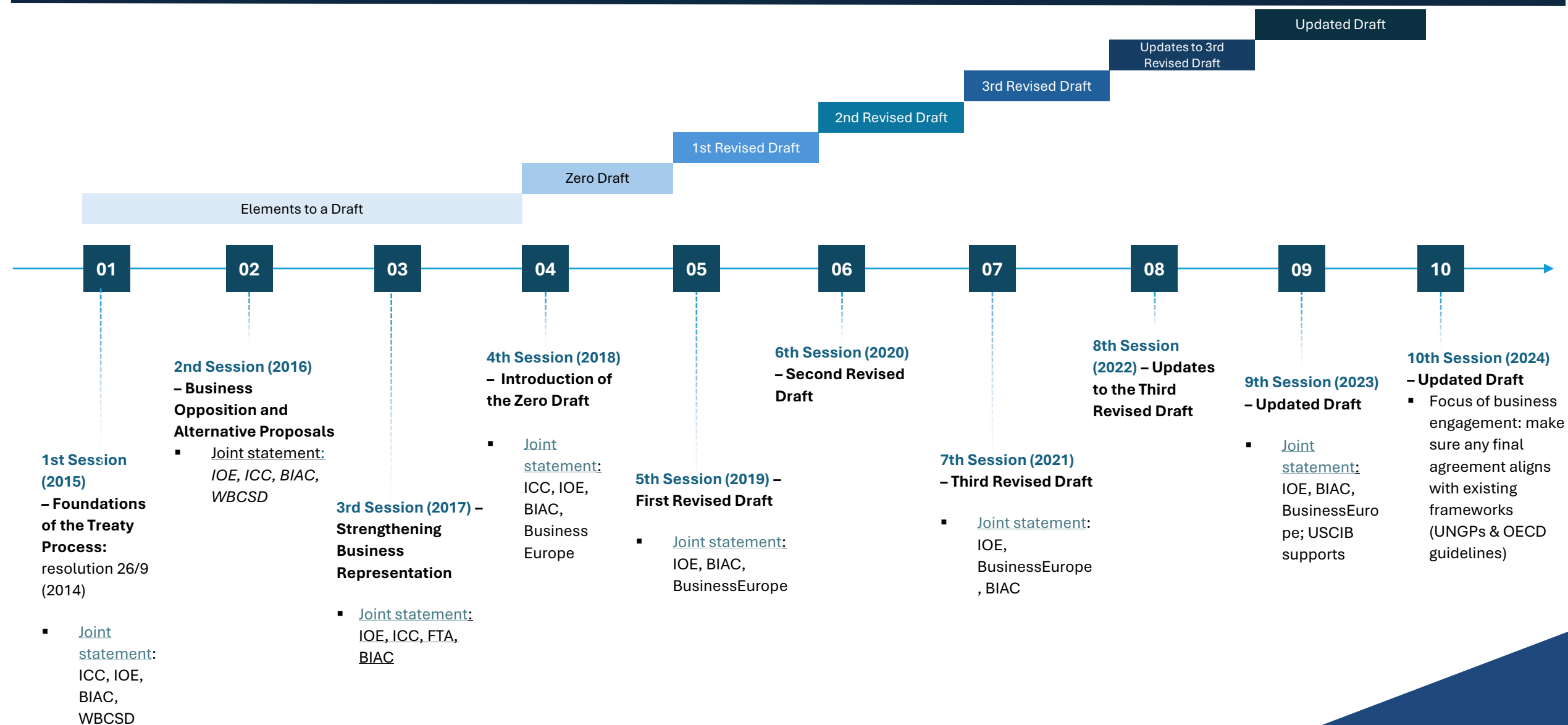
- Identify discrepancies between individual company positions and business associations' lobbying.
- Amplify statements from businesses in support of the Treaty and binding BHR regulation.
- Track and report corporate lobbying efforts to ensure transparency in the Treaty negotiations.
- Advocate for broader participation of diverse business actors, not just associations opposing the Treaty.



For Academia:

- Develop methodology to track corporate influence in Treaty negotiations.

Timeline of Treaty Negotiations & Drafts



Introduction

On [26 June 2014](#), the UN Human Rights Council adopted [Resolution](#) 26/9, which established an Open-ended Intergovernmental Working Group ([IWG](#)) on Transnational Corporations and Other Business Enterprises with Respect to Human Rights (hereafter, the BHR Treaty or Treaty). The IWG's mandate is to develop an internationally legally binding instrument to regulate the activities of transnational corporations and other business enterprises under international human rights law. So far, the IWG has conducted [ten sessions](#) of Treaty negotiations.

This report aims to analyse the participation and engagement of corporations in the BHR Treaty. During the [weeks of Treaty negotiations](#), corporations were represented by business organisations such as the International Organisation of Employers (IOE), the International Chamber of Commerce (ICC), and the United States Council for International Business (USCIB). These organisations represent business and employer interests in different international fora and have been most consistently involved in the Treaty negotiations. While their positioning on the Treaty's content has evolved along the different drafts, this report highlights some of the main arguments that have emerged from official statements these organisations have shared during the negotiation process. These business organisations have voiced some of the strongest critiques of recent Treaty drafts, generally raising concerns that states are delegating their duties in human rights protection to the private sector and questioning the scope of the treaty as well as provisions relating to the rights of victims.

While these statements are publicly available, there seems to be a lack of awareness among various stakeholders, including businesses themselves, about the positions which the only official business representatives involved in the Treaty negotiations process adopt. This may to some extent contradict with recent developments in the field of business and human rights which have seen corporations advocate in favour of binding regulation on human rights due diligence. It is therefore of paramount importance that businesses, states and civil society better understand the interests and arguments brought forth during Treaty negotiations on behalf of the business sector.

Methodology

The methodology for this report relies on qualitative and archival analyses of various drafts related to the Treaty negotiations, as well as close monitoring of key business organisations. The IOE, USCIB, and ICC represent the business community in global policy discussions. They provide a diverse and influential perspective and have a strong historical track record in shaping frameworks around business and human rights. Therefore, this report specifically focuses on these three business organisations.

As part of the methodology, the researchers sought to identify statements from individual businesses on the BHR Treaty, as well as business organisations from the Global South, but found no publicly available statements.

Corporations in the Creation of International Law

This report looks at the role of corporations in the negotiations of the BHR Treaty but it is nevertheless important to acknowledge that corporations are not the main negotiators of the Treaty. Formally, they do not have the power to enter into international treaties and bear obligations under international law. States are the primary subjects of international law, which means that they are the ones with rights and obligations, and the corresponding ability to enter international treaties. Corporations, on the other hand, lack independent legal personality and cannot formally be held accountable under international law.

Despite this, corporations play a significant [economic and political role](#) in international relations today. They shape globalisation, trade, supply chains, and have important environmental and human rights impacts. This raises concerns about the limits of a state-centred international legal system. Corporations already influence international law, particularly [in economic and trade matters](#). However, they have also been associated with major [human rights violations](#). This has reinforced calls to hold them accountable, including under rules of international law. While corporations currently do not bear direct international human rights obligations, their growing influence has sparked debate over whether they should. Supporters of corporate accountability argue that subjecting corporations to international law would help close [regulatory gaps](#), prevent human rights violations and create legal consistency. Relying solely on state-based mechanisms is seen as [insufficient](#), as some governments fail to protect human rights due to their [economic dependence on corporate investments](#). Legal reforms would be needed to impose binding obligations on corporations, ensuring compliance with human rights and environmental standards regardless of national legislation.

There are challenges associated with corporate involvement in treaty-making. These include practical enforcement challenges due to the state-centric structure of international law (corporations cannot be brought to justice in international courts) as well as corporate resistance to regulations. Corporations already wield significant influence over international policies through lobbying efforts with governments, shaping regulations to serve their interests. This creates a stark power imbalance, where corporate influence far outweighs that of civil society. Some [civil society organisations](#) argue that corporations should be excluded from Treaty negotiations to prevent weakened accountability and the prioritisation of profit over human rights.

While voluntary guidelines exist, such as the [UN Guiding Principles on Business and Human Rights](#) or the [OECD Guidelines for Multinational Enterprises](#), binding legal frameworks remain the next frontier in corporate regulation. Ensuring corporate compliance with fundamental rights remains a critical challenge, underscoring the need for further international cooperation.

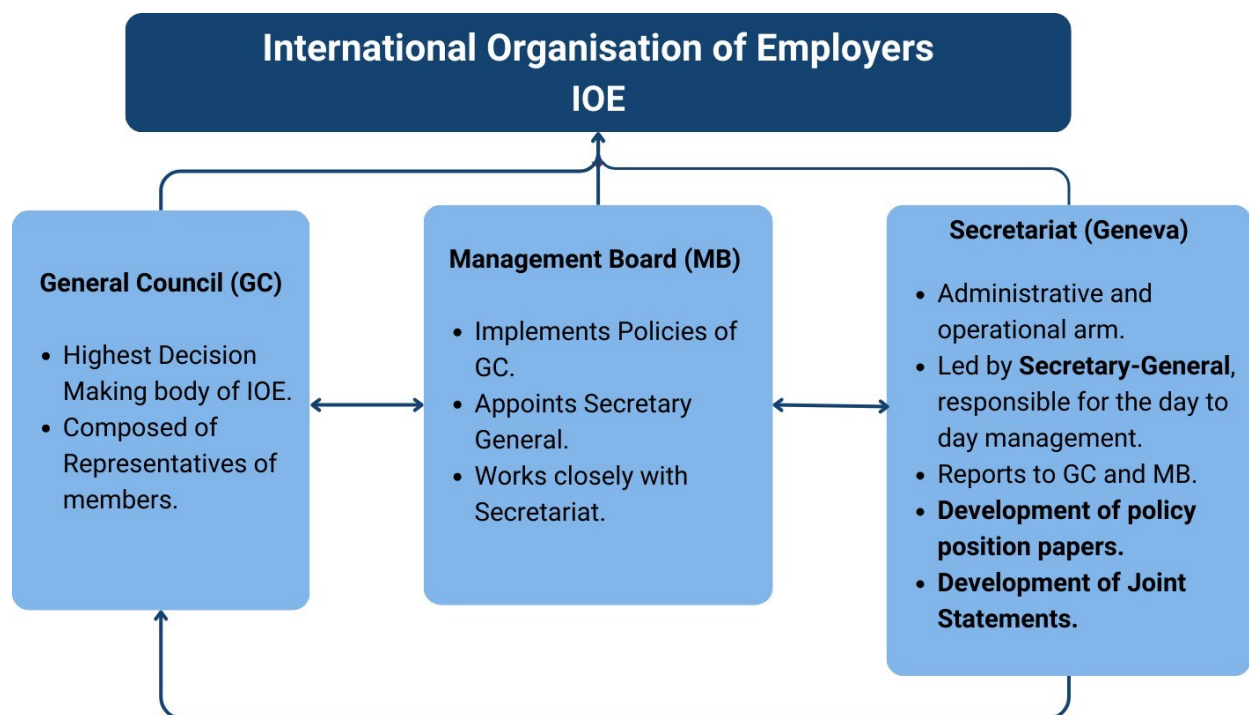
In practice businesses are able to influence the Business and Human Rights Treaty negotiations through organisations such as the [International Organisation of Employers \(IOE\)](#), the [International Chamber of Commerce \(ICC\)](#) and the [United States Council for International Business \(USCIB\)](#). These organisations advocate for corporate interests, ensuring employer representation, raising business concerns and providing suggestions on draft texts in the Treaty negotiation process.

Key Business Organisations Involved in the Treaty Negotiations

The International Organisation of Employers (IOE)

The International Organisation of Employers (IOE) is the world's largest private sector network, representing more than 50 million firms through more than 150 national business and employer organisations that come from more than 140 nations. The IOE, advocates for its members in policy debates on forums and engages various international organisations such as the International Labour Organisation (ILO), the United Nations (UN) and the G20.

The IOE regularly issues statements ahead of sessions, sometimes in conjunction with other business organisations. The IOE's statements are drafted by the Secretariat, though it should be noted that based on publicly available documentation, it does not seem that these statements are the result of a thorough consultation process with its members. The organigram below explains the internal structure of the IOE and where the Secretariat sits within the organisation:



The IOE's positions on the BHR Treaty has shifted over time and this is based on the evolution of the different drafts. The timeline below showcases the biggest changes in the IOE's positions in relation to the BHR Treaty negotiations.

IOE IN THE TREATY NEGOTIATIONS

Timeline



Aside from the IOE, representing companies and employers, there are other global business organisations, such as the [International Chamber of Commerce \(ICC\)](#) and the [United States Council for International Business \(USCIB\)](#), involved in the Treaty negotiations.

The United States Council for International Business (USCIB)

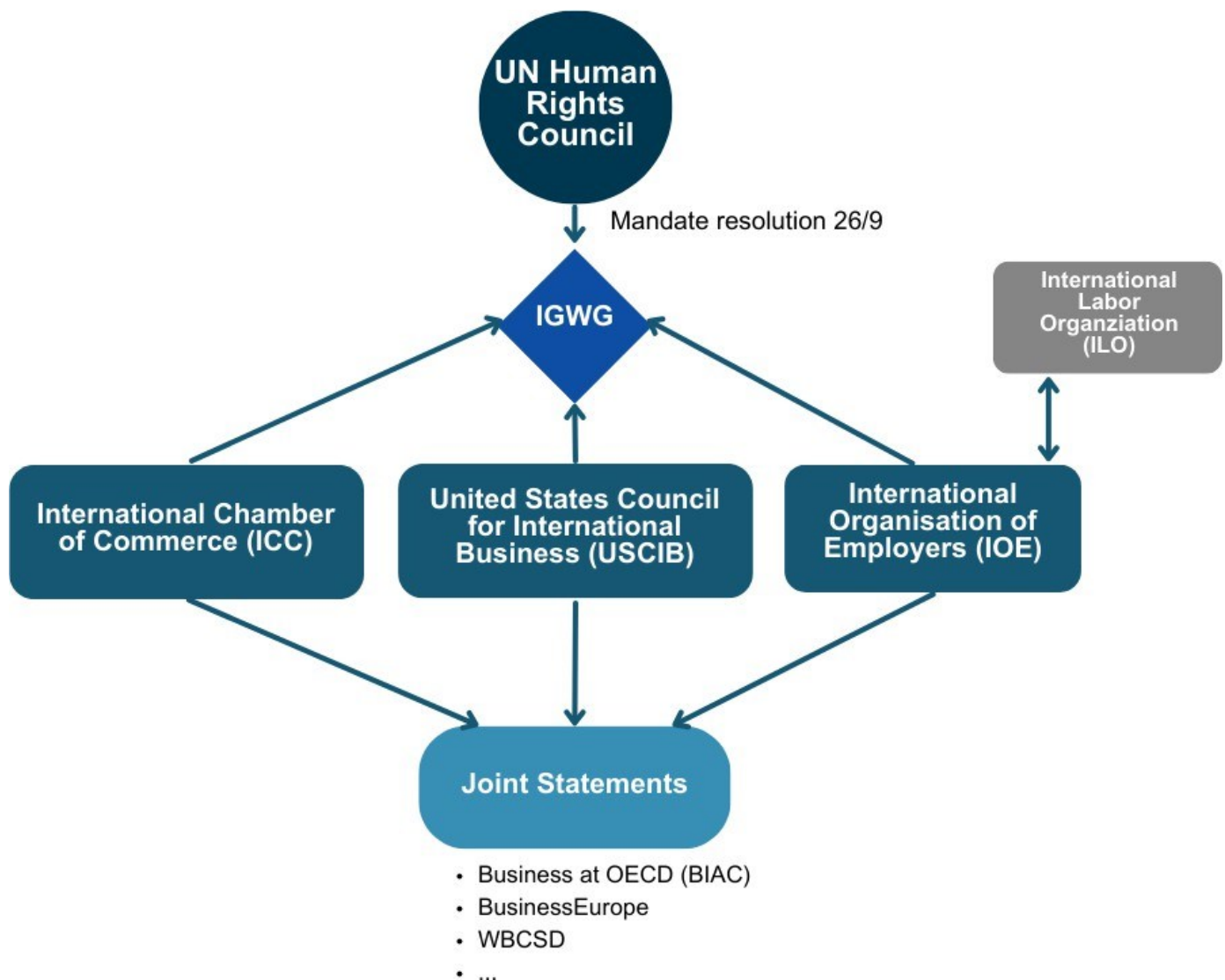
The United States Council for International Business (USCIB) promotes US-based companies' interests across the globe. Furthermore, USCIB [aims](#) to “facilitate commerce, support sustainable development and build trust in multilateral systems”. As part of this mission, USCIB participated in the 10th session of the UN Open-Ended Intergovernmental Working Group on a Business and Human Rights (BHR) Treaty in Geneva. While the draft Treaty has NGO and state support, USCIB [warns](#) that corporate liability provisions could “create unintended consequences, including supply chain disruptions, reduced investment, and slower economic growth in developing countries.” USCIB’s Director of Corporate Responsibility and Labour Affairs [reaffirmed](#) the organisation’s commitment to “constructive engagement” in the 2025 negotiations and stressed the need to “balance responsible business conduct with economic viability” at the IOE Peer-to-Peer Dialogues. While businesses are integrating human rights due diligence, USCIB cautions that growing legislation is shifting “responsibilities from governments to companies, potentially impeding meaningful progress at the local level.” USCIB continues to support the UNGPs as “the leading global framework for responsible business” but remains critical of the Treaty’s [feasibility](#) and potential negative impacts on businesses and global economic participation.

The International Chamber of Commerce (ICC)

The International Chamber of Commerce (ICC) was established in 1919 and today [represents](#) more than 45 million enterprises across 100 countries. The ICC has its [principal global headquarters](#) in Paris but also operates smaller offices worldwide that represent its interests. Its mission is to promote international investment, policies, and measures that facilitate dialogue between companies. The ICC develops proposals for governmental authorities and establishes positions based on the collaborative work of its various commissions and national committees.

In the context of the Treaty negotiations, the ICC has an [official representative](#) present during the different negotiation sessions. The ICC is also one of the organisations that has received a [standing invitation](#) to participate as an observer in the UN General Assembly and that maintains a [permanent office](#) delegation at the UN in Geneva. The permanent office delegation in Geneva and the official representative are the ones that develop statements and position papers during the weekly negotiations, speaking on behalf of ICC members. One of the ICC’s key concerns is engaging businesses in this multi-stakeholder consultation process, as their participation is crucial for the Treaty’s success. The [ICC advocates](#) in their statements during the negotiation’s sessions that states, as well as companies, have the obligation to report the implementation of the UNGPs to the relevant UN supervisory mechanisms. At the same time ICC also [remains concerned](#) that the current approach in the UN treaty negotiations might disrupt “the constructive efforts of companies already working to implement the UNGPs.”

Mapping Corporate Influence in the Treaty process



Advocacy Positions of Business Organisations Involved in the Treaty Negotiations

The IOE, USCIB and ICC all share common stances on the BHR Treaty: the organisations often underline their support of the UNGPs in order to then advocate against legally binding provisions on businesses. They have generally expressed opposition to the most recent drafts of the legally binding instrument, expressing serious concerns about its feasibility, legal implications, and unintended economic consequences.

This section summarises some of the key arguments that the IOE, USCIB and ICC put forward in their statements to oppose provisions of the draft BHR Treaty.

State Delegation of Human Rights Duties to the Private Sector

IOE Position	USCIB Position	ICC Position
<p>In the 3rd session, the IOE:</p> <ul style="list-style-type: none"> - Stated that they do not support the draft BHR Treaty, as it imposes international law obligations on companies. - Warned that this could result in states delegating their duties to the private sector, thereby undermining human rights protection. - Stressed that imposing broad responsibilities on corporations is impractical given the number and diversity of stakeholders involved 	<ul style="list-style-type: none"> - In the 1st Session, USCIB warned against shifting state duties onto businesses, emphasising that human rights obligations should remain state responsibilities. - In the 3rd session, USCIB opposed imposing direct international obligations on businesses, stressing that states should regulate and enforce human rights laws instead. - In the 8th session USCIB criticised the expansion of corporate liability, arguing that governments must not transfer enforcement burdens to companies. - In the 10th session, USCIB strongly opposed any shift of governmental responsibilities onto businesses, asserting that corporate accountability must be separate from state obligations. 	<ul style="list-style-type: none"> - ICC also expressed during the 3rd session concerns that placing international law obligations on companies shifts responsibility away from states. - Also, at the 3rd session ICC highlighted that, under the UNGPs, states have the duty to protect human rights, while companies have the responsibility to respect them. The ICC stated that corporate respect for human rights cannot substitute a government's obligation to protect its citizens.

The Treaty “Threatens” the UNGPs’ Success

IOE Position	USCIB Position	ICC Position
<p>In the 4th session, the IOE:</p> <ul style="list-style-type: none"> - Argued that the Treaty undermines the UNGPs’ voluntary approach and state duty to regulate rather than imposing direct obligations on companies. - Warned that deviating from the UNGPs risks undermining their achievements and disrupting global consensus on corporate responsibility. 	<p>1st session: USCIB argued that the Treaty undermines the UNGPs’ voluntary approach and state duty to regulate rather than imposing direct obligations on companies.</p> <p>3rd session: Stated that the Treaty could undo progress made by the widely accepted UNGPs.</p> <p>8th session: Expressed concern that the Treaty’s rigid legal approach contradicts the UNGPs, which allow companies flexibility in addressing human rights risks.</p> <p>10th session: Declared that the Treaty risks reversing progress by introducing rigid new frameworks, rather than strengthening existing UNGPs.</p>	<p>-The ICC recommended in the 7th session, that any future legal framework must:</p> <ul style="list-style-type: none"> (i) Be internationally consistent. (ii) Fully align with the UNGPs. <p>- Also in the 7th session ICC warned that new legal developments could negatively impact businesses already implementing the UNGPs and reduce incentives for others to comply.</p>

Risk of Corporate Non-Compliance

IOE Position	USCIB Position	ICC Position
<ul style="list-style-type: none"> - In the 7th session, the IOE stated that the draft Treaty lacks incentives for corporate compliance. - Expressed concerns that "minor to no changes" in the Treaty's articles failed to address business concerns. 	<p>8th session: Stated that unclear legal obligations and excessive liability risks could discourage corporate engagement in human rights initiatives.</p> <p>9th session: Argued that high compliance costs and legal uncertainties could make it difficult for companies to meet obligations.</p> <p>10th session: Highlighted that unclear legal frameworks could create compliance gaps, especially for companies with complex global supply chains.</p>	<ul style="list-style-type: none"> - In the 9th session, the ICC urged states to ensure realistic expectations of corporate obligations. The organisations warned that overly demanding regulations could lead to corporate non-compliance, as companies may struggle to meet unrealistic Treaty requirements.

Concerns over the scope of the Treaty and the rights of victims

This line of argumentation is mostly found in the IOE's statements ahead of the most recent negotiation sessions. The IOE has expressed increasing opposition to the draft articles on the scope of the Treaty and Victims' Rights.

The IOE provided feedback on the issue of the scope of the Treaty during the [4th](#), [6th](#), [7th](#), [8th](#) and [9th](#) sessions with their position remaining unchanged. They have consistently maintained that the scope should apply to all corporations, irrespective of their transnational or domestic status. They argue that the most recent drafts seek to [explicitly exempt domestic businesses](#). According to the IOE, this raises concerns on the future implementation and enforcement of the Treaty, given the difficulty in determining what activities can be classified as business activities of a transnational character or not. [In the 7th](#) session, the IOE stated that even though the BHR Treaty has tried to expand the scope to include "all business activities including business activities of a transnational character" they are concerned that this may be undermined in practice as this provision is subject to the determination of national law. There is a [concern](#) that states may exercise discretion in this regard, potentially leading to the exclusion of state-owned enterprises that have been documented as perpetrating some of the most severe violations.

The rights of victims have also been heavily admonished by the IOE in the [4th](#), [6th](#), [7th](#), [8th](#), and [9th](#) sessions. The IOE contends that the provisions on the rights of victims increase victims' ability to bring extraterritorial claims against a company for violations in the context of business activities of a transnational character and that this would result in legal uncertainties. In particular, the IOE warned against the risk of collective, frivolous litigation and bad faith actions filed against corporations. In the [6th](#) session, the IOE suggested that the rights of corporations are not sufficiently protected, and that further attention should be brought to businesses' rights to due process and confidentiality. In the 10th session, the IOE added that the removal of the concept of 'internationally recognised human rights' by certain countries, which extended the Treaty's scope to all human rights, is concerning and needs to be avoided.

Overall, these positions give the impression that the only representatives of the business community engaged in the Treaty negotiations strongly oppose new binding regulation in the field of business and human rights at the international level. This is concerning because recent developments in Europe in particular showcase that businesses can actually be a driving force towards mandatory rules, as will be illustrated in the following, meaning that the diversity of business interests in relation to common rules on the international level is perhaps not fully represented at present during the BHR Treaty.



Strategies for Corporate Engagement in the Treaty Process



The Example of Corporate Support for BHR Regulation in Europe

Corporate advocacy on human rights and sustainability regulation [has grown significantly over the last decade](#). In recent years, countries in Europe, namely France, Germany and Norway have adopted [mandatory human rights due diligence laws](#). Businesses have lobbied in favour of binding regulation in the topic of business and human rights, particularly in the context of sustainability regulation at the EU-level.

In April 2024, over 100 companies and business networks from Europe and the United States [expressed strong support](#) for the Corporate Sustainability Due Diligence Directive (CSDDD) at the stage of final confirmation. The Directive was then successfully adopted on 24 May 2024. Key supporters included leading businesses like Maersk, Danone, IKEA, and H&M Group, the coalition emphasised the importance of unified EU standards to promote fairness and sustainability across global supply chains.

Recently, the European Commission's proposal to "simplify" the CSDDD under the Omnibus initiative has sparked significant concern among businesses. On January 17, 2025, a [joint statement](#) signed by 12 major companies and organisations — including DP World, Ferrero, L'Occitane, Mars Incorporated, Nestlé, and others — cautioned against revisiting the CSDDD. They argued that such actions risk undermining years of investment and progress in due diligence practices, ultimately jeopardising policy certainty and legal predictability. Similarly, the Collège des Directeurs du Développement Durable, representing over 400 Chief Sustainability Officers from major French companies, issued a [statement](#) in January 2025, emphasising the need to simplify communication of CSDDD requirements rather than revising the directive itself. Correspondingly, The Cocoa Coalition, comprising six major companies — Nestlé, Mars, Mondelez, Ferrero, Hershey, and Tony's Chocolonely — as well as NGOs and sustainability organisations, [stressed](#) that delaying CSDDD implementation would be detrimental.

Despite this support, opposition and inconsistencies remain. The [Social Lobby Map](#) project has highlighted the [role of the financial sector](#) in limiting the scope of the EU CSDDD, showcasing how corporate lobbying led to diluted provisions. More recently, Business Europe [raised concerns](#) over extensive liabilities. French banks have also [resisted](#) the directive's inclusion of financial institutions, arguing it would impose excessive burdens.

While companies in the Global South are not visibly represented in the discussions and corporate advocacy for business and human rights regulations, there are further examples of companies from Europe and the United States endorsing BHR regulation. The following table presents key business-led initiatives in recent years, illustrating the [increasing corporate commitment](#) to regulatory frameworks.

Initiative / Statement	Year	Location	Number of Signatory Businesses
Om kampanjen - Visa handlingskraft	2020	Sweden	42 companies
Wie zijn wij IDVO.org	2020	Netherlands	Over 110 companies
Koalisjonen for Ansvarlig Næringsliv	2020	Norway	67 companies
FIBS statement	2024	Finland	Over 400 members
Businesses & NGOs call on Italian Govt. to support CSDDD	2024	Italy	Over 50 companies
Call for legal framework for HRDDD	2021	Belgium	60 companies and business federations
Our responsibility in a globalised world	2019	Germany	73 companies
Call on the UK Government for human rights and environmental due diligence legislation	2024	UK	Over 150 companies and investors
Fial – Groupement des Entreprises Multinationales (GEM)	2020	Switzerland	12 industry associations
National Confectioners Association for Forest Conservation and Supply Chain Due Diligence	2022	USA	Around 100 cocoa companies and confectionary business association

Opportunities and Risks Analysis of Corporate Engagement in the Treaty Process

Recent years have seen a growing trend of certain corporations advocating for binding regulations in the field of business and human rights, particularly in Europe. However, at the UN Treaty negotiations, the dominant business voices continue to oppose such binding regulation, creating a stark contrast between regional and international discussions.

This disparity raises an important question: **could greater engagement from a broader range of business actors in the Treaty process help ensure the adoption of binding norms at the global level?** Encouraging more diverse corporate participation may be key to aligning international standards with the evolving expectations of responsible business conduct.

Corporate engagement in the UN Treaty process on business and human rights is a highly debated issue, presenting both challenges and potential benefits. This section highlights key risks, opportunities, and recommendations to inform how corporate involvement in the Treaty could reinforce or weaken the actual goals of the Treaty and human rights protections.

Risks	Opportunities
<p>Dilution of Human Rights Standards</p> <p>Lobbying by companies or business associations might lead to weaker provisions for victims of human rights abuses undermining the Treaty's purpose.</p>	<p>Shaping Practical Provisions</p> <p>Companies with a demonstrated commitment to human rights could advocate for realistic and enforceable frameworks that align with both corporate operational realities and human rights objectives.</p>
<p>Power Imbalances in Negotiations</p> <p>Large multinational corporations, particularly those from the Global North, may exert disproportionate influence over the BHR Treaty negotiations, shaping outcomes to favour their interests. This could result in marginalisation of the voices of smaller enterprises and Global South actors, perpetuating existing inequalities and compromising the Treaty's effectiveness in protecting human rights.</p>	<p>Building Global Alliances</p> <p>Companies from the Global South, often overlooked, can leverage engagement to ensure their unique challenges and perspectives are incorporated into the Treaty. If done properly, this should also help support the rights, needs and interests of workers in supply chains.</p>
<p>Co-option by Larger Corporations</p> <p>Large corporations could monopolise influence in negotiations, leaving small and medium-sized enterprises (SMEs), particularly from the Global South, unrepresented.</p>	<p>Promoting Industry-Specific Approaches</p> <p>Sector-specific challenges (e.g., extractive industries or apparel) could benefit from tailored due diligence requirements that companies are well-positioned to propose.</p>
<p>Reputation-Driven Engagement</p> <p>Companies may publicly support human rights and sustainability initiatives to enhance their image while continuing harmful business practices in reality. This form of Greenwashing and/or Social Washing risks undermining genuine progress by allowing corporations to appear responsible without meaningful action.</p>	<p>Advancing Accountability</p> <p>Businesses can enhance their reputation by supporting progressive human rights standards, which could also level the playing field against less ethical competitors.</p>

Engagement can be strategic and useful if carefully managed to balance corporate influence, prioritise accountability, and ensure inclusive representation of diverse perspectives, particularly from the Global South.

Strategic Pathways for Corporate Engagement in the Treaty



Use consultative mechanisms

(e.g. business-focused consultation sessions on the Treaty draft at the UN Forum on Business and Human Rights)



Submit position papers

during formal IWG sessions



Consider raising awareness

among progressive and sustainability-oriented businesses on the IOE, USCIB and ICC's positioning in the Treaty negotiations



Make targeted joint statements

The engagement of companies in Treaty negotiations can take several forms. One approach is through consultative mechanisms, which could include business-focused consultation sessions on the Treaty draft at the [UN Forum on Business and Human Rights](#), for example. Companies could also participate by submitting position papers during formal Intergovernmental Working Group (IWG) sessions, offering a structured way to contribute directly to the negotiations, and enabling a diversity of business voices to be represented beyond the current positions of the IOE, USCIB and ICC.

Another strategic approach to consider is raising awareness among progressive and sustainability-oriented businesses on the IOE, USCIB and ICC's positioning in the Treaty negotiations. Business themselves could advocate for these business organisations and others to review their positions on binding regulation at the international level. For example, businesses which have lobbied in favour of binding regulation on human rights due diligence in the past could consider signing joint statements in the context of the BHR Treaty negotiations, and even highlighting their opposition to some of the arguments put forth by business organisations so far, highlighting the diversity of business interests that exist on this topic.

A targeted joint statement could urge these companies to advocate for stronger human rights commitments within their business associations, ultimately reinforcing the Treaty's objectives rather than undermining them.



© 2025: CHREN Human Rights Clinic