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Written statement⁻ submitted by Associazione Comunita Papa Giovanni XXIII, a non-governmental organization in special consultative status

The Secretary-General has received the following written statement which is circulated in accordance with Economic and Social Council resolution 1996/31.

[22 May 2022]

The coronavirus disease pandemic: lessons learnt and moving forward

APG23 appreciates the focus that the Working Group on the issue of human rights and transnational corporations and other business enterprises has chosen for its report to be presented at the 50th Session of the Human Rights Council. We also acknowledge the continuous and special attention that the Working Group, in particular through several press releases and appeals, in the last two years, has paid to the interlinkages between the COVID-19 pandemic and human rights, especially in relation to the business-related abuses and violations.

The way the COVID-19 pandemic has impacted on human rights has been profound and multifaceted, as many complaints and reports from national and international institutions, the UN system and civil society have widely shown and documented.

The direct and indirect effects that the pandemic has caused at all levels have thrown the whole world in a socio-economic turmoil which still undermines our common future. As a civil society organization directly engaged for the promotion and protection of human rights both through international advocacy actions and on the ground in 42 countries worldwide, APG23 has witnessed how the pandemic and its tragic consequences at all levels have particularly affected the living conditions and perspectives of the most vulnerable peoples and communities.

Therefore, we welcome the efforts undertaken by the Working Group (by means of this report, the related consultation and call for inputs and the previous studies) to take stock of business-related negative human rights impacts during the pandemic, to identify relevant experiences and lessons learnt and to reflect on how moving forward to face future crises.

Among the issues and considerations raised by the Working Group in its report, in particular we want to highlight the need to rethink and redesign the business models that during the pandemic have proven once again not to fulfil and respect human rights but rather to be, in many cases, drivers of abuses and violations. As often stated also by the Working Group, human rights need to be always put at the heart of business models.

The effects of the pandemic have fully revealed the unsustainable structural limits of the current development model and the related business practices, too often driven by the only profit-seeking at any cost. As Pope Francis had sharply summarised in 2015 in the Encyclical Letter "Laudato Si": "the principle of the maximization of profits, frequently isolated from other considerations, reflects a misunderstanding of the very concept of the economy" (1). The current development model, deeply-rooted in this misunderstanding, needs to be deeply revised and reshaped by adopting alternative, more equitable and sustainable paradigms, in which the economy is functional to the integral development of human beings, and where human dignity and environmental protection are not overcome by the principle of the maximization of profits.

Instead, the COVID-19 pandemic has disclosed unfair and unbalanced economic structures and business practices widely based on the primacy of profits over people and planet. Inequalities have worryingly increased at all levels, so leaving many people and whole societies and States far behind where they were before the pandemic. The ever more expanded concentration of economic power has further fuelled the gap in wealth distribution between the extremely rich and the extremely poor.

The unresolved structural unbalances of the global economic and financial governance have been amplified by the socio-economic consequences of the pandemic; the shrinking fiscal space of most developing countries, overly hindered by the external debt burden and unfair international fiscal and trade regimes, have resulted in preventing the most vulnerable people and communities from having access to the needed support and recovery responses.

In this regard, we underline the consideration made by ILO in the eighth edition of its Monitor report "COVID-19 and the world of work" (released on 27 October 2021): "International cooperation is the key to providing necessary financing of the recovery process. The limited initiatives undertaken to date, while welcome, are clearly insufficient.

In this regard, the recent, and unprecedented, allocation by the IMF of US\$650 billion in special drawing rights offers a major opportunity. Rechannelling these funds to the countries that need them, and to the purposes that advance human-centred recovery, stands as an immediate priority for the international community".(2)

The global structural unbalances are reflected also at national level, where the asymmetric economic and market power of monopolies and transnational corporations in many cases, have been leveraged to weaken national legislation on environment and tax compliance. The companies adopting extractive business models and not acknowledging even the basic human rights standards have often increased the scale of their abuses and violations, also favoured by the fear of job losses and by the decreasing of public control.

The most vulnerable groups and communities (as women, youth, migrants, piece workers and indigenous peoples) have been further exposed to human rights abuses and violations during the pandemic, showing how the corporate responsibility to respect human rights could be fragile without effective compulsory measures or adequate public regulation and control.

Last year, the tenth anniversary of the endorsement of the UN Guiding Principles on Business and Human Rights (UNGP) was celebrated. As a first formal instrument derived by a long-standing process within the UN, the UNGP have represented a crucial cornerstone for the business and human rights agenda. Nonetheless, the COVID-19 pandemic has disclosed how the impact of business operations can be harmful if not encompassed and ruled by effective, demanding and human rights-led international frameworks, to which adequate and coherent domestic measures should be aligned.

Looking at the lessons learnt in this first decade of the UNGP and during the COVID-19 pandemic, the evidence of the deficits and failures of business responsibility to respect human rights and of State duty to protect them in all business-related activities at national level and across global supply chains have to be taken in due consideration. This should happen especially while moving ahead to build and achieve a truly sustainable and people-centred recovery.

We see as a matter of fact that voluntary approaches to business responsibility in protecting human rights are not enough, as also underlined by the Working Group in different reports and interventions. Consequently, we join the many voices from civil society organizations and communities at the forefront of the protection of human rights, that ask for a wider and stronger commitment in advancing the process for the elaboration and the adoption of an international legally binding instrument "to regulate, in international human rights law, the activities of transnational corporations and other business enterprises", according to the resolution 26/9 of the Human Rights Council. A successful outcome of the ongoing negotiations for a binding treaty would be crucial to define universally applicable legal standards and reliable accountability and access to remedy mechanisms that are strongly needed. Therefore, we call all Member States to actively engage in this process, alongside the commitment to renew, within the UN-based multilateral framework, the global economic and financial governance.

We cannot face the next systemic emergencies and socio-economic crises without meaningful steps ahead in reframing our economic models and business practices, and without concretely putting human rights and environmental protection at the core of any measures and policies within the framework of the recovery plans.

In this regard, we therefore join the recommendations made in the Working Group's report to States and business in order to adopt "transformative business models that recognize and respond to human rights and environmental challenges" and "to ensure that pandemic responses contribute to building back better in the longer term, including by tackling poverty, inequalities and underinvestment in health care and public services, to build a more inclusive and sustainable world". We do hope that these will not remain merely words but be reflected in shared and concrete actions. (1)https://www.vatican.va/content/francesco/en/encyclicals/documents/papafrancesco_20150524_enciclica-laudato-si.html
(2) https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/ wcms_824092.pdf