



Resolution 1757 (2010)¹

Final version

Human rights and business

Parliamentary Assembly

1. The globalisation of the economy challenges the effectiveness of international human rights protection. Large multinational corporations have been criticised for violations of human rights, especially in developing countries. Child labour in the textile industry, environmental disasters caused by the oil industry or breaches of the right to privacy in telecommunication companies are examples of these concerns.
2. While the responsibility to protect human rights is primarily that of states themselves, businesses also have responsibilities in this area, especially where states have “privatised” classic state functions such as certain areas of law enforcement or military activities. The Parliamentary Assembly calls for the legal vacuum in this area to be filled, as it has already done in [Recommendation 1858 \(2009\)](#) on private military and security firms and erosion of the state monopoly on the use of force.
3. The Assembly notes that many of the alleged human rights abuses by businesses occur in third countries, especially outside Europe, and that it is currently difficult to bring extraterritorial abuses by companies before national courts or the European Court of Human Rights (the Court).
4. The Assembly is also concerned about the existing imbalance in the scope of human rights protection between individuals and businesses. While a company may bring a case before the Court claiming a violation by a state authority of its rights protected under the European Convention on Human Rights (ETS No. 5, the Convention), an individual alleging a violation of his or her rights by a private company cannot effectively raise his or her claims before this jurisdiction.
5. The Assembly notes that, over the past few decades, a number of frameworks and toolkits have been adopted at international and European levels in an attempt to define the responsibilities of businesses. They are principally based on the concept of “corporate social responsibility”. These are essentially only “soft” law instruments or voluntary codes of conduct. They lack effective judicial or other legally binding mechanisms to protect victims of abuses by businesses and do not provide adequate guidance to businesses on measures that should be taken to avoid human rights abuses.
6. The Assembly points out that the economic crisis is no excuse for non-observance of human rights standards. Indeed, the future of the social market economy as a reasonably just and efficient model of economic development should depend on the respect of basic rules of fairness by all economic actors.
7. Therefore, the Assembly calls upon member states to:
 - 7.1. foster accountability for corporate human rights conduct, in particular by:
 - 7.1.1. adopting guidelines on public procurement and investment of public funds aimed at excluding companies associated with human rights abuses;
 - 7.1.2. establishing bodies to advise governments on ethical issues and investment;

1. *Assembly debate* on 6 October 2010 (32nd Sitting) (see [Doc. 12361](#), report of the Committee on Legal Affairs and Human Rights, rapporteur: Mr Haibach; and [Doc. 12384](#), opinion of the Committee on Economic Affairs and Development, rapporteur: Mr Elzinga). *Text adopted by the Assembly* on 6 October 2010 (32nd Sitting). See also [Recommendation 1936 \(2010\)](#).



7.1.3. including, in public procurement and investment contracts, clauses recalling the obligation to protect human rights;

7.2. encourage the implementation of the United Nations “Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights” by business entities registered within their jurisdiction;

7.3. legislate, if necessary, to protect individuals from corporate abuses of rights enshrined in the Convention and in the revised European Social Charter (ETS No. 163);

7.4. raise awareness of the Council of Europe’s human rights standards among businesses, in particular by:

7.4.1. devising a toolkit on mainstreaming best practices in the field of human rights protection into every aspect of a business and on how to conduct human rights impact assessments, in co-operation with business organisations and human rights groups;

7.4.2. co-operating with national human rights institutions in disseminating relevant information to companies and assessing progress and possible problems.

8. The Assembly also calls on member states to enhance their co-operation with other international bodies, in particular the European Union, the United Nations, the International Labour Organization, and the Organisation for Economic Co-operation and Development, in order to consolidate coherent standards on corporate responsibilities in the area of human rights protection.