

Media release

**For immediate release**

## **Ahead of Supreme Court ruling in human rights case against mining company, UK NGOs and unions call for new law to curb multinationals' global abuses**

*London, 10 April 2019*

**On the day that the UK Supreme Court rules on whether 1,800 Zambian villagers can continue their claim against mining giant Vedanta, more than 20 organisations launch call for legal reform to make UK multinationals accountable for human rights abuses and environmental damage linked to their global operations and supply chains.**

Campaigners are calling on the UK government to close legal loopholes that allow British multinationals to evade responsibility for human rights abuses and environmental damage linked to their international subsidiaries and supply chains.

23 human rights, environmental and development NGOs, the UK's biggest union and the TUC are calling for legislation to require firms to take action to prevent abusive practices and environmental damage, and to make it easier to hold them to account in court when they fail to act.

The call for action comes as the UK's highest court issues its ruling in a human rights case brought by 1,800 Zambian villagers against mining giant Vedanta. The villagers claim that a copper mine operated by the firm's Zambian subsidiary has contaminated their water and land, causing them to fall sick and lose their crops. The Supreme Court will rule on whether the UK parent company can arguably be held responsible for the harm caused by the operations of its subsidiaries.

Marilyn Croser, director of corporate accountability NGO CORE, who are leading the campaign, commented: "Whatever way the Supreme Court judgment goes today, there is an urgent need for legislation to clarify UK parent companies' responsibilities and liabilities for human rights abuses and environmental damage throughout their global operations and supply chains. At present, there is no statutory regime in the UK for dealing with alleged violations of human rights and environmental damage by corporate actors. This gap has become particularly apparent in the past twelve months as Vedanta, Shell, and Unilever have all challenged efforts to hold them responsible for serious human rights abuses connected to their international subsidiaries' operations."

The proposed legislation would require companies to identify, assess and mitigate the risks that their operations and supply chains pose to human rights and the environment. Campaigners also want the new law to make it easier for corporate abuse victims to hold UK companies to account in the British courts, by shifting the burden of proof to require firms to demonstrate what steps were taken to prevent abuses from occurring. At present, victims must present evidence to show that the UK company

was in control of its subsidiaries' operations, even though all the information is in the hands of the business.

The last few years have seen moves across Europe to introduce legal reform to create greater accountability for corporate malpractice. France has introduced a 'Duty of Vigilance' law, requiring large multinationals to publish a 'Vigilance Plan', setting out what they are doing to manage their human rights and environmental risks. Companies can be taken to court if they fail to produce a plan. The Swiss parliament is currently debating a similar proposal and the German development ministry recently published a draft supply chain due diligence law.

At present, communities adversely affected by corporate malpractice face lengthy legal battles to secure compensation. UK multinationals often hide behind complex company structures to evade responsibility. Victims face an uphill struggle to secure disclosure of documents proving that the UK parent company was in control of their international subsidiaries.

"It's unacceptable that there are no laws in place to hold British companies properly accountable for the abusive practices that are rife in industries from garment manufacturing to extractives, agri-business to big tech.

"People need protection from the harm caused by companies. A requirement to conduct human rights due diligence would be a good starting point. Fine words and voluntary initiatives are no substitute for effective laws that will deter companies from the kind of abuses that are putting businesses to shame," said Peter Frankental, Business and Human Rights Programme Director at Amnesty International UK.

"Firms must be held legally responsible for the whole of their supply chains. It shouldn't be up to the whim of bosses to decide whether fundamental human rights are respected. Without the threat of legal sanctions companies can turn blind eye to abuses. Profits should never come at the expense of workers' rights," said Stephen Russell, International Policy Officer at the TUC.

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### **Notes to editors**

The full campaign statement is available on request and will be online at [www.corporate-responsibility.org](http://www.corporate-responsibility.org) from 08:00 on Wednesday 10 April

The Supreme Court will deliver its judgment in *Vedanta - v - Lungowe* at 09:45 on Wednesday 10 April