

CORPORATE AND INSTITUTIONAL ACCOUNTABILITY

to the Beijing+25 process and beyond

Lead

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This fact sheet is linked to the factsheets on “Tax Justice” and “On Structural Economic Barriers”.



Structural barriers and negative trends

- Since the 1980s, transnational corporations (TNC) , and the World Bank and the IMF and related “think-tanks” have been able to increasingly influence governments in promoting neo-liberal priorities and policies that will foster their interests above the individual human rights of women and men in finance, economics, social well-being and environmental stewardship.
- Privatization of public infrastructure and services and public-private partnerships (PPPs) serve corporate interests and undermine the rights of women and girls. PPPs have not proven to provide better services; rather, services and goods tend to become more expensive and less accessible or decrease in quality.
- In 2018, 26 people owned the same wealth as 3.8 billion poorest people on the planet. (1) Extreme poverty is increasing. Corporate wealth concentration is linked to the violation of the human rights of diverse women and girls and undermines the Sustainable Development Goals (SDGs).
- Governments are under taxing corporations in many countries. Private sector companies should pay taxes to the countries where they operate. Loss of tax revenue represents a loss of income to finance public services such as social and reproductive health services, childcare, education, housing, affordable energy, public transport and environmental protections all essential for the realization of women and girls’ human rights.

- Illicit Financial Flows (IFFs) in tax evasion and avoidance as well as the laundering of money due to criminal dealings has resulted in deficits in tax revenue of national governments. A wider definition of losses arising from IFFs estimates that loss of revenue could amount to \$416bn. (2)
- Trafficking in women and girls is a crime that crosses borders and generates large illegal revenues. Often, the same routes are used for illicit trade such as of small arms and drugs demonstrating the links between these crimes.
- TNCs have expanded their influence in the UN itself through the UN Global Compact as well as the June 13, 2019 “The United Nations-World Economic Forum Strategic Partnership Framework for 2030” signed by UN leadership without the consent of the General Assembly. We urge the immediate rescinding of this agreement and strengthening of democratic multilateralism instead.
- Many TNCs do not ensure women’s rights are upheld and promoted within their own corporate structure, for example: maternity protection, living wages and harassment-free workplaces. The neo-liberal agenda that TNCs and many governments have promoted has also enabled a growth in international production chains, which are based on the exploitation of many women as a source for expandable labour (e.g. the feminisation of labour in light manufacturing such as clothing), as well as extractivism of land, natural resources and digital data (which is leading to for example the killing of women’s rights defenders).
- Voluntary frameworks, like the ‘Women’s Empowerment Principles (WEP) (3) developed by the UN Global Compact and UN Women, give the private sector additional social capital and credibility, which are used in branding exercises to increase profits, without enforcing any concrete action or accountability on women’s rights and gender equality. The WEP specifically state “No required action is necessary.” Without strong mechanisms for accountability the private sector is the winner in this framework, increasing profits and further delegitimizing the UN and UN Women.
- TNCs have been playing a significant role in the pushback on multilateralism and the protection of women’s rights. Despite this documented evidence, TNCs are being given significant roles in the work of UN Women and in setting the agenda for women’s rights and gender equality in the Beijing+25 process, including alongside civil society organizations as ‘stakeholders’ in the Action Coalitions. Unfortunately, TNCs have also been given significant roles in SDG implementation. These partnerships with the private sector are being presented as a necessity, rather than further entrenchment of the roll-back and undermining of democratic institutions and civil society. This approach undermines the autonomy of women’s organizations to set the agenda and ignores the significant power imbalance and incongruent motivations and goals between women’s organizations and TNCs.
- The increasing influence of information and communications technologies (ICTs) in all walks of life means there is an even greater need for a robust commitment to the intentions of international legal instruments protecting the rights of women and girls, and underlying ethics regarding technology companies. For example, apps have increased various forms of violence against women and girls. There is no accountability to the use of big data.



Progress on implementing the Beijing Platform for Action

In 1995, governments committed to (F 1.I) Ensure that all corporations, including transnational corporations, comply with national laws and codes, social security regulations, applicable international agreements, instruments and conventions, including those related to the environment, and other relevant laws; additionally, they also agreed to (F.4.c) Observe national labour, environment, consumer, health and safety laws, particularly those that affect women. (K.1.254) that governments and international organizations and private sector institutions, as appropriate:(a) Take gender impact into consideration in the work of the Commission on Sustainable Development [Now the HLPF.] and other appropriate United Nations bodies and in the activities of international financial institutions.



Recommendations beyond Beijing+25

The Working Group at the UNECE Women's Civil Society Forum on 28 October reaffirmed and/or concluded with the following recommendations and actions to be taken at Global Level, Governments & United Nations:

- Make explicit the criteria for the involvement of corporations and corporate foundations in UN programmes and policies, especially in UN Women. **Only companies that are complying with the core ILO decent work conventions, CEDAW, and the environment and climate change commitments can engage.** When TNCs/ business leaders are involved in the Beijing+25 process they must not be considered as equal actors alongside women's rights organizations and member states. Their involvement should be monitored in a transparent manner through an independent body that includes relevant experts and women's and other civil society representatives.
- **UN Women must hold companies to account for the rights of diverse women and girls and gender and environmental justice.**
- **Establish an adequately resourced UN intergovernmental tax body** with membership of all nations and equal voting rights, providing it with gender equality expertise and mandating it to review national, regional and global tax policy in line with women's equality and human rights obligations.
- **Establish systematic coordination mechanisms in order to eliminate Illicit Financial Flowss, human trafficking and gender-based discrimination.**
- Ensure global tax and financial policies, treaties and agreements, comply with human rights, women's equality, labour and anti-money-laundering standards and develop an international legally binding instrument to regulate and monitor the compliance of TNCs.

- Sanction global enablers/facilitators of tax abuse IFFs with a special focus on banks, secrecy jurisdictions, shell companies, legal advisors/law firms and corrupt government authorities and push for a more comprehensive definition of illicit financial flows that put human rights front and centre. Enlarge policy space to curtail IFFs by implementing regulations, eliminate investor-state dispute settlement clauses to ensure that state rights to regulate and tackle IFFs are protected.
- **Establish international standards to protect witnesses, whistle-blowers, and human rights defenders who expose tax abuse and report corruption.**
- **Promote the negotiations, ratification and effective implementation of the UN Binding Treaty on Business and Human Rights and ensure it covers gender specific issues** including i) Gender impact assessments of business activities, ii) Gender-sensitive justice with reparation mechanisms, and iii) Respect, protection and generation of an enabling environment for women human rights defenders. While awaiting a binding treaty, ensure a gender-responsive implementation of the UN Guiding Principles on Business and Human Rights, as outlined in the report “Gender dimensions of the Guiding Principles on Business and Human Rights” by the Working Group on the issue of human rights and transnational corporations and other business enterprises. (4) Governments and the UN must ensure effective access to remedies by promoting universal jurisdiction, extraterritoriality of international human rights law and the recognition of corporations as single entities.
- **Develop and implement legislation to ensure accountability in the use of big data.**

Useful sources

- (1) <https://www.oxfam.org/en/pressroom/pressreleases/2018-01-22/richest-1-percent-bagged-82-percent-wealth-created-last-year> p. 5.
- (2) <https://www.christianaid.org.uk/sites/default/files/2019-09/trapped-in-illicit-finance-report-sep2019.pdf> Page 13.
- (3) <https://www.unglobalcompact.org/take-action/action/womens-principles>
- (4) <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G19/146/08/PDF/G1914608.pdf?OpenElement>