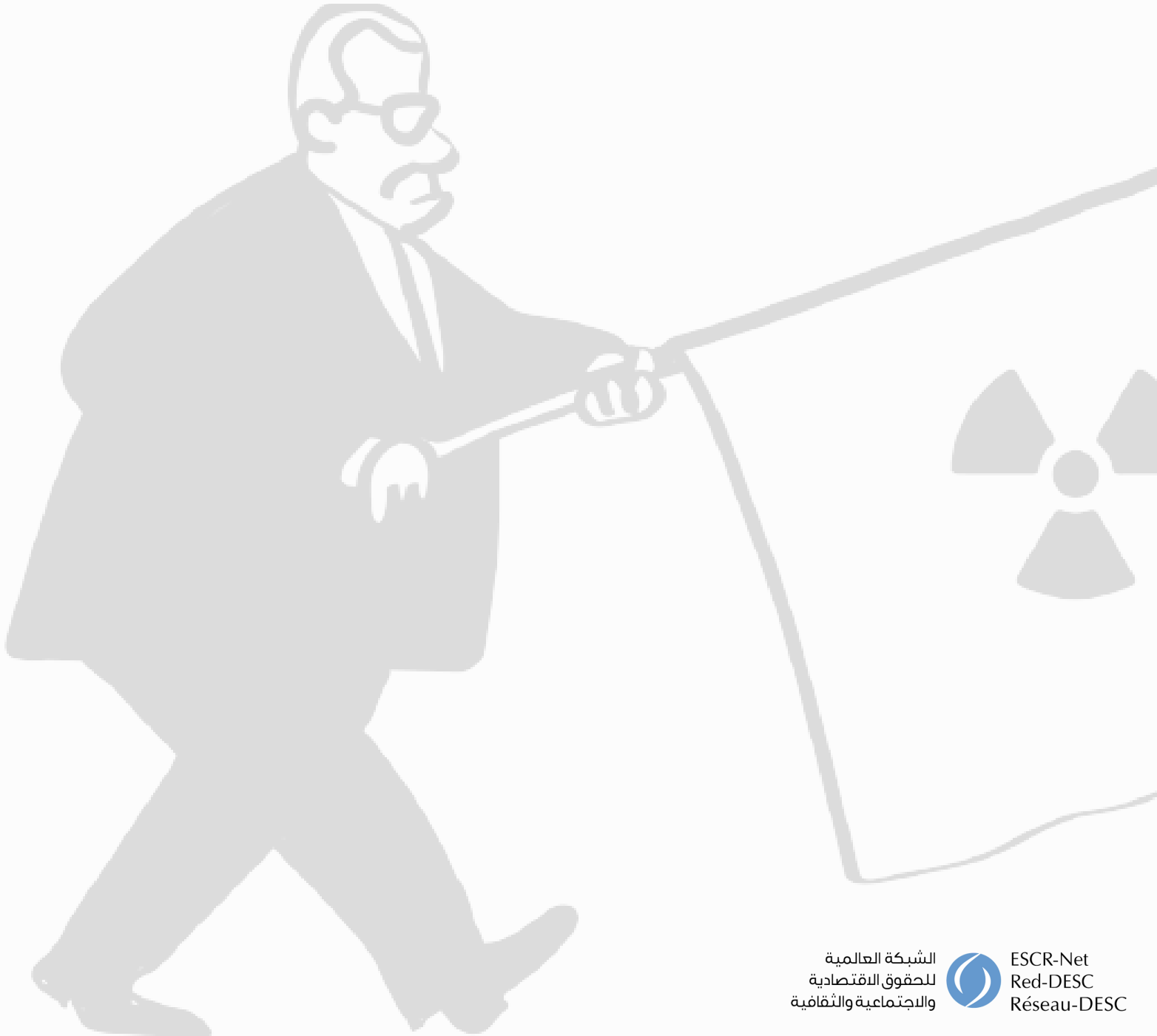


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COMIC LAUNCH: CORPORATE CAPTURE OF THE UN

# Corporate capture of the United Nations

11 FEBRUARY 2021



**A**mid widespread corporate impunity and ongoing corporate capture of public decision-making spaces, members of ESCR-Net's Corporate Accountability Working Group (CAWG) have been working collectively over the past five years for a UN treaty to regulate, in international human rights law, the activities of transnational corporations and other business enterprises. The legally binding instrument would bring us a step closer to stopping corporate capture and ensuring accountability in corporate-related abuses and violations. With the wealthiest 1% growing their influence on the multilateral decision-making spaces such as the UN, **the treaty process is [threatened](#) by corporate capture**. Corporations have been given privileged access to multilateral decision-making spaces and therefore have had a substantial impact on their outcomes, often through corporate lobbyists and associations who act as official advisors to both multilateral and [multistakeholder](#) processes. These are spaces where the rights of people are on the line but where the 1% are actively seeking to undermine our rights to maximize their profits. We must not allow this to happen.

[The Project Advisory Group on Corporate Capture \(PAC\)](#) of CAWG has been working on strategies to overcome corporate capture for several years. In this process, members have identified - several manifestations of corporate capture.

The [manifestations](#) of corporate capture of multilateral platforms include policy and legislative interference, 'revolving door' practices where corporate employees become government representatives in decision-making spaces such as the UN to benefit the wealthiest 1%, or in the form of 'economic diplomacy' where States prioritize the interests of these corporate elites over the rights of the 100% of the world's population.

Over the past few decades, we are seeing an increased normalization of corporate capture through the discourse and institutions of multistakeholderism, which insert corporations with vested economic interests into policymaking processes and enhance their already augmented access and voice in decision-making. This capture has been further fuelled by the growing dependence of multilateral institutions on private funding, product of governments' failure to pay their ordinary contributions to multilateral institutions, their earmarking of funds for issues that advance their (and their corporations') interests and falling tax revenues/public funding during the era of neoliberalism. Below are several examples of corporate capture of international policy spaces that exemplify this troubling trend.

## Examples of corporate capture in the United Nations

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### **The United Nations Framework Convention on Climate Change and Conference of Parties**

In a [report](#) from 2018, Corporate Accountability wrote extensively on the International Emissions Trading Association (IETA). IETA has been one of the entities leading the charge for carbon markets in the Paris Agreement and its guidelines. IETA was founded and is run by some of the world's biggest polluters and continues to advance their agenda. Yet it is one of the most prominent and influential trade associations at the UN Framework Convention on Climate Change (UNFCCC). If groups like IETA are successful in embedding policies like carbon markets, the Paris Agreement may well become yet another failed climate accord. Policies like those IETA is advancing seek to maintain the status quo: a trajectory of fossil fuel dependence, spiralling inequality, and warming that far exceeds 2 degrees Celsius.

In the UN Climate Change Conference 2019 (COP25), Corporate Accountability also [found](#) that some of Spain's biggest polluters and others heavily invested and involved in fossil

fuels had been bankrolling the COP25 meeting in Madrid. In addition to their climate crimes,

There is a clear conflict of interest here that undermines the purpose of these meetings and seriously puts to question the credibility of the UN and States' commitments to address climate change. As a result, a global coalition of organizations is calling for governments and the U.N. to Kick Big Polluters out of the climate treaty negotiations (UNFCCC) as well as the negotiations around the Convention on Biological Diversity (CBD), including advancing a conflict-of-interest policy. They are also calling for Big Polluters to be held liable for decades of deception and interference with climate policymaking under the call: Make Big Polluters Pay.

## The United Nations and World Economic Forum Partnership

ESCR-Net supported a [statement](#) led by FIAN International and the Transnational Institute last year with regards to the United Nations partnership with the World Economic Forum (WEF). The agreement grants transnational corporations preferential and deferential access to the UN System at the expense of States and public interest actors. This “preferential access,” would undermine the mandate of the UN as well as its independence, impartiality, and effectiveness when holding businesses to account.

Under the terms of the UN-WEF partnership, the UN will be permanently associated with transnational corporations. In the long-term, this would allow corporate leaders to become ‘whisper advisors’ to the heads of UN system departments. To prevent a complete downfall, the UN must adopt effective mechanisms that prevent conflicts of interest consistently. Moreover, it should strengthen peoples and communities which are the real human rights holders, while at the same time build a stronger, independent, and democratic international governance system.

## The United Nations Food and Agriculture Organization

In a [letter](#) sent to the Director General of the United Nations Food and Agriculture Organization (FAO) in November 2020, FIAN International and several other members and allies of ESCR-Net highlighted that FAO plans to “renew and strengthen” the UN Food and Agriculture Organization’s alliance with CropLife International – a trade association for the pesticide/biotech industry – and to “explore new partnerships” with that industry.

A strengthened partnership would deeply undermine the ability of this UN body to make decisions on agriculture without the undue influence of CropLife International and their agenda to make profit from the sale of products that have documented harmful impacts on biodiversity, ecosystem integrity and function, the health and livelihood of peasant farmer, agricultural workers, and rural indigenous communities. Accordingly, civil society is calling on the FAO to reconsider and discontinue this deeply inappropriate alliance with CropLife International. Furthermore, scientists, academics and researchers expressed their concern in such capture in a [letter](#) sent to the FAO Director-General noting that “UN institutions including the FAO should not be supporting a consortium of private businesses that stand to profit from the continued sale of products with documented harmful impacts on biodiversity including pollinators, ecosystem integrity and function, the health and livelihood of peasant farmers, vulnerable agricultural workers, rural and Indigenous communities.”

## The United Nations Office of the High Commissioner for Human Rights

In 2017, the Office of the UN High Commissioner for Human Rights (OHCHR) announced a five-year partnership with Microsoft Corp. As part of the agreement, Microsoft Corp promised to provide a grant of USD 5 million to support the work of OHCHR. ESCR-Net member wrote a [letter](#) expressing concern that such formalized partnership undermine the independence of OHCHR at a time when the private sector is leading the charge against human rights and those who defend these rights.

The Microsoft / OHCHR agreement represents a wider trend in which most UN agencies are taking substantial private sector funding, with OHCHR seen as one of the last independent bodies. One strand of privatization of the UN dates to the creation of the [UN Global Compact](#) in 2000. More recently, the UN Financing for Development (FfD) conference related to the Sustainable Development Goals has [envisioned](#) relying almost solely on private sector financing and public private partnerships.

It is important that international human rights institutions like OHCHR maintain both real and perceived independence from corporate interests. We do not intend to suggest a lack of integrity within the OHCHR; however, we are concerned about the potential influence such an arrangement may have on the work of OHCHR and the damage such arrangements could do to public perception of the OHCHR's work, particularly given the lack of transparency related to the partnership. The interactions arising through a formal partnership – particularly where it contains the possibility of renewed financial support if the company is happy with the arrangement – may indirectly influence, or have the appearance of influencing, the direction of OHCHR's human rights activities generally and specifically with respect to scrutiny of Microsoft's business activities and other associated corporations.

## Current attempts to capture the UN treaty on transnational corporations and human rights process

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From the outset of the treaty process, members have individually and collectively [raised](#) concerns about the long track record of blatant corporate capture of UN and related global processes. The four examples above provide a clear overview of how corporations are working to capture multilateral platforms in ways that would ultimately benefit their profit margins - or their profit curve.

Accordingly, we are concerned when we see the International Organization of Employers (IOE), the International Chamber of Commerce (ICC), and the United States Council for International Business (USCIB) actively participating in the treaty process on transnational corporations and human rights: making strong coordinated statements during the negotiation session, lobbying States, issuing detailed critical reports, and generally asserting their influence on the process. According to a [report](#) carried out by Corporate Accountability, the IOE and ICC have [strong ties](#) to abusive industries and as such have a vested interest in blocking, weakening, and delaying the negotiation and implementation of the draft treaty and other regulatory processes that might impact their members' bottom lines. We have already seen the IOE and the ICC come out against strong liability provisions that could provide meaningful remedies for affected communities.

Time and again, ESCR-Net members have demanded that whatever shape or form the treaty meetings take, affected communities and their representatives, human rights defenders, workers, and social movements from around the world must be at the heart of multilateral public-decision making processes through effective and meaningful participation in this process. We believe that in order for the treaty to be effective, States must ensure this process is protected from corporate capture by the wealthiest 1% and economic elites. For the past few years, ESCR-Net members have been [highlighting](#) the example of the World Health Organization's Framework Convention on Tobacco Control (FCTC) which provides a powerful precedent for protecting policymaking from industry interference. The FCTC explicitly recognizes the tobacco industry's irreconcilable conflict of interest with public health policymaking and measures have been put in place to protect treaty processes and implementation from industry interference. Precedents exist. We can, and we must insist, that policymaking be protected from corporate capture, so that the public interest -- the voice of the 99% -- prevails.

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**The time is long overdue: we need an international, legally binding treaty to regulate corporate activity and stop corporate capture, now.**

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## TAKE ACTION

- > **Circulate** ESCR-Net's comic series on corporate capture in popular political education.
- > **Participate** in our comic launch event on 4 March: register [here](#).
- > **Send** this [letter](#) to your State and push back against corporate capture in the UN treaty process.
- > **Join** the treaty movement by emailing [msabella@escr-net.org](mailto:msabella@escr-net.org).

\* Ends