

UPR 28: SWITZERLAND November 2017

FACTSHEET

TRADE, BUSINESS AND HUMAN RIGHTS

BACKGROUND

With regard to human rights, states have duties that extend beyond their borders. Notwithstanding its geographical and population size, Switzerland has considerable economic power. This power is especially important in regards to its trade relations and the multinational companies based in the country.

THE PROBLEM

Switzerland has a legal obligation to ensure that the bilateral free trade agreements it concludes, do not encourage human rights violations in the partner states. Switzerland must therefore carefully examine the consequences of such agreements for human rights by undertaking prior assessments (Human Rights Impact Assessments). In July 2017, the Control Committee of the National Council demanded from the government to include such sustainability assessments in the framework of negotiations of new free trade agreements. Despite repeated undertakings, Switzerland does not ensure that businesses respect human rights as set out in the UN Guiding Principles on Business and Human Rights and CoE recommendations. It relies solely on voluntary self-regulation and provides no regulatory framework explicitly establishing the obligations of companies nor any monitoring of respect for human rights in the context of activities conducted abroad by Swiss companies.

UPR CONCERN

In its third national UPR report, Switzerland has included a chapter on human rights and the private sector . Switzerland, with its considerable economic power, should be recommended to integrate binding human rights standards into its policies and legislation concerning trade and business. While Switzerland is strongly promoting the Agenda 2030 on the international level, the implementation of human rights standards in trade and business should also be seen as fulfilment of international obligations in this framework.

PROPOSED RECOMMENDATIONS

The Federal Council is encouraged to conduct human rights impact assessments and to take their results into account before concluding new free trade agreements.

Switzerland should establish a clear regulatory framework to govern the activities of businesses headquartered in Switzerland – including by means of compulsory due diligence with regard to human rights and the environment – in order to ensure that activities undertaken in the context of or directly related to their business do not have a negative impact on human rights and are not in violation of environmental standards. Switzerland should ensure that businesses operating within, or from headquarters based inside, the country can be legally held accountable for all human rights violations.