
Side Event

61st Session of the Human Rights Council

Regulating Corporate Power in the Era of Deregulation: Launching the South Centre and FES 2026 Report for the UN Legally Binding Instrument

South Centre and Friedrich-Ebert-Stiftung (FES) Geneva Office

Date: 26 March 2026

Time: 12:00 – 13:00

Venue: Room Concordia 1, Palais des Nations, Geneva

1. Background:

The global oversight of transnational corporations (TNCs) has reached a new level. For more than fifty years, the international community has depended on a patchwork of voluntary standards and Corporate Social Responsibility initiatives. This approach has led to a situation of “justice paralysis” where victims are consistently denied proper remedies for human rights violations.

The Friedrich-Ebert-Stiftung (FES) Geneva and South Centre report, “The UN Treaty on Business and Human Rights: Regulating Corporate Power in the Era of Deregulation,” explains that historically, corporate impunity was seen mainly as an issue for developing nations. However, now, the inability to regulate TNCs is also threatening the sovereignty, legal stability, and democratic principles of developed countries.

The report also explores how the threat of costly international lawsuits under existing Investor-State Dispute Settlement (ISDS) systems can cause governments to hesitate to take measures in the public interest, a phenomenon known as 'regulatory chill.' The paper considers how the Legally Binding Instrument can serve as an opportunity to adopt a new framework in which trade and investment agreements support alignment with human rights considerations. This shift aims to reframe legitimate public-interest efforts, such as climate action and environmental safeguards, not as barriers but as the essential bedrock of future economic growth and the protection of human rights.

This side event will explore how the LBI can function as a key pillar for enabling states to reclaim their regulatory powers and turn human rights into a tangible practice rather than merely an ideal.

2. Objectives

This side event will examine the findings of the FES and South Centre's report and explore practical pathways to adopt the Legally Binding Instrument (LBI). Moving beyond 'justice paralysis,' the discussion aims to establish a strong technical and political foundation for the LBI, providing the necessary support and evidence to foster a broad global consensus.

Based on the analysis in the report, the event will discuss why the **LBI** is not merely aspirational but can serve as a legal and policy tool to:

- Create a stable, global standard for corporate conduct that prevents a "race to the bottom" and protects responsible businesses from being undercut by "slackers".
- Empower states to regulate in the public interest without fear of costly ISDS litigation.
- Ensure that victims can hold parent companies accountable in their home jurisdictions, piercing the "corporate veil" that currently shields TNCs from liability.
- Shift the economic paradigm to one where markets function within clear, enforceable rules that serve human rights rather than solely profit maximisation.

3. Programme

	Speaker/Participant
Welcoming Message	Ira Gibson , FES Geneva.
Regulating Corporate Power in the Era of Deregulation	Daniel Uribe Terán , South Centre. <i>Presentation report and discussion on key measures to bridge the remedy gap.</i>
The 2026 Roadmap: From Technical Review to Political Action	Walter Schuldt , Mission of Ecuador. <i>Presentation of the Roadmap towards the 12th Session of the OEIGWG on Business and Human Rights.</i>
The Three-Fold Global Crisis and the Necessity of the LBI	Sibylle Dirren , FIAN International. <i>Addressing the interlinkages of climate change, biodiversity loss, and environmental degradation and the LBI</i>
Interactive Q&A	Moderated discussion with HRC delegates and civil society stakeholders.

Moderation: Ira Gibson, Program Officer for Climate, Business and Human Rights at the Friedrich-Ebert-Stiftung, Geneva Office

4. Format of the Side Event

This will be an in-person event during the 61st Session of the Human Rights Council. Preliminary questions or comments for panelists are welcome to inform the discussion and can be submitted to: uribe@southcentre.int

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Light lunch will be provided after the event.

5. Contact Information and Registration

For further details or questions, please contact: Mr Daniel Uribe (uribe@southcentre.int)