



**7 April 2017**

## **Public Statement on Scottish Government Commitment to a Human Rights Dimension to Trade and Investment**

**Amnesty International welcomes the commitment by the Scottish Government, endorsed by the Scottish Parliament, to undertake human rights due diligence before entering into trade or investment agreements**

This ground-breaking commitment will enable the Scottish Government's trade and investment policies to be aligned with human rights norms. It comes after concerns were raised about a Memorandum of Understanding signed by the Scottish Government with two Chinese companies; SinoFortone and China Railway No.3 Engineering Group (CR3) for inward investment into Scotland.

Amnesty International raised concerns that one of the Scottish Government's prospective business partners, CR3, is part of the China Railway Group which has been implicated by Amnesty's research in human rights abuses in the Democratic Republic of Congo.

In particular, we welcome the Scottish Government's pledge to *"always consider the human rights implications of its engagement with countries and business"* and its belief that *"investment agreements should only be signed where appropriate due diligence, including on the human rights record of companies involved, has been undertaken"*.

This is a significant statement of intent that goes further than the UK Government's National Action Plan on Business and Human Rights, but closely reflects the recommendations on trade agreements made by the Joint Parliamentary Committee on Human Rights in its report published on 5 April 2017.

The House of Lords/House of Commons Joint Committee on Human Rights (JCHR) report on Human Rights and Business included two conclusions and recommendations on trade issues (paras 238 and 239) which recommended that not only should any new bilateral trade agreements include human rights protections at least equal to those currently included in EU trade agreements but that the UK Government should use the opportunity of Brexit to set higher human rights standards in future trade agreements. This according to the JCHR report, should include *"workable provisions on enforcement, and to undertake human rights impact assessments"* before these agreements are signed.

Amnesty is willing to engage further with the Scottish Government on putting this commitment into practice to enable this to become a model of due diligence and human rights impact assessment for the rest of the UK and internationally.

## Notes:

- 1) The Scottish Parliament voted on the following motion on the 29<sup>th</sup> March 2016:  
*That the Parliament notes that 21 March 2017 marked one year since the First Minister signed a memorandum of understanding with the Chinese companies, SinoFortone and China Railway No.3 Engineering Group; recognises that Scotland has a strong track record in attracting investment as evidenced by the fact that Scotland has ranked as the best place for inward investment outside London for five of the last six years; further recognises that the memorandum of understanding (MoU) was about developing a working relationship to explore potential investment and that no legal, contractual or funding obligations on behalf of the Scottish Government have been made and there has been no engagement with the company since September 2016; notes with concern the human rights record of China Railway No.3 Engineering Group's parent company, China Railway Group; regrets that the signing of the MoU gave rise to concerns, and commits to considering and taking account of these concerns in any future such situations; agrees that the Scottish Government must always consider the human rights implications of its engagement with countries and business; believes that investment agreements should only be signed where appropriate due diligence, including on the human rights record of companies involved, has been undertaken; welcomes Scottish Government engagement with Amnesty International and other organisations on human rights ahead of international engagements, and believes that, with appropriate care, it is possible for international trade to co-exist with support for human rights around the world.*  
<http://www.parliament.scot/parliamentarybusiness/report.aspx?r=10873&i=99515&c=1988254#ScotParlOR>
- 2) Amnesty International report: Profits and loss: Mining and human rights in Katanga, Democratic Republic of the Congo (Amnesty International, 2013)  
<http://www.amnestyusa.org/sites/default/files/afr620012013en.pdf>
- 3) Background to Amnesty International's interventions in the MoU debate:  
<https://www.amnesty.org.uk/blogs/scottish-human-rights-blog/mou-chinese-companies-scotland-china-memorandum-of-understanding>
- 4) The House of Lords/House of Commons Joint Committee on Human Rights (JCHR) report on Human Rights and Business included two conclusions and recommendations on trade issues (paras 238 and 239) stating that:
  - *We welcome the Government's commitment that new bilateral trade agreements will include human rights protections at least equal to those currently included in EU trade agreements. We look forward to seeing this adhered to and will monitor progress with interest.*
  - *We encourage the Government to use the opportunity of Brexit to set higher human rights standards in future trade agreements, to include workable provisions on enforcement, and to undertake human rights impact assessments before agreeing trade agreements.*<https://www.publications.parliament.uk/pa/jt201617/jtselect/jtrights/443/443.pdf>