



*Geneva, 28 January 2014*

## **IOE POSITION ON A DEDICATED UN FUND TO ENHANCE THE CAPACITY OF STAKEHOLDERS TO IMPLEMENT THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS**

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The UN Guiding Principles on Business and Human Rights are a key priority for the International Organisation of Employers (IOE). The IOE and its 150 member federations continue to be fully committed to supporting the UN Working Group, as well as other stakeholders, to advancing the dissemination and implementation of the UN Guiding Principles. The IOE therefore appreciates this opportunity to participate in the consultation on a global fund for enhancing the capacity of stakeholders to implement the UN Guiding Principles. The IOE would like to make the following comments:

1. Severe budgetary constraints are a real obstacle for the wider dissemination and implementation of the UN Guiding Principles, as well as for the more effective work of the UN Working Group for Business and Human Rights. The IOE has repeatedly called for the UN Working Group to have an adequate budget to fulfil the expectations of stakeholders. The support by states for promoting the UN Guiding Principles in general, as well as for the work of the UN Working Group for Business and Human Rights in particular, is as yet largely insufficient. In view of this gap between financial needs and existing resources, the IOE supports the idea of setting up a global fund for raising awareness and enhancing the capacity of stakeholders to implement the UN Guiding Principles.
2. Such a fund should have a broad mandate, which would allow it to support awareness raising and capacity building projects at national and local level, as well as to directly support activities of the UN Working Group such as the global company survey, or to support stakeholders to join the UN Forum on Business and Human Rights through travel grants. The fund should not be used to finance core tasks of OHCHR, such as the secretariat of the UN Working Group.
3. Private-Public-Partnerships are an important means of bringing together resources and the expertise of state actors and/or international institutions and the private sector. The fund should encourage private-public-partnerships at local, national and international level to promote and undertake awareness raising, capacity building and the implementation of the UN Guiding Principles.
4. Such a fund should support activities of NGOs, trade unions, companies and employers' federations on an equal basis. Prioritisation of, for instance, the activities of civil society organisations, would not be acceptable. All stakeholder groups must benefit equally from the fund.
5. It would also not be appropriate for there to be prioritisation of particular topics and issues. As all three pillars of the UN "protect-respect-remedy" framework need to be equally and holistically promoted, the global fund must consider all three pillars equally when deciding on funding projects.

6. The fund must only finance or co-finance projects that are within the remit of the mandate of the UN Working Group for Business and Human Rights.
7. The fund should be managed by OHCHR and its governance structure should be as slim as possible. It would be worthwhile considering establishing a multistakeholder advisory board, which would advise the fund on an annual basis, but not be involved in the individual decision-making to finance a given project. The multistakeholder advisory board should have no power of veto vis-à-vis who can contribute and who can benefit from funding support.
8. The fund should be as non-bureaucratic as possible. Especially at the beginning, when donor support is only starting to flow, it does not make sense to set limits on the percentage of overall funding from individual donors, as proposed in the consultation document. It is also naive to aim to raise money without jeopardizing the support of donors for other projects: As donors also have restricted budgets, there is competition between different projects, funds, agencies and institutions. If donors decide to turn to the new fund instead of continuing to finance their former projects, this should be seen as a positive endorsement of the fund rather than a downside.
9. Finally, the study to explore the feasibility of such a fund should also look into the issue of whether donors can earmark spending. While the possibility to earmark spending would restrict flexibility to use the available resources in the fund, it might attract more donors to contribute.

The IOE jointly with its 150 members in 143 countries around the world is committed to working closely with OHCHR and all other stakeholders to establish such a global fund to promote the UN Guiding Principles on Business and Human Rights and to make the fund a success.

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### ***About the International Organisation of Employers (IOE)***

*The IOE is a membership organisation that promotes the interests of employers and their organisations from all over the world at the international level through representation, information and advice. The IOE provides leadership for the business community in all areas of social and labour policy and proactively participates in international policy development that seeks to create a framework that underpins enterprise creation and development. It provides an international forum that brings together national employers' organisations and their members from around the world and facilitates the exchange and transfer of information, experience and good practice amongst the business community globally. The IOE was founded in 1920 and today represents 150 national members in 143 countries.*

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