



Annual Forum on Business and Human Rights 2013

**OHCHR Consultation:**

**Exploring the feasibility of establishing a global fund to support capacity building on business and human rights (HRC resolution 21/5, OP 11)**

**Side event - 4 December at 12.00 - 13.30, Room XX**

**BACKGROUND**

In his report to the Human Rights Council on the contribution of the United Nations system as a whole to the advancement of the business and human rights agenda and the dissemination and implementation of the Guiding Principles on Business and Human Rights (A/HRC/21/21), the Secretary-General identified the lack of capacity among all relevant actors as one of the key obstacles to advancing the business and human rights agenda and the implementation of the Guiding Principles on Business and Human Rights.

In the recommendations of the report, the Secretary-General noted that “[c]onsidering the scale of the capacity-building challenge and the resource implications of meeting it, the feasibility of establishing a global fund on business and human rights linked to the United Nations, with multi-stakeholder engagement, should be considered. The primary purpose of such a fund would be, both within and outside the United Nation system, to enhance the capacity of stakeholders seeking to advance the implementation of the Guiding Principles.” (paragraph 101).

The Human Rights Council followed up on this recommendation by requesting the Secretary-General to prepare a study to explore the feasibility of establishing a global fund to enhance the capacity of stakeholders to advance the implementation of the Guiding Principles. The Council requested that the study should explore relevant issues including how to secure multi-stakeholder engagement, governance models and funding options and that **stakeholders**

**should be involved in a consultative process using existing channels such as the Forum on Business and Human Rights (A/HRC/RES/21/5).**

A Fund dedicated to advancing implementation of the Guiding Principles could potentially allow for significantly greater resources for capacity building work, in particular if new state, corporate and private funding could be pooled and administered by a broad-based group of constituents, with highly transparent governance and clear objectives for maximum impact. A new independent fund could also potentially serve as a consistent and enduring vehicle for exchanging international, regional and national developments and experiences, as well as cataloging and demonstrating achievements of capacity building efforts in implementing the UN Protect, Respect and Remedy Framework and Guiding Principles around the world.

## **CONSULTATION PROCESS**

In order to prepare the study to explore the feasibility of a dedicated fund to enhance the capacity of stakeholders to implement the UN Guiding Principles, the UN Office of High Commissioner for Human Rights (OHCHR) is inviting governments, companies, trade unions, international agencies, national human rights institutions, civil society organizations and other interested actors to share their thoughts on this topic. The first opportunity to provide OHCHR with stakeholder comments will be at a discussion session during the second annual UN Forum on Business and Human Rights on 4 December 2013. This will be followed by a period of consultation until mid-January 2014 during which all stakeholders will be invited to provide OHCHR with written submissions.

Questions to be addressed during the discussion at the Forum will include:

1. What is the desirable mandate for a fund in this area? Should priority be given to developing a mechanism for supporting projects at local and national level that would increase the capacity of governments to fulfill their obligations as set out in the UN Framework and Guiding Principles or should the fund seek to strengthen efforts by a broader range of actors including national human rights institutions, small and medium size enterprises, trade unions, civil society and other actors seeking to encourage implementation?

2. Should a fund in this area focus only on awarding grants or have as part of its mandate the broader aim of developing good practice in this field? One possible model would limit the fund's activities to receiving and disbursing funds to worthy projects implemented by selected grantees and evaluated at national level. A broader mandate could in addition seek to evaluate the effectiveness of all projects over time, develop a system for disseminating good practices and serve as a clearinghouse for information and expertise in this area.

3. How should a fund in this area be governed? Are there existing funds in other areas that provide examples of good governance to be considered? How could ethical and normative considerations best be protected and advanced? Trust funds managed by OHCHR operate according to UN rules and regulations and would not permit multi-stakeholder governance as such. Other models in areas such as public health are linked to the UN system but have independent governance arrangements.

4. What issues should be considered with respect to sources of funding? For example, any new fund on business and human rights would need to subsist entirely on voluntary contributions from governments, companies, foundations and other interested parties. How could significant additional funds be secured in a way that does not undermine existing funding for ongoing diverse human rights related efforts locally, nationally or globally?

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