



UNITED STATES MISSION
TO THE UNITED NATIONS AND OTHER INTERNATIONAL ORGANIZATIONS
IN GENEVA

February 7, 2014

OHCHR REGISTRY

Ms. Navanethem Pillay
High Commissioner for Human Rights
Office of the High Commissioner for Human Rights
Palais Wilson
1211 Geneva

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Recipients: J. Wendland
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Dear Madam High Commissioner:

The Permanent Mission of the United States of America to the United Nations and Other International Organizations in Geneva presents its compliments to the Office of the High Commissioner for Human Rights (OHCHR) and has the honor to refer to OHCHR's note verbale dated December 19, 2013 inviting input regarding the feasibility of a dedicated fund to enhance the capacity of stakeholders seeking to advance the implementation of the UN Guiding Principles on Business and Human Rights. As an initial matter, the United States would like to reaffirm its continued support for and commitment to the dissemination and implementation of the Guiding Principles. The United States welcomes the Secretary General's identification of capacity building as a crucial step in this regard, as well as the Office of the High Commissioner's examination of the feasibility of a dedicated fund to address this important need.

1. What is a desirable mandate for a fund in this area?

The mandate for such a fund should be broad and flexible, in order to effectively respond to emerging opportunities and challenges in this dynamic area. The fund should be available to support projects at all levels of governance and across all relevant stakeholder groups, without any rigid requirements or priorities regarding entities that should or could receive assistance. However, the purpose of such grants should remain narrowly focused on enhancing the capacity of stakeholders to advance implementation of the Guiding Principles.

More broadly, while the United States strongly supports a coordinated, mainstreamed approach to dissemination and implementation of the Guiding Principles within the United Nations, the priority of any fund in this area should be on external capacity building, especially regarding countries/regions where such capacity is underdeveloped. With that said, the United States supports engagement by UN country teams and all other components of the UN in capacity-building efforts, especially in developing countries, and believes that grants administered by the fund should be developed to provide synergies with that engagement.

Finally, since Human Rights Council Resolution 17/4 gives the Working Group on the issue of human rights and transnational corporations and other business enterprises ("Working Group") a mandate to "identify, exchange, and promote good practices and lessons learned on the implementation of the Guiding Principles," as well as to "provide support for efforts to promote capacity building and the use of the Guiding Principles," any activities undertaken through this fund must be appropriately coordinated with the Working Group.

2. Should a fund in this area focus only on awarding grants or should it have as part of its mandate the broader aim of developing good practice in this field?

Grants can be an important way to build capacity in targeted locations or among specific stakeholders. The fund should also be available to support expert meetings and exchanges of experiences and good practice among stakeholders.

At the same time, the fund should be managed efficiently and should not be used to support activities that would require significant and sustained staff support or centralized administration such as efforts to develop, rather than share, good practice; responding to specific allegations; or collecting and analyzing non-grant-related information. Consideration should also be given to whether grants can be effectively administered and evaluated through existing UN agencies in order to minimize overhead costs. Again, attention must be given to the mandate and activities of the Working Group in order to ensure that this fund supports those without duplicating efforts.

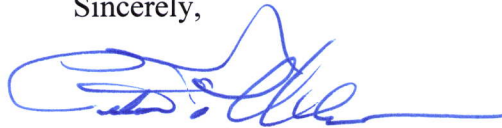
3. How should a fund in this area be governed?

The United States supports the examination of governance models that would allow for multi-stakeholder participation consistent with UN rules, as well as with concerns that overhead and administration costs be minimized.

4. What issues should be considered with respect to sources of funding?

The United States recognizes both the need for, and the complications that can result from, outside funding, and encourages the Office of the High Commissioner to use the study to explore creative options for addressing potential conflicts of interest and perceptions of impropriety, while maximizing the ability to attract diverse sources of support, including non-financial contributions.

Sincerely,



Peter F. Mulrean
Chargé d'Affaires ad interim