

UN Global Compact Communication of Engagement 2017-1019



This report serves to demonstrate DanChurchAid's commitment as a participant in the UN Global Compact. The report is a stand-alone document reflecting the period October 2017 – October 2019



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Statement of Continued Support

Copenhagen, October 2019

Dear Stakeholders,

With this letter, I confirm that DanChurchAid (DCA), continuously supports the ten principles of the UN Global Compact (UNGC) with respect to human rights, labour rights, environment and anti-corruption.

DCA's work is rooted in crosscutting policy commitments, such as a gender and rights-based approach to development, anti-corruption policy, and complaints handling mechanism. DCA is also certified by the Core Humanitarian Standards (CHS) and has since becoming a member of UNGC in 2017 taken further steps to ensure that our work continuously promotes human rights at national, regional and international level. DCA has also furthered awareness amongst the Danish UNGC Compact Network, by actively engaging in the network steering committee on human rights, and supported development of several network events.

With this letter of continued support, we express our intent to continue our engagement and support in advancing responsible business conduct in line with the UN Global Compact Principles and the UN Guiding Principles on Business & Human Rights. This through our commitment to communicate and share information with stakeholders and the general public on potentials to advance accountability, sustainability and ensuring that *no one is left behind*, in line with the objectives of the Sustainable Development Goals.

We recognize that a key requirement for participation in the Global Compact is the submission of a Communication on Engagement (COE) that describes our organization's efforts to support the implementation of the ten principles and to engage with the Global Compact. We support public accountability and transparency, and therefore commit to report on progress as outlined in the UN Global Compact COE policy.

Kind regards

Birgitte Qvist-Sørensen

General Secretary



About DanChurchAid

DanChurchAid (DCA) is an independent civil society organisation, working to support the poorest of the world in their struggle for a dignified life and help those whose lives are threatened. We provide emergency relief in disaster-stricken areas and long-term development assistance in poor regions – with the objective of creating a more just, equitable and sustainable world.

Our work derives from Christian values. We show active compassion, share with the world's poorest, and help those in need. We act courageously when injustice is committed against people and when human rights are violated. The situation of each individual is the starting point for our work, with respect for human rights and equality. We engage with popular and political forces and seek to influence decision makers to improve conditions for the poorest.

We work closely with faith-based and other partners and break new ground in our partnerships to make the greatest possible difference in the world. We show leadership and maintain our 100 years of tradition for action and innovation. By experimenting and testing new ways of working with volunteers, donors and partners, we help people in poverty and distress to find a better life and have hope for a better world.

Sustainable Development and Humanitarian Action

DCAs international goals are based on our vision and respond to the need for sustainable development and humanitarian action. All DCA's activities are carried out in support of one or more of these goals:

- Save Lives
- Build Resilient Communities
- Fight Extreme Inequality

First, the immediate response focuses on protecting and saving lives. Any life is sacred, and when lives and human dignity are threatened, it is our responsibility to do what we can to assist.

Second, to promote a world without hunger, poverty and oppression we need to build resilient communities, which can form the basis for sustainable development and inclusive growth.

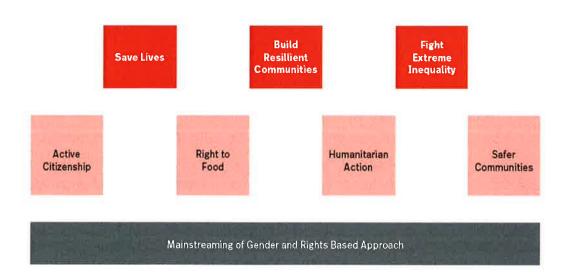


Third, growth and development does not benefit all, and political, social, environmental and economic inequality between people and between nations, must be addressed and transformed to achieve our vision.

DCA has significant technical expertise and experience to support our partners to achieve the three goals. DCA's actions alone will never achieve the vision, but together with others, including our global ACT Alliance, we can take tangible steps towards a world without hunger, poverty and oppression.

DCA organizes and prioritizes work under the three international goals within four thematic policies, which are Active Citizenship, Right to Food, Humanitarian Action and Safer Communities, and cross cutting policies on Gender Equity and Rights Based Approach. All international programmes and projects in DCA are developed and implemented within the thematic priorities of these polices.

All our work will support achieving some of the Sustainable Development Goals (SDGs) and from all programme goals there will be contributions to SDG 5, 16, and 17. Depending on the context and particular programme priorities there will be contributions to achieving other SDG's, too.





Private Sector Engagements

DCA sees great potential in collaborating with companies that are interested in making their operations more sustainable and who wish to also seek benefits for the most vulnerable people. We apply our specialised knowledge in various types of private sector engagements to meet the growing interest and demand from the business community on developing and securing responsible and sustainable business practices. For example, by combining DCA's expertise on human rights challenges in sustainable development with companies' technical skills and innovative capacity, we can develop concrete business concepts or interventions that benefit both vulnerable groups and the companies themselves.

Working with the private sector requires a focus on profitability and business needs, but we ensure responsibility by adhering to and promoting the ten UN Global Principles, the UN Guiding Principles for Business and Human Rights (UNGPs), as outlined in our Human Rights Policy and CSR Guidelines. DCA is also fully committed to the objectives of the Sustainable Development Goals (SDGs) and strive to ensure the realisation of the goals through advocacy activities and strategic engagements with private entities.

By committing to the UNGPs and SDGs, DCA can align with strategic sustainability objectives of businesses and define concrete objectives for interventions and collaborations that can result in lasting impacts and promote a life in dignity for all. DCA has special expertise on climate change issues, including renewable energy investments, the IT and tech sector and, not least, the agricultural sector and global value chains, including how to protect and promote smallholder farmers.

In addition to engaging in partnerships, DCA also seeks to provide constructive contributions to broader policy debates on the role of businesses in promoting sustainable development, responsible investments and global climate action in accordance with the UNGPs and the 2015 Paris Declaration. This includes engaging in international fora and with institutional and private investors, such as the Danish Investment Fund for Developing Countries (IFU) and providing input to multinational companies operating in developing countries. The global advocacy work also includes contributions to, and monitoring of, implementation of the SDGs on a Danish, European and international level. DCA is also represented in the ACT Alliance's European Union (EU) focal group on the SDGs, which monitors the EU's efforts towards the SDGs and the Paris Principles (2030 Agenda).



DCA Principles of Engagement with the Private Sector

The following principles establish the principles for DCA's engagement with private sector actors:

- 1. DCA is an independent non-profit organization.
- 2. As a human rights-based organisation, DCA is committed to ensuring that human rights and gender equality are an integral part of all our work. DCA works from a human rights-based approach through the five PANEL principles (Participation, Accountability, Non-Discrimination and Equality, Empowerment, and Legality).
- 3. DCA's aim of engaging private sector actors is to promote respect for human rights and sustainable development. DCA works in accordance with international human rights and labour standards, such as the UN Guiding Principles on business and human rights, the OECD Guidelines for Multinational Enterprises, and ILO Core Conventions. DCA also supports the Paris Agreement on Climate Change.
- 4. DCA expects business enterprises and their suppliers to respect human in line with these international minimum standards. Corporate Partners are expected to be committed to actively prevent, address and mitigate any actual or potential negative impacts on human rights in their own operations, and with their suppliers. Part of this responsibility involves policy commitments and operational management systems in place to ensure respect for human rights.
- 5. DCA recognizes that ensuring respect for human rights is a continuous improvement process, and not a quick fix solution. DCA therefore engages constructively with business Partners to exchange knowledge and learning on practical ways to ensure proper human rights due diligence. In return, DCA expects the engagement to be based on the principles of mutual trust, accountability, transparency, and commitment to take action.
- 6. DCA will continuously monitor and evaluate Partnerships and outcomes of our engagements with corporate actors and may at any point of time decide to initiate concrete dialogue on interventions of the company, which might have a negative social or environmental effect, or discontinue the engagement.

DCA Engagement with Global Compact

DCA engages systematically with the UN Global Compact Network to gain knowledge and draw upon experiences and insights from other members. As a member of the Danish network, DCA has actively participated in several events and network arrangements in the working groups on Human Rights, the Sustainable Development Goals and Breakthrough Innovations. In addition to providing key presentations and input, DCA has also been an active member of the steering committee on Human Rights supporting the development and coordination of events. DCA also participated in the UN Global Compact Nordic regional assembly in October 2018.



Description of Actions and Measurement of Outcomes

The following section will provide a description of the DCAs Actions related to the practical implementation and promotion of the Ten UN Global Compact Principles.

Human Rights

<u>Principle 1</u>: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

As a human rights-based organisation DCA seeks to promote and advance the enjoyment of fundamental human rights for all. This includes ensuring awareness on potential human rights risks are raised and managed in all our activities and partnerships including those with private actors.

Human Rights Policy

With the 2018 adoption of an organisational <u>Human Rights Policy</u>, DCA underlines the existing commitment to respect human rights in all operations, relations and engagements. The policy is developed based on a comprehensive self-assessment of DCAs sphere of human rights risks, through analysis of existing policies and practices.

The policy serves a focal reference point for DCA staff globally to ensure that appropriate human rights due diligence is undertaken, and that continuous improvement in our responses to minimise risks is made. The human rights policy also addresses a distinct commitment towards the <u>UN Guiding Principles on Business and Human Rights</u> and the <u>Ten UN Global Compact Principles</u>.

Monitoring and Evaluation

Implementations are ensured through e.g. DCAs Quality and Accountability Framework, capacity building programmes and annual reporting processes which reports on DCAs progress in relation to the strategic objectives, goals and policy commitments in accordance with the Core Humanitarian Standard. Annual reports on DCAs performance are available on DCAs homepage.

Advocacy and Corporate Engagement in Global Compact related issues

Ensuring a human rights-based approach to sustainable development is a foundational organisational priority reflected throughout our projects and our advocacy initiatives. Awareness of



the potential negative human rights impacts related to business activities is set forth to encourage corporate actors to apply a systematic and comprehensive approach to ensure appropriate human rights due diligence is undertaken.

DCA also supports sister organisations and partner organisations in ongoing capacity development through webinars, face-to-face trainings and establishment of a resource platform with information and resources to support CSO engagement on corporate accountability issues.

Labour Rights

<u>Principle 3</u>: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Participation and Policies

DCA holds a long-time tradition for collective bargaining and democratic engagement with the staff union representations in Denmark. Contracts in DCA focal countries are negotiated based on local laws but guided by the overall values and organisational policies of DCA including DCA Staff Code of Conduct, DCA Child protection policy and Prevention of Sexual Exploitation Policy.

All staff is furthermore expected to engage in DCA onboarding courses, in which in the expectations and standards are presented to further accountability, induction and understanding of core policy commitments.

DCA is an equal opportunities workplace and encourages all qualified and interested candidates irrespective of age, gender, race, religion or ethnic affiliation to apply for vacancies.



Complaints Handling

Staff also can also raise concerns related to staff welfare and working conditions through the staff unions, the working environment committee and the cooperation committee or by submitting a complaint to the DCAs complaints handling system

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Climate Change

Climate change is a growing challenge for all, and in particular for people in poor and vulnerable countries. DCA is committed to the calls for action and we will address climate change in our programmes, our engagement work in Denmark, in our advocacy work, as well as in our internal practices as an NGO.

It is not enough to tell governments that they should increase their climate ambition. We should also make an effort to ensure that our work is in line with a development path, where global temperatures won't increase more than 1,5 degrees Celsius, as recommended by the climate science.

Internal climate policy

The DCA internal climate policy sets a framework for climate action. It covers a number of areas, and is developed to help DCA to "walk the talk"

Compensation for DCA emissions

It is difficult to reduce all emissions related to DCA activities. Especially flights are a big challenge. A compensation project has therefore been initiated, and trees are planted in Uganda. The compensation is done in cooperation with a company called Trofaco. You can read more <u>here</u>.



Anti-Corruption

<u>Principle 10</u>: Businesses should work against corruption in all its forms, including extortion and bribery.

It is our declared vision to help and advocate for oppressed, neglected and marginalized people in poor countries, and to strengthen their opportunities to live a life in dignity. To reach that goal,

we are entrusted with funds from a variety of donors. Therefore, DCA holds a great responsibility towards donors and beneficiaries to avoid corruption and to secure that the funds we manage are spent correctly and transparently and reaches the intended beneficiaries.

According to Transparency International's Corruption Perception Index, the countries that DCA operates in are among the countries in the world most prone to corruption. That is no coincidence, since corruption, poverty and weak public institutions often go hand-in-hand. This means, that corruption is a daily challenge faced by our staff and partners and we have to ensure, that they are all well prepared and ready to tackle that challenge.

Anti-corruption Policy

DCAs anti-corruption work is based on the following three principles:

- 1. We believe it is important that everyone has sufficient and specific knowledge about corruption and anti-corruption
- 2. We encourage an open dialogue around the dilemmas associated with anti-corruption
- 3. Transparency and accountability must be at the core of everything we do.

Corruption is defined in DCAs policy as "misuse of entrusted power for private (or organisational) gain".

The anti-corruption policy contains six principles that promote anti-corrupt behaviour and guidance on how to handle corruption, should it occur:

- Conflicts of interest
- Abuse of power and extortion
- Fraud and Embezzlement
- Bribery (and facilitation payment)



- Nepotism and favouritism
- Gifts and Hospitality

The anti-corruption policy is so far translated into Danish, English, French, Russian, Myanmar, Khmer and Spanish and can be accessed <u>here</u>.

DCA Complaints Handling system

DCA has a well-established <u>complaints handling system</u>., where complaints and potential grievances related to DCA and DCAs partners activities can be raised. Annual reports on complaints are also developed and shared on DCAs <u>homepage</u>.

Looking ahead

DCA will in the coming COE period continuously prioritise to advance the UN Global Compact principles within the organisation, in new private sector project developments and partnerships and through ongoing engagements and alliance building with relevant stakeholders on responsible business conduct principles and practices.