

COMMUNICATION ON ENGAGEMENT (COE)

Ludwig Boltzmann Institute of Fundamental and Human Rights

Period covered by this Communication on Engagement

From: 2019

To: 2020

Part I. Statement of Continued Support by the Chief Executive or Equivalent

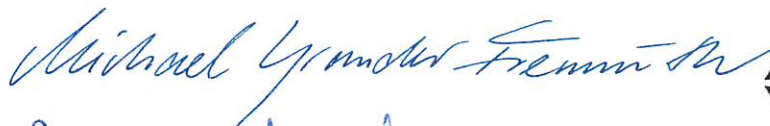
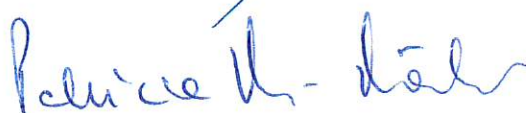
March 2021

To the UN Global Compact Network

I am pleased to confirm that the Ludwig Boltzmann Institute of Fundamental and Human Rights (LBI-GMR) reaffirms its commitment and support to the UN Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement (CoE) and we welcome feedback on its contents.

In this CoE, we describe the actions that our organisation has taken to support the UN Global Compact and its Principles through education, applied research and consultancies for businesses. We also commit to sharing this information with the UN Global Compact and our stakeholders, using our various channels of communication.

Yours sincerely,

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Part II. Description of Actions

Over the past two years, the Institute has taken the following activities to support the UNGC Principles, in particular Principles 1-6 (human rights, labour):

- Incorporating of GC Principles into internal operations

In October 2020, the Institute established the programme line “Human Rights in Business and Development Cooperation”. This created more visibility for this area which was formerly integrated in the “Social Justice” Department. Our research has particularly focused on judicial and non-judicial complaint mechanisms, labour exploitation in the supply chain, the impact of the economic crisis on economic, social and cultural rights, and the impact of businesses on sustainable development.

Topics which are relevant for future action include, for example, obligatory reporting of corporations on human rights (transparency in supply chains) and the role of soft-law mechanisms to prevent human rights abuses in supply chains. Furthermore, the Institute is planning to strengthen its research activities by establishing a programme on “Human Rights and Sustainability” which will follow an intersectional approach and also correspond to the GC Principles.

As an academic institution, the LBI-GMR reports biannually to the UN Global Compact.

- Promoting the GC Principles through education

The LBI-GMR experts give classes at universities, in particular the University of Vienna, as one of the Institute’s parent and supporting organisation. LBI-GMR experts also teach at master programmes and international workshops and trainings such as the Vienna Master of Human Rights and the Human Rights Master’s programme in Krems, Lower Austria. In the context of research projects, the following presentations were given:

Human Rights in the Supply Chain

Karin Lukas (Head of Programme Line) held a workshop on human rights challenges in the supply chain for a multinational company specialised in spice production and distribution. The input and discussion focused on the prevention of child labour, corporate responsibility in the supply chain and future trends in this area.

Grievance Mechanisms

Barbara Linder provided expert advice to the International Commission of Jurists on their initiative on effective operational-level grievance mechanisms (OGMs) for business-related rights abuses. She is a member of a consultative group which unites academics and practitioners with practical expertise on OGMs. The project’s activities include site visits, research of specific cases, meetings and consultations.

Business and Human Rights

Michael Lysander Fremuth (Scientific Director) addressed the general topic of ‘Business and Human Rights’, and, in particular, the question of human rights responsibilities of private business entities, as well as

corresponding obligations of states, in his lecture 'Fundamental and Human Rights' taught at the University of Vienna. On the same topics, he also delivered a workshop for a domestic private business initiative on sustainability and human rights in the areas of finance, insurance and agriculture.

- Promoting the GC Principles through conducting applied research and thought leadership

LBI-GMR has a long-standing record of applied research.

Over the past two years, it focused on the following areas:

- *Corporate Responsibility for the Integration of Recognised Refugees and Beneficiaries of Subsidiary Protection into the Austrian Labour Market.*

This study found that the willingness of companies to hire refugees has been rising in recent years. Most companies face similar challenges in the integration of refugees in the labour market. These are: language barriers, unclear qualifications and legal hurdles. The main motivation of companies to seek employees among refugees is the commitment to corporate social responsibility as well as the lack of qualified Austrian candidates.

- *Non-Judicial Grievance Mechanisms.*

Non-judicial complaint mechanisms can provide an alternative to legal action. In this research project, nine such instruments have been assessed including those of the World Bank, a well-known manufacturer of sports equipment and the Fair Labor Association. The project aimed at informing companies and those affected by their operations about the effectiveness of these tools. Its findings were published here: <https://bim.lbg.ac.at/en/story/corporate-accountability-role-and-impact-non-judicial-grievance-mechanisms>.

- Promoting the GC Principles by providing support to UNGC business participants

LBI-GMR has conducted consultancies for various businesses.

For example, it extended its longstanding co-operation with the Austrian Development Agency (ADA) through a framework contract aiming at the further operationalisation of good governance, human rights and peacebuilding within the work of ADA and the Austrian Federal Ministry for European and International Affairs. In 2019, consultancies were conducted for the revision of several ADA focus papers, amongst them one for the Austrian working group on inclusion of persons with disabilities. Expert advice was also given on ADA's Environmental, Gender and Social Impact Management Manual.

In 2019, the Institute established a new partnership with the Swedish International Development Cooperation Agency (SIDA). LBI-GMR, in a consortium led by FCG Swedish Development together with 'The International Foundation for Electoral Systems (IFES)', Overseas Development Institute (ODI), and 'The Thomson Foundation' as partners, was awarded SIDA's Framework Agreement in Democracy and Human Rights. Through this framework agreement, LBI-GMR has been supporting staff at SIDA headquarters and in Swedish embassies worldwide on various matters related to democracy, political participation, and the human rights-based approach.

In 2020, LBI-GMR started a consultancy for a large Austrian industrial corporation, creating online training modules on human rights for management and employees. The modules will include introductory information on human rights in the business context, as well as more in-depth topics such as human rights in the supply chain as well as participation, non-discrimination, inclusion, and diversity.

Consultancies with a sustainability initiative comprising businesses from finance, insurance and agroindustry will commence in 2021. Furthermore, the Institute was mandated to conduct a study on soft-law mechanisms in the metal ore supply chain which will be presented in autumn 2021.

Part III. Measurement of Outcomes

- Number of new UN Global Compact business participants resulting from your organisation's promotional efforts

None so far as businesses we work with are usually UNGC members already. However, we strive for new participants in our future consultancy work.

- Expertise provided by your organisation to further the aims of Global Compact Local Network in your country

The Institute functions as an expert hub for human and labour rights issues linked to the UNGC principles. Its experts participate in/organise workshops, panel discussions and cooperate closely with the national UNGC network. For recent activities, including publications, see <https://bim.lbg.ac.at/en/human-rights-and-business>.

- Partnerships formalised with mutual aims to advance the UN Global Compact principles

The Institute participates on expert level at the International Commission of Jurist's (ICJ) Initiative on Operational Grievance Mechanisms. Moreover, LBI-GMR cooperates with academic and civil society networks in the field of corporate responsibility (e.g. Business and Human Rights Resource Centre, Network Social Responsibility in Austria, and respACT Austria).