

COMMUNICATION ON ENGAGEMENT (COE)

Ludwig Boltzmann Institute of Fundamental and Human Rights

Period covered by this Communication on Engagement

From: 2021

To: 2022

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

March 2023

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 organization has taken to support the UN Global Compact and its Principles through education, applied research and cooperations with businesses. We also commit to sharing this information with the UN Global Compact and our stakeholders, using our various channels of communication.

Yours Sincerely,



Univ.-Prof. Dr. Michael Lysander Fremuth

Part II. Description of Actions

Over the last 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

Our research has particularly focused on existing and upcoming legal regulations in the area of business and human rights, the human rights obligations of the finance and insurance sector, human rights obligations in the supply chain, 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 upcoming EU regulations and directives to prevent human rights abuses and environmental damage in supply chains.

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, master programmes and international workshops and trainings such as the postgraduate program Human Rights at the University of Vienna and the Vienna Master of Arts in Applied Human Rights. In the context of research projects, the following presentations were given:

Human Rights in the Financial and Insurance Sector: Karin Lukas (Head of Programme Line), along with Michael Lysander Fremuth (Scientific Director), Katrin Wladasch and Stephen Rabenlehner held several workshops on human rights obligations and challenges in the financial and insurance sector for the sustainability initiative of a group of banks and insurers. The input and discussion focused on the prevention of negative impacts on human rights, corporate responsibility in the supply chain and in the provision of financial services, and future trends in this area.

The GC Principles have been addressed within the university lecture “Fundamental Rights” as rendered by Fremuth, as well as in several lectures given within the Human Rights Master Programme by Lukas.

Fremuth has published a newspaper article on the upcoming EU directive on sustainability (DiePresse, 22.12.2022).

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

LBI-GMR has a long-standing record of applied research. Over the last two years it focused on the following areas:

- Corporate Human Rights Responsibility with a Focus on Banking and Finance

While companies in the extractive sector (oil, raw materials, etc.) or in the garment as well as other manufacturing sectors are often the first that come to mind when considering the corporate obligation to respect human rights, they are far from being the only relevant

entities in that regard. The banking sector as well as other financial service providers also play a relevant role when it comes to the possible impact (positive or negative) on human rights. In order to establish the current status quo when it comes to human rights regulations that target the finance sector, the LBI GMR conducted a small study and gathered existing regulations on national and European level as well as upcoming initiatives (like the proposed Corporate Sustainability Due Diligence Directive of the European Union). This resulted in a support document that was provided to the project partners in a project that aimed at establishing a blueprint for a human rights policy.

- Study on Human Rights in Iron Ore Supply Chain

In view of basic research, the Institute was mandated to conduct a study on soft-law mechanisms in the metal ore supply chain which had been presented in autumn 2021. It focused on their effectiveness (strengths and weaknesses), transparency and affected groups covered in terms of scope of the instruments and initiatives.

- EU and Corporate Sustainability

An article on the proposed EU Corporate Sustainability Due Diligence Directive has been submitted by Fremuth for a *liber amicorum* and will be published in spring 2023.

- Promote the GC Principles through providing support to UNGC business participants

LBI-GMR has cooperated with various businesses.

For example, it extended its longstanding co-operation with the Austrian Development Agency (ADA), 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. As part of its cooperation with ADA, the Institute held a training on children's rights for ADA and development cooperation partners in 2020, and provided a legal analysis on issues such as the right to children's rights, the right to water, anti-corruption, and on UN Resolution 1325 on women, peace and security. It also advised on the further operationalisation of the rights of persons with disabilities in the development cooperation context.

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 the LBI-GMR advised SIDA on its human rights and democracy programme in Rwanda, gave input to a World Bank programme proposal on economic, social, and cultural rights and work in Uganda and supported the Parliamentary Center Asia to integrate a HRBA in its research and training activities for parliaments.

In 2021, the LBI-GMR has continued and finalised its cooperation with a large Austrian industrial corporation, creating online training modules on human rights for management and employees. The modules included 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.

A cooperation with members of the Raiffeisen sustainability initiative comprising businesses from finance and insurance commenced in 2021 and finished mid-2022. The core activities in this process included the development of a draft Human Rights Policy for RNI, as well as support in the implementation of the Policy. To prepare an informed ground for the policy, we conducted extensive research on the legal national, supranational and international frameworks of business responsibility for human rights, with a focus on finance and insurance. Implementation support included inter alia research on good practice examples, and the assessment of human rights risks for specific countries, sectors and specific projects

Part III. Measurement of Outcomes

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

None. Businesses we work with are usually UNGC members already.

- Expertise provided by your organization 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 at/organise workshops, panel discussions and cooperate closely with the national UNGC network. For recent activities, including publications see <https://gmr.lbg.ac.at/research/business-development-cooperation/?lang=en>.

- Partnerships formalized 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, the 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 Respect Austria).