



Organization for Security and
Co-operation in Europe



Partners in
Transformation
Helpdesk Business
and Human Rights

Strengthening the role of the private sector in combating human trafficking and labour exploitation in supply chains

BUSINESS ROUNDTABLE

2020 Event Space, 1 Boulevard Bulgaria ("The little NDK")
Sofia, Bulgaria

29 May 2024

Background:

The international debate on business and human rights has undergone significant evolution since the adoption of the **UN Guiding Principles (UNGPs)** by the Human Rights Council in 2011. These principles define the responsibilities of both governments and enterprises in protecting, respecting, and remediating adverse human rights impacts. Today, the global community is advocating for applying a mix of voluntary and mandatory measures to tackle the issue.

To date, approximately 30 countries across the world have developed **National Action Plans** based on the UNGPs. Moreover, an increasing number of countries have enacted **human rights due diligence legislation** (e.g., Germany, Norway, France), **import restrictions** (US, Canada), and **non-financial reporting requirements** (e.g., UK, Australia).

Trafficking in human beings (THB) is a multifaceted crime with serious consequences for victims and society at large. It is inherently financially motivated, with a global scope impacting every country and virtually every economic sector.

States are responsible for ensuring that due diligence legislation is adopted and effectively applied in practice, as well as for providing guidance and tools to businesses on how to lower the risk of being involved, directly or indirectly, in THB. Businesses bear the responsibility to exercise due diligence and implement preventive measures and policies that assess and mitigate human rights risks in their operations and supply chains, including protection against THB and other exploitative practices. Additionally, there is growing pressure from business customers, consumers, the retail sector, and public procurement on organizations to carefully scrutinize their suppliers in all tiers of the supply chain.

The Business Roundtable focused on the role of the private sector in combating human trafficking and labour exploitation in supply chains. It was hosted by the **OSCE Office of the Special Representative and Co-ordinator for Combating Trafficking in Human Beings** and the **Council of Europe's Anti-Trafficking Division**, which provides the Secretariat of the Group of Experts on Action against Trafficking in Human Beings (GRETA) back-to-back with a high-level conference on the same topic.

The roundtable was organized in cooperation with the **Bulgarian Network of the United Nations Global Compact (BNUNGC)**. Bringing together companies, NGOs and academia, BNUNGC is the most active organization in the country in the field of sustainable development, with professional expertise built over



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more than a decade within the framework of the largest global forum for sustainability, which defined the concept of ESG – the UN Global Compact. Additionally, the event is supported by the **German Helpdesk Business and Human Rights**, a free service provided by the German Federal Government, offering extensive expertise in advising companies of all sizes on implementing human rights due diligence processes.

The roundtable was held in English and Bulgarian under the Chatham House Rule.

Summary of the workshop:

The participants got an overview of the global political and regulatory developments of human rights due diligence with a special emphasis on the **EU Corporate Sustainability Due Diligence Directive (CS3D)**, as well as its impact on multinational enterprises (MNEs) and small- and medium-size companies (SMEs) in Bulgaria.

In discussions and practical group exercises participants explored the key steps to identify, assess, address and remediate human rights risks and learned how to protect human rights along the supply chain.

The workshop was very timely since it took place right after the adoption of the CS3D. This overarching new policy framework sets out human and environmental due diligence (HREDD) requirements for larger companies doing business in the EU.

Experts observe a certain shift from voluntary to mandatory HREDD. In short, the CS3D will oblige some European companies to establish a robust risk management system in order to effectively manage negative impacts on human rights and the environment based on the UNGPs and the OECD Guidelines for Multinational Enterprises. The due diligence obligations focus on own operations and the chain of activities, mainly encompassing upstream value chains. The directive defines obligations of means vis-à-vis human rights and the environment. Companies may not need to guarantee that their supply chains are free from any negative impact on people or the environment. The directive entails some clauses on civil liability in case of damages caused by the failure to take preventions or remedial measures. Civil liability, however, is limited to own due diligence obligations. Companies may not be held accountable for third-party actions. Specific support measures are being envisaged for various stakeholders, including obliged companies, SMEs and others. The CS3D has been adopted by the Council on 24 May 2024. EU Member States have two years to translate the requirements into national law. The directive will effectively enter into force in 3-5 years, depending on the company size.

Besides, companies will need to fulfill certain non-financial reporting requirements due to the **Corporate Sustainability Reporting Directive (CSRD)**. According to the UN Global Compact Network Bulgaria, some 12.000-15.000 companies will be obliged by the act. Different sets of standards are being developed for difficult groups of companies (e.g. sectoral standards, SME standard, etc.).

At global level, there is still huge room for improvement. 85% of the SDGs indicators are currently off track, with most, if not all of them impacted or directly related to human rights. 27bn people are being involved in forced labour schemes generating an annual revenue of 245bn USD. One billion people around the globe are without living wages, mostly in global supply chains. Findings of a global survey suggest that the vast majority of companies (71%) pay living wages for own employees but only 20% do so for business partners in supply chains.

Companies may turn to various **support structures** for help, including the UNGC Bulgaria, Chambers of Commerce, the Bulgarian SME Promotion Agency or the German Helpdesk on Business and Human Rights.



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For instance, the UNGC Bulgaria offers a number of trainings and other capacity-building activities (e.g. trainings on sustainability reporting or HRDD) as well as web-based services.

The UNGC Bulgaria identified a divide between member companies that move forward based on intrinsic motivation to implement HREDD processes and others not yet convinced to do so. There is the general feeling that Bulgarian companies may need more time to prepare for the new requirements. A special emphasis was put on the situation for non-obliged SMEs that are being confronted with due diligence requests from larger customers. This also resonates with the situation in Germany. Experience shows an evolution in understanding and implementing due diligence processes.

A Bulgarian subsidiary of a German MNE shared some experience on activities implemented at their own operations. The company conducts trainings on mental health along with other activities aiming to promote diversity. Campaigns encourage workers to undergo medical and psychological exams to ensure well-being of employees.

There was a discussion about risks and risk-based measures in upstream value chains as well. It was observed that such risks may also materialize within the EU. Low wages have been mentioned as a key issue for Bulgaria. Another example dealt with human rights violations and labour exploitation of strawberry pickers in Greece. In Germany, there has been a major scandal in the meat industry. Some participants identified subcontracted workers within and outside the EU as a risk factor.

Strategies to prevent and/or remediate such risks included setting out the requirements in supplier codes of conducts and controlling its effective implementation with the help of audits. Overall, however, most participants shared experiences of activities that focused on own operations.

Participants also observed a differentiated picture vis-à-vis the role of government. On the one hand, Bulgaria may have a solid legislative base to combat trafficking in human beings and in providing support for victims. On the other, there seems to be a certain lack of awareness around HREDD.

Recommendations (non-exhaustive list):

- Fostering engagement and clear communication from public institutions on the subject matter.
- Establishing support structure similar to Germany's Helpdesk.
- Providing guidance and assistance for companies, not just from the UNGC but also from the government.
- Sharing good practices and practical tools, leveraging existing projects and knowledge.
- Raising awareness among consumers about ethical consumption.
- Setting up licensed labour intermediaries and improving data quality.
- Integrating HREDD into university curricula to build expertise.
- Fostering collaboration between public institutions and universities.
- Establishing monitoring and enforcement mechanisms, such as those by BAFA in Germany.
- Allowing for continuous networking and follow-up activities on previous events.

Conclusion

- The roundtable highlighted some gaps in awareness and readiness among Bulgarian businesses regarding human rights due diligence.



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COUNCIL OF EUROPE



CONSEIL DE L'EUROPE



Network Bulgaria



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- There is a pressing need for structured support, clear communication, and practical tools to help businesses comply with upcoming regulations.
- Continued collaboration between public institutions, private sector stakeholders, and academia is crucial for advancing these efforts.
- Future events and training sessions will play a vital role in raising awareness and building capacity.



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Annex I: Agenda

08:30 – 09:00	Registration and welcoming coffee
09:00 – 09:15	Opening remarks <ul style="list-style-type: none">• Julia Schellhaas, Senior Adviser Supply Chains, OSCE Office of the Special Representative and Co-ordinator for Combating Trafficking in Human Beings• Darinka Georgieva, Executive Director, UN Global Compact Network Bulgaria
09:15 – 09:25	Group photo
09:25 – 10:00	The shift from voluntary to mandatory: What does human and environmental rights due diligence mean for Bulgarian companies? Malte Drewes, Coordinator, German Helpdesk Business and Human Rights
10:00 – 10:45	Support offers for the private sector <ul style="list-style-type: none">• Ivana Tsvetkova, SDG Program Manager, UN Global Compact Network Bulgaria• Gabriela Georgieva, Senior Expert, Bulgarian SME Promotion Agency/ OECD National contact point for responsible business conduct in Bulgaria• Sonja Miekley, Head, German-Bulgarian Chamber of Industry and Commerce
10:45 – 11:15	Coffee break with snacks
11:15 – 11:45	Good practice example from the private sector Anna Pancheva, Head of Recruiting and Employer Branding, and Diana Dostova, Head of Learning and Development, Kaufland Bulgaria
11:45 – 13:45	Practical steps towards human rights compliance: Interactive discussion on strategies and tools to initiate effective due diligence in business operations, incl. reporting obligations and audit preparation Facilitators: Malte Drewes, Coordinator, German Helpdesk Business and Human Rights/ Ivana Tsvetkova, SDG Program Manager, UN Global Compact Network Bulgaria
13:45 – 14:00	Closing Petya Nestorova, Executive Secretary of GRETA, Council of Europe

Annex III: Group photo



Annex IV: Presentations



Federal Ministry
for Economic Cooperation
and Development



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29 May 2024

Shift from voluntary to mandatory: What does mHREDD mean for Bulgarian companies?

OSCE / Council of Europe conference, Sofia, Bulgaria

Implemented by

KFW DEG Impulse

In Cooperation with

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

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The Helpdesk on Business and Human Rights

Offer of the Federal Government

The Helpdesk is financed by the German Federal Ministry for Economic Cooperation and Development (BMZ).

Support offer for companies and associations

The Helpdesk offers you an:

- Initial consultation
- Referral advice
- Awareness raising on the topic of business & human rights



What we do



Free-of-charge advice

- Advice on implementing human rights due diligence
- For companies and business associations
- Advice on funding and financing instruments



Training programs

- Customized training programs for companies
- Support in developing own training programs
- E-learning: [Introduction to business and human rights](#)



Events

- Fostering dialogue between business, politics and civil society
- Online seminars



Online services

- [SME Compass](#): Practical online tool for human rights due diligence
- [CSR Risk Check](#): Online tool for global risk assessment (available in English [here](#))
- [Business & Human Rights Navigator](#)

Helpdesk-Team



Sarah Adem-Neufeld
Marketing &
Communication



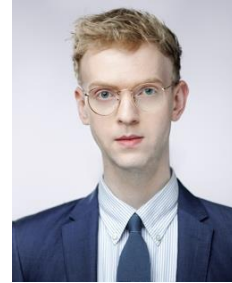
Malte Drewes
Coordinator



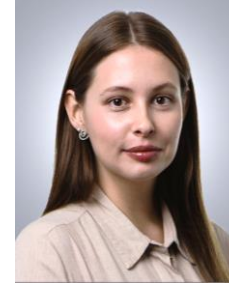
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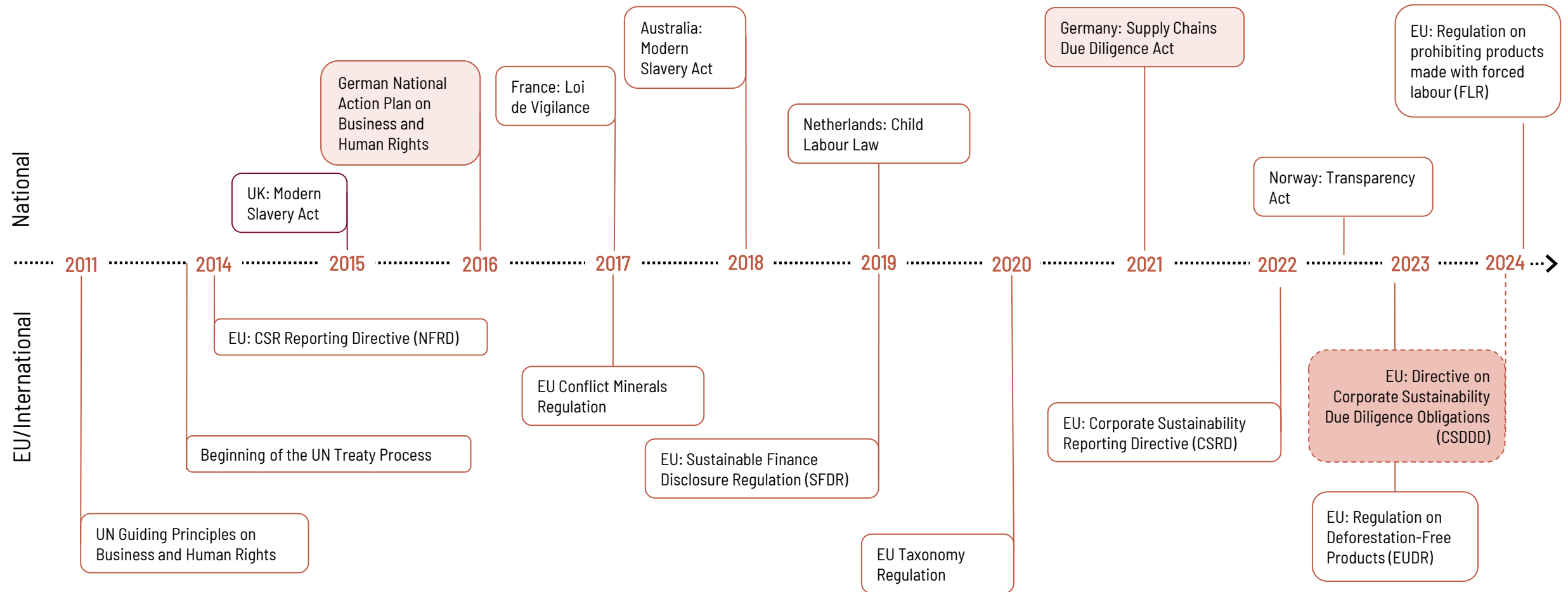
Regulatory Developments

On National and International
Level

From voluntary to binding

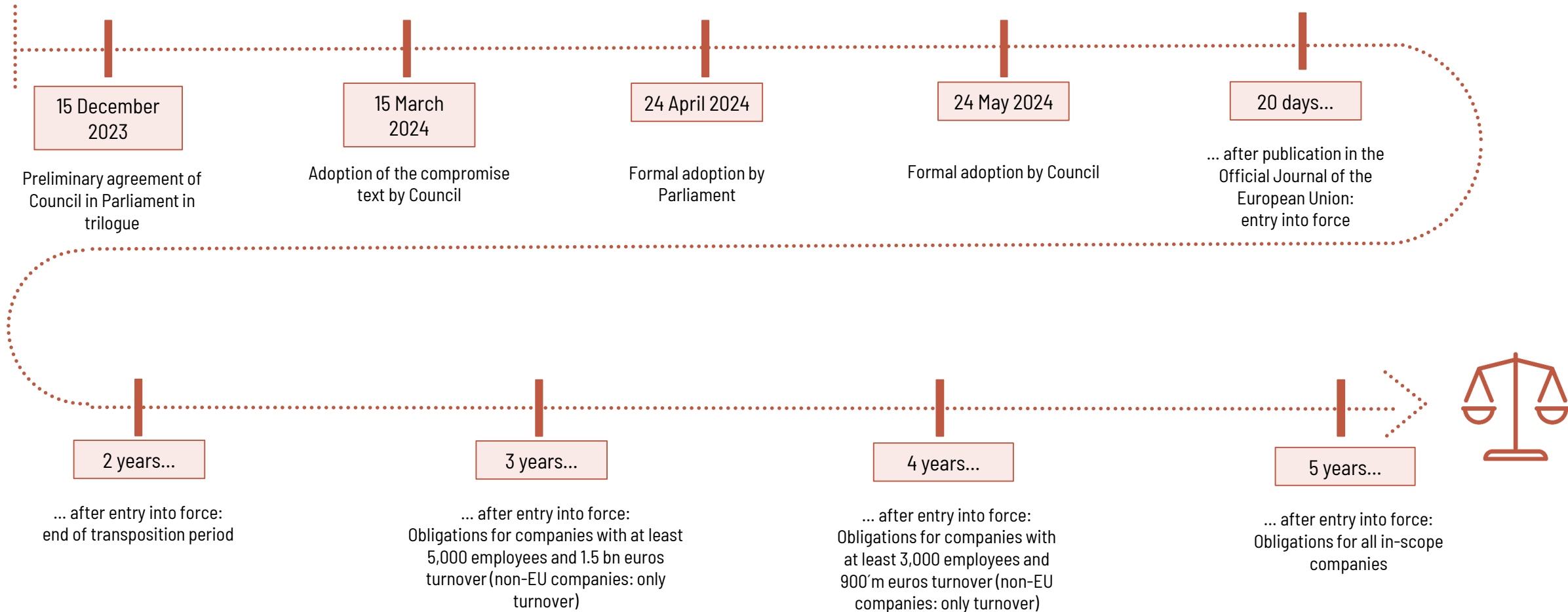


Global legal and political developments*



*selection

Timetable: Road to the CS3D



(May 2024)



Key points of the CSDDD

Risk management system

Strategy and implementation, risk analysis, preventive and corrective measures including remediation, stakeholder engagement, complaints and notification procedure, monitoring, and communication

Plan to combat climate change

Due diligence obligations

In the chain of activities: upstream value chain and distribution, transport, and storage

Own operations, all subsidiaries and business partners

Material scope of the due diligence obligations

Due diligence obligations in relation to certain human rights and environmental obligations

Obligations of means – not of guarantee

Support for companies

Support for obliged companies, SMEs, and other actors

Civil liability

Liability for damages caused by the failure to take preventions or remedial measures

Liability for own due diligence obligations, no liability for the actions of third-parties

Control and sanctions

Supervisory authorities of the members states need to be equipped with adequate resources and powers

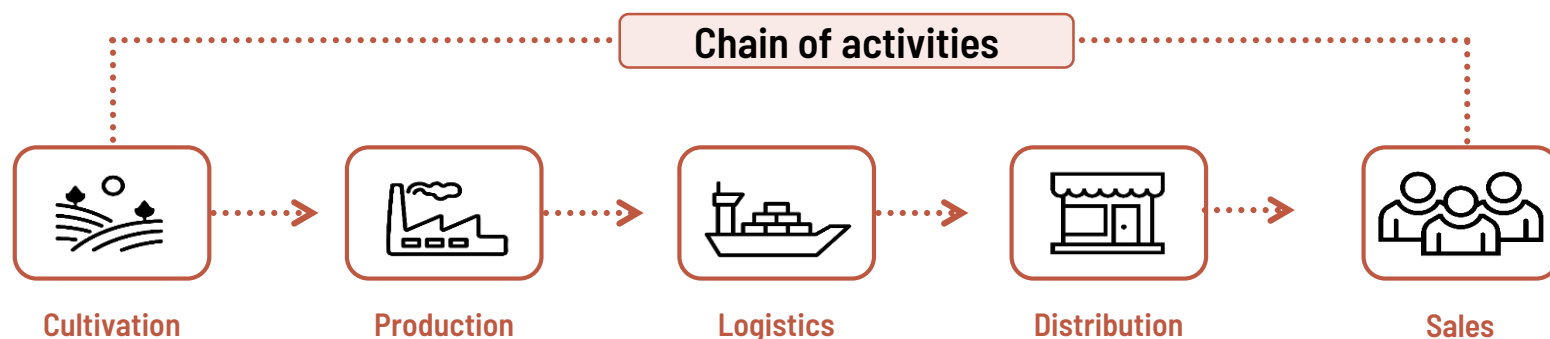
Pecuniary penalties depending on the circumstances of the case in relation to the company's turnover



Collaboration between obliged companies are their business partners

Obliged companies must implement due diligence in their chain of activities: Effects on companies outside the scope

- Obligated companies need collaboration or acceptance of business partners to implement certain due diligence obligations
- Mere transfer of obligations not appropriate, instead: shared responsibility
- Risk analysis: Prioritisation of requests for information from business partners where negative impacts are most likely to occur
- Protection of trade secrets



! Also with the CSDDD: no risk-shifting

Source: own diagram

Obligated companies



EU-companies

- At least 1,000 employees and annual turnover of at least 450m euro globally
- Turnover from franchise or licensing agreements of at least 22.5m euro and annual turnover of at least 80m euro globally
- Ultimate parent companies if the employee- and turnover-thresholds are met in the group



Non-EU-companies

- Annual turnover of at least 450m euro in the EU
- Turnover from franchise or licensing agreements of at least 22.5m euro and annual turnover of at least 80m euro in the EU
- Ultimate parent companies if the employee- and turnover-thresholds are met in the group



Employees are calculated on a full-time equivalent basis
Temporary agency workers and other
workers in non-standard forms of employment included



Chain of activities, Article 3(1)(g)

Direct and indirect business partners

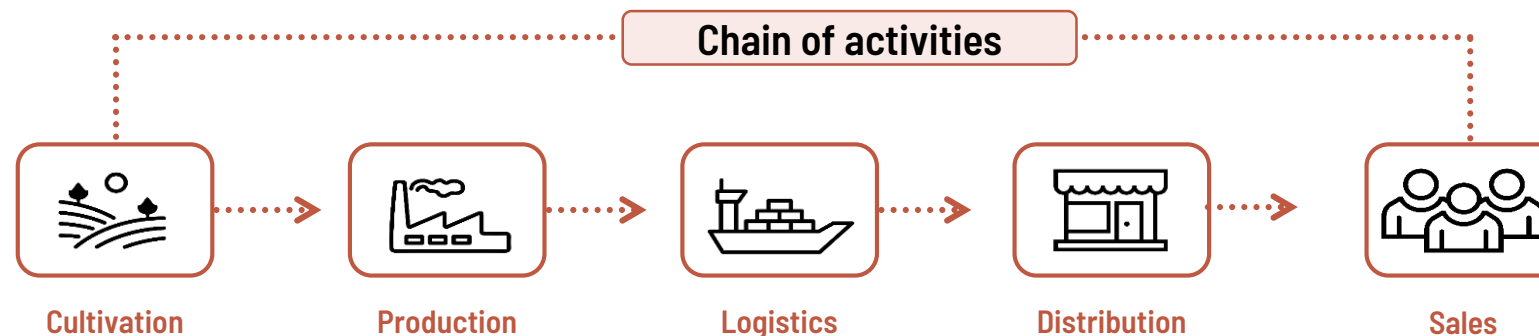
- Direct and indirect business partners are part of the chain of activities
- Differences possible in relation to preventive and corrective measures because of ability to influence and contributions

Own operations and subsidiaries

- Controlled subsidiaries always part of the chain of activities

Downstream

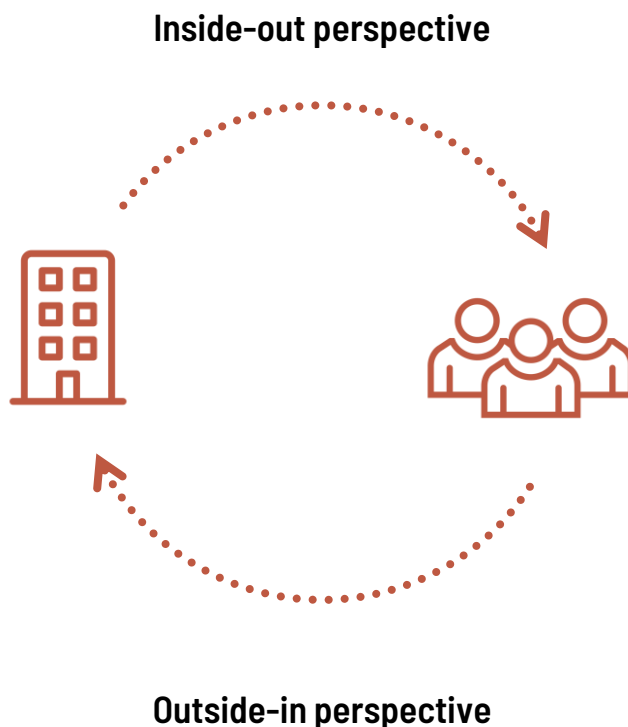
- Only: distribution, transport, and storage if for or on behalf of the obliged company



Distribution, transport, and storage of products according to the EU-Dual-Use-Regulation not part of the chain of activities

Source: own diagram

Change of perspective...



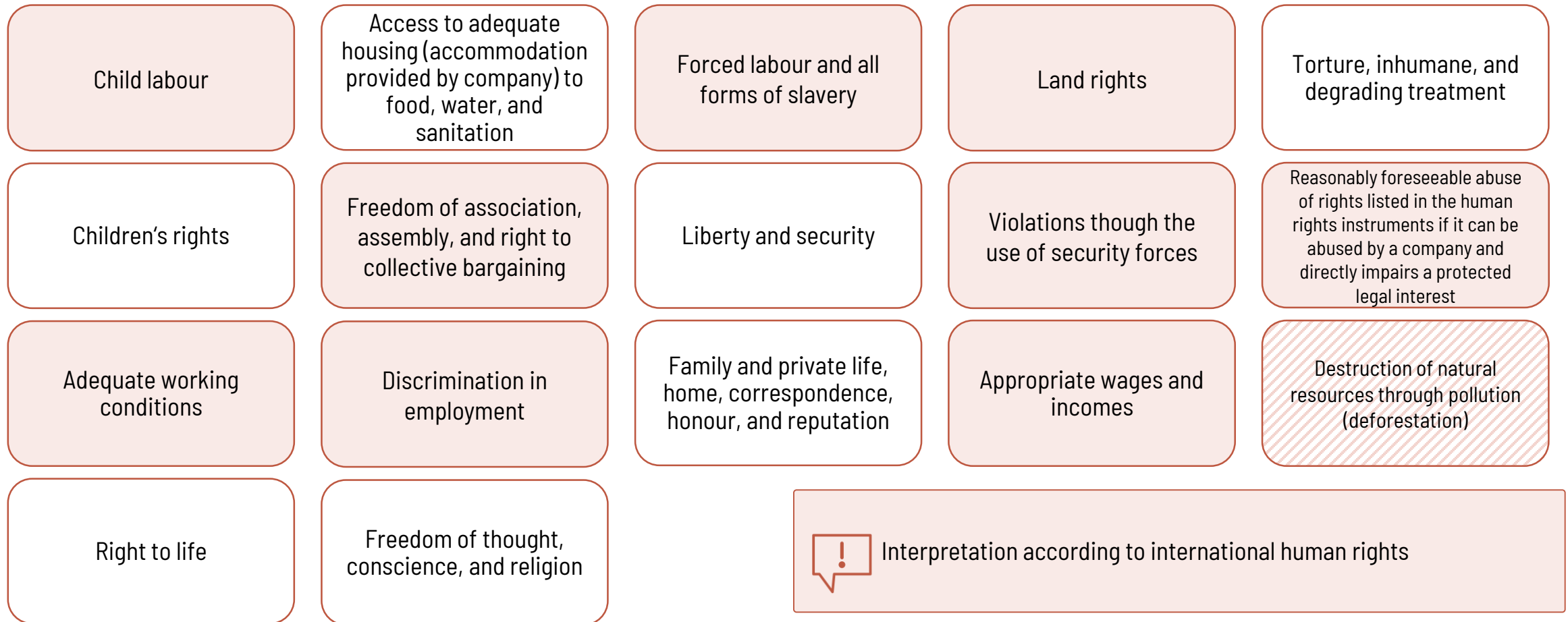
Focus: Vulnerable groups

- What are the effects of the company (core activities/procurement) on the surroundings (environment/people)?
- Child labour/payment/worker's rights/etc.

Focus: Company

- Classic risk management: What are the effects of surroundings on the company?
- Market, liquidity, reputational risks etc.

Protected human rights, Annex part I





Protected environmental obligations, Annex part II

Specific prohibitions and obligations from

UN Convention on Biological
Diversity and the Cartagena
and Nagoya Protocol

Washington Convention
on Endangered Species
(CITES)

UN Convention on the Law
of the Sea (UNCLOS)

International Convention for
the Prevention of Pollution
from Ships (MARPOL 73/78)

Rotterdam Convention on
the Prior Informed
Consent Procedure (PIC)

Stockholm Convention
on Persistent Organic
Pollutants (POPs)

Minamata Convention on
Mercury

Basel Convention on
Hazardous Waste

UNESCO Convention on the
Protection of the World
Cultural and Natural Heritage
(World Heritage Convention)

Vienna Convention for the
Protection of the Ozone
Layer and Montreal
Protocol

Ramsar Convention on
Wetlands of International
Importance



Destruction of natural resources through pollution (including deterioration of soil and deforestation)
governed as human right
Additionally: Plan to combat climate change, Article 22



Appropriateness, Article 3(1)(o)

Due diligence measures must be

- **capable** of achieving the objectives of due diligence by effectively addressing adverse impacts
- commensurate to **severity** and **likelihood of occurrence** and
- **reasonably available** to the company, taking into account the circumstances of the specific case

Prioritisation

- only according to severity and likelihood of occurrence

Appropriateness of preventive and corrective measures

- Consideration of ability to influence and contributions



Relevant for risk analysis, preventive and corrective measures, and stakeholder engagement



Contractual assurances, Article 10 und 11

(Cascading) contractual assurances as preventive and corrective measures

- Instead of mere transfer of due diligence obligations collaboration in light of a shared responsibility
- Should be combined with measures to verify compliance and other measures if necessary
- Contractual assurances from indirect business partners possible
- Contractual assurances from SMEs:
 - Fair, reasonable, and non-discriminatory
 - SMEs should not cover costs for audits, SMEs should be able to use audit documents if agreed or they partially cover the costs
 - Assessment if further support is necessary
- Enabling before withdrawal and responsible disengagement
- Commission provides model contract clauses that can be used voluntarily



Also with the CSDDD: no risk-shifting

Enabling before withdrawal and Responsible Disengagement



As last resort if measures are not successful:

- No new business relationships and no extension of business relationship
- In case of reasonable expectations of success: Enhances preventive or corrective action plan using the company's leverage
- No expectations of success and severe negative impacts: responsible-disengagement-assessment



Also with the CSDDD: Prioritisation of prevention and correction over the termination of business relationships



Responsible-Disengagement-Assessment



Assessment of the impacts of a temporary suspension or termination of a business relationship

- No expectations of success and severe negative impacts
- Assessment of the impacts of suspension or termination
 - No suspension and no termination if:
Negative impact expected to be more severe and cannot be prevented or minimised appropriately
 - In this case:
 - Report to the competent authority
 - Monitoring of the impacts and periodical assessment of decision
 - In case of suspension or termination:
 - Obligation to prevent, mitigate, bring to an end or minimise extent of the impact from termination/suspension
 - Reasonable notice to the business partner
 - Keep decision under review



Also with the CSDDD: Prioritisation of prevention and correction over the termination of business relationships



Purchasing, design, and distribution practices,

Article 10 und 11

Should not contribute to negative impacts on human rights and the environment

- Pricing should consider of direct and indirect labour costs, including costs for sustainability and living wages and income
- Lead times should consider of capacity and potential negative impacts
 - Right to refuse performance for suppliers because of negative impacts
 - Subcontracting with right to refuse if this leads to negative impacts
- Avoiding short-term changes
 - Short-term changes of lead times and product specifications only with due consideration of supplier's capacity and potential impacts
 - Regular orders and use of booked capacities
- Contractual terms: Long-term contractual relationships
- Provide incentives for good sustainability performance

Audits and the CSDDD



Important tool in business practice, but alone not sufficient

- Audits alone do not fulfil due diligence obligations; can support due diligence if appropriate
- Requirements:
 - Objective and free from direct and indirect conflicts of interests, refraining from any action incompatible with independence
 - Experience and competence in environmental or human rights matters depending on the nature of the impact
 - Accountable for the quality and reliability
- Commission should issue guidelines on fitness criteria and methods to assess the fitness of auditors, and guidelines to monitor accuracy, effectiveness, and integrity of audits
 - Guidance shall address shortcoming of ineffective audits



Also with the CSDDD: Important instrument but do not fulfil due diligence obligations alone

Industry and Multi-Stakeholder-Initiatives



Initiatives can support due diligence

- Can play an important role to increase leverage
- Participation in initiatives if appropriate to support the fulfilment of due diligence obligations
- Use of or join relevant risk analysis carried out by initiatives after assessing appropriateness to support due diligence
 - Monitoring of effectiveness and appropriate own measures where necessary to fulfil obligations
- Commission and member states shall provide information on initiatives
- Commission should issue guidelines on fitness criteria and methods to assess initiatives



Also with the CSDDD: Important instrument but do not fulfil due diligence obligations alone



Remediation, Article 12



In case of actual negative impacts

- Company causes or jointly causes negative impact: Obligation to remediation
- Negative impact caused only by business partner:
 - No obligation to remediation but voluntary remediation possible
 - Company can use its ability influence the business partner to provide remediation



Jointly causing: not limited to equal implication of the company and its subsidiary; covers all cases of causing the impact in combination with the acts of others, including facilitating or incentivising



Meaningful stakeholder engagement, Article 13



- Necessary for risk analysis, the development of (enhanced) preventive and corrective action plans, the decision to suspend or terminate a business relationship, and the development of qualitative and quantitative indicators for monitoring
- Companies must provide relevant and comprehensive information to stakeholders in order to carry out effective and transparent consultations
- Additional consultation of experts: If stakeholder consultation not reasonably possible to the extent necessary to comply with the Directive
- Companies must identify and address barriers and ensure that participants are not subject of retaliation or retribution
- Possible through initiatives



Strategy and implementation must be developed in consultation with employees and their representatives





Plan combating climate change

Article 22



Companies that report a transition plan according to the CSRD are deemed to have complied with the obligation to adopt a plan
Companies must fulfil the plan and update it every 12 months

What is meant by this?

- Best effort obligation to ensure that business model and strategy are compatible with the transition to a sustainable economy and with the limiting of global warming to 1.5°C and the objectives to achieve climate neutrality until 2050
- Update every 12 months
- Supervisory authority assesses adoption and content of the plan

Content of the plan

- Time-bound targets for 2030 and in five-year steps up to 2050 based on conclusive scientific evidence as well as where appropriate absolute emission reduction targets for scope 1 – 3 emissions
- Description of decarbonisation levers and key actions
- Explanation and quantification of investments and funding
- Description of the role of the administrative, management and supervisory bodies



Civil liability

Article 29

Uniform liability norm creates legal certainty and clarity

- Liability for damages caused by the intentional or negligent failure to take remedial or corrective action
 - Liability only for own fault
 - No liability for appropriately deprioritised impacts
- No liability for damages created only by business partner
- Overriding mandatory application: Courts of the European Union can only apply this norm irrespective of where the damage occurred
- Compensation of the damage, no overcompensation e.g. by means of punitive damages



Support and relief measures

Support for obliged and other companies

- Model contract clauses (contractual assurances)
- No risk-shifting of due diligence obligations
- General and sector-specific guidelines as well as guidelines in relation to specific negative impacts
- Guidelines on fitness criteria and methods to assess the auditors, and guidelines to monitor accuracy, effectiveness, and integrity of audits, fitness criteria and methods to assess initiatives
- Single Helpdesk of the Commission
- Member states shall provide website, platforms etc.; Commission can provide additional support offers
- Protection of trade secrets
- In relation to the risk analysis: Prioritisation of requests for information from business partners where negative impacts are most likely to occur



Support and relief measures

Special support for SMEs

- Support for SMEs expected from member states, financial support possible in accordance with State aid rules
- Protection from disproportionate requirements
 - Contractual assurances from SMEs must be fair, reasonable, and non-discriminatory
 - SMEs should not cover costs for audits, SMEs should be able to use audit documents if agreed or they partially cover the costs
 - Assessment if further support is necessary
 - SMEs should not cover costs for audits, SMEs should be able to use audit documents if agreed or they partially cover the costs
 - Appropriate financial support of suppliers, especially if compliance would jeopardise the viability of the SME

Thank you very much for your attention



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**UN GLOBAL
COMPACT
AND**

**GLOBAL COMPACT
COUNTRY
NETWORK
BULGARIA**



Network Bulgaria

**OVERVIEW
PRIORITIES
BENEFITS**



THE WORLD LARGEST CORPORATE SUSTAINABILITY INITIATIVE

Voluntary format based on CEO commitments to implement universal sustainability principles and to take steps to support *UN* goals



UN GLOBAL COMPACT: OVERVIEW



HUMAN RIGHTS



LABOUR



ENVIRONMENT



ANTI-CORRUPTION

23,000+

businesses committed
to the Ten Principles of the
UN Global Compact

4,000+

non-business members

160+

countries with UN Global
Compact participants

60+

Local Networks

80

million employees

THE GLOBAL COMPACT AND BENEFITS – A PROVEN APPROACH TO

BUILD TRUST AND TRANSPARENCY



A platform to publicly communicate your targets and progress through a principles-based platform anchored in the UN.



ACHIEVE YOUR SUSTAINABILITY OBJECTIVES



Through efficient access to guidance, training, tools and support.



HELP SHAPE THE CORPORATE SUSTAINABILITY AGENDA



With access to global and local connections and partnerships.

HALFWAY TO 2030, THE WORLD IS NOT ON TRACK TO ACHIEVE THE SUSTAINABLE DEVELOPMENT GOALS

85%

of SDG indicators
are off-track



Corporate Sustainability Reporting Directive



1.SCOPE: listed & large entities in the management report, **SMEs** via value chain, from 12k to 50k companies

2.REPORTING in accordance with mandatory **European Sustainability reporting standards (ESRS)**

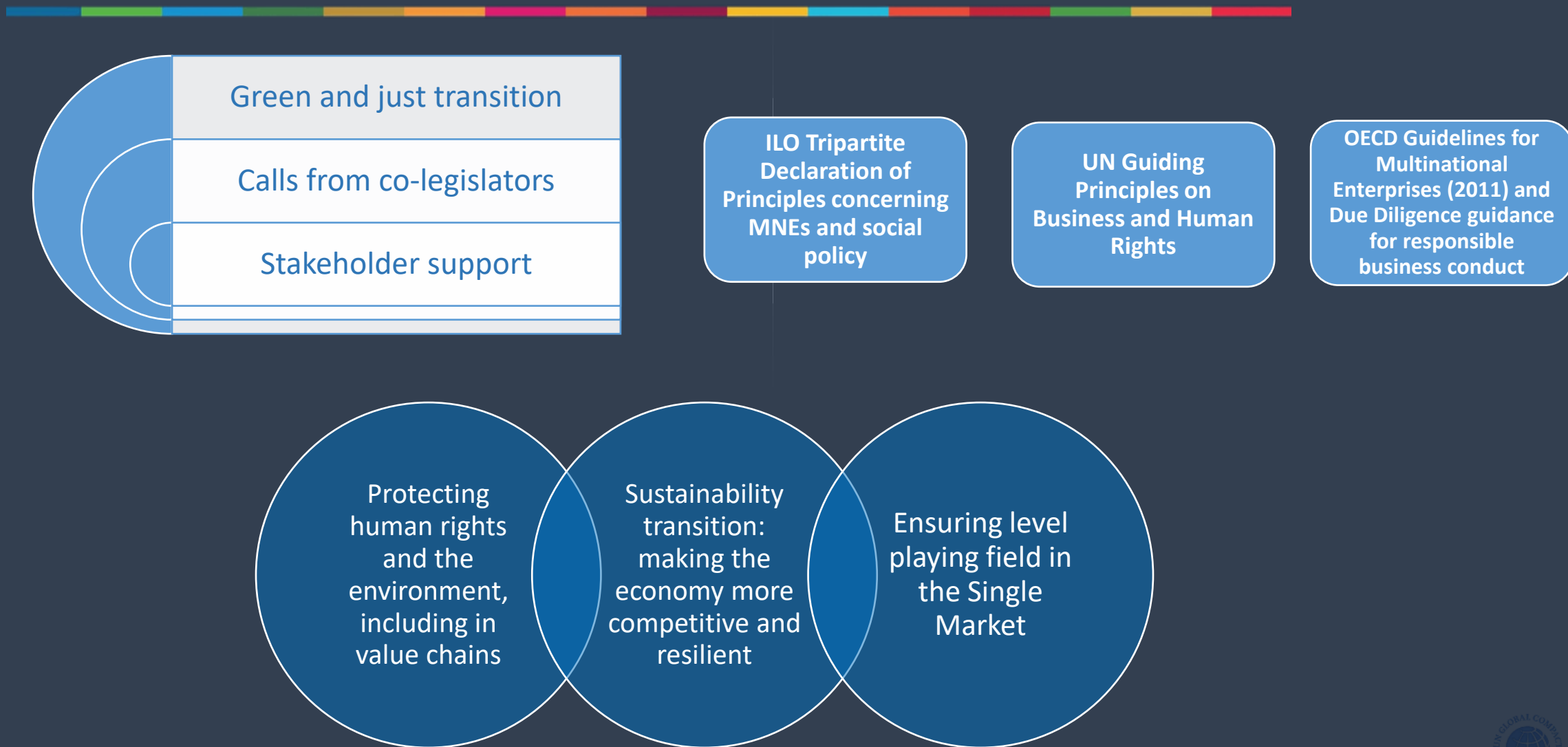
3.Digital tagging of ESRS in accordance with taxonomy

4.ASSURANCE => Limited assurance required, move to **reasonable assurance** later

5.EDUCATION => Professional education and CPD to be adapted to acquire knowledge in sustainability reporting and assurance

6.Law transposition in EU Member States to be done **by 6 July 2024**

Directive on Corporate Sustainability Due Diligence (CSDDD)



Directive on Corporate Sustainability Due Diligence (CSDDD)



MATERIAL SCOPE (I): ADVERSE IMPACTS

- Human rights impacts
- Environmental impacts

MATERIAL SCOPE (II): CHAIN OF ACTIVITIES

Upstream: Activities of a company's upstream business partners related to the production of goods or the provision of services by that company

Including design and development, sourcing (extraction, supply of raw materials)

Downstream: Activities of a company's downstream business partners related to the distribution, transport and storage of a product of that company

Only where the business partner carries out those activities "for the company or on behalf of the company" (tier 1)

Not: products subject to export control

Directive on Corporate Sustainability Due Diligence (CSDDD)



IMPACTS IN A NUTSHELL

Human rights protection

Better working conditions

Living wages and income

Protection of the environment

Empowerment of local communities and other stakeholders (meaningful engagement with companies in scope)

Increased competitiveness of companies in scope and in value chains (resource efficiency, access to finance, protection against risks, innovation, etc.)

Driving the sustainability transition

Human Rights Due Diligence in the private sector



In a world where businesses play an increasingly pivotal role in shaping societies and economies, their influence spans across borders and industries. The globalized nature of today's supply chain means that the actions of a single company can ripple through multiple countries and impact countless lives.

Can your business be counted among those upholding universally accepted human rights and leveraging influence across business relationships?

The UNGC's is here to support



FORWARD FASTER

The world will have to invest between 3 and 5
trillion dollars per year, to achieve the Sustainable
Development Goals until 2030



**FORWARD
FASTER**

5 AREAS OF ACTION



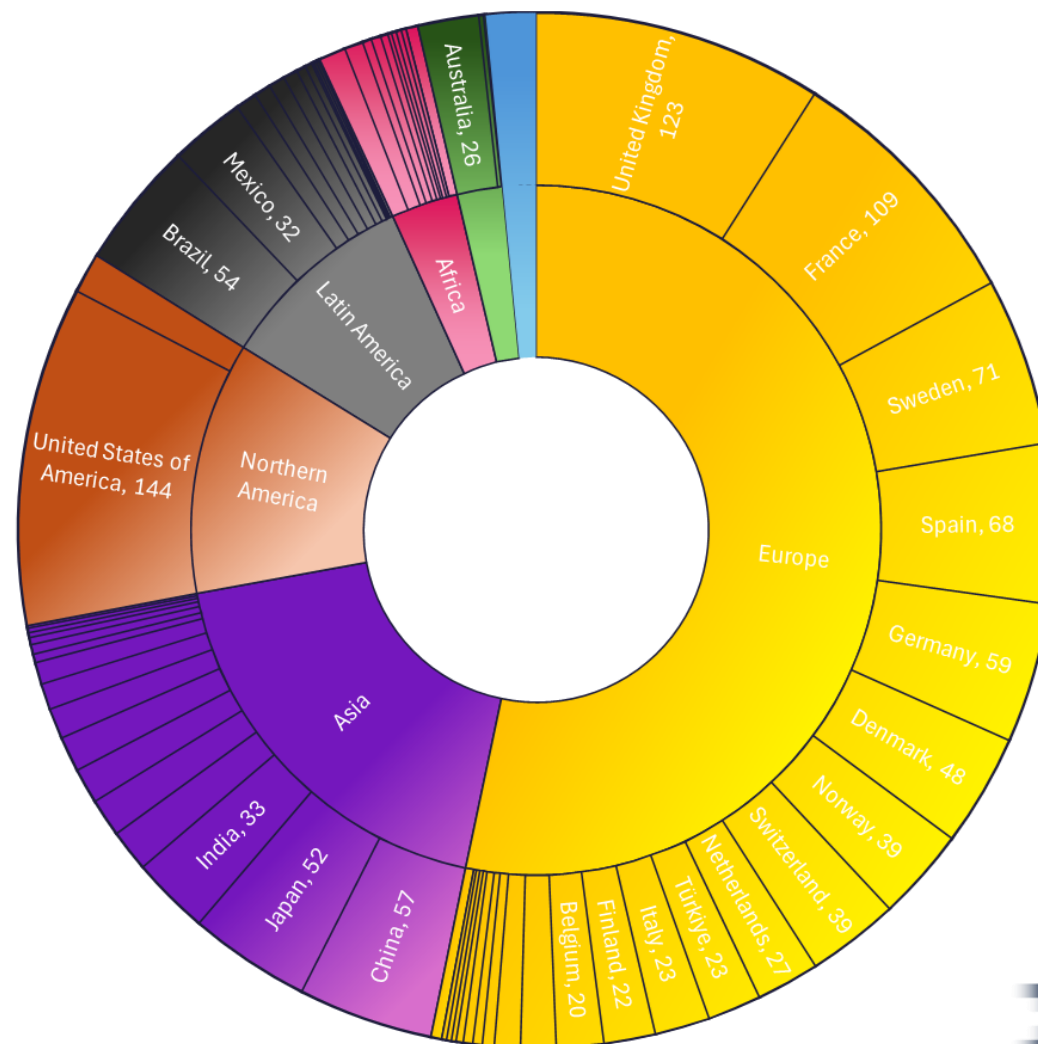
	Target 1	Target 2
Gender Equality	Equal representation, participation and leadership across all levels of management by 2030.	Equal pay for work of equal value by 2030.
Climate Action	Set corporate science-based net-zero emissions reductions targets in line with a 1.5°C pathway, with the goal of halving global emissions by 2030 and reaching net-zero by 2050 at the latest.	Contribute to a just transition by taking concrete actions that address social impacts of climate change mitigation and adaptation measures in partnership with actors such as workers, unions, communities and suppliers.
Living Wage	100 per cent of employees across the organization earn a living wage by 2030.	Establish a joint action plan(s) with contractors, supply chain partners and other key stakeholders to work towards achieving living wages and/or living incomes with measurable and time-bound milestones.
Water Resilience	Build water resilience across global operations and supply chains and join hands to achieve collective positive water impact in at least 100 vulnerable prioritized water basins by 2030.	N/A
Finance & Investment	Align corporate investment – to the fullest extent possible – with SDG policies and strategies, and set targets, track and report on the amount and proportion of such SDG investments..	Establish a corporate financing strategy that is linked to SDG investments and performance, and report on the amount and proportion of such SDG finance.





7 regions, 82 countries, 1366 companies

Region	Percent	Total companies
Africa	3.2%	43
Asia	18.7%	255
Europe	53.5%	731
MENA	1.5%	21
Oceania	2.1%	29
North America	11.8%	161
Latin America	9.2%	126





WE NEED SCALE

% Companies paying a living wage
to Employees **71%**
Supply chain **20%**

26%

Participants measure female owned
suppliers

.....AND BARRIERS

Large Payback periods

85%

Inability to influence supply chain

87%

Lack of Policy Incentives

80%

Lack of SDG impact measurement and data

82%



SDG STOCKTAKE

Q19/20/21: How much of an impact does each of the following have on your company's ability to contribute to the SDGs?

The new and enhanced Communication on progress allows companies to:



Build credibility



Identify gaps



Track progress



Compare against peers



Learn

EDUCATION AND TRAINING RESOURCES:

Navigate the complexities of
sustainable development
independently, *without
reliance on external
consultancies*





Academy

FAST-TRACK YOUR SUSTAINABILITY STRATEGY AND SKILLS



WHAT?

- The UN Global Compact's leading-edge **learning platform**
- Innovative learning experiences across **key topics** and languages
- Provides business leaders and practitioners with the **skills and knowledge they need to move their companies further faster** in implementing the Ten Principles and the SDGs.

WHO?

- **All employees** of companies participating in the UN Global Compact have access to the Academy
- Offers actionable insights for companies and professionals of **all functions and levels** of advancement.



DRIVE IMPACT ON SPECIFIC GOALS

SOLVING THE WORLD'S MOST PRESSING CHALLENGES

FOCUS AREAS WHERE BUSINESS HAVE AN OUTSIZED EFFECT ON OUTCOMES



Human Rights



Labour & Decent work



Climate Change



Anti-corruption



Gender Equality



SDG Integration



Transformational Governance

Deep Dives

Focus on a specific topic, industry, or geography with opportunities to start applying learning within your company

Deepening Human Rights Due Diligence

Three-part series in collaboration with Shift and OHCHR
Live sessions in 2 languages across 3 timezones - now available on-demand



Part 1

Salient Human Rights
Impacts: Identifying and
Prioritizing for Action

Part 2

Taking action on,
tracking and
communicating
about, your
impacts

Part 3

Remedy and
implementing
grievance
mechanisms

Academy Toolbox & Certificate of Completion

Changemaker Series

Live conversations to learn from and connect with some of the most innovative and influential people working in/with business



Join these conversations to understand trends, new ideas, and innovative strategies for corporate action in an ever-evolving sustainability landscape, and leave with key takeaways to learn from and apply in your own company.



Amina J. Mohammed

UN Deputy Secretary-General



Sir Mark Moody-Stuart

Chairman of the UNGC Foundation



Filip Engel

VP for Sustainability, Public
Affairs & Branding, Orsted



SDG ACCELERATOR

In response to growing stakeholder concerns, SDG Ambition was formed to scale the impact of business on the SDGs and has now become a transformative tool for private-sector ESG action

Program Sponsors



accenture



3M

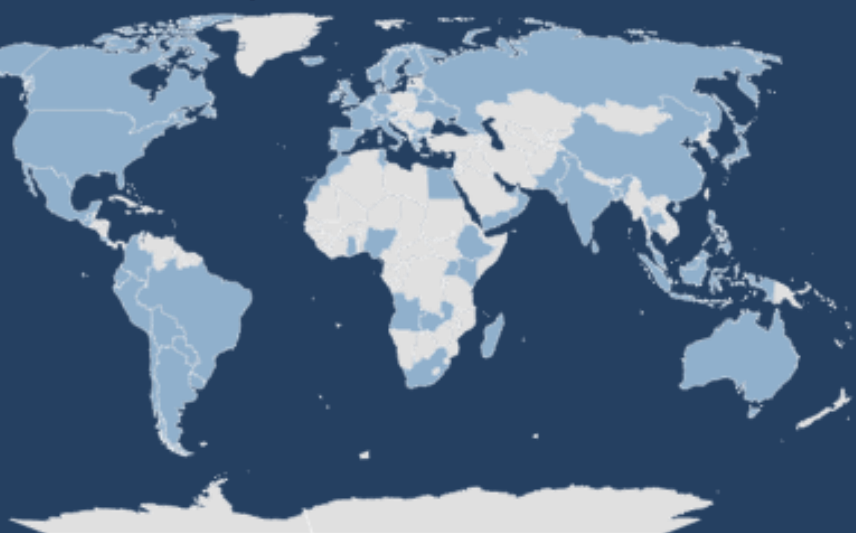


Business is positioned to **drive a disproportionate impact on accelerating progress on the SDGs**. With rising urgency & growing expectations, **businesses can no longer ignore the need to step up or risk losing relevance**



SDG Ambition seeks to **challenge** thousands of companies to **raise their level of ambition** to meet the needs of society and planet by fully **integrating the SDGs into business strategy and operations**

1500+ companies across 90+ countries*



*Russia and Belarus participation prior to February 2022

95%

Agree that the Accelerator helped them set ambitious goals

83%

Agree that the Accelerator helped them identify new ways to contribute to the SDGs

88%

Overall satisfaction with the SDG Ambition Accelerator program

88%









Agree that the facilitators were well-prepared

SDG Ambition seeks to **accelerate the pace and scale of progress** on the UN SDGs through encouraging the **adoption of ambitious goals globally** and **using technology to drive measurable and transparent progress**.

Business and Human Rights ACCELERATOR

DEEP DIVES

Human Rights Journey
Getting started with Human Rights Due Diligence (identify and list potential impacts)
Prioritizing human rights impacts
Develop an action plan
Stakeholder engagement and Communication (Reporting)
Grievance mechanisms and Remedy

		Module 1: Introduction to the UN Guiding Principles on business and human rights Learn how to identify, prevent, mitigate and account for your company's human rights in <small>On-demand Session Duration: 30m</small>
		Module 2: Getting started with human rights due diligence Learn how to identify, prevent, mitigate and account for your company's human rights in <small>On-demand Session Duration: 30m</small>
		Module 3: Taking action on impacts, tracking and communicating Welcome to Module 3 of this joint UN Global Compact and Office of the High Commission <small>On-demand Session Duration: 30m</small>
		Module 4: Access to remedy Welcome to Module 4 of this joint UN Global Compact and Office of the High Commission <small>On-demand Session Duration: 30m</small>

Business and Human Rights Action Plan

Managing the most severe risks to people

UNGC Communication on Progress and the EU reporting standards (ESRS and VSME) TRAINING 01.10.24



Resource Author

United Nations Global Compact

Policy Document (2024)

Communication on Progress Questionnaire

The CoP questionnaire focuses on five disclosure areas (governance, human rights, labour, environment and anti-corruption) and is designed to help participating companies monitor performance across the Ten Principles. There will be no scoring or ranking associated with the CoP questionnaire. Rather, the objective is to create transparency and enable progress.



SME INITIATIVE

MISSION

The SME initiative will:

- Create and effectively launch a global multi-stakeholder Alliance dedicated to advancing sustainability in supply chains, particularly for SMEs.
- Based on lessons learned from previous SME related activities, the implementation of an impact program aimed at enhancing the resilience of SMEs by facilitating the adoption of sustainable practices and expanding their access to new markets and financial opportunities. On demand content, live sessions, workshops and many more.

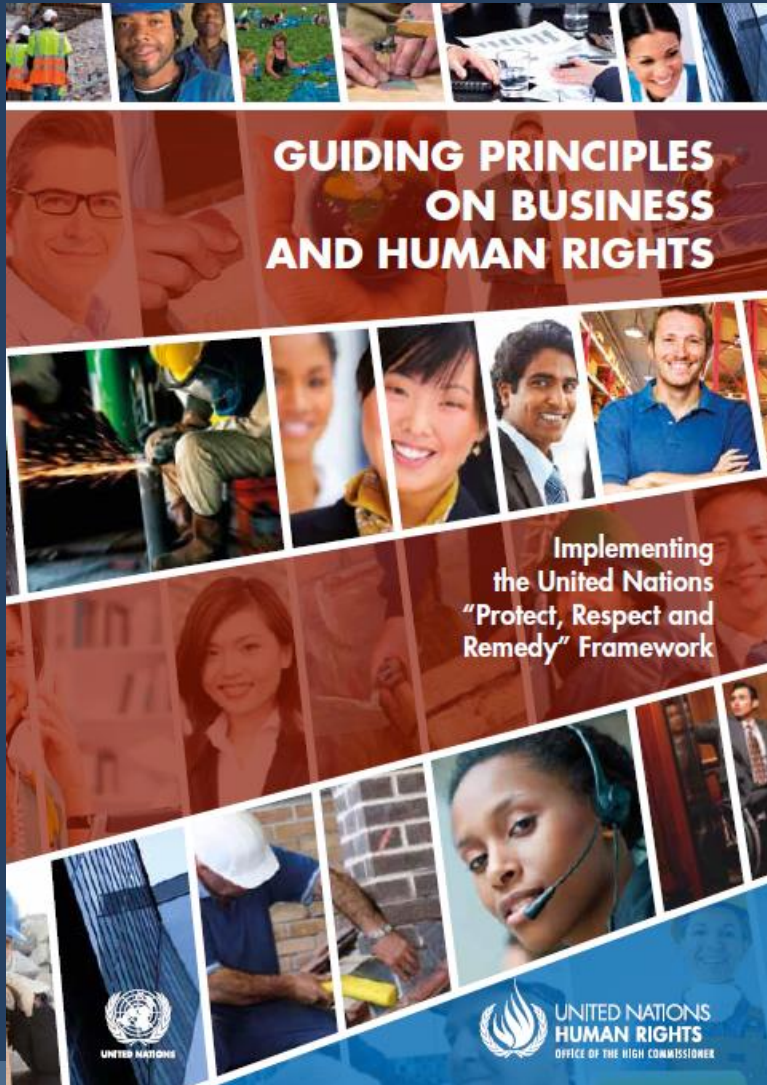
Impact	Contribute to people, planet, and prosperity through sustainable and inclusive value chains
Outcome	Improved ecosystem for sustainable supply chains
Output 1	A Global multi-stakeholder Alliance is established to improve policies and partnerships to support SMEs in their sustainable journey. SME sustainability awards
Output 2	SMEs are more resilient through adoption of sustainable practices and access new market and financial opportunities



Programmatic Offering for:
Participant SMEs



"HUMAN RIGHTS DUE DILIGENCE" TRAINING 12.09.24



Supported by Academy resources and Deep-dive series

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Salient Human Rights
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Prioritizing for Action

How to

Part 2

Taking action on,
tracking and
communicating
about, your
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Part 3

Remedy and
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grievance
mechanisms

Academy Toolbox & Certificate of Completion

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