

1 September 2013

UN Working Group on Business and Human Rights
Secretariat for the 2013 UN Forum on Business and Human Rights
OHCHR
United Nations Office at Geneva
CH-1211 Geneva 10
Switzerland

To the Working Group and the Forum Secretariat:

EIRIS Conflict Risk Network would like to propose a panel for the 2013 UN Forum on Business and Human Rights.

The objectives of the panel would be to:

1. Examine particular challenges to the implementation of the UN Guiding Principles on Business & Human Rights in conflict settings; and
2. Recommend actions investors and other stakeholders can take to encourage corporations to fulfill their responsibility to respect human rights in resource-rich areas affected by violence and atrocities.

Panelists would present case studies of approaches ranging from divestment to stakeholder engagement to transparency requirements, including:

1. **The impact of investors on business and human rights in Sudan.** Ten years after the outbreak of the genocide in Darfur and six years after the U.S. Congress passed the Sudan Accountability and Divestment Act (SADA), an analysis of the impact of the Targeted Sudan Divestment Model on the economic and social development of Sudan's people and communities and on the business environment in Sudan and South Sudan will highlight valuable lessons for implementation of the UN Guiding Principles in conflict settings.

Divestment: In 2007, SADA authorized state and local governments to adopt a targeted model of Sudan divestment legislation, focused on restricting investments in companies with oil, power production, mineral extraction and weapons-related activities. Currently, more than 20 U.S. states have enacted targeted Sudan divestment legislation.

According to US SIF's 2012 report on Sustainable and Responsible Investing Trends in the U.S.:

- The number of mutual funds that consider corporate governance criteria or avoid companies doing business in the Sudan increased dramatically; and

- Social criteria, which include Sudan-avoidance policies, are the most prominent in asset-weighted terms, incorporated in the management of \$1.2 trillion across a wide range of 622 investment vehicles.

EIRIS Conflict Risk Network is the pre-eminent source of timely, reliable and focused information on corporations operating in Sudan. Our quarterly Sudan Company Reports provide our investor members with authoritative research on 75 corporations. The Network's membership encompasses pension funds, some of the world's largest asset management firms, government entities, university endowments, foundations, financial service providers and socially responsible investment firms with a combined total of trillions of dollars in assets under management.

Effective investor engagement of corporations operating in Sudan: In its first four years, EIRIS Conflict Risk Network has persuaded more than a dozen major corporations to adopt recommendations for appropriate conduct in Sudan. Companies that take "Substantial Action" as defined under the targeted Sudan divestment legislative model are not considered "Scrutinized," or subject to divestment measures. "Substantial Action" encompasses a range of approaches, from ceasing "Scrutinized" business operations in a particular industry to undertaking significant humanitarian efforts that benefit marginalized populations to engaging the government of Sudan in ways that improve conditions for the people of Darfur.

2. **The potential for transparency and disclosure to reduce human rights violations and conflict risk in Myanmar (Burma), Democratic Republic of Congo and other conflict-affected states.** New policies in the U.S. and Europe, including the U.S. Reporting Requirements on Responsible Investment in Burma and Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, emphasize public disclosure as a means to prevent atrocities and advance human rights. Civil society panelists from the affected countries would consider what investors, corporations and local communities can do to ensure robust disclosures and maximize the effectiveness of such policies in achieving human rights-related goals.

Please feel free to contact me with questions about the draft objectives or proposed content of this session. Should this panel be of interest to Forum organizers, we would be happy to provide a more detailed proposal.

Sincere regards,



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