



Convened by:



Summary Report

2017 Interagency Roundtable on CSR

The Green Economy

13 December 2017 | ILO | Geneva

1. Introduction

Recent years have seen strong international agreement being taken on environmental action and on aligning the economy with environmental goals. In order to keep the global temperature increase well below 2 degrees Celsius, as agreed by governments in 2015 with the signing of the Paris Agreement, the world must implement deep emissions reductions. The International Energy Agency (IEA) estimates that investment in low-carbon technologies and energy efficiency needs to increase six-fold to US\$2.3 trillion by 2035 to achieve the climate target, and a total of US\$90 trillion in sustainable infrastructure assets including buildings, energy, transport, water and waste are estimated to be needed to achieve these goals.

Since the unprecedented agreement of most of the world's governments to take action on climate change in Paris in 2015, the majority of countries have already submitted their Nationally Determined Contributions (NDCs) outlining their activities and strategies towards meeting the goals of the Paris Agreement. The strategic implementation of the NDCs will require a global financial system that meets the long-term investment needs of a transition to an environmentally sustainable economy. The demands of this transition to a lower-carbon economy will require significant changes across economic sectors and industries in the near term, with a central need for partnerships across sectors.

Adding to the challenges of a rapidly warming planet, the world also faces a loss of biodiversity, water scarcity, ocean acidification, pollution (air and water), deforestation, and other areas of environmental degradation. Reigniting growth, delivering on the Sustainable Development Goals (SDGs), and reducing climate risk in line with the Paris Agreement presents not only a challenge in adapting to the changing context, but also an opportunity to fill this demand for new investment, technology and partnerships.

On the 13th of December, the seventh annual Interagency Roundtable on CSR was held at the ILO office in Geneva. Moderated by H.E. Marc Bichler, Ambassador-at-large for Climate Change and Human Rights from Luxembourg, the meeting was attended by twenty-three representatives of international organisations, five representatives from national governments, two universities, two financial institution representatives and one representative from the commercial sector. The participants analyzed and exchanged views on current approaches and practices of CSR with regard to the Green Economy.



2. Overview of Key Discussions by Session

Session I: Green Finance

During the first session, participants highlighted their engagement with green finance, through corporate reporting, green bonds and green equity instruments, and how the financial sector can contribute to making businesses more environmentally responsible.

One of the platforms for engagement discussed was the Sustainable Stock Exchange (SSE) initiative, a peer-to-peer learning platform for capital market players around the world to adopt best practices in promoting corporate sustainability. The initiative recently launched a paper on green finance, which found that stock exchanges in particular are working in four main areas of green finance: promoting green products and services (e.g. green bonds, green equity funds, green stock funds), greening mainstream financial markets (e.g. promoting environmental reporting, improving transparency, engaging more with companies in terms of market representation), strengthening environmental disclosure (through guidance, training and leading by example), and through growing dialogue on green finance.

Participants highlighted the importance of making a distinction between the operational side of green finance, or how to invest in green products, and the systemic side, or how to make financial systems more environment-oriented. It was also expressed that the agenda for green finance is both considerable and time-determinant: dynamic work with the private sector is key in order to create change on the ground. Along these lines it was suggested that public private partnerships (PPPs) be considered as an agent of change, with the goals of making finance more impactful.

Insurance was discussed in relation to the risk presented by climate change. Participants discussed the problem posed by potentially uninsurable assets due to, for example, the increased prevalence of natural disasters or environmental risks caused by climate change.

The principle of incorporating a human rights based approach in finance was also raised, including concerns about a lack of human rights considerations in PPPs and corporate lobbying against regulatory frameworks. The need for greater corporate accountability was emphasized. It was also underlined that any institutions getting public funding should employ human rights safeguards, guarantee access to remedies and support efforts to eradicate poverty. It was also highlighted that there is a lack of consensus on standards in green finance and that this is an area for further work.

Participants raised the issue that there is insufficient collaboration between UN agencies and the private sector, as well as between the UN and civil society in this area. Several participants emphasized the importance of looking at the demand side of green finance and what investors expect as a return. One participant highlighted the challenge of promoting a low-carbon economy in developing countries that are pursuing industrial development. Participants agreed that high standards, accountability, participation and transparency at all levels are crucial to achieving green finance.

Session II: Green Jobs

The second session focused on green jobs and looked at the effects green jobs have on the labor market. Participants kicked off the session discussing the transition towards a greener economy, specifically the importance of managing the impacts to ensure a “just” transition. Participants categorized a “just” transition as one that maximizes social and economic benefits towards sustainability while protecting the vulnerable. The role of business to enter green sectors by investing and adopting sustainable practices was raised. A consensus was reached



regarding the importance of business engaging with governments and trade unions to develop policy and promote capacity building of sustainable standards.

Two examples of successful cross-sector partnerships promoting sustainability in business were shared. Participants discussed the importance of partnering with local companies to increase sustainable production and promote human rights. One participant noted that often private companies are ready to engage in sustainable practices, however they struggle to determine the proper way to do so. By setting basic sustainable requirements, the group believed private actors would be more likely to engage in expanding those requirements.

Next, the role of trade for green jobs was discussed. Participants reacted to the challenge of supporting international trade as a driver towards a greener economy while protecting the policy options of governments to create green jobs within their own countries. From a private company's perspective, most information is sensitive and private companies don't want to share business models for fear of losing competitive edge. One participant noted the strategic usage of pre-competitive platforms to share best practices. Additionally, participants agreed that multi-stakeholder initiatives were useful to set industry baselines and provide clear policies and procedures to willing investors. Inclusiveness in developing, implementing, and properly monitoring sustainable policies is key.

Following the discussion on the role of trade, participants debated how best to promote corporate social responsibility. One participant noted that a company's ability to merge sustainability with profit as part of core business is valuable in promoting CSR practices. Furthermore, participants conferred that sustainability tools and one-time trainings were inadequate. A consensus was reached that continual coaching on CSR is needed to change organizational culture.

The second session ended with a discussion that corporate social responsibility is not a choice but a fundamental human rights obligation. According to the UN Guiding Principles on Business and Human Rights, which have been adopted by consensus by all UN Member States, companies have a responsibility to respect human rights. This entails exercising human rights due diligence and addressing any adverse human rights impact resulting from their business activities, empowering employees and complying with international standards, including labour standards. States should promote sustainability in order to create jobs and healthier living conditions. Participants discussed the current state of policy and advocacy points aimed at further developing sustainability standards.

Session III: The environment, business and human rights

The final session brought together various aspects discussed throughout the day, including how the UN and civil society organizations can more effectively work with the private sector, measurement and perception of value for environmental impact, the costs associated with CSR initiatives, and the gap between setting standards and implementation of such standards.

While one participant noted that in their particular line of work with regards to specific cases of human rights violations, they find businesses to be more responsive to complaints than States, the general view of participants in the room tended to be that more could be done in the private sector to ensure compliance with human rights and environmental rights, and international laws. Participants questioned how best to engage with the private sector, finding the most success when "speaking private sector language", and explicitly stating what employees can do in a concrete and direct way to ensure human rights and environmental rights are upheld. For example, one participant said they find it best to put it in practical terms, looking at "what they can do when they come into the office on Monday morning" rather than providing broad principles and vague guidelines, stating that business can have a hard time grasping how human rights and international standards relate to their activities.

Building on this discussion, the idea of competition was developed, and how this may or may not motivate a corporation to act more or less responsibly. One participant asked that States make an effort to ensure a level playing field for business, through regulation, so that those acting responsibly don't lose in terms of competitiveness. The UN Guiding Principles do State that business have an independent responsibility to respect human rights, even if these are not regulated in national law where the business operates. Recently, a series of court cases where corporations or states are being held responsible for violations of human and/or environmental rights are interesting in this regard. What was made clear was that businesses are not being asked to take the role of the State to fulfill rights, but to make an effort to uphold these rights, and in any case address any negative impacts they might have on these rights.

When discussing State responsibilities, the need for accountability mechanisms to hold organizations responsible with regards to international standards on human and environmental rights was highlighted. However, it was suggested that on an international level, much more policy dialogue was needed to ensure that standards are not being lowered as a means of attracting business for State competitiveness. One participant also highlighted the need for extra-territorial obligations for States to hold business accountable for activities abroad.

One participant suggested a public list of all companies breaking international standards or sanctioned for such actions would help inform investor decisions related to these companies.

3. Key Outcomes of the Meeting

1. Progress will require more than one actor – public, private, and civil society actors must work together to solve complex problems, and in doing so they must break down the silos that have been built up over the years.
2. It is important to make a distinction between the operational side of green finance, or how to invest in green products, and the systemic side, or how to make financial systems more environment-oriented.
3. A just transition to a greener economy will be one which maximizes social and economic benefits while protecting the vulnerable groups and the environment.
4. Businesses have a responsibility to respect human rights and support sustainable development that benefits all persons, particularly the poor and disadvantaged. Concrete guidance for businesses on supporting environmental and human rights is needed to support the effective contributions of businesses to sustainable development.

4. Reference Documents

The following documents were referenced during the discussion and were found relevant for participants:

- ILO (2017) [Work in a changing climate: The Green Initiative](#)
- ILO (2017) [Green Jobs](#)
- ILO (2015) [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#)
- OHCHR (2017) [OHCHR Accountability and Remedy Project](#)
- Sustainable Stock Exchanges initiative (2017) [How stock exchanges can grow green finance, A voluntary action plan](#)
- United Nations Zambia (2017) [Green Jobs Programme](#)
- United Nations Human Rights Office of the High Commission (2017) [UN Special Procedures Complaint Mechanism](#)

Participants List

Moderator: H.E. Ambassador Marc Bichler, Luxembourg

Organization or Country	Name	
Blue Orchard Finance	Mr.	Pierrick Balmain
Ethos Foundation	Mr.	Vincent Kaufmann
Graduate Institute	Mr.	Jason Rudall
ICRC	Ms.	Katherine Vad
ILO	Ms.	Emily Sims
ILO	Ms.	Camilla Roman
Ireland, Permanent Mission to the UN	Mr.	Patrick Rochford
ITC	Mr.	Mathieu Lamolle
Luxembourg	Mr.	Marc Bichler
Netherlands, Permanent Mission to the UN	Ms.	Manon Post
Procter & Gamble	Mr.	Phil Trumper
SDG Lab (UNOG)	Ms.	Yunbei Li
Swiss Federal Office for the Environment	Ms.	Laura Platchkov
UN Environment Finance Initiative	Mr.	Geeorge Scott
UN Environment Inquiry	Mr.	Iain Henderson
UNCTAD	Mr.	Anthony Miller
UNCTAD	Ms.	Tiffany Grabski
UNECE	Mr.	Geoffrey Hamilton
UNICEF	Ms.	Ida Margarita Hyllested
UNIGE	Ms.	Catherine Ferrier
UNOHCHR	Ms.	Adrienne Gardaz Cuendet
UNOHCHR	Ms.	Elizabeth Andvig
UNOHCHR	Mr.	Benjamin Schachter
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