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Finnfundin ihmisoikeustyön arvio

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Sylvie Fraboulet-Jussila (Päivi Michael)

Ihmisoikeuspoliittinen selonteko Finnfundin näkökulmasta

- Hyvin ja huolellisesti laadittu selonteko, joka korostaa ihmisoikeuksien huomioon ottamisen tärkeyttä kaikessa toiminnassa ja monesta eri näkökulmasta
- Suomen haasteiden eroaminen maailmanlaajuisista haasteista on hyvin otettu huomioon erilaisissa painotuksissa näiden kohdalla
- Kansainvälinen painotus erityisesti naisten ja alkuperäiskansojen oikeuksiin on vahvasti läsnä myös Finnfundin työssä
- Finnfundin toiminnan päätavoitteen eli taloudellisen ja sosiaalisen eriarvoisuuden vähentämisen merkitys ihmisoikeuksien toteutumiselle on selkeästi todettu selonteossa
- Myönteistä oli myös ilmastonmuutoksen ja luonnon monimuotoisuuden kadon tunnistaminen ihmisoikeuskysymykseksi
- Sisällön suppeus liittyen yksityisen sektorin toimintaan korostaa Finnfundin oman linjauksen merkitystä

Finnfundin ihmisoikeustyön arvion taustaa

- Ihmisoikeuslinjaus 2019 osana vastuullisuuspolitiikkaa
- Linjauksen toteuttaminen ja työkalujen kehittäminen vuodesta 2019 →
- Arvio linjauksen toteutumisesta käytännössä vuonna 2021

- Arvion suoritti Pillar-Two
  - **Vanessa Zimmerman (**YK:n Yritystoimintaa ja ihmisoikeuksia koskevien periaatteiden **–** UNGP-työryhmä, UN Global Compact, Institute for Business and Human Rights (IBHR), kokemus teollisuuden ihmisoikeushaasteista)
  - **Carolin Seeger** (Mapplecroft Human rights risk atlas, Saksan neuvontapiste yritystoiminnan ihmisoikeus -asioista, kokemus teollisuuden ihmisoikeushaasteista)
  - **Tess Van Geelen** (Australian yritystoiminnan ihmisoikeuksia koskevan lainsäädännön valmistelu)

Ihmisoikeudet ovat keskeinen osa Finnfundin työtä kehitysrahoittajana ja vaikuttavuussijoittajana

- Kaksiosainen arvio
  - Vertailu muihin kehitysrahoittajiin ja pankkeihin
  - Analyysi Finnfundin ihmisoikeuslähestymistavan toteutumisesta suhteessa UNGP:n ja Suomen HRBA:n vaatimuksiin

- Sidosryhmähaastattelut
  - Finnwatch, Fairtrade, SASK, EK, Accountability Counsel, Institute for Human Rights & Business
  - Finnfund: Jaakko Kangasniemi, Kaisa Alavuotunki, Helena Teppana, Minnamari Marttila, Titta Ali-Kovero, Päivi Michael, Sylvie Fraboulet-Jussila

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Vertailu muihin – Yleinen taso hyvä

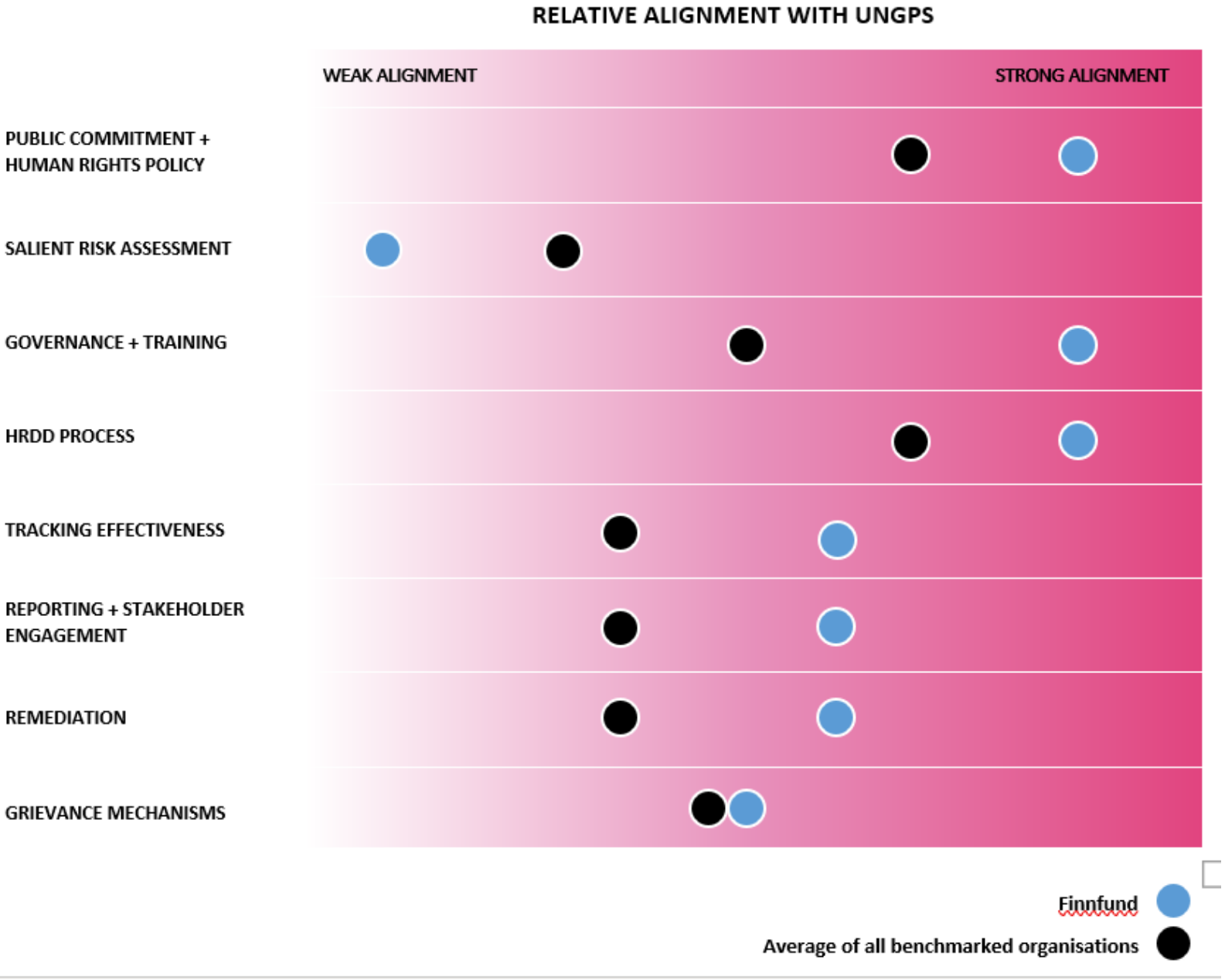
Overall, Finnfund performed better than the other benchmarked organisations on many criteria, though it still has room for improvement.

Finnfund performed best on:
- Public commitment and human rights policy
- Governance and training
- HRDD process

Areas for improvement:
- Salient human rights risk assessment
- Tracking effectiveness
- Reporting & stakeholder engagement
- Remediation and grievance mechanism



Vertailu muihin – osa-alueiden yhteenveto



*External stakeholders frequently commented that Finnfund has made an **impressive transition in its human rights practices** over the past decade, and particularly the last few years. While previously Finnfund was not seen as a leader on human rights, with limited awareness of the UNGPs or other relevant international best practice, **today Finnfund is commended for its high level of improvement, expertise** (in particular in the E&S team), and interest in collaborating to continuously improve its practices."*

Onko Finnfundin ihmisoikeuslähestymistapa linjassa UNGP:n vaatimusten kanssa?

- Kaikki osa-alueet linjassa vähintään osittain, osa vahvasti

- **Tärkeimmät kehittämissuositukset**
  - ihmisoikeusriskien tarkastelu koko sijoitussalkun tasolla
  - Indikaattorien kehittäminen mittaamaan ihmisoikeushallintaprosessien toimivuutta
  - Valitus- ja ilmiantomekanismin edelleen-kehittäminen
  - Yhteistyön kehittäminen eri sidosryhmien kanssa.

Area	UNGP alignment	Recommended priority actions
Policy commitment	Strong (with improvement opportunities)	• Review Human Rights Statement • Consolidate human rights commitment and information on website
Governance, awareness and training	Strong (with improvement opportunities)	• Formalise cooperation and communication between the E&S team and other teams, in particular the Impact, Investment and Legal teams and the Anti-Corruption and Grievance Committee • Review how human rights issues are incorporated into the respective manuals and policies of each team holistically, to identify gaps or inconsistencies in allocation of responsibility for human rights • Develop and implement a cross-functional process for the escalation of human rights issues • Conduct targeted human rights training and workshops on key challenges with Board members • Conduct a training needs assessment across the organisation and develop a plan for meeting these needs
Assessing and addressing risks	Partial (some gaps)	• Review and prioritise the completion of key human rights tools, processes, and guidance documents • Continue to progress work on identifying approaches to systematically build leverage for human rights management into every investment relationship • Conduct sector-based analyses of salient human rights risks (which could include impacts of Covid-19 and the recovery)
Tracking effectiveness	Partial (significant gaps)	• Consider what indicators, criteria and processes would be suitable to measure the effectiveness and implementation of Finnfund's human rights policies and processes
Reporting and communication	Partial (some gaps)	• Improve reporting and public communication in line with UN Guiding Principles Reporting Framework and deepen this alignment over time
Remediation and grievance mechanisms	Partial (significant gaps)	• Review complaints and whistleblowing mechanism against the UNGP Effectiveness Criteria, also considering the EU Whistleblowing Directive, and take measures to strengthen the existing channel or set up a dedicated alternative mechanism
Engagement with stakeholders and rightsholders	Partial (some gaps)	• Explicitly require that investees implement meaningful rightsholder and stakeholder engagement and report on this engagement • Provide clear guidance and training to investees to implement this requirement

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Merkittävä muutos: 2017 (ENACT review)

UNGPs requirement	Indicator	Assessment
Policy & Embedding (UNGPs 12 & 16)	1. Commitment & Statement of Policy Reference to the responsibility to respect for human rights	Indirect
	2. Governance Process & Accountabilities Clear governance process & explicit accountabilities for human rights	Indirect (through "social")
	3. Operational Policy & Procedures Has operational procedures in place to give effect to (embed) the commitment to respect human rights	Some very good (e.g. HR matrix), much on social, other procedures missing
	4. Capacity & Expertise Has sufficient in-house capacity and expertise on human rights	Limited
Human Rights Due Diligence (UNGPs 18-21)	1. HRDD General Systematically applies human rights due diligence at the outset of new projects, throughout life cycle and on an ongoing basis.	Strong DD at pre-investment stage although not all human rights are covered, weaker for Asset Management and none at Exit
	2. Assessing Impacts Conducts human rights impact assessments, at least in high risk circumstances	No
	3. Managing Impacts Responds to impacts and integrates findings from impact assessments	Not all impacts are managed; Processes exists, but some human rights issues are omitted
	4. Monitoring performance Tracks and monitors performance for adverse human rights impacts	Not all, processes exist, but some human rights issues are inadequately monitored
	5. Severe impacts Priority action to severe or salient human rights risks/impacts	Some
	6. Stakeholder Communication Communicates and Engages with (affected) stakeholders	Not all stakeholders that are potentially or actually affected by the project, and not about all human rights issues
	7. Reporting Reports publicly on management of human rights impacts	Very limited
Grievance & Remedy (UNGPs 22, 29-31)	1. Commitment Committed to remedying negative impacts	No
	2. Mechanism Provides mechanism to report adverse impacts	Projects required to have mechanisms, but no own mechanism
	3. Accessibility Grievance mechanism is accessible to both workers and local communities	Some but not accessible to all potentially affected stakeholders

= Yes, aligned with the UNGPs
= In part, but not fully aligned with the UNGPs
= Major gaps, not fully aligned with the UNGPs
= Not aligned with the UNGPs

2021 (Pillar-Two review)

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7.3.2022