



POSTAL ADDRESS—ADRESSE POSTALE: UNITED NATIONS, N.Y. 10017
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REFERENCE

13 October 2008

Dear Mr. Lie,

Thank you very much for the opportunity to comment on the consultation paper. We find the paper and the insights it contains to be highly relevant, indeed inspirational, for both the UN Global Compact and the UN more broadly. The UN will itself shortly embark on a review of its own guidelines for engagement with the private sector, one element of which is the selection of partners and exclusion of certain companies, and the paper will be an important reference in that context. We also intend to share the paper with the UN's own Pension Fund.

We agree with your assessment of negative screening and anticipate that the revised UN-Business Guidelines will move in the same direction. On the assessment of positive screening, while we agree with many of the points made in the paper, we do see a lot of constructive work going on in this area and hope that the guidelines will retain the flexibility in the years to come to reflect this evolution.

One area in which we feel there is an urgent need for further work is the issue of investment in failing states. Thus far, solutions have been advocated on a case by case basis. However, we believe that it is now time to develop a principle-based approach to responding to investment and calls for divestment in such situations. This would be very helpful in the context of the UN Global Compact also. We note that your consultation process anticipates that further research may be commissioned to feed into the process. In this context, may we suggest a comprehensive review of the issue of engagement/divestment in failed states? We would certainly be keen to actively engage in such an exercise, which would be beyond the scope of our current resources to undertake alone.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Georg Kell', written over the typed name and title.

Georg Kell
Executive Director

United Nations Global Compact Office

Mr. Valborg Lie
Senior Advisor, Asset Management Department
Ministry of Finance, Norway
Oslo