

Norwegian Transparency Act Statement 2023

The Norwegian Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions ([Transparency Act](#)) entered into force on 1 July 2022. The [Norwegian Consumer Authority](#) oversees compliance with this Act.

The Act aims to encourage organizations to respect human rights and decent working conditions throughout their operations, supply chain, and other business relationships. It also ensures that the public has access to information regarding how companies manage potential negative impacts on these conditions.

Chr. Michelsen Institute (CMI) falls within the scope of the Act. As required by the Transparency Act, businesses must conduct due diligence assessments (The Act, §4) in line with the OECD's Guidelines for Multinational Enterprises and publish an annual account of these assessments (The Act, §5).

This report details CMI's work concerning human rights and its compliance with the Transparency Act for the year 2023, covering the period from 1 January to 31 December 2023.

About CMI

Founded in 1930, Chr. Michelsen Institute (CMI) is an independent, not-for-profit development research institute based in Bergen, Norway. Guided by our vision, *Research for a just and equal world*, we address global development challenges by providing research-based knowledge that inspires and shapes policy and practice. Our primary audience consists of national and international actors who influence global development.

CMI carries forward the legacy of our founder, Christian Michelsen, by promoting *respect, understanding, and amicable relations between nations and peoples*. We conduct our work in close collaboration with partners worldwide, including the people for whom our research is most important.

The research is organized in seven multi-disciplinary research groups:

- Tax
- Rights and Gender
- Democracy and Governance
- Poverty and Global Health
- Climate and Natural Resources
- Corruption
- Humanitarianism and Migration

As of 31.12.2023, CMI employed a total of 111 individuals, accounting for 82,6 full-time equivalents during the year. The Institute's total revenue in 2023 was NOK 118 mill, with externally funded projects accounting for NOK 95,3 mill.

Anchored accountability

The Board serves as the supreme governing body of CMI, bearing overall responsibility for internal control and risk management, including implementing the Transparency Act. Our commitment to safeguarding human rights, ensuring decent working conditions, and conducting risk-based due diligence assessments is not only a requirement but also integral to our governing system and policies.

In 2023, we began implementing our new [strategy for the period 2023-2028](#), which further solidifies our responsibility towards ethical conduct. Our alignment with the Transparency Act is distinctly evident in the strategy's third structural priority - Social Responsibility.

CMI is committed to upholding the human rights of individuals affected by our activities. Our values, [CMI Code of Conduct, Ethics and Integrity](#), and associated policies and procedures reflect this commitment, aligning with international human rights standards and instruments. We anticipate our partners to share these commitments in our collaborative projects.

Our operations are steered by respect for individual dignity, safeguarding personal integrity, upholding individual freedom, respecting privacy and family life, and avoiding harm and unreasonable burden. Our research, particularly when involving vulnerable and exposed groups, is conducted with an uncompromising commitment to prevent negative repercussions for research subjects, employees, partners, and others involved in the activity.

In line with our commitment to uphold the highest standards of professional ethics, the Research Ethics Committee (REC) at CMI plays an important role. Offering advice on research ethics and providing services such as ethics awareness and training, the REC is an important part of our ethical framework. Staff may seek the REC's assessment on whether a project or selected procedure aligns with recognized research ethics norms and CMI's code of conduct. During these assessments, potential implications of the research project are discussed, and strategies are developed to mitigate adverse effects on human subjects, collaborators, or other stakeholders. As part of its mandate, the REC conducts an annual seminar/training for staff. In 2023, this seminar focused on research ethics guidelines, CMI's code of conduct, whistleblowing policy, and the Transparency Act, serving as a platform for continuous learning and discussion about ethics among the staff.

CMI is both committed and legally obligated to uphold fair labor practices and maintain a safe and healthy work environment. We champion a diverse workforce, promoting fairness and equality in all aspects, such as gender, nationality, beliefs, family situations, and backgrounds. Our cooperation with the employee union and the Special agreement between CMI and the FF union governs several aspects, including our remuneration system.

Our remuneration and welfare schemes are designed to offer equal opportunities for wage growth and career advancement. Our recruitment policies actively work to prevent discrimination and aim to create working conditions that provide equal opportunities, irrespective of age, disability, country of origin, ethnicity, religion, or beliefs. An active working environment committee at CMI addresses any issues or concerns related to the work environment.

CMI adheres to a Gender, Equality, and Inclusion plan, actively promoting decent working conditions through training related to discrimination, sexual harassment, diversity and inclusion, privacy, ethics, Health, Safety, and Environment (HSE), and overall working environment.

Due diligence

At the core of CMI's commitment to respecting fundamental human rights and decent work conditions lies our systematic due diligence assessments. These assessments aim to identify, assess, and address any actual and potential negative impacts of our operations, both internally and within our supply chain and other business relationships.

Based on our risk assessments and due diligence, we implement appropriate measures to prevent, mitigate, or address negative consequences. We monitor the implementation and outcomes of these measures, introducing additional measures when necessary. Furthermore, we maintain open communication with affected stakeholders and rights holders about how negative consequences have been managed, ensuring collaboration on recovery and compensation where required.

In 2023, CMI revised our risk assessment in alignment with our process. This revision considered risk factors relating to the area of operation, geography, and specific activities to identify human rights risks across our operation, business partners, and supply chains.

Adverse impact

In 2023, there were no known adverse impacts on human rights or working conditions linked to our operation.

Priority risks

In 2023, our risk focus continued to be on the violation of human rights of data subjects, especially concerning their right to privacy and safety and protection of vulnerable groups. Other priority risks related to health, safety, and harassment during travels, as well as the risk of hate speech and harassment during disseminations, particularly on social media platforms. We also identified the need for heightened risk assessment in conflict-affected contexts.

Measures and areas for further improvement

Our ongoing objective is to foster real enhancements within our operations, partners, and supply chains through our due diligence processes. This is an ongoing process, with consistent monitoring of identified risk areas, partners, and suppliers.

In 2023, we recognized the need for a more thorough project contracting procedure, including a new due diligence assessment tool, revised contract templates, and a Supplier Code of Conduct. However, full implementation of these revisions is now projected for 2024.

While we made advancements in improving the project risk assessment tool and procedure and providing ongoing training for staff and associates in personal data management and protection, these areas will continue to be a focus for further development in 2024.

We also began operationalizing and implementing our new Strategy in 2023, with social responsibility and transparency as structural priorities. In the same year, as an additional mitigating action, CMI engaged International SOS (ISOS) for travel risk management. ISOS is a global company with world-wide

reach. They provide health and security support for staff before and during the travel, but also mental health counselling during and after travel if needed.

In 2023 the heightened risk assessment in conflict-affected areas for specific cases, highlighting the need for developing a more systematic process for such assessments in 2024.

Despite the challenges, we remain steadfast in our commitment to promoting human rights and labor rights, reducing potential adverse impacts in our operation, our partners, and supply chains, and improving our risk assessments and follow-up measures on any deviations.

Restoration, communication and compensation

In 2023, no incidents were revealed where CMI directly caused or contributed to breaches of human rights or decent working conditions in our operations, supply chains, or with our business partners. Despite the mitigating measures in place, it is important to note that it is not possible to completely eradicate all risks, hence we continuously work on improving our risk assessment measures.

Should it be discovered in the future that CMI has directly caused or contributed to a breach of fundamental human rights or decent working conditions, we will take measures to rectify this. Any violations will be documented according to internal processes, and we will communicate with affected stakeholders and rights holders about how negative consequences have been addressed and ensure or cooperate on recovery and compensation where required.

Notification channels and complaint mechanism

All employees at CMI are held accountable and are obliged to report any suspicions or instances of misconduct to the CMI management. Our established procedures for such notifications are clearly outlined in the CMI's Whistleblowing Policy. This policy is readily accessible to all staff members in the personnel handbook and is also available to the public on the CMI's webpage.

For our partners, research subjects, target groups, and any interested members of the public, we have in place a variety of notification channels. These channels cater to different levels of severity and preferences, ensuring that everyone has an appropriate avenue to voice their concerns or suspicions:

- The [CMI Whistleblowing policy](#) is available on our webpage with contact information
- Questions related to personal data protection can be directed to the CMI Data Protection Officer – the [CMI Privacy policy](#) is available on our webpage with contact information
- Notifications and request for information in relation to the Transparency Act can be directed to transparency@cmi.no
- With justifiable reason one can contact CMI's management and staff directly - contact information is available on our webpage

Approved by the CMI Board in the board meeting in Bergen, 12 June 2024

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