



From Principles to Practice - The UN Global Compact -

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An Overview of the UN Global Compact

- Launched in July 2000, with roughly 40 businesses, now with over 5000
- “a more sustainable and inclusive global economy”
- Rooted in universally accepted conventions:
 - Universal Declaration of Human Rights
 - ILO Tripartite Declaration
 - Rio Declaration on Environment
 - UN Convention Against Corruption



The 10 Global Compact Principles

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour Standards

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

- Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.



Two Complimentary Objectives

Make the ten principles part of business strategy, operations and culture everywhere.

Internalization
Organizational
Change

Facilitate partnerships in support of broader UN goals.

Contribution to
Development



Same Issues – New Drivers

Early Phase of CR

Moral Case
driven by:
Pressure Groups
Civil Society
Media

CR in 2008

Moral Case
driven by:
Pressure
Groups
Civil Society
Media

Business Case
driven by:
Market Actors
Market Forces



What is expected of UNGC business participants?

Leadership Commitment (CEO and Board)

Letter from Chief Executive to UN Secretary-General Ban Ki-moon

Willingness to engage in continuous performance improvement

Setting strategic and operational goals, measuring results, communicating internally and externally

Openness to dialogue and learning around critical issues

Participate in events at local (and global), engage in stakeholder dialogue

Commitment to transparency, accountability & public disclosure.

Annual Communication on Progress (COP)



What the UN Global Compact can offer

- a well-tested organizing framework for responsible business practices
- a global network of like-minded businesses and other stakeholders facing social responsibility challenges
- a positive environment to engage in constructive dialogue with different stakeholders
- a wealth of practical resources and tools to support implementation of CSR policies
- a learning forum for sharing of best practices
- created effective, high-impact and sustainable partnerships



A Platform for Engagement and Innovation

Caring for Climate: A Business Leadership Platform

The CEO Water Mandate

Principles for Responsible Investment (PRI)

Principles for Responsible Management Education (PRME)



The Global Compact in 2008

Nearly 5000 active business participants in 132 countries

New business participants in 2007: 1119

1400+ non-business participants from civil society, labour, academia

Equal representation in developed and developing world

49 percent small and medium-size enterprises (SMEs)

150 of the Financial Times Global 500 companies (by market cap)

70+ active local networks around the world

Launches in 2007/8: Jordan, Korea, Senegal, Gulf States, Russia

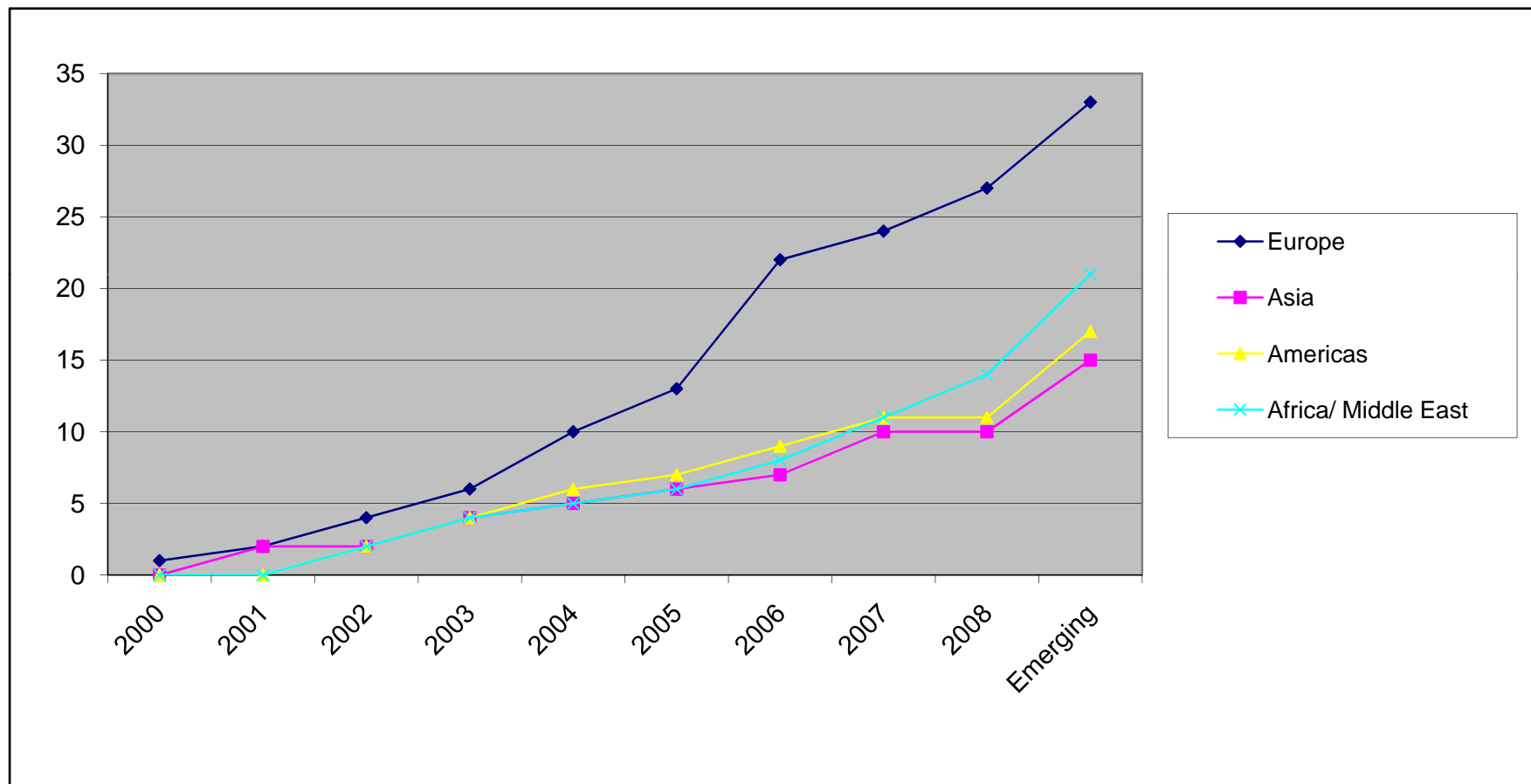


Global Compact Local Networks

- Clusters of participants who have come together to advance the UNGC and its principles a local level
- Activities:
 - Identify local priorities
 - Awareness-raising and recruitment
 - Organise learning and dialogue events
 - Produce learning materials in local languages
 - Mobilise collective action
 - Facilitate partnership projects in support of MDGs
 - Safeguarding overall UNGC integrity



Growth- Local Networks- Comparing Regions



Local Networks

- Multi-stakeholder in nature: some hosted by companies, some by UN agency, some by business association, some by business association, or a new legal entity
- Secretary General has been meeting with Local Networks
- Still growing...over 80 Local Networks
 - Greece, Gulf Region, Malaysia, Namibia, Russia, Slovakia, and Sudan
 - Highest growth countries – Brazil, France, Spain, Turkey, and US



Local Network Activities & Regional Differences

- 4 key activities (dialogue, outreach, partnership, networks) different emphasis in each region
 - Europe: outreach and partnerships are taking on increasing importance
 - Asia: partnerships are of increasing importance
 - Americas: achieving a balance of partnerships and outreach
 - Africa: move from partnerships to a full spectrum of policy dialogue, learning, partnerships, outreach and network management



Key messages

- UN Global Compact a multi-stakeholder platform for collective action, 10 principles rooted in universally accepted conventions
- Key objective to make the ten principles part of business strategy, operations and culture everywhere, and contribute to UN goals (development)
- Over 5000 active business participants in 132 countries, balance of developed/developing firms and MNEs/SMOs
- Local networks are key clusters for knowledge sharing and action in furtherance of UN Global Compact principles

