



Local Network Annual Report 2011



What does it contain?

UNITED NATIONS GLOBAL COMPACT

LOCAL NETWORK REPORT 2011

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புனைதகடைடை BÊN VỮNG УСТОЙЛИВАСЦЬ
Kestävä Kehitys **volhoubaarheid**
Sostenibilidad DAVAMLILIQ 可持續性 қызылшылдық
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Sustentabilidad ОДРЖЛИВОСТ **Durabilité**
ZRÓWNOWAŻONY ROZWÓJ



United Nations Global Compact

Achievements in 2011

BRAZIL



GCLN Status
Established

Steering Committee/ Board Elected Yes No

Legal Entity Yes No

Web Page Address
www.pactoglobal.org.br

Newsletter Yes No

GCLN Representative
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GCLN Contact Person
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Achievements 2011

Brazilian Network Mobilization Efforts

Marking the tenth anniversary of the Global Compact's introduction in Brazil, the Global Compact Network Brazil celebrated its Annual Network Meeting with an event in Belo Horizonte that focused on preparations for the 2012 United Nations Conference on Sustainable Development (Rio+20). The Executive Director of the Global Compact, Georg Kell, and high-level executives from the network and the United Nations System in Brazil attended the meeting.

The Brazilian Committee of the Global Compact coordinated a meeting as part of an international seminar on social responsibility titled Sustainable Future: Business Leaders and the Balance of Development, which provided an opportunity for Local Network participants to discuss the main trends in the corporate responsibility movement and strategic plans for 2012, including the Rio+20 conference. The meeting was influential in mobilizing the Brazilian business sector to participate in the conference and contribute effectively to the search for sustainability solutions.

It was also announced that the network and the Global Compact would work together to mobilize the private sector to contribute to the Rio+20 Corporate Sustainability Forum.

Launching of the Global Reporting Initiative-Global Compact Partnership in Brazil

In September 2011, more than 80 representatives from business, academia and civil society convened for the launch of the partnership between the network and the Global Reporting Initiative (GRI), which aimed to provide Brazilian companies with a clear roadmap to corporate sustainability, using the GRI's principles and best-practice indicators to report effectively on key corporate sustainability actions advocated by the Global Compact.

The partnership included a work plan for integrating Global Compact issues and principles into the GRI Guidelines through the current and upcoming revision processes (G3.1 and G3.2 or G4). The plan also considers the GRI Guidelines a relevant tool for assisting companies in communicating progress per the Global Compact requirements.

In addition, this new collaboration between the two organizations included holding five training workshops in three Brazilian cities at which participants had the unique opportunity to learn about the connection between the Global Compact Management Model and the GRI Guidelines for reporting. In 2011, more than 100 representatives from business, academia and civil society took part in these workshops.

This partnership is part of the alliance formed between the Global Compact and GRI in 2010 to join efforts to advance universal principles by promoting organizational accountability and improved performance. Both initiatives committed to collaborating on local outreach and training to increase the quantity and quality of reporting, among other commitments. Brazil was the pilot experiment in cementing this global and local partnership.





United Nations Global Compact

Best Practises

- 22 cases from 20 Local Networks

CHILE



Achievements 2011

Workshops on the COP, the Organization for Economic Cooperation and Development (OECD), Labor Unions and Responsible Consumption

Each year the Local Network develops a broad agenda of workshops, both in Santiago and other regions. In 2011 the network conducted a training workshop on the Global Compact Management Model and the COP, with the support of the Latin America and Caribbean Regional Center and the Universidad Jorge Reyes de Anahuac. In addition, the network hosted a workshop about the OECD in Chile and its linkages with the Global Compact principles. Furthermore, the network organized workshops on labor unions and responsible consumption.

Bio-Bio Seminar

The network conducted a seminar on "Corporate Social Responsibility in a Global Economy" in the Bio-Bio region. The event provided attendees with a summary of the Global Compact's two-year history and also stressed the relevance of ethics to business management. Prominent speakers attended the conference, including the former Minister for Social Development, Mr. Felipe Kast Sommerhoff.

Global Compact Network Chile Report 2007-2011

On 24 November, the network held a ceremony to release the network report covering 2007-2011, which showcased five years of continuous activity on the ground. This report included a detailed description of the progress achieved by the network during the time period, while also stressing the relevance of the Global Compact Management Model and the Blueprint for Corporate Sustainability Leadership as essential tools for advancing the Global Compact principles. A selected group of stakeholders from the network collaborated to produce this report.

BEST PRACTICE 2011

INTEGRATED SYSTEM FOR THE PROMOTION OF GLOBAL COMPACT PRINCIPLES

The Global Compact Network Chile, in close collaboration with a recognized consulting company specializing in corporate responsibility, designed the "SIFPP" project. The Integrated System for the Promotion of Global Compact Principles. Initiated in mid-2010, the SIFPP was designed to help companies implement the ten principles in business management. The SIFPP sought to foster corporate sustainability leadership among network members while also consolidating the value of the COP reports as a management tool. This unique tool assesses to what degree a company has integrated the ten principles and compares its progress with that of other organizations. As part of this project, in April 2011 the network released the Best Practices SIFPP Report, which included a selection of 23 outstanding business cases that showcased how to implement the Global Compact principles in business activities.

OCNL Status
Established

Steering Committee/ Board Elected Yes No

Legal Entity Yes No

Web Page Address
www.pactochile.cl

Newsletter Yes No

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GERMANY

Achievements 2011

Sustainable Supply Chain Management

Representatives from several companies gathered in Berlin for a coaching session on sustainable supply chain management. The session provided an overview of the topic, and participants discussed the business case for a sustainable supply chain. Participants also identified their main supply chain sustainability challenges and risks. As a next step, the coach introduced mechanisms and client approaches for mitigating these risks and presented appropriate incentives, roles and responsibility for implementing such mechanisms. Applying what they had learned, participants also discussed possible solutions to challenges in the field of sustainable supply chains.

BEST PRACTICE 2011

HUMAN RIGHTS AND BUSINESS WEBINAR

The Global Compact Network Germany conducted a webinar on business and human rights, with approximately 30 attendees. The webinar aimed to showcase different methods Local Networks have used to present business and human rights issues and to discuss the effectiveness of each. During the session, representatives from the Local Networks in Germany, Bangladesh, Colombia, the Netherlands and Spain presented their approaches. Each network addressed the topic differently, e.g. by establishing online training courses (Colombia), producing publications (the Netherlands), offering business coaching (Germany) and using a variety of learning and dialogue platforms (Bangladesh). This was the first webinar organized by a Local Network which demonstrates inter-network sharing of learning, experiences and knowledge.

BEST PRACTICE 2011

AN ORGANIZATIONAL CAPACITY ASSESSMENT INSTRUMENT (OCAI)

The Human Rights Peer Learning Group of the Global Compact Network Germany, along with a partner, launched in mid-2011 an assessment tool to benchmark corporate human rights management practices against the United Nations Guiding Principles on Business and Human Rights. This tool is intended to help companies assess and improve their capacity to manage human rights impacts. The OCAI consists of a self-assessment questionnaire with 22 questions centered on the major elements of the corporate responsibility to respect human rights as outlined in the Guiding Principles. Upon completion of the questionnaire, a company is provided with a summary of the results, which it can download and use, for awareness raising or strategy development. The tool is available in English at www.globcompact.de/tools/ocai.

Companies will achieve the greatest value from this capacity assessment if it is used within a dialogue process, not as a box-ticking exercise. The tool is meant to raise awareness about where a company is now, whether there is consistency or discrepancy across the company, how it compares with its peers and what are appropriate aspirations for it.

KENYA

Achievements 2011

Regional Consultation on the Development of the Children's Rights and Business Principles

The Africa consultation on the Children's Rights and Business Principles was held in Nairobi on 17 June to engage a multi-stakeholder audience in the development of the new Principles. Participants were asked to provide substantive input on the Principles' themes: build support, encourage ownership and foster long-term commitment to upholding the Principles. The gaps that were identified related to technology, the tools needed for implementation and technical support. Sector champion engagement was proposed as a means to promote the Principles to other businesses. The Principles' impact on profitability, investment, sustainability, and the retention of employees were also underscored.

Anti-Corruption in Practice – Development of the Code of Ethics for Business in Kenya

On 29-30 August, the Global Compact Network Kenya organized a two-day workshop to initiate the process of developing a common Code of Ethics for strengthening business conduct in line with the Global Compact tenth principle on anti-corruption. The workshop was attended by 49 participants from various business sectors and the Government.

A workshop to validate the Code of Ethics for Businesses in Kenya was held on 23 November. Twenty-two companies participated in the validation process, and the Code of Ethics was published by Kenya Association of Manufacturers (KAM) for use by the network. Its goal is to advance sustainability at the national level through the Global Compact ten principles.

BEST PRACTICE 2011

SIGNING OF THE KENYA NATIONAL ENERGY ACCORD

On 28 September, 19 Kenya firms signed onto the Kenya National Energy Accord, a voluntary initiative encouraging large industrial energy consumers to commit to reducing energy consumption within their facilities in return for Government incentives.

Developed by the Global Compact Network Kenya host, KAM, and in collaboration with other partners, the Accord provided a mechanism for monitoring achievements by commercial energy users in industry and service sectors. The first phase of the programme was set to run for two years, followed by a review of its achievements before the start of another phase. On the conservation side, a full implementation of the identified measures in the 19 participating companies was expected to yield savings of more than 8 per cent in energy costs, equivalent to more than Ksh 100 million.

The Accord also led to collaborations with the Energy Regulatory Commission to develop energy-management regulations to aid industries in improving efficiency in the long term. The impacts of such regulations can be strengthened if they are preceded by sustained awareness campaigns, technical capacity building and voluntary adoption of the prescribed standards of energy auditing and reporting within the first five years. Mobilizing support from the Kenya Government and international partners to increase the uptake of energy audits in the coming years was also a major focus.

AUSTRALIA

Achievements 2011

New Governance Policies

As the Global Compact Network Australia grew in 2010 and 2011, it emphasized developing a strong governance framework and became a legal-entity with a Board of Directors and a Network Representative. The newly adopted Constitution required a cross-section of large corporations and SMEs to participate. The Board began implementing a financial management and growth plan in which the network would remain led by business and industry. Board subcommittees on finance, members and risk management were formed, and a new website was launched.

Introduction of Local Network Leadership Groups

The Australian Network established Leadership Groups that facilitate collaboration, knowledge sharing and identification of best practices across the Australian business, industry and civil society communities. Each group – sponsored by a Board member, supported by the Secretariat and led by signatories – aims to be a leader in its issue area. The Human Rights Leadership Group ran forums in collaboration with the Australian Human Rights Commission and various Government agencies, and the Anti-Corruption Leadership Group sought input in developing national legal frameworks. More than 140 organisations across Australia have participated in the Leadership Groups.

COP Template for SMEs

As an outcome of a series of COP training sessions in 2011, the network developed a template to help SMEs in completing and submitting COPs.

BEST PRACTICE 2011

COLLECTIVE ACTION AND POLICY DIALOGUE

Linking with the Global Compact Network China, the Australian Network assisted Chinese signatory, China Minmetals, in understanding the sustainability and reporting issues related to its Australian operations. The Australian Network also facilitated and coordinated a series of other collaborative events.

BEST PRACTICE 2011

NETWORK LOGO POLICY

In order to continue to protect the integrity of the Global Compact brand through the use of the Local Network logo, the network sets a policy for the use of its logo. Members, events or partners that want to use the logo must seek approval from the network. The process and terms of use of the logo, including the use by Directors of the Board and the network representative, are clearly explained in the Policy Documentation made available through the network website. The network approves the use of the logo based on how the logo is to be used and for what purpose, the period of time, etc. Logo holders are registered, and the network keeps a record of who has been approved or declined with a review occurring annually.

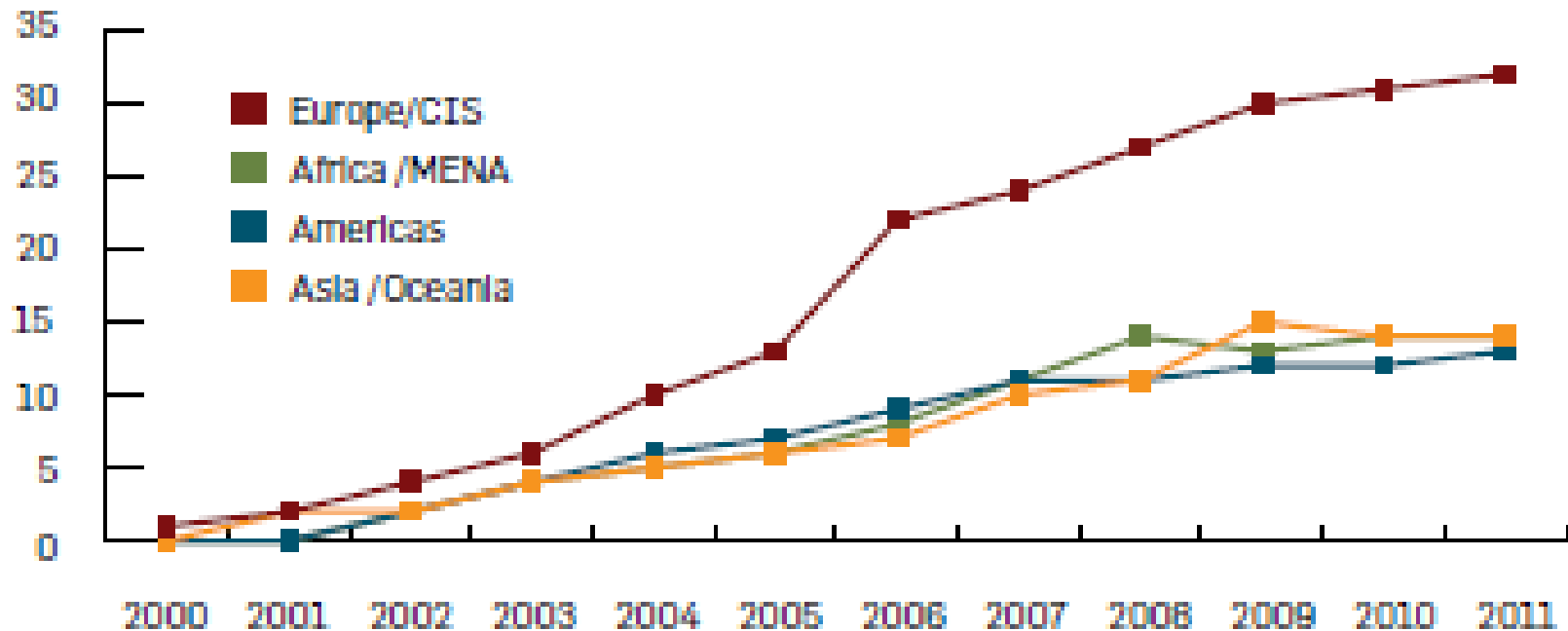


United Nations Global Compact

Still growing

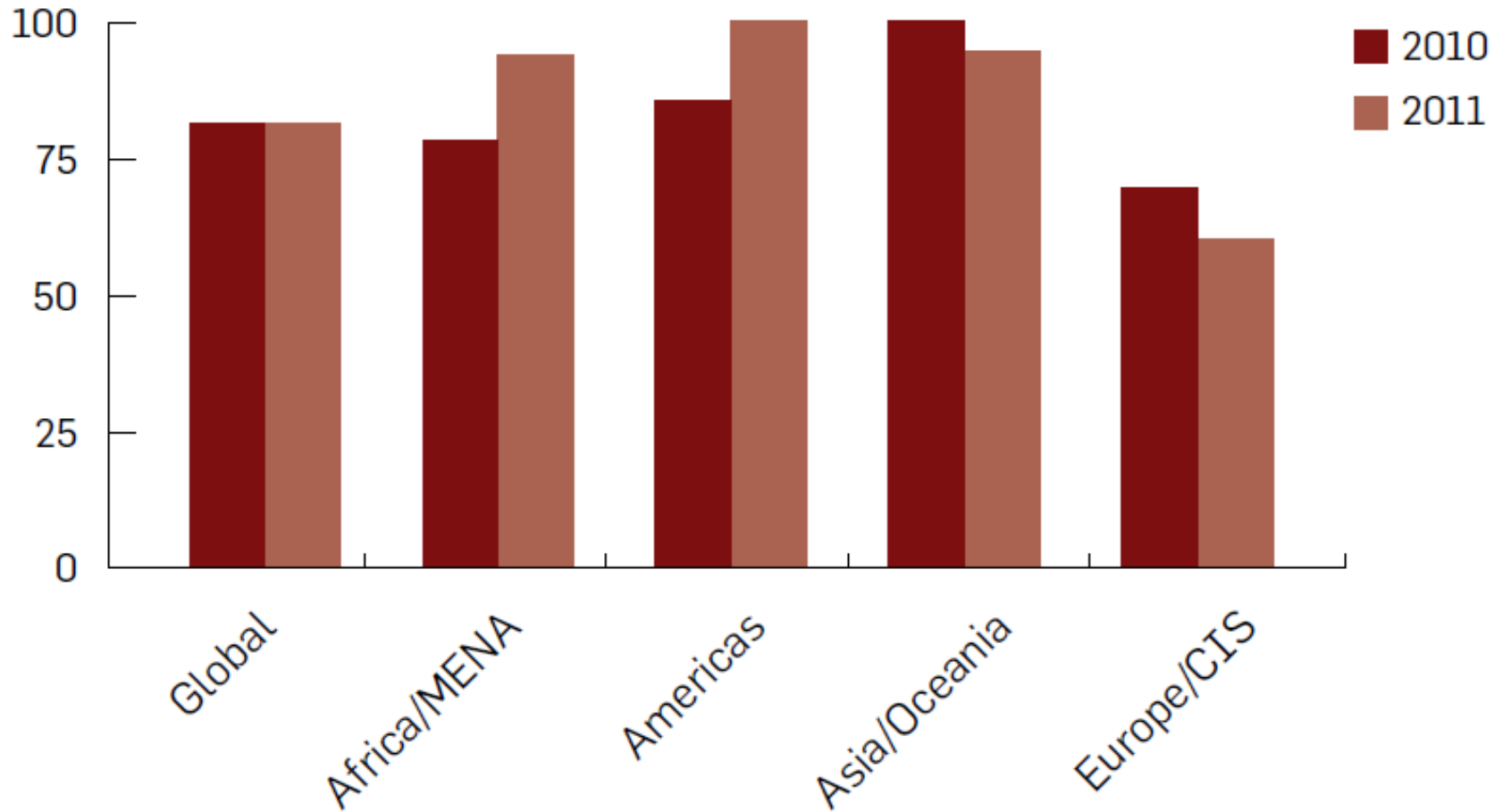
- 100 Local Networks around the world.
- 5 Launches and re-launches: Mexico, Ecuador, Iraq, China, Azerbaijan and Iran introduction.

THE NUMBERS OF LOCAL NETWORKS BY REGION

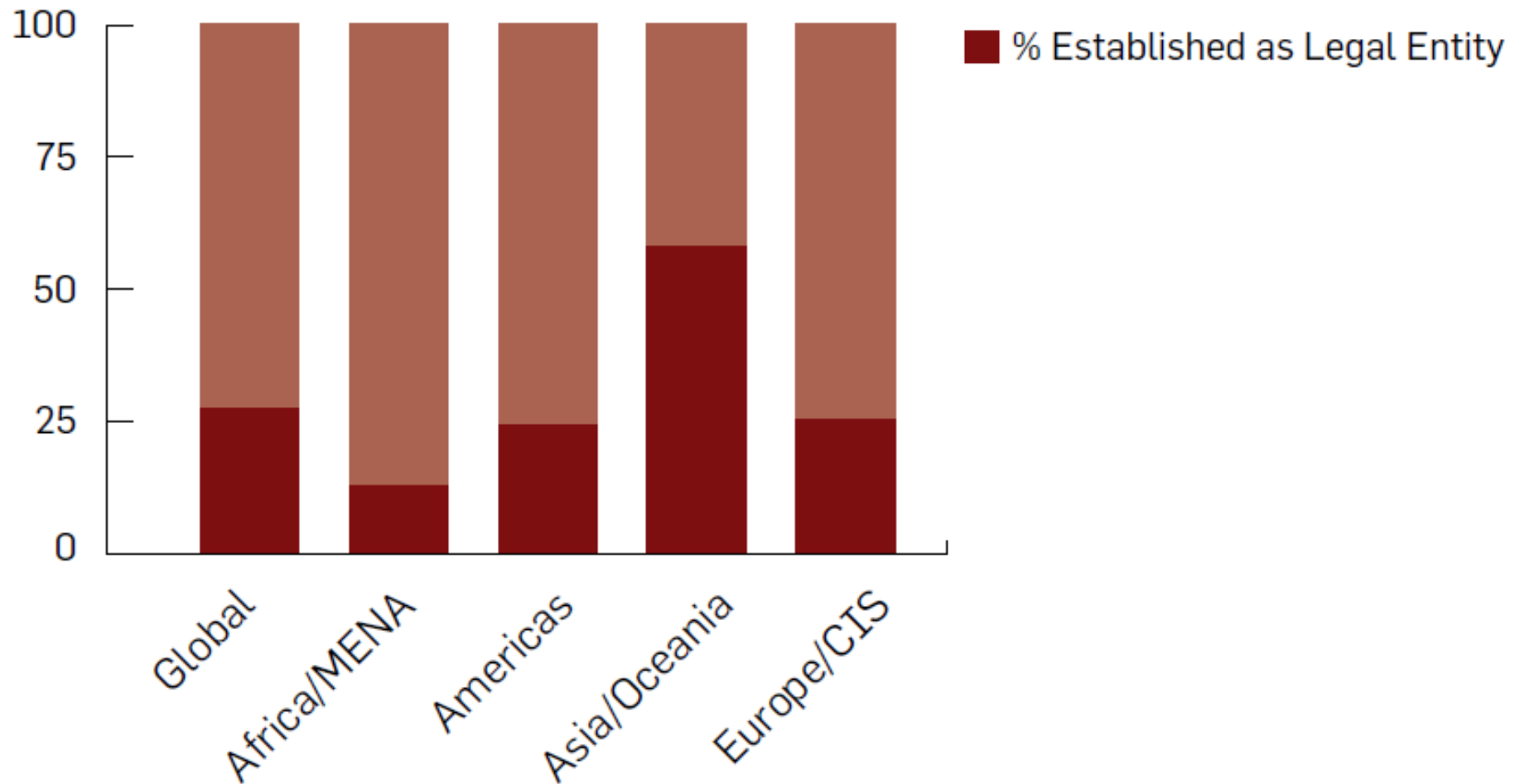


Established Networks

- More than 75% are Established Local Networks



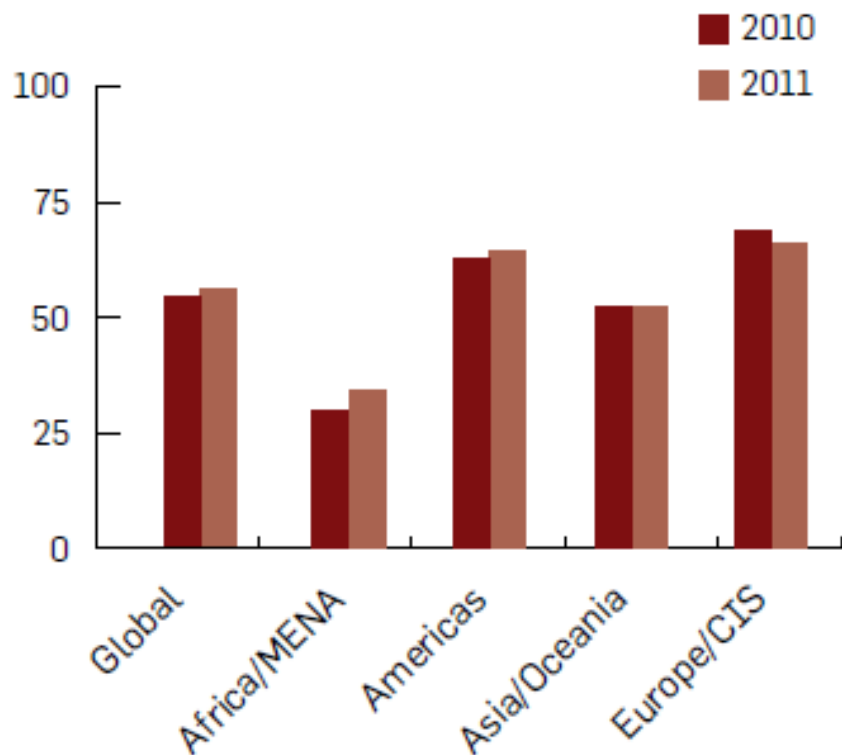
One out of Three are Legal Entities



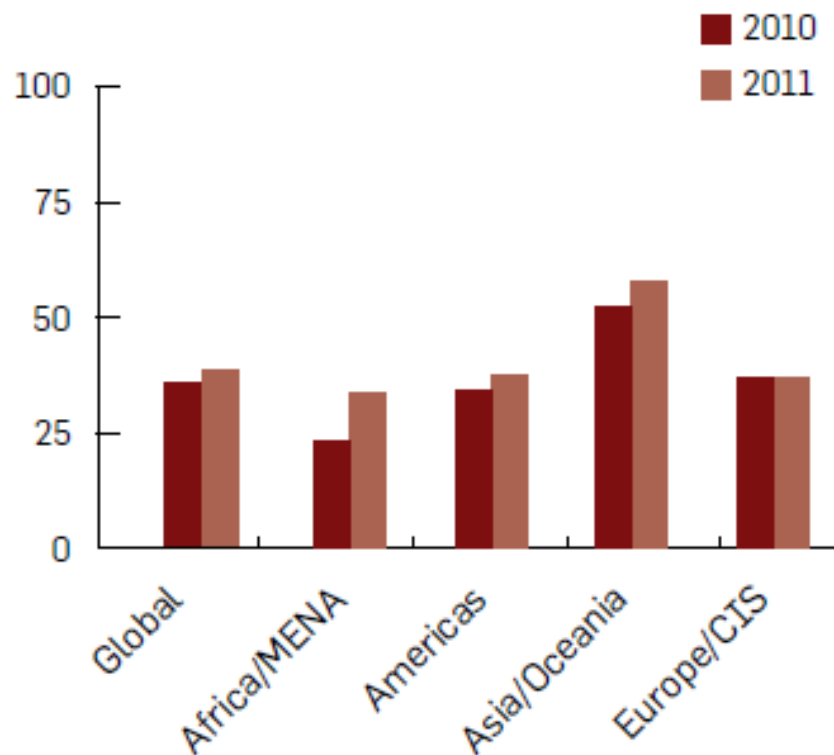
Sharing experiences

- More networks are using the web pages and the newsletters as a mean of delivering the messages to the members .

WEB PAGE

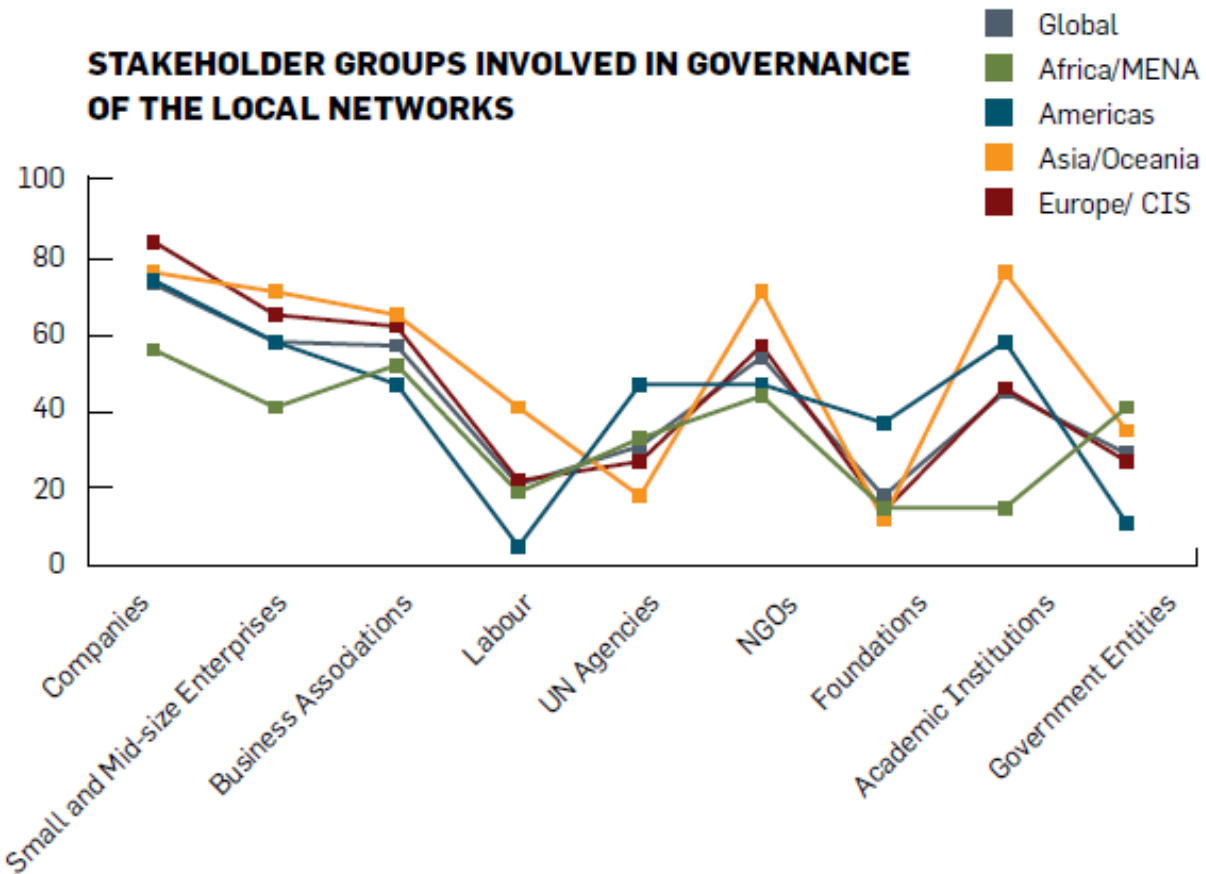


NEWSLETTERS

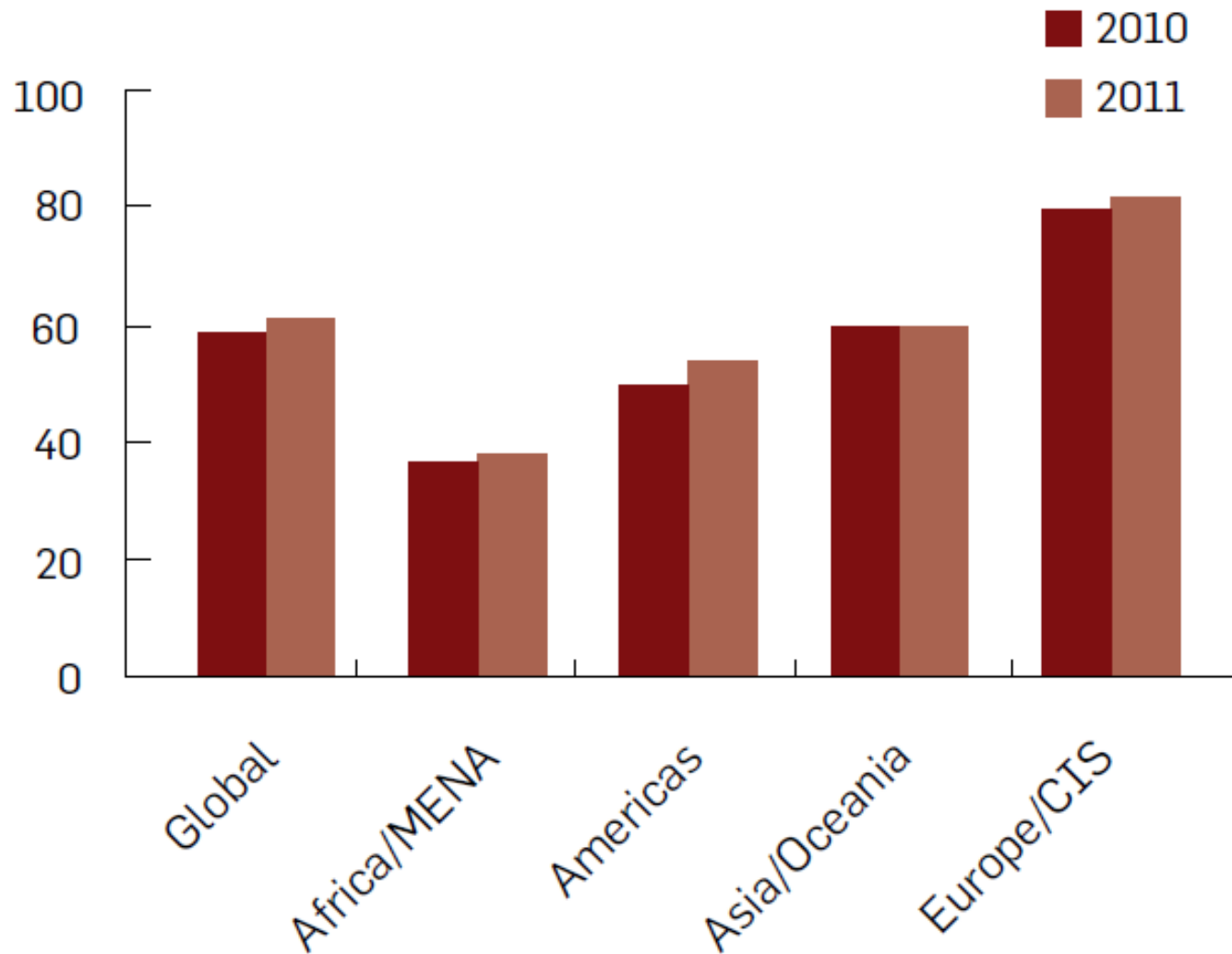


Multi-stakeholder Governance

- More business involvement especially SMEs increased the participation
- Business Associations and NGOs had a seat in half of the networks



60% Subsidiary Participation



Trends in Network Activities

- More crosscutting activities
- 757 activities were held in 2011

ISSUES AND TYPES OF ACTIVITIES COVERED AT EVENTS

