

AFRICAN UNION

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Statement by

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On the Occasion of the Closing of Global Compact Leaders
Summit, Geneva, Switzerland: July 4-6, 2007

The United Nations Secretary -General

Your Excellencies

Distinguished Ladies and gentlemen

The African Union is very delighted to participate, for the first time, at the United Nations Global Compact Leaders Summit, taking place here in Geneva, Switzerland. It commends Your Excellency the United Nations Secretary General and the United Nations Global Compact for the invitation to the Summit.

The theme of the Summit, "***Facing Realities: Getting Down to Business***", is timely and welcome. This has been an excellent opportunity for business leaders to exchange views and information on matters pertaining to responsible corporate citizenship. The African Union commends and supports the UN Global Compact in its quest to promoting responsible corporate citizenship through, among others, the organization of this Summit, which, attracted participants from over 90 countries.

We are convinced that our ongoing consultations will provide an opportunity for the UN Global Compact Office and us to collaborate in promoting responsible corporate citizenship, and thus assist in reducing poverty, promoting sustainable economic growth and development, and contributing positively to the attainment of the Millennium Development Goals (MDGs) in Africa. We see our participation as an invitation to African governments, civil society organizations and the private sector to learn from the experiences of others and join forces in promoting responsible corporate practices. .

The development of the private sector is key for the implementation of Africa's development agenda, including its New Partnership for Africa's Development (NEPAD) and the attainment of the MDGs. In this regard, the promotion of responsible business practices, such as those promoted by the UN Global Compact initiative will strengthen the contribution of business toward poverty reduction, sustainable development, and achievement of the MDGs in Africa.

The African Union welcomes Government efforts to actively encourage principled corporate practices and remove barriers preventing companies from operating ethically. Governments, on their part, can help cement the concept of corporate responsibility in intentions and actions of businesses of all sizes, in all industries- a critical task that will continue to be challenging without real Government support. Together, we need to ensure that the UN Global Compact Leaders' Summit does not become just one of the talk shows. In this regard, I wish to urge you all, Ministers, senior government officials, members of the business community and civil society organizations, to fully support the implementation of the Global Compact principles and the recommendations and resolutions of this important Summit.

Excellencies

Distinguished Ladies and gentlemen

Consistent with one of the objectives of the African Union as contained in its Constitutive Act, the African Union Commission has prioritized good governance, including corporate governance as an area of focus. This is being addressed through, among others, the African Peer Review Mechanism (APRM), an African self-monitoring tool acceded to voluntarily by Member States of the African Union. The African Union Summit held in Durban, South Africa, in 2001 adopted the APRM codes, standards and indicators of good governance. To date, twenty-seven (27) African Union Member States have signed on to the APRM and reviews have been completed for five (5) countries.

The APRM process will not be effective if corrupt practices continue to exist among Member States, business community and civil society organizations. In view of this, African Union Member States have committed themselves to ratifying the African Union (AU) Convention against Corruption and the United Nations Convention on Anti-Corruption. To date, more than 15 countries have ratified the AU Convention against Corruption and several others have ratified the UN Convention on Anti-Corruption. In addition, several countries have established independent anti-corruption institutions and a number of the Regional Economic Communities (RECs),

which are the building blocks of the African Union, have developed protocols against corruption that are being implemented in their regions..

In aligning with the African Union initiative to promote good governance, mechanisms such as the APRM and responsible corporate social responsibility, we encourage the improvement of the transparency of companies performances towards corporate social responsibility (CSR) and invite and challenge corporate entities in Africa to participate actively in the Global Compact Initiative and support the world wide dissemination of this voluntary corporate citizenship initiative.. .

Once again, the African Union is delighted to be in your midst and looks forward to working closely with the UN Global Compact in promoting responsible corporate citizenship in Africa and beyond. Our plan is to organize the next African Union Private Sector Forum in collaboration with the UN Global Compact at the margin of the 10th Summit of African Union Heads of State and Government scheduled for January 2008 in Addis-Ababa. This will give us the opportunity to engage the African private sector, African Union member states and other stakeholders on issue pertaining to corporate social responsibility.

I thank you all for your kind attention.