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BARCELONA CENTER
FOR THE SUPPORT OF
THE GLOBAL COMPACT

**Global Compact V Annual Local Networks Forum
Monterrey/Mexico, 17-18 October 2007**

Final Report



Opening plenary and highlights from the Global Compact Leaders Summit

- *Georg Kell, Executive Director, UNGC*
- *Mireia Belil, General Director, Universal Forum of Cultures Foundation*
- *Soren Petersen, Head, Global Compact Networks & Partnerships, UNGC*
- *Guillermo Carey, Head of Carey y Cía.'s Intellectual Property and Information Technology Group and Member of the Global Compact Board*

Moderator: Dr. Jaime Alonso Gómez, National Dean of EGADE Graduate School of Business Administration and Leadership

Opening this year's Annual Local Network Forum, Georg Kell underlined the success of the UN Global Compact from its beginnings. Pointing to a long succession of successful gatherings of different stakeholders, in New York, Shanghai, Barcelona and Geneva, he stressed that the initiative had undergone constant growth, moving from 40 participants at the launch in 2000, to more than 3,600 participants and nearly 60 Local Networks, with more planned for the near future. He explained that over time, the Global Compact had succeeded in

- building market incentives for responsible behavior; and
- opening the financial markets, including the investment community to environmental, social and governance (ESG) criteria.

He further stressed the successful cooperation with important academic leaders from business schools worldwide, which led to the launch of the Principles for Responsible Investment. He also pointed to the other key "branded" engagement platforms, such as "Caring for Climate" and the CEO Water Mandate, which offer additional, issue-focused ways for companies to take action.

Looking into the future, Mr. Kell highlighted some of the challenges. "For a better development, the Global Compact needs more structure", he said, emphasizing that the cooperation between stressing the need to better define the relationship with governmental institutions; deepen the engagement of existing and new participants; coordinate operations more effectively; increase accountability and transparency; reinforce the Communication on Progress (COP); and improve brand management.

He also emphasized that the Global Compact "has to be present in the thinking of the United Nations and needs the flexibility to continue and to grow." In closing, he reiterated that these issues and the continued support for the activities of Local Networks will remain priorities for the future work of the Global Compact Office (GCO).

Søren Petersen, the Global Compact's new Head of Local Networks explained that the meeting had brought together a total of 110 representatives from over 40 different networks on all continents. He stressed the necessity to work closely together and provide feedback. As for key issues to be discussed, he identified value chain challenges for companies, the engagement of subsidiaries at the local level, and the ongoing ISO 26000 process.

On behalf of the Barcelona Center for the Support of the Global Compact, Mireia Belil welcomed the network

"We believe that we have to learn from you, it should be visible what you want to know, what they need and think." - Mireia Belil

representatives to Monterrey. She outlined several ways in which the Barcelona Center has lent its support to the Global Compact and Local Networks, such as organizing workshops with the aim to increase the value of the GC to participants; promoting the GC in meetings, at conferences, at the Forum of Cultures and in exhibitions; supporting the development of GC's knowledge (e.g. through the Local Networks survey) to develop effective future strategies



based; and organizing and financing the ANLF.

She further underlined the importance of cooperation between the Local Networks to identify new opportunities and strategies.

GC Board Member Guillermo Carey of Chile was the keynote speaker of this year's opening session. In his view, the Global Compact rests on three important pillars – the corporate soul, the engagement of small and medium-size enterprises (SMEs) and the fight against corruption. He described corporate citizens as “judicial entities with a soul”, stressing that the commitment to responsible business practices required the involvement of everybody within the corporation.

Regarding SMEs, he pointed out that most of the world's workers are employed in smaller companies, and that governments (through incentives) as well as big companies (through lobbying for better standards) should support their efforts at becoming better corporate citizens.

“Speaking with passion for change, that is what the Global Compact is about. It is possible and it is happening right now” – Guillermo Carey

Discussing the scourge of corruption, Mr. Carey emphasized the difficulties for one societal actor alone to effectively fight the problem. At the same time, he said, everybody can contribute by taking an active stand against corruption and exposing and marginalizing those that engage in corrupt practices.

He concluded his remarks by stressing that responsible companies “have the right to be heard and to be considered”.

Taking stock of Global Compact and looking towards the future

Participant discussions at roundtables followed by plenary feedback.

Moderator: Dr. Jaime Alonso Gómez

Following the opening session and introductions, participants were grouped in roundtables to discuss three key questions related to the strategy and operations of local networks. The following is a selection of answers to each question.

What are the major changes or challenges that you have experience over the last year? How might they impact the future of the Global Compact?

General:

- SME and multinational involvement.
- Managing time resources.
- Making the GC relevant locally,
- How to convince the private sector to join the GC when it is not a business priority.
- Companies don't get anything immediately, so it is hard to keep them motivated.
- Political Problems.
- Lack of a strategic plan that all will adhere to.
- Large number of initiatives, organizations, all trying to do the same thing.
- Lack of structure so that regardless of where you are in the world it will operate similarly.
- Lack of financial resources in Africa, Asia, Latin America.
- Difficulty to get companies to follow through after signing.
- Different funding structures - some charge a fee to join networks, but not to join the GC.



Specific Inputs:

- In Germany e.g. the image of the local network altered from a “green-washing initiative” to an approach which is considered to be more serious. The impact of the GC is a higher credibility and has a better standing and acceptance now. Moreover the number of participants of the local network increased and also meanwhile covers cities and SMEs and thus is getting on a broader basis. But also the expectations on the stakeholders in the network have grown: They are regarded as part of the solution which means activities of network participants are more and more assumed. Implementing a quality assurance was one suggestion for the GC to assist the local network. However the representative stated: We are the GC, if there is a problem, we are the problem”.
- In Japan the involvement of a Japanese CEO within the UNGC board and the attendance of Japanese companies at the Leader Summit led to a dramatic increase of the local network participants and triggered its revitalization. However there are still leadership challenges as the added value of the GC is not always seen. Also the delivery of CoPs is not yet at a satisfying level. Some companies do not regard GC as a core business but as philanthropy. Champions should be the driver in this context, Japanese companies should continuously be involved in international meetings and the GC logo should be more known by the consumer/publicity in Japan. The country would like to affect on Asian activities to improve the respective situation. Maintaining the standards at an over-regional level was regarded as another challenge and solution. Improving the supply chain management therefore was regarded as the key element for the GC to have effects in Japan. With regard to this again the role of the champions was discussed as well as the question of a matching facilitation.
- In all local networks of Southern and Eastern Africa structures (like Steering Committees or Advisory Boards) are in place and networks elaborate yearly planning matrixes. Awareness and membership increased in nearly every local network. Challenges cover that also in Africa about 50% of the local networks do not integrate the GC activities in their core business, CoPs are not elaborated and the maintenance of the local network without additional funding from third parties will still cause major problems. The GC might help the local networks to maintain via their developed tools and assistance in fund raising mechanisms. More than in other continents the role/involvement of the governments is of high importance. As CEO’s commitment is the major reason for companies’ involvement in the local networks they could be addressed to integrate the GC activities into the respective core businesses. Furthermore more and continuous information is required to extend the knowledge about the deeper meaning of the GC 10 principles. The motto: Minimize activities (of writing CoPs) and maximizing information was regarded as possible approach by all involved people at the round table.
- In general the companies should see GC as an opportunity and recognize that globalization will not have all the expected negative impacts.
- The round table discussed the possibility of a rewarding system, e.g. for writing a CoP.

What do you see is the main value or purpose of a Global Compact Local Network?

General:

- Influence from multinational/large-company involvement
 - Local business involvement.
 - Safe place to forment dialogue
 - Efforts around the Communication on Progress and best practices (replication)
 - Local Networks have an understanding of the local situation that the GCO cannot have.
 - Local Networks can translate the global compact learnings in a way that can be understood on a local level
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- Local Networks can influence other companies to become more responsible.
- The GC can attract SMEs by helping them create a business network.

Specific Inputs:

- The German network representative suggested that payback of rating agencies on a long-term basis with regard to the engagement of the local network participants could serve as an added value. Up to now financial departments judge on the basis of quarterly figures and do not regard the mid or long-term situation of a company (stakeholder) where GC activities could be paid back.
- For the companies it is unclear whether or not they receive more publicity being a GC participant.
- A stronger sharing of best practices and learning was seen as an important added value measure. The local network shall become a “real network” with close information sharing, own homepage etc. (higher exchange and collaboration among the participants etc). There should be partnerships with NGOs which are successful beyond the boundary of the sector the local network is working on (like environment in Japan).
- The topic of any form of incentive was discussed. Moreover the perception of the stakeholders with regard to the GC has to be differentiated (e.g. many companies still mention the costs while the mere participation in the GC is for free, other companies evaluate GC as a green-washing initiative, others as matter of the big companies only or regard the GC just as “another initiative” or as a global initiative which is not working on the ground etc etc)
- The round table discussed the idea of stronger informing the consumers or if given consumer associations which also should become local network participants.

How should Global Compact Networks measure their impact or success? Should the same criteria apply to all Networks?

- By the number of participants – improve value chain coverage with more participants; however, problems can arise when some LNs target SMEs which can be many, while others focus on large companies, which can offer more resources and bring in others, but are a smaller number on paper.
- Communication on Progress/Reporting.
- By measuring companies perception of GC Network members’ reputation.
- Application of the same success criteria to other networks, considering networks’ maturity level.
- Satisfaction of member companies, as measured by how many more companies are joining and the rate of joining.
- Measures should vary depending on SME or Multinationals.
- There should be a functioning governance structure in place.
- Measure the depth of engagement in issues by stakeholders; levels of anti-corruption activities..
- Involvement of local government: do they focus on CSR? That may be an opportunity to stretch the reach of the GC.
- Surveys: what changes have actually occurred in the companies? Have they just joined or have they actually changed practices?
- There was a strong voice against setting a kind of benchmark (Should the same success criteria apply to all networks?), as the companies’ performances strongly differ and even within a mother company and its subsidiary there are a lot of differences in terms of (possible) activities in the field of Corporate Citizenship.
- The GC Local Network should organize itself and set its own targets. Then the targets should be monitored and evaluated with respect to their fulfillment. Indicators have to be developed focusing on the particular regional interest.



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Neither the number of participants or champions, the depth of participant engagement, the multi-stakeholder nature, nor CoP are significant indicators when they are regarded separately.

Knowledge Fair

The objective of the Knowledge Fair was twofold: (1) to provide participants with the opportunity to learn about new developments in relation to current issues of great interest to their Local Networks and the Global Compact as a whole, and (2) to present recent publications of the Global Compact Office and promote their use within the networks.

	Room 103	Room 104	Room 105	Room 106	Room 109
13-14.00	SME Outreach	Local Networks Promotion of the COP	GLN Global Compact Implementation Tool	Ask the Global Compact Office	Partnerships for Development
14-15.00	SME Outreach	Local Networks Promotion of the COP	GLN Global Compact Implementation Tool	Ask the Global Compact Office	Partnerships for Development
15-16.00	Engaging Civil Society	Human Rights	Building Partnerships with Academia: The Principles for Responsible Management Education	Caring for Climate: The Role of Local Networks	Managing the GC Brand: The new GC logo
16-17.00	Engaging Civil Society	Human Rights	Building Partnerships with Academia: The Principles for Responsible Management Education	Caring for Climate: The Role of Local Networks	Managing the GC Brand: The new GC logo

Implementation of the Global Compact throughout value chain

- *Jorge Melo Vega, Global Compact Network in Peru*
- *Afzaal Malik, Director Global Stakeholder Relations, The Coca-Cola Company*

Moderator: Dr. Jaime Alonso Gómez

Jorge Melo Vega of the Global Compact Network Peru explained that the first challenge in Peru was to generate awareness that CSR encompasses far more than just philanthropy. He then outlined the development of a minimum plan for companies adopting CSR, with the following minimum requirements:

- A code of ethics;
- Supplier standards;



- GC involvement at the Local Network level; and
- the existence of a CSR coordinator.

When asked what he had to overcome being involved in the GC, Mr. Vega explained that companies will typically participate in CSR workshops and agree in principle to join the GC, but often require approval from an international headquarters, which has proven difficult for recruitment in Peru.

Afzaal Malik of The Coca-Cola Company outlined the perspective of his company, which joined the Global Compact in March 2006. From Coca-Cola's perspective, the success of a multinational depends on five crucial elements:

- *People* – to be a good employer.
- *Planet* – being in the GC and adopting CSR means making a difference. A company like Coca-Cola needs to think about their impact within the mainstream of the business.
- *Portfolio* – what is produced at the end of the day (and focusing on sustainable profits).
- *Partners* – high expectations of suppliers, who expect to be the preferred and trusted partner.
- *Profit* – focus on returns for shareholders.

Likewise, Mr. Malik explained that a sustainable community needs three ingredients: Civil Society, Government, and Business.

He stressed that while signing up for the GC was easy, fully engaging an entire network/supply is often challenging for multinationals. Coca-Cola aims to sign up 75 percent of their business network to the GC by 2008, and 90-100 percent by 2009 or 2010.

Mr. Malik described the complexity of Coca-Cola's value chain as one of the key challenges, with numerous interdependent relationships to consider. The company is currently trying to develop a better understanding of the entire value chain and their relationship to CSR by next year.

He also stressed that there has been some resistance from local distributors and bottlers with regard to the GC and CSR, often triggering questions about value or cost of involvement.

Local Networks: status report and proposals for the future

- *Soren Petersen, Head, Global Compact Networks & Partnerships, UNGC*
- *Rapporteurs from the regions: summaries of Annual Activity Reports by Local Networks*
- *Angel Saz, Universal Forum of Cultures Foundation: preliminary results of the annual Local Networks survey.*

Soren Petersen presented the first draft of the Local Network Report, which was compiled by the Global Compact Office, incorporating Networks' Annual Reports. Mr. Petersen outlined two critical tasks – defining the proper role and function of Local Networks and sustaining participants' interest, particularly with regard to deepening the corporate engagement and strengthening the value proposition of engagement. According to Mr. Petersen, this can be achieved through several approaches:

- Consolidation – achievement measurements, universal tools.
- Capacity Building – regional meetings and trainings.
- Information Sharing.
- Interaction between networks.
- Tracking development and results-based knowledge systems
- value of the initiative – the UN brand, addressing governance issues, rights and responsibilities.



Mr. Petersen further explained that the preliminary findings from the Annual Survey of the Barcelona Centre complemented the Networks' reports.

Mr. Petersens remarks were followed by regional presentations on the status of the Global Compact Local Networks (These reports are available online at: http://www.unglobalcompact.org/NetworksAroundTheWorld/Annual_Local_Networks_Forum/V_ALNF_Monterrey.html):

AFRICA Valerie Geen/National Business Initiative (South Africa)

- 255 African participants. 195 are business participants.
- #1 participant is Nigeria with 28 members
- All countries have some form of governance structures.
- Strong government presence.
- Focus on planning and moving away from ad-hoc activities.
- Commitment to increased implementation.
- Challenges: Income streams; political instability; lack of critical mass.

LATIN AMERICA Flavio Fuertes/UNDP (Argentina)

- 10 Local Networks established: Panama, Argentina, Columbia, Mexico, Dominican Republic, Peru, Brazil, Paraguay, Belize, Chile
- 1713 participants, most participants in Mexico (450)
- 17% growth per year. Growth seen in 2nd sector (industrial) and 3rd sector (public/private)
- 70% of participants in Latin America and the Caribbean are SMEs (Less than 250 employees)
- Key objectives: information-sharing, training, dialogue with stakeholders,
- "Sphere of Influence": Create stronger links between headquarters and MNC subsidiaries and Local Networks.

ASIA Jeffrey Tan/Singapore Compact for CSR (Singapore)

- Four main activities: 1. Network communication 2. International engagement 3. Partnership projects
- Identified Challenges: 1. Resources 2. Low level of UN support

MENA REGION Saad Filali Mekkassi/International Labour Organization (Morocco)

- Lowest participation rate of all regions.
- Egypt was first Local Network (2004).
- Only Egypt and UAE have established GCLNs.
- Focus on critical mass of companies to increase growth before focusing on civil society participation.

WESTERN EUROPE Michael Spenley/Littlewoods Shop Direct Group (UK)

- 2 biggest challenges: 1. Growth 2. Activity
- UK focusing on regionalization of Local Networks

Concluding the Status Session, **Angel Saz** of the Universal Forum of Cultures Foundation presented the preliminary findings of the Annual Local Network Survey. According to Mr. Saz, measuring performance and increasing support within and for the Local Networks remain among the key challenges, while learning and collective action were identified as key network activities.



At the same time, the survey identified key obstacles networks face, from lack of funding and human/time resources to knowledge deficits around key issues.

Participant discussions at roundtables and plenary feedback.

Moderator: Dr. Jaime Alonso Gómez

Concluding the session, participants were once again grouped in roundtables to discuss three key questions related to the strategy and operations of local networks. The following is a selection of answers to each question.

What would it take for a Local Network to be considered multi-stakeholder?

- Network has both companies and NGO's.
- Equal representation of all stakeholders = equal votes
- Multi-facet awareness. Include government, academia
- Informal networks with private sector involvement
- Structure different for different regions—mirrors local conditions
- A network should at least consist of companies, government and Civil Society Organizations (NGOs, and/or academia and/or trade unions and/or customer organizations)
- UN organizations should not be the driver (champion) but the facilitator

Given that Global Compact Networks are strongly identified with the UN brand, what authority should be granted to the GC Local Networks and what responsibilities should GCLN's be prepared to take on?

- Local Networks should have authority to grant use of logo to local companies
- If UN owns brand, does authorization have to come from GC Office?
- Concern for lack of coordinated communication between companies, networks, and GC Office
- Question of Regional Centers: Can they play a role to facilitate faster response from GC office? Act as a collection center to disseminate information and policies regarding logo use?
- Key Points:
 - Clear policy required
 - LN should make recommendations with regard to logo use by companies to GC office
 - GC should confirm use and recommendation as “seal of approval”.
 - Involvement of local networks with companies is key for communication and relationship building
 - Local Networks must have a role in approval to increase need for role in local businesses
- There should be minimum criteria/guidelines that the local network does not “mushroom” into topics which are not related to the GC 10 principles or the MDGs. Nor should the local network be “hijacked” by e.g. state-related NGOs and misused by their own ideas/issues/instructions. The UN/UNGC should keep some responsibilities, e.g. referring to the activities being addressed by the local network
- In case a stakeholder/company violates the GC 10 Principles: There should be no peer accusation, but the local network itself should develop internal control mechanisms as it starts to work. Conflicts should be brought to the OECD for clearance. The network could decide about what to do with this company/stakeholder. For example the local network can ask the respective player for internal reforms, documenting the process and the improvements to the local network. There should be an agreed process for violating activities in every local network. The process is not about the question: guilty/not guilty.
- Finally the GCO has to decide what will happen with the GC local network status of this company/stakeholder in the future. The round table agreed that companies/stakeholders even those



which violated a GC Principle should not be treated worse than companies/stakeholders which are not participant in the local network. However there should be a kind of shared responsibilities, some collective guidance of the GCO although there are local differences.

- Therefore the round table left open where the limits of a violation of a GC Principle are: Is it that tobacco companies should be left out as landmine companies are?
- With regard to the safety of the GC logo it was recommended that the GCO will add a visible copyright sign and provide a framework/internal coordination tool to minimize misuse, violation of principles without any consequences or “hijacking” of local networks by a specific group of players.

Moving forward, should the Annual Local Network Forum be organized around a specific theme? For example, how to promote policy dialogues? How to tackle funding challenges? How to deal with integrity measures? Etc.

- Hybrid agenda:
 - Combine similar Local Network issues and concerns into focused forums, discussions.
 - Also include a general theme or topic.
- Group agenda should focus on general topics and concerns. Need for information-sharing and what is happening from a global standpoint, regardless of the theme.
- Individual formats are a necessity to also address specific topics, concerns, needs of local networks.
- Overall need for flexibility to allow for topics and issues to be addressed as they come about.
- It was suggested that in the future the Annual Local Network Meetings should focus on 4-5 topics (contents) which can be addressed in (breakaway) sessions. The idea of merely focusing on one topic could hinder especially companies to send their GC representative (“wrong topic – no finance”) and just allow specialists on that topic to join the meeting.
- It was recommended that the local network reports should just be seen as a framework and therefore should be reduced to some few key note information (not the whole challenges and activities of all GC local networks of the world, but concrete and highlights/interesting points to share with other local networks from other continents). The Annual Local Network Meeting should even more highlight the round table discussions and - as mentioned above - topic oriented sessions. In these sessions it should be focused on discussions and not the presentations.

Local Networks Exhibition

The Local Networks Exhibition represented an opportunity for networks to showcase best practice and exchange ideas and information with peers from other countries and regions. More than 25 Local Networks presented tools and resources developed at the local level.



Thematic Plenary “ISO 26000: the role of the Global Compact Local Networks”

- *Dr. Kernaghan Webb, Special advisor to the UNGC on ISO*

Participant discussions at roundtables and plenary feedback.

Moderator: Dr. Jaime Alonso Gómez

Dr. Kernaghan Webb, Special Advisor to the Global Compact Office on the ISO 26000 process outlined his perspectives on the evolution and opportunities of this new CSR guidance, which is currently under development. He described ISO 26000 as a great opportunity for ISO to partner with the UN, explaining that ISO, as the world’s largest standards body is now moving beyond the technical side of standard development. At the same time he emphasized the ideal position of the UN to contribute to the process, due to the organization’s expertise and legitimacy in the area of global normative frameworks. Dr. Webb pointed out that ISO would allow developing countries to demonstrate that their companies are on equal footing with international corporations when it comes to business responsibility, stressing that ISO 26000 would apply not just to business, but to all types of organizations. While he acknowledged the complexity of the process, Dr. Webb stressed that the GC family needs to make a coordinated effort to fully realize the potential of ISO 26000. “ISO allows the opportunity to popularize and mainstream the ideas of CSR at a broader level than the UNGC can do at this time”, he said.

At the same time, he emphasized that ISO 26000, as a voluntary standard, will not be a management system standard and will not spell out certifiable requirements. ISO 26000 should not be a duplication of other international instruments that already exist. Much rather, it should be treated as helpful advice to businesses on their path to corporate sustainability.

“Developing a common architecture before beginning the construction is crucial to the success of the ISO and GC”. – Dr. Kernaghan Webb

Talking about challenges in this process, Dr. Webb explained the need to find common ground in a working group that comprises 364 experts from around the world, representing business, government, labour, consumers, NGOs and others. At the same time, he said, ISO can help define a number of unresolved global issues, such as a shared definition of CSR, which is missing to this date.

Reflecting on the role of the GC in the ISO process, he said that the goal is to ensure that ISO 26000 is consistent with the Global Compact’s principles. To do so, Dr. Webb explained, Local Networks play a pivotal role in bringing ISO and the GC together, through their engagement in ISO’s national mirror committees.

Dr. Webb’s presentation was followed by an open exchange with participants, during which additional questions about the nature of the process were raised. Statements and recommendations included:

- It is important to understand that guidelines are just guidelines, that they are not mandatory, especially as the word “standard” translates more harshly in other languages.
- It was noted that the progression from norms to standards to laws could be a slippery slope.
- The ISO process is not a movement toward an end. Much rather, it is an ongoing process that is to be guided by standards, not constrained by them.
- Any standard should be used to benchmark an organization’s own activities; this is what the ISO is meant to do: to delineate good behavior from bad behavior.
- ISO 26000 will not only tell organizations what to do and how to do it, it will also provide explanations of the broader CSR context.
- More information on the process is available at www.iso.org/wgsr.



Closing Plenary: Local Networks Moving Forward

- *Jim Baker, Coordinator, Council of Global Unions*
- *Georg Kell, Executive Director, UNGC*
- *Mireia Belil, General Director, Universal Forum of Cultures Foundation*

Moderator: Dr. Jaime Alonso Gómez

Jim Baker, the Coordinator of the Council of Global Unions, discussed the role that trade unions have been playing in the Global Compact. He pointed out that in the past few years, the total number of agreements signed between business and unions has increased from five to 50, usually in the form of bargaining agreements to solve problems that inevitably arise. Mr. Baker stressed that trade unions are both part of society and part of business, which causes friction.

Mr. Baker also discussed the difference between the environment and labor principles, using a “trees are not people” analogy and cautioning participants to not just jump into the Global Compact thinking all principles are the same.

Addressing the local networks, Mr. Baker stressed the importance of achieving a level playing-field between all GC participants.

Georg Kell thanked Jim Baker for his interest and dedication to the GC, and stressed the importance of the alliance between labour and the GC.

Following Mr. Baker’s remarks, moderator **Dr. Jaime Alonso Gomez** challenged participants to identify the most important issues for the Global Compact in the next two years. Replies included:

- climate change
- peace-building
- supply chain issues
- moving from thinking to action
- competitiveness and prosperity, and their link to the 10 principles

Next, Dr. Gomez asked what needed to be done by local networks internally to enhance communication, processes, etc. Here, participants gave the following answers:

- capacity-building;
- streamline communication procedures and processes (between the local networks and GC);
- realign the Local Networks;
- developing better communication platforms;
- stronger focus on common goals;
- measuring the contributions of participants towards the GC’s objectives; and
- developing an understanding that the GC is comprised of individuals: “It is not something we are a part of, it is a part of us”.

Reflecting on the key issues raised during this Annual Local Network Forum, **Georg Kell** explained that Local Network growth had been gradual, but significant over the past years, with several success stories. “We are trying to create a community at the global scale”, he said.

Mr. Kell emphasized the need to further professionalize operations and invest in participants. “If you cut through the public-versus-private mindset”, he said, “we are like-minded people who want to give meaning to creating



global markets”. He promised that the GCO’s focus on tools, training and literature would be continued, while additional focus will be placed on key issues, such as climate change and peace through commerce. In closing, he reminded Local Networks to sustain openness, as the Global Compact’s mission is to bring the ten principles to all businesses.

Dr. Jaime Alonso Gomez then concluded by presenting a variety of globalization trends, developments and statistics, demonstrating how the global business environment has shifted in recent years. Against this background, he outlined the responsibility of business, governments, civil society and academia to collectively address global challenges and advance sustainable development through proper strategies, through innovation and through learning. He concluded by calling the Global Compact a “sustainable engine for development”.

Summing up this year’s Annual Local Network Forum, Mireia Belil pointed out that that Local Networks had accomplished a lot over the past years, as evidenced in the many individual network reports. However, she felt that more needed to be done, particularly with regard to collective action. In closing, she emphasized that “networks are not only formed by businesses or organizations, but by humans as well – with compassion.”

Following further organizational announcements, the V Global Compact Annual Local Networks Forum adjourned.

(In addition to this report, all presentations made during the Forum can be accessed online at:
http://www.unglobalcompact.org/NetworksAroundTheWorld/Annual_Local_Networks_Forum/V_ALNF_Monterrey.html)