

ANNUAL REPORT OF GLOBAL COMPACT PAKISTAN LOCAL NETWORK

The Global Compact Pakistan Local Network was formed on 22.12.2005 at the close of the EFP Summit on Global Compact with fifty voluntary signatories to the Global Compact from among the members of EFP.

In the first meeting of the Global Compact Pakistan Local Network held on 21st June, 2006, the following objectives and priorities were adopted:-

A.1 OBJECTIVES:

1. To be the lead provider of knowledge, information, ideas and initiatives for promoting the ten principles of Global Compact so as to enable its members to materialize the UN Secy. General's vision of a "Sustainable and inclusive global economy".
2. To assist business operations in addressing social responsibilities, providing practical guidance related to areas of corporate social responsibility and help develop the social outlook of business organizations as a new dimension of competitive edge.
3. To facilitate communication with the Global Compact office and among co-participants of the Network through its focal point.
4. To actively support efforts by participants to develop Communication on Progress and to help find solutions related to the integrity measure.
5. To engage in training, learning, dialogue and partnership with the participants and among stakeholders, academia, Civil Society and other networking to increase awareness and intensify the promotion of and internalization of global compact principles.
6. To collect and disseminate best practices and success stories on internalization of the principles of the global compact among participants.
7. To produce Annual Activities Report on global compact activities and initiatives.
8. To liaise and coordinate with global and regional net works and focal points for updating members on actions and initiatives besides fostering unity of action and understanding on key issues.
9. To undertake such other activities as Network may feel desirable to accomplish its objectives.

A. 2 PRIORITIES for 2006 - 07:-

- Preparation of Rules of Procedures for Global Compact Pakistan Local Network and its Steering Committee.
- Conducting awareness survey on GC Principles to assess awareness need level and adopt strategies for promotion of GC principles among business enterprises in Pakistan.
- Internalization of GC Principles at enterprise level through bilateral cooperation between employers and workers.
- Developing course material of GC Principles & CSR for inclusion in Business education course curriculum in business schools.
- Compilation and Publication of success stories/best practices in CSR & GC Principles internalization at the enterprise level.
- Organization of training program on Global Compact/Communication on Progress for Participant Companies.

B. ORGANIZATION

- The Network focal point is the Secretary of the Global Compact Pakistan Local Network.
- A 25 member Steering Committee chaired by Mr. Ashraf W. Tabani, President of the Employers Federation of Pakistan and comprising of
 - 19 members representing business
 - 2 member representing the academia
 - 1 representing women business and professionals and
 - 1 representing a social service organization is responsible to overview the activities of the Network. It held one meeting in the year in March 2007..

C. PARTICIPATION

- The breakdown of 52 network participants is as follows:-
 - 39 National organizations
 - 11 Multinational Organizations
 - 2 Academia.

- There is no formal relationship between Network and the government but Government is an active participant in major activities of the Network. The Chairman Senate presided over the EFP launching ceremony in which the Local Network was formed. Provincial Labour Secretary was the Chief Guest in the Lahore Workers in Employers Joint Moot on Global Compact while Director General Ombussman Secretariat, Government of Pakistan was the principal speaker on the panel of experts in CSR Business Talk series on Countering Corruption organized by the Network during the year.

D. ACTIVITIES

A quick look at the activities of Local Network during the year 2006 – 2007 ever since its formation in June 2006 is given as under.

1. The local network was effectively represented in the 1st Annual Network Forum and the Training of Trainers Workshop on Communication on Progress held at Barcelona, Spain from 26.9.06 to 29.9.06. Ms. Bushra Raza and Mr. Raza Ali of Newports Institute and Mr. Fasihul Karim Siddiqi of Hinopak Motors Limited represented the Network. Pakistan was the country with highest participants from Asia in the Annual Network Forum.
2. The Local Network was enthusiastically represented by Mr. Shahid M. Qureshi of Glaxo Smith Kline in the Global Compact Policy Dialogue on Combating Discrimination and Promoting Equality at the workplace held in London from 5th – 6th October 2006.
3. As a part of Networking, Mr. Fasihul Karim Siddiqi Secretary Global Compact Local Network participated in the Singapore Compact's Annual Meeting held on 2nd November 2006 at Singapore and had a meeting with Mr. Stuart Moody the Chairman of the UN Global Compact Foundation apprising him of the progress of Global Compact in Pakistan and the need to share global experiences for mutual advantage .
4. The Local Network in collaboration with EFP, WEBCOP and Solidarity Pakistan organized two workshops one at PC Hotel Karachi on 12th November, 2006 and another at Lahore Chamber on 28.12.2006 on Internalization of GC Principles at enterprise level through bilateral cooperation. Both the workshops were largely attended by employees and workers representatives. The Karachi Workshop was attended by 63 participants while the Lahore workshop was attended by 42 participants. The workshop played a vital role in developing a good base of labor management cooperation at the enterprise level for gradual integration of GC principles in subscribing member organizations. The local network would wish to plan on record its appreciation for Mr. Ahsanullah Khan EFP, Managing Committee Member & Chairman WEBCOP as well as Mr. Nazar Ali, CEO, Skill Development Council for their exclusive assistance in the holding of these two workshops.

5. An International task force for developing a curriculum of Responsible Business Education has been constituted for involving business educators in advancing the agenda of global Corporate Citizenship. The task force comprises of renowned educators from 50 leading business schools of the world. Our Network was requested for a nomination from among member organizations of our Network, the nomination of Mr. Raza Ali of Newports Institute representing our network has been accepted for this task force.
6. The workshop on GC Principles Implementation & Communication on Progress was organized on 10.3.2007 at Hotel Sheraton Karachi. The Local Network Conferred Recognition Award on Engro Chemicals for being among World's top five COP Companies.
7. The Local Network along with a new member participant attended the Regional Network meeting held at Bangkok from 2 – 4 April 2007.
8. The First edition of success stories/best practices on CSR and internalization of Global Compact Principles in Pakistan enterprises is being published in English and Urdu for wider dissemination of GC principles.
9. An awareness survey about Global Compact principles in business enterprises in Pakistan has been launched in order to identify gaps and assess needs of business for wider promotion of GC principles.
10. A CSR business talk series has been launched under the theme of "Making the UN Global Compact Work" as a series of learning events focusing on one UNGC principles every month planned across the country by the Network in collaboration with the Employers Federation of Pakistan and Responsible Business Initiative (RBI). The first Business Talk CSR Series activity was organized successfully by the Network on 11th September, 2007 at Karachi, a separate report on which event has been widely disseminated.
11. One Introductory Booklet, one Progress and Communication Newsletter and the first success stories and best practices in CSR & Global Compact was under publication.
12. Two members whose COPs were due were provided assistance in preparing their COPs.
13. Local press and media has been giving due coverage to Global Compact events of the Network.

E. UPCOMING ACTIVITIES:-

1. Local Network in collaboration with RBI will organize "Business Talk CSR" every month as a learning activity by focusing on one area of GC Principles and its significance for organizations in terms of business impact. In this round the year events, panel of experts driven from among the stakeholders will engage in a dialogue with business on the issues, benefits and advantages of UN GC principles and the occasion will be used for promoting and inviting new enterprises within the GC network.
2. Local Network in collaboration with EFP & ILO will organize Annual CSR Convention and Annual Meeting of the Global Compact Local Network on 10th December, 2007 at Karachi which is likely to be attended by senior representatives from ILO Geneva. On this event, the local network will also accord national recognition award to FIVE MOST Socially Responsible Business Companies for their commitment to CSR & GC.

F. ACTIVITIES PLANNED FOR THE NEXT YEAR:-

The following activities are planned for the next year:-

1. Compilation of Awareness Survey Report about Global Compact Principles among business enterprises in Pakistan.
2. Compilation of GC Principles usefulness in small enterprises.
3. Holding of Business Talk CSR event on monthly basis.
4. Exchange of GC activities and sharing experience with Regional Local Networks and also conferring "Recognition Shield" to Best Performing Local Network in the Region. This was committed by our Local Network in the last regional Network meeting at Bangalore.
5. To compile and publish the 2nd edition of Success Stories / Best Practices in CSR / GC principles internalization.
6. In house training programs on GC principles and COP development at enterprise level.
7. Door to door Advocacy Campaign by GC players from among the local Network members for promoting new membership drive for GC. Development of local literature and promotion material and its translation in local language.
8. Meeting with trade bodies across the country on GC principle sensitization.
9. A national level essay/debate competition on "GC principles application and implementation as management tool for Business Excellence" among students at the Business School / University level as well as working business managers to create awareness among future managers.

G. PROGRESS:-

G 1. SELF EVALUATION:-

The Global Compact Pakistan Local Network has been able to achieve 56% of its objectives as against the Action Plan 2006-07 which it set for itself. The main reason for the slow progress may be attributed to country's political instability the financial resource constraints and inadequate capacity building of the Local Network.

G 2. EXAMPLES OF BEST PRACTICES:-

Example of best practices from 13 companies have been received by us which after due vetting have been included in the publication of the 1st edition for wider dissemination. This will encourage other Companies to share their success stories and will help develop a culture of learning from each others experience while internalizing GC Principles. In the next edition, the Network proposed to add more best practice examples.

H. MAJOR CHALLENGES:-

- a. The major challenges faced is financial since even the meager amount of Rs. 5000/- collection towards recurring expenses from members is a problem.
- b. Most of the MNCs operating in Pakistan do not join the Global Compact as a local enterprises in Pakistan assuming that their headquarters abroad is already GC contributor.
- c. The Network's inability to have its own secretariat and dependence on EFP Secretariat for secretarial support is an impediment. This poses serious problem in communication and follow up with Network members. Capacity building is a serious constraints which the Network will gradually address.
- d. The organizations have diverse people to interact on GC. The role is often shared among HR managers, Corporate Managers, Finance Managers, internal auditors. This reflects on poor responses from enterprises to Local Network initiatives.

The Network is trying to persuade its members to nominate a focal point at the enterprise level for such interaction which then will resolve the issue.

- e. The UNDP's support and role is absent. In Pakistan UNDP has put all its weight behind a non existent Global Compact Foundation and hence an important resource support available to its counterpart in the region is totally missing

Attachment: Network Fact Sheet for 2007:

Network Management								
Annual Network Meeting (yes/no)	COP facilitation (yes/no)	Helped to facilitate other integrity measures (e.g. complaint mechanism) (yes/no)	Website (if yes, URL)	Name Focal Point	Steering Committee (yes/no)	Steering Committee has non-business participants (yes/no)	Secretariat hosted by	Member fees (if yes, amount for Company/ SME/ other)
yes	yes	No	yes	Global Compact Pakistan Local Network	yes	yes	EFP	Entry Fee PKR 20,000 Annual Subscription PKR 5000/-

Number Local Network Participants										Government participation in Network
TOTAL	MNCs	SMEs	Micro-enterprises (<10 employees)	Business Organization	CSR Organization	Labour Organization	Civil Society organizations	Academic Institution	Other Stakeholders	Yes/ no
52	11			39				2		No

Number of Activities					
Outreach Events	Learning Events	Policy Dialogues	Partnership projects	Cooperation with other Local Networks	Other activities
2	2	1	3	-	-

