



THE GLOBAL
COMPACT

AFTER THE SIGNATURE

A GUIDE TO ENGAGEMENT IN THE
UNITED NATIONS GLOBAL COMPACT

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Don't skip the annex

This guide is a general introduction to engagement in the Global Compact in the first years after a company joins the initiative. Additional information is available from various UN agencies that have developed comprehensive guides on how companies can relate to the Global Compact and implement the ten principles. The annex of this guide briefly outlines more than 20 resources available for download on the UN Global Compact website.

(www.unglobalcompact.org).



This symbol is used throughout this guide to indicate that more information is available at www.unglobalcompact.org.

your guide to engagement in the united nations global compact

It is with great pleasure that we welcome you as a new participant of the United Nations Global Compact. You have joined the world's leading voluntary corporate citizenship initiative, which includes thousands of businesses from every continent, in addition to hundreds of participating civil society and labour organizations.

To provide assistance during your journey as a participant, and to maximize the benefits that participation in the Global Compact offers, we have developed this comprehensive guide. It will steer you through the major elements of participation and help you develop a strategic approach to drive business success and achieve your objectives. Our intention is to continually improve this guide to fit the needs of our new participants. Your feedback on this publication is therefore very much appreciated.

The guide consists of five main sections:

- i) Introductory comments
- ii) Ideas for implementing the principles
- iii) A guide to the Communication on Progress
- iv) An overview of engagement opportunities
- v) A catalogue of helpful tools and publications

Although the Global Compact is a leadership initiative, it is equally crucial that participants pursue an engagement approach that incorporates all business functions and permeates corporate strategy, operations and culture. Our experience has shown that by pursuing this model, companies generate maximum value while positioning themselves well to manage the spectrum of emerging risks and opportunities in the context of globalization.

We hope you find this guide useful.

Sincerely,



Georg Kell
Executive Director
UN Global Compact

welcome from business leaders

Welcome to the United Nations Global Compact. With your commitment, you have joined a fast-growing network of businesses and other stakeholders from around the world seeking to contribute to a more inclusive and stable global market.

Becoming a better corporate citizen is not easy, and many businesses find the first steps overwhelming, even daunting at times. Others realize that many of their activities already address the Global Compact's principles. Whichever is your departure point, you will soon discover that aligning your operations with universal values is not only a good strategy of managing and minimizing the many risks businesses face in this day and age. It can also be a strong driver of value and success, as you come across previously unknown opportunities and build trust in new markets. These tangible benefits are felt by many Global Compact participants, multinational corporations and small enterprises alike. The adage that you can "do well by doing good" has indeed become one of the strongest value propositions in support of responsible business practices.

There are many ways in which the Global Compact can provide valuable support as you embark on your journey. This welcome guide will help you understand the expectations of your participation, but also outline different options of engagement to better leverage the strengths of the Global Compact to the benefit of your business. I hope you will find this publication useful in your efforts.

Sincerely,

Mark Moody Stuart
Chairman, Anglo-American plc
Chairman, Foundation for the Global Compact
Member of the Global Compact Board

As a member of the Global Compact Board and a representative of a participating business, I would like to congratulate you for joining the world's largest voluntary corporate citizenship initiative.

The Global Compact has a lot to offer. You will see that engaging in responsible business practices through the implementation of the ten principles will contribute to generating sustainable value for your company. It will also help create the enabling environment that is critical for business to thrive.

You have joined a vibrant and practice-oriented global network that offers a variety of opportunities for active engagement – ranging from constructive dialogue on critical issues and learning events to partnerships for the promotion of sustainable development and prosperity. These opportunities are not only available on the global level, but also in more than 50 active local networks on the ground.

This Guide offers valuable guidance for your first steps towards making the Global Compact and its principles part of your business strategy, operations and culture. I wish you all the best on this journey of change. Rest assured that both your company and your stakeholders will gain from your participation.

Sincerely,

Futhi Mtoba
Chairman of the Board Deloitte Southern Africa
Member of the Global Compact Board



a truly global initiative

a truly global initiative

The Global Compact is the world's largest voluntary corporate citizenship initiative. A company that signs-on to the Global Compact makes an explicit commitment to share the conviction that business practices rooted in universal principles contribute to a more stable, equitable and inclusive global market and help build prosperous and thriving societies.

The Global Compact was launched in 2000, and as of February 2007 included more than 3,000 participating companies from some 100 countries, in addition to around 700 international civil society and labour organizations. The Global Compact also enjoys the backing of the United Nations' member states, as expressed in several resolutions recognizing and encouraging the work of the initiative.

The Global Compact IS ...	The Global Compact is NOT ...
<ul style="list-style-type: none"> • A voluntary initiative to promote sustainable development and good corporate citizenship 	<ul style="list-style-type: none"> • Legally binding
<ul style="list-style-type: none"> • A set of values based on universally accepted principles 	<ul style="list-style-type: none"> • A means of monitoring company behavior and enforcing compliance
<ul style="list-style-type: none"> • A network of companies and other stakeholders 	<ul style="list-style-type: none"> • A standard, management system, or code of conduct
<ul style="list-style-type: none"> • A forum for learning and exchange of experiences 	<ul style="list-style-type: none"> • A regulatory body • A public relations channel

The Corporate Commitment

Joining the Global Compact is a widely visible commitment to the initiative's ten universal principles.

A company that has made this commitment shall:

1. set in motion changes to business operations so that the Global Compact and its principles become part of management, strategy, culture, and day-to-day operations;
2. publish in its annual report or similar public corporate report (e.g., sustainability report) a description of the ways in which it is supporting the Global Compact and its principles (Communication on Progress - COP) and
3. publicly advocate the Global Compact and its principles via communications vehicles such as press releases, speeches, etc.

In addition to these activities, the Global Compact offers participants a variety of ways to maximize the benefits of participation through further engagement. This guide offers assistance and inspiration to new participants not only on how to carry out their commitments to the Global Compact, but also on ways to engage more actively.

Another unique feature of the Global Compact is that signing on not only commits the company as a whole, but specifically its leadership. The personal involvement of a top executive is an important signal to employees and other stakeholders that the company's corporate citizen engagement is an operational and strategic priority. Top-down commitment can thus have tremendous influence on the quality of Global Compact implementation.


The Value of Participation

As business interests increasingly overlap with societal interests and human development objectives, responsible business practices and cross-sector partnerships play a more important role than ever before. To foster a more inclusive and stable global market, the active engagement of businesses will be critical. At the same time, responsible business practices not only contribute to the well-being of stakeholders, they have increasingly become a long-term value proposition for business itself. It makes business sense for companies to invest in creating a sound environment in which to do business, to minimize risks and to harness new business opportunities by supporting developing and emerging markets.

Direct ...	Indirect ...
<ul style="list-style-type: none"> Global and local opportunities to dialogue and collaborate with other businesses, NGOs, labour and governments on critical issues 	<ul style="list-style-type: none"> Increased legitimacy and license to operate, particularly in the developing world, because business practices are based on universal values
<ul style="list-style-type: none"> Exchange of experiences and good practices inspiring practical solutions and strategies to challenging problems 	<ul style="list-style-type: none"> Improved reputation and increasing brand value towards consumers and investors – specifically in the context of changing societal expectations
<ul style="list-style-type: none"> Finding an entry point through which companies can access the UN's broad knowledge of development issues 	<ul style="list-style-type: none"> Increased employee morale and productivity, and attracting and retaining the highest qualified employees
<ul style="list-style-type: none"> Leveraging the UN's global reach and convening power with governments, business, civil society and other stakeholders 	<ul style="list-style-type: none"> Improved operational efficiency, for instance through better use of raw materials and waste management
	<ul style="list-style-type: none"> Ensuring accountability and transparency through a public communication on progress

The Global Compact and Other Corporate Responsibility Initiatives

Recent years have witnessed the emergence of numerous corporate responsibility initiatives. Many of these initiatives build on the universal value platform provided by the Global Compact. In fact, by using the Global Compact as a reference point, companies can naturally develop more tailored strategies, programs and policies that suit their priority issues and challenges, including codes of conduct or industry-specific initiatives.

In the fall of 2006, the Global Compact entered into a strategic alliance with the Global Reporting Initiative (GRI). This alliance offers a comprehensive accountability and transparency framework that will help companies develop a meaningful and practical description of their commitment of the Global Compact ().




implementing the principles

implementing the principles


Companies that have signed on to the Global Compact are required to work towards implementation of the ten principles. However, small and large companies alike are sometimes uncertain about the right approach. Implementation of the principles should be understood as a long-term process of continuous performance improvement.

Key success factors in implementing the Global Compact principles are among others:

- treating the principles not as an add-on, but as an integral part of business strategy and operations;
- clear commitments from the company leadership;
- communication of the commitment throughout the organisation to senior management and employees to ensure broad support for the principles;
- a business environment favourable to new ideas and business innovation;
- measurable targets and a transparent system of communicating progress;
- willingness and ability to learn and adapt;
- a dedication to practical actions;
- openness to engage and dialogue with the company's stakeholders.

The Global Compact has accumulated a substantial inventory of resources and tools that provide guidance to companies on addressing the issue areas covered by the principles. See the catalogue of resources provided in the annex for further reading. 

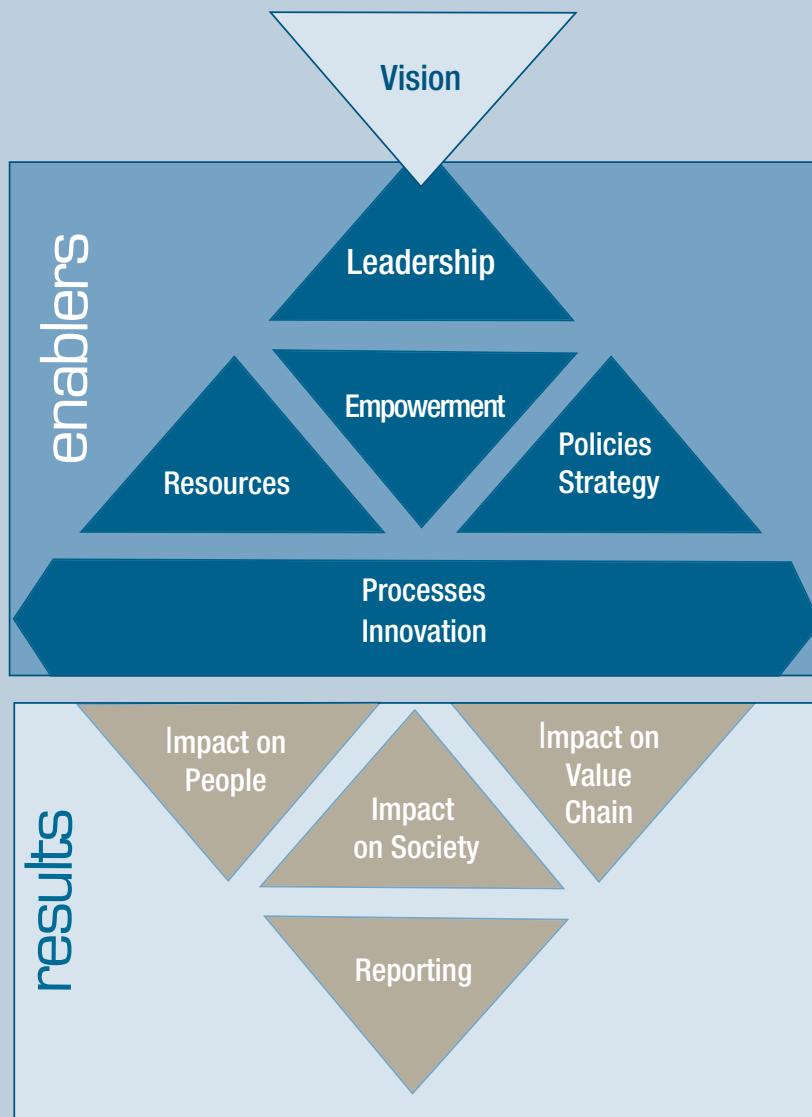
As outlined above, implementation is part of a long-term process. However, there is no single “correct” way of implementing the principles within a company's own management model. In fact, there are several management approaches and models that can assist in the process.

One way to approach implementation is to draw inspiration from the Global Compact Performance Model, which is an optional model guiding companies from the leadership vision to the measurement and reporting of outcomes. 

The Performance Model evolved from analysis of and dialogue about companies' actual experiences in trying to internalize the principles. It was designed to:

- address the needs of the broadest possible group of businesses: from multinational corporations to small enterprises, both in developed and developing economies;
- present a low entry barrier for implementation; and
- facilitate incremental improvement.

The Performance Model is composed of ten elements of business practice, each represented by a separate segment of the diagram below. It is a company-driven process of continuous improvement that begins with the organization's vision and proceeds through each element represented in the diagram. The ten elements are:



The Global Compact Performance Model

Vision Integrating a commitment to responsible corporate citizenship in the company's vision. In addition to looking at the ten Global Compact principles, this may include such efforts as dialoguing with stakeholders about their expectations of the company, reviewing major economic, social and environmental trends, understanding potential risks, and undertaking scenario planning.

Leadership Driving the vision throughout the company. A leadership commitment to improved social and environmental performance is crucial in effecting lasting change. However, to have maximum effect, this message must be widely communicated throughout the organization and beyond. Companies should further treat corporate citizenship as a corporate governance issue and establish board level oversight for the company's efforts to implement the principles.

Empowerment Organizing, informing, showing, motivating, training, rewarding, listening to, consulting, and trusting staff so that they can play their role in helping their organization achieve its vision. Empowerment can harmonise an individual's values with corporate objectives.

Policies and Strategies Reviewing the company's existing policies and strategies and aligning them with the Global Compact principles (or developing new policies consistent with the principles). Some companies have overarching corporate citizenship policies. Others have specific policies and management guidance materials on topics such as the environment, human rights and anti-corruption.

Resources Managing the means to implement the company's policies and strategies and equipping employees with what they need to achieve their targets without compromising the company's commitment to the Global Compact principles. It includes ensuring that financial, human, informational and other resources are distributed according to the company's corporate citizenship policies and commitments.

Processes and Innovation Confronting dilemmas that may be created by implementation of the Global Compact principles and turning them into innovative solutions and business opportunities. It includes understanding the key processes that can create improvements, including setting targets and communicating them throughout the organization. A thorough risk and opportunity assessment may be particularly useful (see resources in Annex).

Impact on the Value Chain Managing relations with commercial partners and influencing their operations. The conduct of suppliers, distributors, and customers can have a significant impact on a company's reputation and ultimately its bottom line. Many companies communicate their corporate citizenship policies and expectations to business partners. Some even incorporate these into their contractual arrangements, and review the social and environmental performance of their suppliers using monitoring and audits. Some go further and assist suppliers in raising the level of their social and environmental performance through training, capacity-building and sharing of best practices.

Impact on People Participating in the Global Compact affects a company's workforce, including employee morale. Studies suggest that good social and environmental performance not only has a positive effect on a company's ability to recruit and retain high quality talent, but also on its productivity.

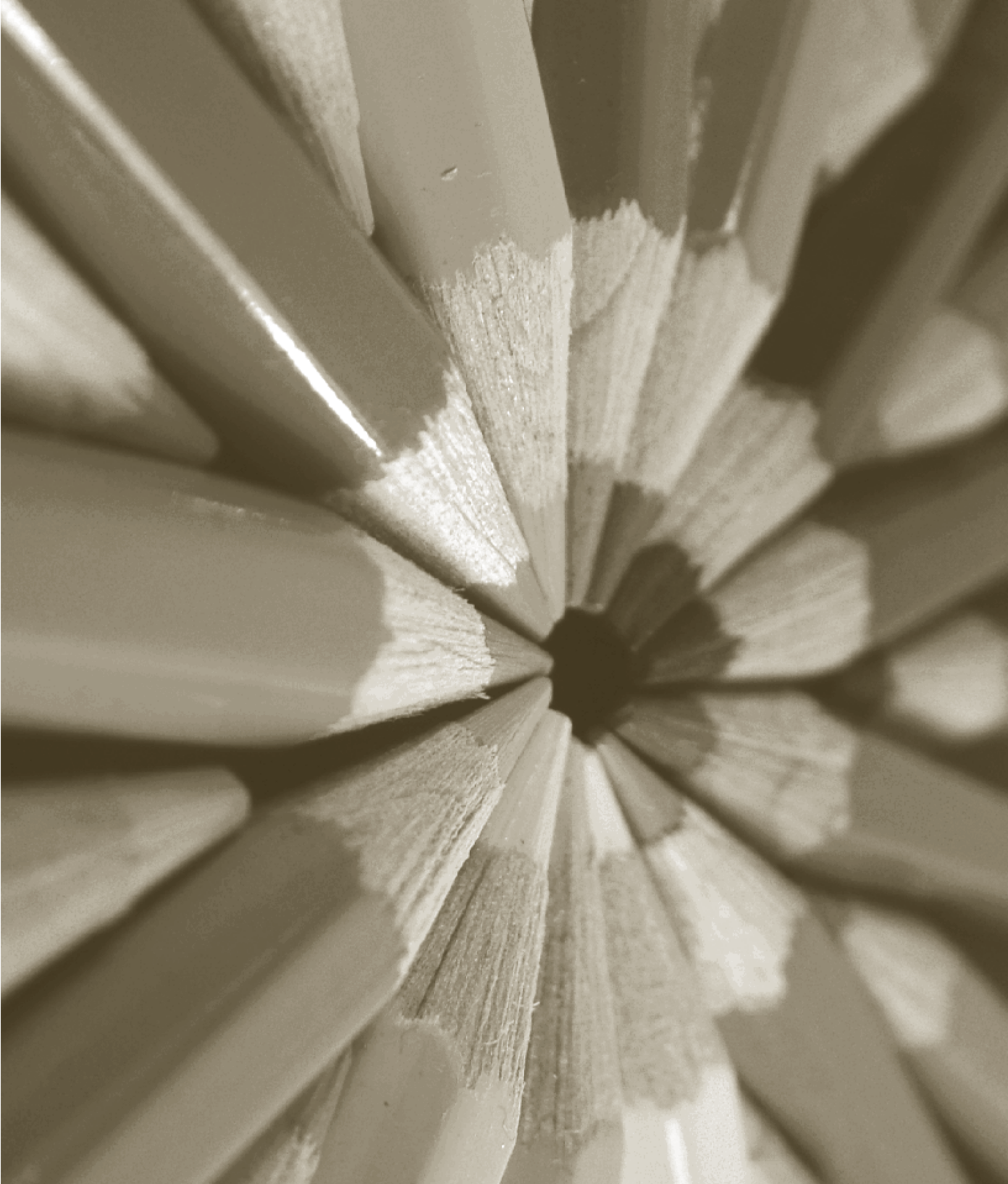
Stakeholder Engagement

The effective implementation of both the principles and the Performance Model depends to a large degree on stakeholder engagement. It is particularly relevant to vision, leadership, policies and strategies, impact on society, and reporting. For example, the company's leadership may decide to seek stakeholder input as part of the process of evaluating and fine-tuning its vision. Dialogue with stakeholders may also be fruitful for reviewing existing company policies or developing new policies in areas such as human rights, labour standards, the environment and anti-corruption. Stakeholder sensing is important in understanding the actual and potential impacts of the company's operations on society, both positive and negative. Finally, an increasing number of companies are involving many of their stakeholders in the reporting process and in helping to assess company performance more generally.

Impact on society The impact of a company on communities as well as on society at large is also a key element of the Performance Model. Collaboration with local communities can make it easier for a company to operate smoothly and maintain its social license to operate. Depending on the scale and nature of the activities concerned, some companies perform impact assessments and use community opinion surveys to help gauge their impact on society.


Reporting: This element is about reliable measurement and communication of the company's economic, social and environmental performance. Specific measurements that track actual performance are essential for ensuring continuous improvement. Further discussion of reporting is covered in the *Communication on Progress* section.

Put simply, implementation of the Global Compact principles means making a commitment, developing policies and strategies, taking action and finally reporting on progress. What matters is not how the company is performing at the moment of entry, but rather that the company is committed to change and continuous improvement.



the communication on progress (cop)

communicating progress

The second explicit commitment that a company makes when joining the Global Compact is to produce an annual Communication on Progress (COP). A COP is a communication to stakeholders (consumers, employees, organized labour, shareholders, media, government, etc.) on the progress the company has made in implementing the ten principles in its business activities.  A COP should include a description of actions taken and outcomes achieved (i.e. usually in the form of quantitative indicators).

The COP policy is part of the Global Compact Integrity Measures, and its purpose is to ensure and deepen the commitment of Global Compact participants, safeguard the integrity of the initiative and create a rich repository of corporate practices that serves as a basis for continuous performance improvement. For companies, the COP is a tool to exercise leadership, facilitate learning, stimulate dialogue, and promote action.

The Value of the COP

The value of sustainability reporting in general, but specifically the COP, lies in both the creation of the report (internal benefits) and in sharing it publicly (external benefits).

Internal benefits

- Motivates a company to define and live up to a sustainability vision and strategy.
- Enhances corporate governance and leadership commitment by the CEO, and promotes senior management involvement by reviewing and endorsing the report.
- Supports efforts to identify business risks and opportunities.
- Encourages internal information sharing and learning due to connecting different corporate departments (e.g., human resources, communications, environment, health and safety, operations, community relations).
- Stimulates internal progress and contributes to continuous improvement thanks to measuring actions by indicators.
- Clarifies the commitment of senior management for employees.

External benefits

- Demonstrates active participation in the Global Compact and prevents company participation being seen as a public relations exercise.
- Improves corporate reputation and brand value due to increased transparency and creation of trust.
- Enhances stakeholder relations by articulating a sustainability vision, strategy, and implementation plans.
- Provides significant learnings to stakeholders through collaboration.
- Makes inclusion in socially responsible investment funds or indices possible.

The Three Steps of Creating, Sharing and Submitting a COP

Step 1) Creating an annual Communication on Progress

While there is no single required structure for the creation of a COP, it must include:

- a. **A statement of continuing support** for the Global Compact in a message from the CEO or other senior executive.
- b. **A description of practical actions** that the participant has taken in the previous year to implement the ten principles. These may include: commitments made, systems implemented and actions taken.
- c. **A measurement of outcomes** using, as much as possible, standard indicators or metrics such as the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines.

Step 2) Sharing the COP with the company's stakeholders

It is important to note that the COP is not a communication with the United Nations Global Compact Office. Rather it is intended to provide a means for participants to communicate their progress in implementing the ten Global Compact principles directly to their stakeholders. Ideally, COPs should be integrated into a company's existing communication with stakeholders, such as an annual financial or sustainability report. A stand-alone COP is only advisable if the company has no other vehicle to report on corporate citizenship issues.

Just as important as the medium chosen for conveying the COP is the method of disseminating it to stakeholders. Companies should use various platforms and channels where their stakeholders would expect to find sustainability information (e.g., websites, direct mailings, employee alerts, newsletters, open houses).

Step 3) Submitting the COP to the Global Compact website

In addition to sharing the COP with stakeholders, companies are expected to post an electronic version (and web link if available) of their COP on the Global Compact website. Participants are also expected to briefly describe the means by which COPs are made available to stakeholders.

Instructions for posting your COP are available on the Global Compact website. 

Hints and Tips

The following hints and tips are intended to facilitate the process of communicating progress.

Choose your Language

- A COP should be created in the language that is most appropriate for the company's stakeholders.

Define the Scope

- There is no expectation that small companies will be able to provide as much depth and breadth in their COPs as multinational corporations.
- Similarly, there is no expectation that all ten principles will be covered in every COP, or that all ten principles will be addressed to the same extent, as challenges and issues faced often differ widely from one company or sector to another.
- There is no need to prepare an independent exhaustive sustainability report to comply with the COP requirements. A simple 2-3 page description of progress might prove sufficient depending on the unique operating environment of a company.

Make the Connections

- Review the ten principles closely in order to understand the connections that exist between the principles and the company's vision and strategy.

Don't Start from Scratch

- Your company is likely already engaged in activities related to the ten principles. Leverage measurement and reporting systems already in place for current internal, government, investor, or industry association reporting.

Be Specific

- Don't try to cover all ten principles with an overarching statement.
- Move away from generic statements (e.g., "we have a training program for suppliers") to more specific descriptions (e.g., "we trained 50 suppliers on how to improve their spill response performance").

Subsidiary Reporting

- The headquarters of multinational corporations can report for their participating subsidiaries; however this reporting must cover specific actions and indicators of the subsidiary.

Structure your Report around the Principles

- A COP needs to be structured in a way that clearly communicates the progress in implementing the ten principles. Some companies achieve this through an index or table of contents that directs the reader to the page on which they can find information relevant to a particular principle. However, emerging best practices indicate that it is most effective to structure the report following the order of the principles themselves.


The Consequences of Not Communicating

The following paragraphs outline the requirements regarding initial, subsequent and incomplete COP submissions.

Initial COP submission Company participants are required to submit a first COP within two years of the date of joining the Global Compact. If a company fails to meet this initial submission deadline, they will be marked as non-communicating on the Global Compact website. Further, should a company also miss the second COP deadline after an additional year, the company will be removed from the Global Compact database of active participants and listed as inactive on the Global Compact website.

Subsequent COP submissions All subsequent COPs are due within one year of the previous COP submission. If a company fails to meet this submission deadline, they will be marked as non-communicating on the Global Compact website. Further, if a company fails to submit a COP within two years of their previous submission, the company will be removed from the Global Compact database of active participants and listed as inactive on the Global Compact website.

Incomplete COP submissions Since the Global Compact office is committed to a continuous improvement approach, we do sometimes accept what we believe to be incomplete COPs. However, participants who submit a partially complete COP will be put on notice to improve their submission for the next reporting cycle. If a company that has been put on notice does not improve its COP, the company may be regarded as inactive until it meets the requirement.

The Global Compact website provides detailed guidance materials, a searchable database of COPs and a collection of notable COPs. 



maximizing engagement


Maximizing Engagement

The primary means for companies to engage in the Global Compact is to make the principles an integral part of their business strategy and operations. The Global Compact offers companies numerous additional opportunities to engage in activities that maximise the benefits and value of participation. Companies can consider further engagement in five broad areas:

1. Partnerships
2. Local Networks
3. Advocacy and Awareness-Raising
4. Policy Dialogues and Learning
5. Collective Action

Of course, companies joining the initiative are at different stages of their corporate citizenship journey. Small and large companies will therefore engage at different levels and implement the principles at different speeds. It is no surprise in some cases to see SMEs among the leaders, and large companies following. There are no expectations that engagement should follow a certain pattern or intensity, only that participating companies will engage and communicate.

1. Partnerships

In addition to asking companies to implement the ten principles, the Global Compact encourages participants to engage in partnership projects in support of broader UN goals, in particular the Millennium Development Goals ( www.un.org/millenniumgoals)¹. Together, these two complementary objectives of the Global Compact – encouraging internal implementation of principles and participation in partnerships – constitute the comprehensive model of good corporate citizenship promoted by the Global Compact. Partnerships between business, civil society and government are most productive when driven by universal values, such as those embodied in the Global Compact principles.


The basic concept of partnerships is simple and straightforward – to identify common ground between the private and the public sectors and to combine the skills and expertise of the private sector with the public sector's legitimacy and knowledge of development issues. Partnerships focus on the many areas where private sector actors and public institutions can engage in win-win relationships, such as health, education and community development.

Cross-sectoral partnerships can make it possible to overcome challenges that are too difficult for one organisation or sector to address alone, and can make efforts more effective by combining resources and competencies in innovative ways. Through collaboration, different actors can strengthen efforts to achieve their individual objectives as partnerships enable different organisations to support each other by leveraging, combining, and capitalizing on their complementary strengths and capabilities.

¹ The eight Millennium Development Goals (MDGs) – which range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education, all by the target date of 2015 – form a blueprint agreed to by most of the world's countries and nearly all leading development institutions. They have galvanized unprecedented efforts to meet the needs of the world's poorest.

There are three main types of partnership.

- In **advocacy and policy dialogue** partnerships, the private sector partners with other stakeholders to take a leadership role in championing, advocating for, and contributing to resolving different issues. Companies can partner with governments and regulatory bodies, and participate in legitimate dialogues and collective action with stakeholders from diverse sectors of the economy.
- In **social investment and philanthropy** partnerships, the private sector can provide financial support, contribute volunteers or expertise, or make in-kind contributions, including product donations.
- In **core business** partnerships, partners collaborate to create employment and foster entrepreneurship, contribute to economic growth, generate taxation revenues, implement social, environmental or ethical standards and provide appropriate and affordable goods and services.

Because of its unique position as an entry point for business to engage with the UN, the Global Compact has inspired hundreds of effective partnership projects around the world. Businesses also approach the Global Compact Office to facilitate partnerships on development projects because of its operational flexibility and focus on pragmatic solutions. More information about partnerships is available on the Global Compact website. 

2. Local Networks

Local Networks are clusters of participants who come together and create loose coordinating and governing structures to advance the Global Compact and its principles within a particular geographic or industry sector context. Local Networks perform increasingly important roles in rooting the Global Compact within different national, cultural and linguistic contexts, and also in helping to manage the organizational consequences of the Global Compact's rapid expansion. The role of the Local Network is primarily to facilitate the progress of companies (both local firms and subsidiaries of foreign corporations) engaged in the Compact with regard to implementation of the ten principles while also creating opportunities for multi-stakeholder engagement and collective action. Furthermore, networks deepen the learning experience of all participants through their own activities and events and promote action in support of broader UN goals.

The Global Compact is genuinely global because it is local everywhere in the world. There are Global Compact Local Networks in many countries and regions, from Asia, the Middle East or Africa, to Europe and the Americas. In 2006 alone, network launches in Indonesia, Morocco, Ukraine, Sri Lanka, Dominican Republic, Armenia, Georgia, Moldova, Belarus, Nigeria and Bolivia suggest that the notion of responsible corporate behavior and the value of collective action are readily recognized and valued in regions and cultures far and wide.


Local Networks engage in a number of different activities. We encourage Local Networks to identify and focus on issues that are particularly relevant in the local context. Examples of Local Network activities include:

- building local participation and facilitating learning activities, dialogues and partnership projects;
- producing learning materials in local languages;
- disseminating local best practices;
- initiating national campaigns on different priority issues; and
- organizing conferences, seminars and workshops on key issues.

Local Networks are increasingly working together at the regional level, undertaking collective activities and broadening their learning capacity and their pool of good practices within specific cultural contexts. Local Network representatives from around the world meet on an annual basis at the Annual Local Networks Forum. The Forum enables participants to learn from each other's experiences in building a network; review and compare progress; identify best practices; and adopt strategic recommendations to enhance the effectiveness of Local Networks.

All Local Networks are expected to meet the following basic requirements:

- be business-led, but inclusive;
- establish a focal point authorized by the network to interact with the Global Compact Office and the wider Global Compact network;
- promote multi-stakeholder engagement by inviting non-business actors to participate in learning and dialogue activities, projects and partnerships;
- actively support efforts by participants to develop Communications on Progress;
- encourage dialogue on emerging issues related to the principles;
- raise their own funds; and
- produce an Annual Activities Report.

More Information about specific Local Networks and their activities is available on the Global Compact website. 

3. Advocacy and Awareness

As a signatory to the Global Compact, a company is expected to publicly advocate the Global Compact and its principles via press releases, speeches, and other communications vehicles. Advocacy does not have to take the form of lobbying or activism. Companies can demonstrate advocacy through screening and training their suppliers on respecting human rights and the related Global Compact principles. Publication and distribution of a Communication on Progress (COP) can reach numerous stakeholders with the universal value message of the Global Compact.

Use of Global Compact Logos

The Global Compact Office encourages its participants to use the Global Compact's logos to promote their participation in the initiative. Approval for use of the basic Global Compact logo will generally be granted in the context of participant companies' activities promoting the Global Compact and its goals, but not in any manner that suggests or implies that the Global Compact Office has endorsed or approved of the activities, products, and/or services of the organization. For other usages, including for commercial purposes, the GC Office has developed the "We Support the Global Compact Logo", which can be used in advertisements and stationary, among other places, provided that the usage meet certain criteria, including proportionality, and that there be no implication that the GC endorsed the product.

In each case, usage of a Global Compact logo requires prior written approval from the Global Compact Office in compliance with the GC's logo use policy, which can be found at: http://www.unglobalcompact.org/AboutTheGC/gc_logo_policy.html. Please note that compliance with the GC's logo use policy is one of the Global Compact's Integrity Measures, which can be found at: <http://www.unglobalcompact.org/AboutTheGC/integrity.html>.

4. Policy Dialogues and Learning

Each year, a variety of Global Compact-related events are held around the world, designed to enable learning and the development of practical solutions to pressing problems. Policy dialogues and learning can take place on a local level organised by Local Networks, or on a regional or global level. Past international events have taken place in Brazil, India, China, and most recently, Ghana.

The Global Compact Office uses three primary tools for advancing learning and policy discussions.

Learning Forums The Global Compact regularly convenes a series of action-oriented learning meetings around the world that focus on specific issues related to globalization and corporate citizenship. The meetings bring businesses together with UN agencies, labour, non-governmental organizations and other groups to share best practices and produce solutions to contemporary problems.

Policy Dialogues The dialogue process helps to identify new and emerging issues, promote multistakeholder trust and interaction, and support advocacy with policy makers. The meetings are an international platform for mutual understanding and problem-solving. Issues addressed have included "The Role of the Private Sector in Zones of Conflict", "Business and Sustainable Development", and most recently "Combating Discrimination and Promoting Equality in the Workplace".

Leaders Summit The Global Compact holds a triennial Leaders Summit that convenes top executives from participating businesses, heads of international labour, civil society and United Nations agencies, and high-ranking government officials to discuss both progress made and the future strategic course of the initiative. The Secretary-General chairs the Summit. (www.globalcompactsummit.org)

Participants are encouraged to take part in dialogues and learning events to share experiences with others about challenges and dilemmas, and to contribute to the ongoing development of future material related to priority issues.

5. Collective Action

Companies can also choose to engage in collective action with other companies. Collective action can be an effective way of creating a level playing field on which to compete and increases the impact on local business practices beyond the capacity of any one company. Knowing that other companies in your sector or location are committed to good practices helps to build mutual confidence and supports behavioural changes. Joining forces with other companies can also contribute to identifying and developing innovative solutions to key challenges.

Examples of some of the high-profile collective action initiatives that companies have recently engaged in include the Extractive Industries Transparency Initiative (EITI), the Publish What You Pay Initiative, the Business Leaders Initiative on Human Rights (BLIHR), or the Voluntary Principles on Security and Human Rights.

in closing

The United Nations Global Compact was founded on the conviction that responsible business practices and cross-sector partnerships are critical to strengthening the global economy and ensuring environmental and social well-being. Today, countless business practices and cross-sector partnerships use the Global Compact's ten principles as a moral compass.

Yet globalization remains an imperfect experiment. Demonstrating the social legitimacy of business and markets is just as critical today as when the Global Compact was introduced. Perhaps more than ever before, business—in partnership with the United Nations and other stakeholders—has the opportunity to help ensure that globalization and commerce advance in ways that benefit economies, societies and people everywhere.

Businesses make a vital contribution to society and development: creating employment and income, providing technical skills, strengthening management and bringing market-based solutions to pressing social and environmental problems. Responsible businesses are a positive force in spurring development and improving human conditions.

A commitment to the Global Compact demonstrates that a company is willing to take part in building a sustainable global market. Every company has a role to play and every company can contribute to positive change. However, the road travelled will be different for every company. Companies begin and end in different places on the road to improvement. Where a company begins the process at the entry point to the Global Compact is not important. What really counts is that the company is committed to change and continuous performance improvement.

Every journey begins with the first step.



further resources

The following tools and reports have been produced by the Global Compact Office, or by one of the associated UN agencies. The list is not a comprehensive list of all Global Compact publications. All publications and more can be downloaded free of charge from <http://www.unglobalcompact.org/NewsAndEvents/publications.html>

General



Your Guide to the Global Compact – A Resource Package

An extensive resource package providing information on the Global Compact and practical guidance for companies on how to implement the ten principles in daily business operations. UNGCO, 2006.



REAP - Responsible Entrepreneurs Achievement Programme

A web-based tool designed to support small and medium size enterprises in assessing their CSR-related performance, based on the ten principles of the Global Compact and the UNIDO triple-bottom-line approach. UNIDO, 2006.

Implementing the Global Compact – A Booklet for Inspiration

An inspirational tool showcasing specific examples of how Danish companies are operationalizing social responsibility in the field. UNDP and Danish Ministry of Foreign Affairs, 2005.



Raising the Bar – Creating Value with the United Nations Global Compact

This comprehensive guide outlines how the Global Compact can stimulate organizational change while creating business value, assisting managers of large and small companies in translating the principles into business practices. UNGCO/Greenleaf, 2004.



Human Rights and Labour



A Guide for Implementing Human Rights Into Business Management

A report showcasing the experience of ten companies in implementing human rights within their own companies. Business Leaders Initiative on Human Rights, UNGCO and OHCHR, May 2006.



Embedding Human Rights in Business Practice

A publication exploring the practical meaning of human rights for companies, presenting four case studies and a policy report on different business practices. UNGCO and OHCHR, December 2004.

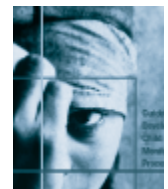
The Global Compact and Human Rights: Understanding Sphere of Influence and Complicity

Briefing paper providing an overview of the current understanding of “sphere of influence” and “complicity” in the context of the Global Compact’s human rights principles. OHCHR, December 2004.



IPEC, Child Labour Monitoring Resource Kit

Guidelines providing information on how to design, develop and operate child labour monitoring along with practical examples that will help to adapt the model to specific child labour situations. ILO, May 2006.



Environment



The Global Compact Environmental Principles Training Package

Training manual on the Global Compact’s environment principles, primarily for new companies – from medium-sized businesses in developing countries to large multinationals. UNGCO and UNEP, 2005.

Talk the Walk – Advancing Sustainable Lifestyles through Marketing and Communications

Provides an overview of how marketing can foster sustainable consumptions and a toolbox for practitioners on how to run sustainable lifestyles marketing campaigns. UNGCO, UNEP and Utopies, 2005.



Communication on Progress



OneReport COP Publisher

A web-based tool to assist companies producing their COP report. SRI World/GCO, 2006.



Making the Connection – Global Compact and GRI G3

A draft guideline that introduces ways of addressing GRI and Global Compact requirements simultaneously. UNGCO/GRI, 2006.

Leading the Way in Communication on Progress

Inspiration and ideas on how to communicate progress in implementing the ten principles. UNGCO, 2006.



A Practical Guide to Communication on Progress

Advice and practical examples for large and small companies in the preparation of their Communication on Progress. UNGCO, 2005.



Local Networks



Facilitating High-Impact Global Compact Networks – A Practical Guide

Step-by-step guidance and practical advice on launching the GC and establishing GC networks at the country/regional level. UNDP, September 2005.

Partnerships

Business UNusual – Facilitating United Nations Reform Through Partnerships

As this publication shows, partnerships between UN and business have acted as a catalyst for reform and institutional innovation throughout the UN system by infusing private sector management practices and performance-based thinking. UNGCO/GPPI, 2005.



Corruption



Business Against Corruption – Case Stories and Examples

An inspirational report showcasing examples of how to deal with difficulties when implementing the Global Compact's anti-corruption principle. UNGCO, April 2006.

Business Against Corruption - A Framework for Action

Resources and tools to assist companies in implementing the tenth principle on corruption. UNGCO, IBLF and TI, 2005.



Financial Markets



Principles for Responsible Investment

Voluntary principles providing guidelines on how to incorporate environmental, social and governance issues into mainstream investment decision-making and ownership practices. UNGCO/UNEPFI, 2006.

Who Cares Wins – Connecting Financial Markets to a Changing World

This report addresses how the financial industry should integrate social and environmental issues in their financial analysis, research and investment recommendations. UNGCO, 2004.



"Who Cares Wins": One Year On

A review of the integration of environmental, social and governance value drivers in asset management, financial research and investment processes. UNGCO/IFC, 2005.

Business in Zones of Conflict



Enabling Economies of Peace: Public Policy for Conflict-Sensitive Business

The report identifies a range of concrete actions that Governments and international organizations

can undertake to better assist private-sector efforts to promote effective conflict-sensitive business practices. UNGCO 2005.

contacting the united nations

Global Compact Office

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The Ten Principles of the UN Global Compact

The Global Compact's ten principles are derived from:

The Universal Declaration of Human Rights;
The International Labour Organization's Declaration on
Fundamental Principles and Rights at Work;
The Rio Declaration on Environment and Development; and
The United Nations Convention Against Corruption.

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core principles in the areas of human rights, labour standards, the environment, and anti-corruption:

Human Rights

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

Labour

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

Environment

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

Anti-Corruption

- 10 Businesses should work against corruption in all its forms, including extortion and bribery.

