UN Global Compact Policy on Communicating Progress
Updated February 25, 2011

Overview

- The Communication on Progress (COP) is an annual disclosure through which a business informs stakeholders about its efforts in implementing the principles of the United Nations Global Compact.

- As the central component of the Global Compact’s integrity measures, the COP’s main objective is to serve as a public vehicle for information on sustainability performance. At the same time, the COP can be an effective tool for stakeholder dialogue and the sharing of best and emerging practices.

- As a public document, the COP is an important demonstration of a company’s commitment to transparency and accountability. Failure to submit a COP on the Global Compact website will thus result in a change of participant status and can eventually lead to the expulsion of a business from the initiative.

- The submission of a COP enhances stakeholder access to information about a participant’s sustainability performance. Non-business participants are not required to issue a COP.

COP Requirements

1. Business participants are required to communicate progress annually to stakeholders

A COP is a direct communication from business participants to their stakeholders. For this reason, participants are required to make their COP widely available. While the overall format is flexible, each COP must contain the following three elements:

   a. A statement by the chief executive expressing continued support for the Global Compact and renewing the participant's ongoing commitment to the initiative and its principles.

   b. A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (and plans to take) to implement the Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).

      Note: In cases where a COP does not address one or more of the four issue areas, it must provide an explanation (“report or explain”).

   c. A measurement of outcomes (i.e., degree to which targets/performance indicators were met, or other, qualitative or quantitative, measurements of results).
2. Business participants must submit their annual COP on the Global Compact website

   a. Business participants must submit their first COP within one year from the date of joining the Global Compact. (Note: business participants that joined before 1 July 2009 still have two years from their date of joining to submit their first COP.) All subsequent COPs are due within one year following the previous submission.

   b. Business participants are required to submit an electronic version of their COP (preferably a PDF file) and, if available, a link (URL) to the web page that contains their COP – to the Global Compact COP database (www.unglobalcompact.org/admin).

   c. Participants must complete a brief questionnaire capturing the content of the COP and its dissemination to stakeholders.

Differentiation

Business participants that submit a timely COP will be classified in one of two categories:

- **GC Active**: A business participant that submits a timely COP and declares that it meets all COP requirements (section 1 of the COP Requirements above).

- **GC Advanced**: Business participants that meet the requirements of the GC Active level can identify themselves as “GC Advanced” by:
  
  1. Describing how they meet or plan to meet 24 advanced criteria in their annual COP, in the following areas:
     - strategy, governance and engagement
     - UN goals and issues
     - implementation of Global Compact principles
     - value chain implementation
     - verification and disclosure

     A criterion is met when a company communicates its implementation or planned implementation of commonly accepted best practices – that is, those best practices suggested under each criterion that are relevant to their context of operation.

     Over time, participants at the GC Advanced level are encouraged to implement all relevant best practices. In cases where a company believes a criterion is not relevant, this should be explained in the COP.

     The best practices identified are not intended as a comprehensive list and therefore companies may choose to implement additional established or emerging best practices and indicate it in the self-assessment.

  2. Submitting a COP on the Global Compact website with a statement confirming that the COP describes how the 24 criteria have been met or how the company plans to meet them.

  3. Completing a self-assessment covering the content of the COP and assessing the company’s coverage of the criteria and associated best practices.
Consequences of Failure to Communicate Progress

**Learner Grace Period**

- A business participant whose submitted COP does not meet the COP requirements (see Section 1 of the COP Requirements above) will be given a **one-time, 12-month “Learner” grace period** to submit a new COP that meets all requirements. During that time, participants will receive active support and assistance from the Global Compact Office and from their Local Network through the Learner Platform.

  Note: this rule also applies to participants who are non-communicating at the time of their COP submission.

**Non-communicating status**

- A business participant will be designated as “**non-communicating**” on the Global Compact website if it fails to submit a COP within the required deadlines (see Section 2.a. of the COP Requirements above).

- If a participant fails to submit a COP that meets all requirements (see Section 1 of the COP Requirements above) within the Learner grace period, it will become **non-communicating** immediately following the end of the grace period.

- A business participant that has already benefited once from the Learner grace period will become **non-communicating** if it fails again to submit a COP that meets all COP requirements within the required deadlines.

**Expulsion from the Global Compact**

- If a **non-communicating** participant fails to submit a COP that meets all COP requirements within a year of becoming non-communicating, it will be **expelled from the Global Compact** and the name of expelled participants will be made public on the Global Compact website.

- All organizations that have been expelled must reapply to join the initiative.

**Format and Language**

- To make the COP widely available to internal and external stakeholders and avoid duplication of efforts, a COP should be fully integrated in the participant’s main medium of stakeholder communications, including (but not limited to) a corporate responsibility or sustainability report and/or an integrated financial and sustainability report.

- In the event that a business participant does not publish formal reports, a COP can be created as a stand-alone document. A basic template is available to assist participants in the creation of such a document.

- COPs should be written in the predominant stakeholder language(s). The Global Compact Office welcomes COPs in all languages.
Modification of COP Deadlines

- *Adjustment Request*. Business participants can adjust their COP submission deadlines to their reporting cycles by submitting an adjustment request on the Global Compact website, indicating the timing of the participant’s reporting cycle. Such a request will result in a **one-time** deadline deferral of up to 11 months.

- *Grace Request*. In case of a foreseeable delay in COP submission, business participants may request a grace period of 90 days from the COP deadline by submitting a grace request on the Global Compact website, providing a reasonable explanation for the delay and stating the date by which the COP will be submitted. Any grace period granted will reset the COP deadline (e.g., if the original COP deadline is 1 January 2011 and the grace period ends 1 April 2011, then the next COP deadline will be 1 April 2012).