



Global Compact Network
South Africa



UN Global Compact



"We need business to give practical meaning and reach to the values and principles that connect cultures and people everywhere."

Ban Ki-moon,
Secretary-General of the
United Nations

Regional partner of the World Business Council
for Sustainable Development



Overview

The Global Compact, a network of thousands of companies and organizations across 100 countries worldwide, was launched on 26 July 2000. It was initiated by several dozen business leaders who came together at UN Headquarters to join an international drive to bring companies together with UN agencies, labour and civil society to advance universal social and environmental principles. The Global Compact has since become the world's largest voluntary corporate citizenship initiative.

Through the power of collective action, the Global Compact seeks to advance responsible corporate citizenship so that business can be part of the solution to the challenges of globalization. In this way, the private sector — in partnership with other social actors — can help realize the UN's vision of a more sustainable and inclusive global economy. To do so, the Global Compact asks participants to pursue two complementary objectives:

Making the Global Compact and its principles part of business strategy and operations;
Facilitating cooperation among key stakeholders by promoting partnerships in support of UN goals.

The Global Compact is not a regulatory instrument — it does not “police”, enforce or measure the behaviour or actions of companies. Rather, the Global Compact relies on public accountability, transparency and the enlightened self-interest of its participants to initiate and share substantive action in pursuing the principles upon which the Global Compact is based.

At its core is the Global Compact Office in New York and six UN agencies. These include the Office of the UN High Commissioner for Human Rights; the United Nations Environment Programme; the International Labour Organization; the United Nations Development Programme; the United Nations Industrial Development Organization; and the United Nations Office on Drugs and Crime. The Global Compact involves all the relevant social actors: governments, who defined the principles on which the initiative is based; companies, whose actions it seeks to influence; labour, in whose hands the concrete process of global production takes place; civil society organizations, representing the wider community of stakeholders; and the United Nations, the world's only true global political forum, as an authoritative convener and facilitator.



Why Participate?

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.

Benefits of Participation

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 Ensuring accountability and transparency through a public communication on progress

How to Participate

As a voluntary initiative, the Global Compact seeks wide participation from a diverse group of businesses and other organizations. To participate in the Global Compact, a company*:

Sends a letter from the Chief Executive Officer (and, where possible, endorsed by the board) to the Secretary-General of the United Nations expressing support for the Global Compact and its principles (address: United Nations, New York, NY 10017; fax: +1(212) 963-1207);

Sets in motion changes to business operations so that the Global Compact and its principles become part of strategy, culture and day-to-day operations;

Is expected to publicly advocate the Global Compact and its principles via communications vehicles such as press releases, speeches, etc.; and

Is required to communicate annually with stakeholders on actions taken in implementing

the Global Compact principles. This “Communication on Progress” (COP) is expected of all participating companies, and must be shared publicly with stakeholders - through financial, sustainability or other prominent public reports, in print or on the participant’s website. As a public disclosure measure, the COP policy is designed to demonstrate the corporate commitment, safeguard the integrity of the initiative and its participants and promote transparency and accountability.

In terms of the practical ways in which companies pursue the principles, the Global Compact offers engagement opportunities to all participants through the following:

Networks. The Global Compact has established many country and regional networks around the world. These networks are designed to support the implementation of the Global Compact in a local context through dialogue, learning and projects, and to provide support for quality assurance. Companies and other Global Compact stakeholders are encouraged to take an active role in relevant country networks. The National Business Initiative is the focal point of the local network in South Africa.

Dialogues. The Global Compact supports action-oriented regional or international meetings, or “policy dialogues”, that focus on specific issues related to globalization and corporate citizenship. Issues addressed have included “The Role of the Private Sector in Zones of Conflict”; “Business and Sustainable Development”; “Transparency and Anti-Corruption”; “Business and Human Rights”; and “Financial Markets and Corporate Responsibility”.

Learning. Companies are invited to develop and share examples of corporate practices, experiences and lessons learned on the Global Compact website. Local and regional learning events support the sharing of knowledge.

Partnership Projects. The Global Compact encourages participants to engage in partnership projects with UN agencies and civil society organizations in support of global development goals.

* Non-business organizations are asked to visit the Global Compact website (www.unglobalcompact.org) for further information on how to engage with the initiative.



The South African Local Network of the Global Compact

In 2007, the National Business Initiative (NBI: www.nbi.org.za) – an independent, voluntary coalition of 140 member companies which is committed to shared growth and sustainable development in South Africa – was appointed as Focal Point to the South African Local Network. As such, the organization has committed itself to achieving broad participation in the Global Compact amongst local companies and stakeholders, as well as to supporting these companies in their efforts to embed the ten principles into the way they do business.

The Local Network, through consultation with a wide spectrum of stakeholders and its advisory committee, has taken the decision to place a particular emphasis on human rights and anti-corruption in South Africa, as well as the theme of responsible business practices by South African companies in other African countries.

For more information on the Global Compact in South Africa please contact the National Business Initiative on +27 (0)11 544 6000 or email: info@nbi.org.za

The Ten Principles

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



HUMAN RIGHTS

Principle 1 | Businesses should support and respect the protection of international human rights within their sphere of influence; and

Principle 2 | make sure they are not complicit in human rights abuses.

LABOUR

Principle 3 | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4 | the elimination of all forms of forced and compulsory labour;

Principle 5 | the effective abolition of child labour; and

Principle 6 | the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Principle 7 | Businesses should support a precautionary approach to environmental challenges;

Principle 8 | undertake initiatives to promote greater environmental responsibility; and

Principle 9 | encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

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



To participate in the Global Compact, or for more information and tools on its ten principles, please go to www.unglobalcompact.org

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