



## UN Global Compact Board Meeting Report 8-9 January 2015

*The UN Global Compact Board held its bi-annual meeting in New York on 8-9 January 2015. Board members reported to the UN Secretary-General at the meeting, which was chaired by Sir Mark Moody-Stuart, Vice-Chair of the Board and Chair of the Foundation for the Global Compact. Discussions focused on implementation of the Global Compact integrity measures; the initiative's strategy for growth; governance and management of the initiative; and sustainable funding for the Global Compact. Following is a summary of the Board's discussions and key outcomes.*

### **Welcome and Report from the Executive Director of the UN Global Compact**

#### **Background**

Sir Mark Moody-Stuart opened the meeting, welcoming Board members and the Government observers from Finland and the Netherlands. Georg Kell, Executive Director of the UN Global Compact, began by highlighting the strong growth trajectory of Global Compact Local Networks, noting that some networks celebrated their 10<sup>th</sup> anniversaries this past year. Mr. Kell emphasized the Global Compact's continued growth across all issues and platforms, highlighting several key milestones from 2014:

- **Caring for Climate (C4C):** He noted the success of the C4C-led UN Private Sector Forum at the UN Climate Summit in September and the enthusiasm it built around carbon pricing. He shared his optimism for the momentum being carried forward towards the 21<sup>st</sup> Conference of Parties (COP21) in Paris in December 2015.
- **Anti-Corruption:** He highlighted the success of the 10<sup>th</sup> Principle Anniversary Event in December, which attracted more than 200 participants, and the Anti-Corruption Call to Action, which is now supported by more than 250 companies and investors, calling on Governments to promote anti-corruption measures and to implement policies that will establish systems of good governance.
- **Human Rights:** He remarked that the Third Annual UN Forum on Business and Human Rights in Geneva – which included several panels organized by the Global Compact – was more constructive than in the past, winning over pragmatic participants and giving the Global Compact more soft power to implement the Guiding Principles.
- **Financial Markets & Global Compact LEAD:** The connection between business and investors was emphasized at this year's LEAD Symposium, which focused on the vision of *The Future Corporation* and included the launch of the Global Compact Board Programme. Mr. Kell noted that the link to the Global Compact's sister-initiative the Principles for Responsible Investment (PRI) is strong and that the Sustainable Stock Exchange Initiative is growing stronger.
- **Industry Associations:** The Global Compact's first industry association working-level meeting took place in 2014 and Mr. Kell was impressed by what associations are already doing on sustainability. The Global Compact is building on momentum from the initial meeting and preparing for the next one in June, noting the great opportunity to leverage industry associations as value drivers.
- **Post-2015 Development Agenda:** Mr. Kell reported that the Global Compact has provided many interfaces, side events and speakers throughout the process, convincing business that engagement on the SDGs makes sense. He noted that the Global Compact is welcomed by the UN and amplifies existing issue work. He noted that Global Compact should maintain a balance between engaging in intergovernmental processes and its work with business.

Sir Mark Moody-Stuart informed the Board that at an earlier meeting with Secretary-General and Mr. Kell, the Secretary-General indicated that his priorities are the SDGs and climate. He said they discussed the role of business and the Global Compact and how they can support Governments.

#### **Discussion**

- We need to build incentives for companies for companies to join the Global Compact in order to go to scale. Better communication of the financial incentives that come with opening markets and increasing media and communications opportunities is one suggestion. Local Networks are working on this by leveraging natural allies: financial institutions, companies with large supply chains and media outlets. (Argüden)

- To go to scale, COPs should report what proportion of suppliers and investors are Global Compact signatories to help motivate recruitment. The Supply Chain Working Group recently released a traceability publication. (Argüden, Kell)
- Communication between the Global Compact and the Local Networks needs improvement. Relationships with multi-national companies are with Global Compact headquarters. When the Global Compact forms relationships directly with companies without the network, networks are undermined. (Argüden)
- We need to expand cross-pollination of people between the Global Compact and Local Networks. Webinars and other resources developed by Global Compact are helpful and there should be more, but not everyone is using these resources. (Argüden)
- Global Compact need to better protect the brand by ensuring that it maintains ownership of all the Local Network websites and URLs centrally. This will keep brand value and reduce difficulties during leadership transitions at networks. The Global Compact is investing significant resources to improve the brand, website, and provide better guidelines for Local Network branding. (Argüden, Moody-Stuart, Kell)
- All organizations collaborating with the Global Compact should be signatories. Otherwise it undermines being a signatory. (Argüden)
- According to Turkish companies involved in consultations, the number of goals included in SDGs consultations should be limited to no more than ten. (Argüden)
- Would be beneficial to future planning to relate progress made on the strategy launched at the beginning of last year. The Global Compact office has started collecting data on past strategic targets and a draft version will be ready in early May 2015. (Hägglund, Kell)

### **Agenda Item 1: Review of Progress on Integrity Measures and Strategy to Bring the Global Compact to Scale**

#### **Background**

The Global Compact gave an overview of its efforts to grow in both quantity and quality. Work is underway to better engage current and new participants in the issues and also to recruit new companies. The *Global Compact Guide to Corporate Sustainability* was introduced, which lays out the five defining features of corporate sustainability, how business can move forward and what the Global Compact is doing to help. The Board received an update on plans for the upcoming 15<sup>th</sup> Anniversary, which will include a new website and updated branding.

The Board also received and discussed the "Progress Report on Integrity Measures", which reported on the three main Global Compact Integrity Measures: (1) the Communication on Progress (COP); (2) logo policy and brand management; and (3) the facilitation of dialogue on alleged systematic and egregious abuse. A slight decrease in logo requests was reported, but was likely attributed to the recent change in the Logo Policy requiring that participants be up-to-date on their annual contribution in order to use the endorser logo.

In addition to giving an overview of COP statistics, the Global Compact shared Board members' concern about the high number of non-communicating SMEs and discussed possible strategies for addressing this issue.

#### **Discussion**

##### *Supporting SMEs in Reporting*

- Important to not complicate reporting for SMEs. COPs should align with GRI or other reporting schemes. It is important for SMEs to be able streamline their reporting. (Pes, Moody-Stuart)

- Global Compact Network Spain has produced a simplified tool for SMEs, which has been very helpful and should be built upon. Spanish success on SMEs is due to individual "hand-holding" for each company, but requires the network to have a large capacity. (Kell)
- There is a need to educate SMEs in Indonesia, which are mostly women-owned, about COPs and to provide guidance in the local language. (Tilaar)
- A solution could be to make COPs more useful to SMEs by making the criteria more integrated into their business requirements. At the moment, it is additional to their business, which makes compliance difficult due to lack of resources. (Argüden)
- Companies should be publicly recognized for completing their COPs as it would be a huge incentive, especially for smaller companies. (Greenhill)
- One proposal is to create a mechanism to enlist MBA students to work with individual SMEs on completing their COPs. (Greenhill)
- Sedex is part of supply chain advisory group. Global Compact is in discussions with them and other organizations to help reduce duplication of efforts. (Moody-Stuart)
- Global Compact Network Turkey is engaging industry associations to help with reporting. (Argüden)
- Companies join the Global Compact because they think it is the right thing to do. We need to find the right business model to support companies on their COPs. (Pes)

#### *SMEs Policy – Recruitment & Retention*

- Data shows that the Global Compact has a difficult time retaining SMEs. One proposal is to accept only a certain level of SME. Another is whether the COP Policy should contain difference requirements based on company size. There was concern about the amount of staff resources being used to bring SMEs on board and retain them at the global and local levels. (Labelle)
- We should look at both the requirements for SMEs and also the size of companies approached for recruitment. (Greenhill, Arima)
- The strength of Local Networks will be a deciding factor in supporting SMEs. It may take a lot of time for many networks to reach the capacity necessary to support them. (Kell)
- It could be beneficial to look into our policy regarding SMEs but we must not forget that the Global Compact is all about respecting principles. We should still consider what we can do for SMEs and whether it would be possible for larger companies to include their supply chains in their reporting or training. (Labelle)
- The Global Compact could implement a test period where SMEs are not counted as signatories until they report, instead of counting them and then delisting them. We need to use positive language rather than the negative language of expelling them. (Hägglund, Moody-Stuart, Pes, Arima, Argüden)

#### *Fundraising at Global & Local Levels*

- Mandatory Local Network membership fees for SMEs vary globally. For example, Turkey does not have a mandatory fee but they ask SMEs to give what they can. Not all companies are required to pay and there is a focus on the largest companies. Spain charges depending on size. (Arima, Argüden, Pes)
- 80% of Global Compact signatories are not making a financial contribution at the global level. We do not currently have data on how many of those signatories are paying at the local level and the Global Compact is in the process of collecting that information. (Moody-Stuart)

#### *Going to Scale*

- There could be several ways to measure scale. Is a company with 50,000 employees worth more than a company with 5,000? It is a question of impact, for example through issue platforms or other transformative projects. (Hägglund, Kell)

### **Outcomes**

- The Board gave the Global Compact the mandate to review policies related to SMEs and keep the Board updated. The topic can also be discussed at Regional Local Network Meetings.

### **Meeting with the Secretary-General**

#### **Background**

UN Secretary-General Ban Ki-moon, Chair of the Global Compact Board, joined the meeting to discuss the progress of the initiative. The Secretary-General's remarks were followed by brief interventions by several Board members. [View the Secretary-General's full remarks \[as prepared for delivery\]](#).

#### **Remarks**

The Secretary-General thanked Board members for their continued commitment. He emphasized how important 2015 will be for the UN with the conclusion of the post-2015 process, climate negotiations, as well as the organization's 70<sup>th</sup> anniversary. In addition, the Financing for Development Conference in Addis Ababa this summer provides an opportunity for leaders to develop effective finance mechanisms that will be key to implementing the SDGs. Without resources and political will, the new targets will not be achievable.

The Secretary-General commended the Global Compact for its wide-ranging efforts to drive the corporate sustainability movement – and encouraged Board members to do more to advance the SDGs and climate process in this critical year for global action and leadership. The special sessions around the SDGs around the General Assembly this September will be an important time, and following the progress made at last year's C4C Business Forum at COP20 in Lima, the Secretary-General reemphasized the critical role the private sector can play at COP21, including through C4C and the CEO Water Mandate.

#### **Discussion**

*Sir Mark Moody-Stuart* thanked the Secretary-General for his remarks, and he emphasized that the issue platforms he mentioned were launched under his leaderships and are part of his contribution to the Global Compact.

*Mr. Toshio Arima* highlighted a range of activities undertaken by the Global Compact Local Network in Japan, including the China-Korea-Japan Roundtable. The event gathered over 200 participants from Local Networks in the three countries, as well as businesses and other stakeholders, including students.

*Ms. Monica de Greiff* discussed how the Colombia network is working with the Global Compact's Business for Peace platform as it engages business in the country's peace process. Network participants have joined national peace conferences and businesses have helped to create jobs for former members of guerilla forces.

*Mr. Pierre Sané* emphasized the need to more deeply engage Africa in the creation of the Post-2015 Agenda and SDGs. A major concern is how to ensure that the goals will be taken on board by international financial institutions – including the World Bank, International Monetary Foundation and private investors – and that they set criteria for loans and investment that will make it feasible for Governments to meet the goals.

*Mr. Elias Masilela* noted that because the South Africa network hosts the Global Compact's Africa representative, its activities are closely aligned and interlinked with the rest of continent. He was pleased that the Secretary-General called for global action in 2015 and highlighted his commitment to implementing the Global Compact Africa Strategy as part of global efforts around the post-2015 agenda. In order to successfully execute the strategy, increased awareness among business, Governments, ambassadors, the African Union and other leaders is critical. Mr. Masilela asked the Secretary-General, Board members and all present to champion the Africa strategy.

*Ms. Huguette Labelle* shared that Global Compact's 10<sup>th</sup> Principle Anniversary event was well-attended and showcased the 250 companies that signed Call to Action asking Governments to integrate anti-corruption measures. The event also encouraged companies to embrace the SDGs and also encourage their Governments to support them. Ms. Labelle also welcomed the inclusion of goal 16 on peace and governance in the proposed SDGs, emphasized its importance to meeting the other goals and thanked the Secretary-General for his leadership.

*Ms. Martha Tilaar* provided an overview of the Indonesian network's activities to empower women, provide workforce education, protect the environment and local culture, and legalize the marriages of underprivileged couples so that they have the certifications necessary for Government services.

*Mr. Yimlaz Argüden* shared that over the past year more than 50 Local Networks engaged with the post-2015 agenda process with the support of the Global Compact and issue platforms such as C4C, the Women's Empowerment Principles and Business for Peace. He shared that going forward, the network in Turkey plans to scale up current activities – including engaging with investors and looking at supply chains of large brands – and continue to build incentives for companies to implement responsible practices. The network will also take advantage of Turkey's leadership of the G20 to encourage uptake of the Global Compact.

*Mr. Mads Øvlisen*, the chair of the Global Compact Advisory Group on Supply Chain Sustainability, noted keen interest in the group and its work, together with the Global Compact, to develop resources on a range of issues, including a traceability guide and forthcoming guidance for SMEs.

*Mr. Angel Pes* thanked the Secretary-General for his message to the Spanish network's 10<sup>th</sup> anniversary meeting. This year, the network will raise awareness of the SDGs among businesses and make the case for aligning corporate strategies with them in order to be successful globally.

*Mr. Robert Greenhill* thanked the Secretary-General for his leadership under which the Global Compact has grown from an idea to a huge initiative. He echoed the Secretary-General's comments that the SDGs need business, but also emphasized that business needs the SDGs. Mr. Greenhill added that business will benefit from a more stable world and if business aligns with the SDGs, it can be a powerful element of their global social license to operate. There is an opportunity for business to be an early champion of the SDGs and we need a few companies, such as those in LEAD, to take on that role from the beginning. Finally, he expressed gratitude to Amina Mohammed, the Secretary-General's Special Adviser on Post-2015 Development Planning, for the role she has played in engaging business in the post-2015 process.

*Mr. Paul Polman* emphasized the important realization that the SDGs and the climate process are about more than just reaching agreements; they are decisions if people will live or die. He recognized the risk the Secretary-General took deeply engagement business in these UN goals despite the fact that some did not want business involvement. He also thanked Mr. Kell and Sir Mark Moody-Stuart for their leadership and role in the lasting impact the Global Compact will have. Mr. Polman reflected on Lima, noting growing momentum towards a universal climate agreement, including from business. He called on all to speak with one united voice and for collaboration among actors in the corporate sustainability space. He emphasized engaging youth and also the ability of business to engage with their Governments to encourage support for the SDGs.

*Mr. Kurt Bock* highlighted a recent project with the Canadian Government as an example of how the Global Compact contributes to real world action. He added that his company is engaged in Local Networks around the world where it has operations. He noted that agreeing upon climate targets is important from a company perspective as they could be the first time the world has a level playing field. He looked forward to the Global Compact 15<sup>th</sup> anniversary event in hopes of working to maintain and develop the initiative further.

*Mr. Philip Jennings* reflected on the recent Charlie Hebdo shooting noting that the victims were working people. As a labour leader among business people, Mr. Jennings call for business leadership in terms of tolerance, healing and freedom of expression and association. He recognized the recent work of the Global Compact to contribute to the SDG process. He welcomed that the proposed SDGs reference jobs, wages and social protection and noted that the SDGs can help with the huge problem of income inequality by focusing on these issues. Mr. Jennings highlighted that following the Rana Plaza disaster, the accord, which is supported by many Global Compact participants, has resulted in the inspection of over 2,000 factories.

*Mr. Björn Hägglund* used the example of a recent major forest fire in Sweden to show that global warming does not come slowly but rather through intense catastrophes. He described the largest-ever Nordic Network meeting held this past year and emphasized that going forward strong leadership of the Global Compact will strengthen growth.

*Ms. Louise Kantrow* conveyed congratulations from the ICC Chairman for the UN's progress so far in the post-2015 process and the creation of an environment where the global community sees that business must be a constructive partner. She shared that the ICC has been focusing on the intergovernmental process and has been working together with the Global Compact to bring the views and expertise of business to negotiations.

The Secretary-General thanked the Board members for their contributions and expressed his encouragement by their array of expertise and activities. He called upon the Board members to encourage their organizations to promote tolerance in the wake of Charlie Hebdo.

### **Global Compact Governance and Management**

The Board held a closed-door session to discuss Global Compact leadership, as the Global Compact Executive Director is set to retire as of August 2015. The Board will play a key role in succession planning for the initiative.

### **Agenda Item 2: Strategic Guidance on 2015 Priorities**

#### **Background**

The Executive Director of the Global Compact presented the initiative's planned priorities for 2015. Thematic priorities include the SDGs and climate agenda, and the Global Compact will advance these areas through contributing to the Financing for Development Conference and convening the Private Sector Forum during the General Assembly in September and the C4C Business Forum at the COP21 negotiations in December. The Global Compact's issue work, Local Network bottom-up planning process and goal-setting work all support these priorities. Leveraging the value drivers for corporate sustainability (investors, educators, policymakers) and engaging with industry associations are also areas of focus.

From 23-25 June, the Global Compact will mark its 15<sup>th</sup> anniversary at Global Compact+15. On 23-24 June, issue working group meetings, the Annual Local Networks Forum and the UN Private Sector Focal Points Meeting will be convened. On 25 June, all participants will join together in a plenary session in the UN General Assembly Hall to demonstrate how business can contribute to the SDGs. That evening, a Gala dinner will celebrate our progress over the past 15 years and strength looking to the future. The Secretary-General and former Secretary-General Kofi Annan will be honoured guests. The day will also ideally mark the handover to the new Global Compact Executive Director. The next Board meeting will be held alongside Global Compact+15.

#### **Discussion**

##### *Post-2015 Agenda*

- In 2015, the Global Compact should focus on consolidating. There is no capacity for new initiatives or events. A priority should be the post-2015 agenda, how business can deliver on it and showing how the Global Compact's work is aligned. (Polman, Hägglund, Pes)
- The Global Compact has made an effort to limit new initiatives and projects in the last year. (Moody-Stuart)
- Rather than increasing the number of Global Compact participants, we should improve quality and find ways to show our impact. If we demonstrate success, it is easy to convince people that these successes could be scaled with the right resources. (Polman)
- We need a mechanism to help the Global Compact better leverage corporate participants and networks to inform Government representatives about the SDGs and other key priorities. (Polman)
- The Global Compact's efforts – including through issue platforms, Local Networks and collaborations with other corporate sustainability initiatives – are essential to the SDG and financing for

development processes. It is useful to show Member States the transformative power of companies and multi-stakeholder partnerships, both of which will be critical to SDG implementation. A shift is taking place and trust among sectors is increasing. The Global Compact has laid an important foundation for private sector engagement thanks to Georg Kell and his team. (Netherlands)

- Of the Global Compact's two objectives – internalizing values and taking action in support of UN goals – it was the first that really got all the attention. However, now the second is gaining traction. (Moody-Stuart, Kell)

#### *Local Networks*

- Strengthening and empowering the Local Networks must be a priority to grow to scale. They need to expand their participant base and also better engage existing participants. (Pes, Hägglund)
- We should have a meeting to strategically look at how ICC National Committees, Global Compact Local Networks and World Business Council for Sustainable Development (WBCSD) regional networks can work together, for example by better coordinating business messages to Government. (Kantrow)
- Locally, OECD National Contact Points are working with the Global Compact. (Jennings)
- When asking Local Networks to take an action, it must be communicated to them in advance as they need to plan and mobilize resources. Often networks have small staffs and limited resources, so expectations must be managed. There are many recommendations to help networks develop and one is for staff from headquarters to spend more time or be relocated to the regions they support (Argüden)
- The experience of the Local Network in Spanish shows that large companies can play a major role to drive the network growth and activities. This could apply to other countries as well. (Pes) A few Board members' companies play important roles in networks and we should find ways to better recognize them. (Kell)
- The value proposition of networks is important and we must better communicate it. (Labelle, Moody-Stuart) For multinational companies engaged globally, it may not be apparent that network involvement is an intelligence issue. However, it is an important way for companies to understand local environments and contexts where they seek to expand their business. (Moody-Stuart)

#### *General Global Compact*

- The role of the Government Group on the Board is important and we should continue to find more ways to integrate the Government Group into Global Compact activities, including at the June 15<sup>th</sup> anniversary event. (Netherlands)
- We are working to expand the Government Group to make it more diverse. Contributions from Governments are important examples of soft power support that can encourage even more companies to join the Global Compact. (Kell, Moody-Stuart)
- The labour principles need more attention and we should look for more ways to work with the ILO. It is challenging to organize workers and labour progress is inconsistent with other corporate sustainability progress being made globally. (Jennings)
- There should be a strong labour presence at Global Compact+15. (Jennings)
- To engage better with labour groups, there needs to be interest among both Local Network and labour. (Moody-Stuart)
- Cultivating incentives from the financial community is very important. For example, there is currently momentum to value carbon. (Polman)

- As the Global Compact develops its updated narrative, there should be room for the next executive director to engage in the process (Jennings, Argüden)

#### **Outcomes**

- The Board welcomed plans for the Global Compact's 15<sup>th</sup> anniversary event.
- During the closed portion of the meeting, the Board also formally adopted the Global Compact Africa Strategy, which had been welcomed at previous meetings.

#### **Updates from the Foundation for the Global Compact**

Sir Mark Moody-Stuart, the Chair of the Foundation for the Global Compact, reported to the Board on the Foundation's fundraising efforts and plans. Following the launch of the collaborative funding model with Local Networks last year, the networks have seen an increase in funding and the Foundation fundraising has been steady with funding coming from a diverse range of sources.



## **Appendix 1: Members of the Global Compact Board**

### **Chair**

H.E. Ban Ki-moon, Secretary-General of the United Nations

### **Vice Chair**

Sir Mark Moody-Stuart (Ex Officio), President & Chairman, Foundation for the Global Compact

### **Business**

Mr. Toshio Arima, Director and Executive Advisor to the Board, Fuji Xerox, Japan

Mr. Kurt W. Bock, Chairman of the Board, BASF SE, Germany

Ms. Marilyn Carlson-Nelson, Chairperson, Carlson, USA\*

Mr. Fernando Chico Pardo, President, Grupo Aeroportuario del Sureste (ASUR), Mexico\*

Mr. Robert Collymore, Chief Executive Officer, Safaricom Limited, Kenya

Ms. Monica de Greiff, Chief Executive Officer, Bogota Chamber of Commerce, Colombia

Mr. Samuel di Piazza, Vice Chair, Institutional Clients Group, Citi, USA\*

Mr. Fu Chengyu, Chairman, Sinopec Group, China\*

Mr. S. Gopalakrishnan, Executive Co-Chairman, Infosys, India\*

Mr. Björn Häggglund, Member of the Board, Alfa Laval AB, Sweden

Mr. Li Decheng, Standing Vice President and Director General, China Enterprise Confederation/China Enterprise Directors Association\*

Mr. Elias Masilela, Executive Chairman, DNA Economics (Pty) Ltd., South Africa

Mr. Arif Masood Naqvi, Vice Chairman and Group Chief Executive Officer, Abraaj Capital Holdings Limited, UAE\*

Mr. Angel Pes Guixa, President, Global Compact Network Spain

Mr. Paul Polman, Chief Executive Officer, Unilever, United Kingdom

Ms. Güler Sabanci, Chairperson, Sabanci Holding, Turkey\*

Ms. Martha Tilaar, Chairperson, Martha Tilaar Group, Indonesia

Mr. Dinesh K. Sarraf, Chairman and Managing Director, Oil and Natural Gas Corporation (ONGC) Ltd., India\*

### **International Labour and Business Organizations**

Mr. John Danilovich, Secretary-General, International Chamber of Commerce\*

Mr. Philip Jennings, General Secretary, UNI Global Union

Mr. Jyrki Raina, General Secretary, IndustriALL Global Union\*

Mr. Brent Wilton, Secretary-General, International Organisation of Employers\*

### **Civil Society**

Mr. Jorge Abrahão, President, Instituto Ethos de Empresas e Responsabilidade Social

Ms. Huguette Labelle, Chair, Transparency International

Ms. Julia Marton-Lefèvre, Director-General, International Union for Conservation of Nature\*

Mr. Pierre Sané, President, Imagine Africa International

### **Other Ex-Officio**

Mr. Yilmaz Argüden, Chair, Global Compact Local Network Advisory Group

Mr. Robert Greenhill, Managing Director and Chief Business Executive, World Economic Forum

Mr. Georg Kell, Executive Director, UN Global Compact

Mr. Martin Skancke, Chair of the Board, Principles for Responsible Investment\*

### **Alternates**

Louise Kantrow, Permanent Representative to the UN, International Chamber of Commerce

### **Observers**

Mr. Mads Øvlisen, Chairman, Danish Council on Corporate Social Responsibility, Denmark

Mr. Kent Wilska, Commercial Counsellor, Ministry for Foreign Affairs, Finland

Ms. Maresa Oosterman, Senior Advisor, Ministry of Foreign Affairs, Netherlands

\*Not present at 8-9 January Board meeting

## **Appendix 2: Government Attendees of the UN Global Compact High-Level Luncheon**

H.E. Mr. Tété António, Permanent Observer of the African Union to the UN  
H.E. Mr. Martin Sajdik, Permanent Representative of Austria to the UN  
H.E. Mr. Abulkalam Abdul Momen, Permanent Representative of Bangladesh to the UN  
H.E. Mr. Jean-Francis R. Zinsou, Permanent Representative of Benin to the UN  
H.E. Ms. Maria Emma Velez, Permanent Representative of Colombia to the UN  
H.E. Ib Petersen, Permanent Representative of Denmark to the UN  
H.E. Mr. Kai Sauer, Permanent Representative of Finland to the UN  
H.E. Mr. Harald Braun, Permanent Representative of Germany to the UN  
H.E. Mr. Ken Kanda, Permanent Representative of Ghana to the UN  
H.E. Mr. Desra Percaya, Permanent Representative of Indonesia to the UN  
H.E. Mr. David Donoghue, Permanent Representative of Ireland to the UN  
H.E. Mr. Sebastiano Cardi, Permanent Representative of Italy to the UN  
H.E. Mr. Karel Jan Gustaaf van Oosterom, Permanent Representative of Netherlands to the UN  
H.E. Mr Robert Aisi, Permanent Representative of Papua New Guinea to the UN  
H.E. Mr. Gustavo Adolfo Velásquez, Permanent Representative of Peru to the UN  
H.E. Mr. Paul Seger, Permanent Representative of Switzerland to the UN  
H.E. Mr. Tuvako N. Manongi, Permanent Representative of Tanzania to the UN

H.E. Mr. Guilherme de Aguiar Patriota, Deputy Permanent Representative of Brazil to the UN  
H.E. Ms. Koki Muli Grignon, Deputy Permanent Representative of Kenya to the UN  
H.E. Ms. May-Elin Stener, Deputy Permanent Representative of Norway  
Mr. Dmitry Maksymichev, Deputy Permanent Representative of Russia to the UN  
H.E. Mr. Peter Wilson, Deputy Permanent Representative of United Kingdom to the UN

Mr. Pascal Buffin, Chargé d’Affaires, Belgium  
Ms. Anar Mamdani, Counsellor, Canada  
Mrs. Vanessa Gouret, Financial Counsellor, France  
Mr. Noboru Sekiguchi, Minister, Japan  
Ms. Maresa Oosterman, Senior Advisor, Ministry of Foreign Affairs, Netherlands  
Mr. Kent Wilska , Commercial Counsellor, Ministry for Foreign Affairs, Finland  
Ms. Sadia Faizunnesa, Counsellor, Permanent Mission of Bangladesh to the UN  
Ms. Stephanie Kage, Counsellor, Permanent Mission of Germany to the UN

### **Appendix 3: Summary of the UN Global Compact High-Level Luncheon**

On 9 January, a high-level luncheon was co-hosted by the *Permanent Representatives of Bangladesh, Finland and Tanzania*. The luncheon was attended by Deputy Secretary-General Jan Eliasson and nearly 150 participants, including members of the Global Compact Board and 30 Government representatives. The meeting featured discussions about the role of the private sector in advancing the post-2015 development agenda.

*Mr. Georg Kell, Executive Director of the UN Global Compact*, thanked the Deputy Secretary-General and the host ambassadors. He then invited Members of the Global Compact Board to report back to the Deputy Secretary-General and ambassadors about the work they are doing and progress made on engaging business in the post-2015 development agenda.

*H.E. Ambassador Abulkalam Abdul Momen, Permanent Representative of Bangladesh to the UN*, remarked that 2015 will be an important year for global action and an opportune moment for business to help shape future priorities and ensure markets advance in ways that benefit sustainable societies. He was pleased that the role of responsible business has specifically been included in the draft SDGs, which encourage companies to adopt sustainable practices and report, but he reminded the audience of the need to build more on how business can implement the SDGs. He congratulated the Global Compact for working to promote responsible business practices around the world and looked forward to hearing how business can contribute to post-2015 and help build trust.

*Sir Mark Moody-Stuart, Chairman of the Global Compact Board*, provided an overview of the Board's discussions, which included how to involve more companies in the Global Compact and grow Local Networks. He went on to say that the second part of their meeting centered on how to bring more SMEs into the Global Compact. He noted that the reporting requirement remains a challenge for many SMEs, but assured the ambassadors that the Board has some good ideas on how to approach the issue. He highlighted the two big elements of this year's goals: work toward embedding SDGs and have business commit to support them. He emphasized the need to put the full weight of business behind the SDGs, which he mentioned will be discussed at the Global Compact 15<sup>th</sup> Anniversary event in June. He commented on the extreme importance of climate action and noted that the Global Compact has placed great emphasis on carbon pricing.

*Ms. Huguette Labelle, Chair of Transparency International*, remarked that the meeting with the Secretary-General earlier that morning achieved a number of things, most importantly, to help them understand the importance of the SDGs to humanity. She noted some of the issues discussed, including strengthening Local Networks, advancing the Global Compact Africa Strategy and using the catalytic events of 2015 to give life to the ten principles. She emphasized the link between anti-corruption and development, noting her belief that without proposed Goal 16 of the SDGs and the role of governance, the other goals will not be met. She called on everyone to sign the Anti-Corruption Call to Action.

*Mr. Angel Pes Guixa, President of the Global Compact Network Spain*, noted that Global Compact Network Spain, which launched in 2004, has grown into the largest network with over 2,000 corporate participants, including 1,800 SMEs.

*Mr. Elias Masilela, Executive Chairman, DNA Economics (Pty) Ltd.*, reported that the Secretary-General told the Board that he declared 2015 a year of global action. He said the Board determined that Africa is critical to the SDGs and that they are working to popularize the Global Compact Africa Strategy. He emphasized that implementing the strategy is about contributing to post-2015 objectives, and if done properly – by investing in education, health, infrastructure, telecommunication – it will make Africa the competitive economy it wants to be and have a long-term impact on how the developed world engages with the developing world. He added that the strategy cannot be put into action without support and to do so, he called for strengthening the Board subcommittee to drive implementation. He emphasized that the strategy is a global, not just African, and everyone must be involved. He appealed to the ambassadors present to raise awareness and ensure the strategy is implemented to help achieve the SDGs in both the developing and developed world.

*Deputy Secretary-General Jan Eliasson* thanked the three ambassadors for hosting the event and showed his appreciation to Global Compact Board members for their dedication to advancing the initiative, assuring them that their efforts are deeply appreciated by the UN. He shared some personal reflections in the wake of the recent tragedy in Paris, highlighting the need to unite the "good forces" and mobilize collaborative

action, in which the private sector plays a critical role. He gave encouragement to companies, noting that their work – creating jobs, training workers, spreading technology – is making a contribution to society and giving people hope.

The Deputy Secretary-General reminded the audience of the pivotal year ahead for the UN, including three milestones: the Financing for Development Conference in July, the adoption of a post-2015 global development agenda by the General Assembly in September, and global climate change negotiations in Paris in December. He emphasized that the UN has faced no greater challenge than to send the message that, as an organization, it can produce results and deliver in these three areas. He pointed to the private sector as playing a key role in each of these milestones and thanked the Global Compact for mobilizing business towards these efforts. He emphasized that responsible business action is necessary to achieve these highly ambitious goals.

*H.E. Ambassador Kai Sauer, Permanent Representative of Finland to the UN*, thanked the Deputy-Secretary General and the other hosts and emphasized that in order to secure a sustainable future, we need partnerships. He added that the UN has proven it understands the needs of the 21<sup>st</sup> century and has paved a way for collaborative platforms. He remarked that the Global Compact is unique and has the potential to act as a bridge in the SDG process. He added that the work of the Local Networks is vital and emphasized the need to create movements, noting that several initiatives are already underway: companies promoting opportunities for women, training women entrepreneurs, clean mining and initiatives that focus on green economies and sustainable use of natural resources. He called for more initiatives like these to provide solutions, adding that contributions are not only limited to multi-billion dollar companies. He encouraged the UN to engage start-ups to find solutions.

*Mr. Paul Polman, Chief Executive Officer of Unilever*, remarked that while it would be difficult to find a larger group working to change the world than the corporate sustainability movement, the voices are still too scattered. He made a call to consolidate the message of the business community and he emphasized that work on these issues must be done on the ground and everyone must be actively involved. He commended the Secretary-General for the great personal risk he took by including business in the SDG process. He also commended the Global Compact, noting that the movement would not be where it is today without the work of Georg Kell or the Global Compact, highlighting the success of the Climate Summit, C4C Forum at Lima and the 60 Local Network consultations on SDGs. He noted the urgent need for climate action, but highlighted the successes already made in lifting many people out of poverty. He stated that business understands now that the cost of not doing something is higher than cost of doing something and that responsible business practices and success go hand-in-hand. He called on business to lift their collective voices and consolidate their efforts to create the tipping point needed to achieve change.

*H.E. Ambassador Tuvako N. Manongi, Permanent Representative of Tanzania to the UN*, encouraged business to address the question of trust and thanked the Global Compact for recognizing that collaboration is at the core of implementing the SDGs. He noted the need for financing from a broad range of contributors if the SDGs are to succeed. He called on the Board to encourage business and Government to work together to enable the private sector contribution to development. He thanked Mr. Masilela for being a champion of these issues on the Board. He admitted that challenges still remain – lack of skilled workers, financing and capital markets – noting that there is more that can be done internally in Africa. He called on the Global Compact and other organizations to help provide ideas for Africa so it can rely on itself to move forward.

*Mr. Yilmaz Argüden, Chair of the Global Compact Local Network Advisory Group*, announced that more than 50 Local Networks had been involved in the post-2015 consultation process, noting the priorities identified by participants in Turkey: good governance, youth unemployment, women's participation in the workforce and going to scale by engaging SMEs. Regarding SMEs, he indicated that the networks' strategy is to work sector by sector, leveraging natural allies such as banking and media. He suggested using the G20 to endorse the Global Compact and called on ambassadors and business to support this idea. He ended by assuring all present that Local Networks are committed to the SDGs.