

## **Terms of Reference for the Global Compact Government Group Meetings**

### **1. Background**

Since the inception of the United Nations Global Compact, governments have engaged in the initiative in a variety of ways. A number of governments support the Global Compact through financial contributions to the Global Compact's Trust Fund, which was created to support the work of the Global Compact Office (GCO) and the initiative as a whole.

The Trust Fund is managed by the UN Department of Management according to the rules and regulations of the United Nations. The contributing governments agree to rely, as far as possible, on UN reporting in defining their own reporting needs.

The support of contributing governments to the Global Compact is based on a mutual understanding that the Global Compact initiative is coherent and complementary to public policies and that its overarching goal is to mainstream the ten principles in business activities around the world and to encourage companies to engage in partnerships in support of the broader UN development goals, particularly the Sustainable Development Goals (SDGs).

While appreciating its character as an UN-private sector initiative with its own governance structure, contributing governments nevertheless need to ensure that their funds are used effectively and efficiently. To this end, they engage with the Global Compact Office (GCO) in a regular exchange on its strategic (overall) orientation as well as the definition and monitoring of the annual planning and the results achieved, and participate in Global Compact Board Meetings on a regular basis.

The Global Compact Government Group encourages other Member States of the United Nations including Member States from developing and emerging economies to join the group.

### **2. Purpose and functions of the meetings of the Global Compact Government Group**

a) The Government Group will elect its own Chair for the duration of one year, usually during the second meeting of the year. The Chair will be drawn from the Government Group members and selected by consensus or elected by a simple majority vote.

b) The meetings are held biannually on the invitation of the chair of the Group and in coordination with the GCO.

– In principle, the first meeting of the year (usually second-quarter) will address the

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<sup>1</sup> The revision in Copenhagen in 2013 was made as part of the Global Compact Strategic Review conducted at that time, and, among other things, sought to elevate the role of governments in the governance framework of the initiative.

achievements of the previous year, including the use of funds; while the second meeting (usually fourth quarter) will be dedicated to planning for the following year.

– Responsibilities for the organization and the convening of the meetings are shared on a rotating principle.

Additional meetings may be scheduled by contributing governments in conjunction with high-level meetings, e.g. in New York to leverage political support and public attention.

c) On the occasion of the biannual meetings:

Contributing governments:

– Exchange information and ideas with the GCO in order to foster coherence and coordination of Global Compact strategic planning and activity with contributing governments' initiatives.

– Advise on the overall strategy of the Global Compact and monitor the implementation of the annual work plan drawn up on the basis of the GC multi-year strategy.

– Are encouraged to connect with the Local Network in their country as part of their preparation.

– Determine, jointly with the GCO, those issues of vital importance to the Government Group that should be brought into Global Compact Board discussions.

d) Whenever feasible, the Global Compact Board and Government Group will meet on the occasion of Board Meetings to have joint discussions on matters of key importance to the UN Global Compact. In addition, two representatives from the Global Compact Government Group, being the hosts of both the outgoing and upcoming Global Compact Government Group Meetings, will serve as Board Members and participate in Global Compact Board Meetings. The two representatives will report back to the group on Board discussions and decisions.

e) Friends of the UN Global Compact:

The contributing governments and the GCO will also exchange information on the meetings of the Friends of the UN Global Compact.<sup>2</sup>

### **3. Membership and financial contributions**

The Global Compact Government Group and its biannual meetings are open for governments that contribute to the Global Compact work in line with the Global Compact Strategy and Work Plan.

Governments' contributions can be:

- Contributions to the Trust Fund
- Support of Global Compact's Local Networks
- Additional support of key Global Compact initiatives in line with the Strategy.

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<sup>2</sup> The Friends of the Global Compact is a group of interested member states (including any interested contributing countries) that meets 3-5 times per year or as needed in New York.

The contribution of governments can be financially or in kind, as for example by funding JPOs, hosting of events and contributions to studies. Governments will communicate on their engagement annually in a simple common standard format to the GCO. The GCO encourages governments to contribute directly to the Trust Fund if possible.

#### **4. Documentation provided by the Global Compact Office for the Meeting**

To allow for well-structured meetings, the GCO will provide the following information:

- An annual work plan and budget based on clear objectives, expected results with (qualitative and quantitative) indicators of success, and including the estimated costs – catering for well-designed Results Based Management, RBM.
- A yearly operational report, measuring progress against the annual work plan.
- Financial reporting both on the Global Compact Trust Fund and the Foundation for the Global Compact.

Reporting documents should be made available to contributing governments at least two weeks before the biannual meeting.

To allow for a strategic discussion and (multi-year) funding, the GCO will provide a funding proposal covering a period of three years.

- The GCO drafts the funding proposal in advance of the given period covered by the proposal in order to allow consultation and input by contributing governments.
- The GCO sends a draft to contributing governments at least 30 days before the relevant biannual meeting.
- It is then consulted on with contributing governments at that meeting.
- The comments of contributing governments shall be integrated in an updated draft which is then re-sent to contributing governments by the GCO at least three weeks before the following meeting, where it is endorsed by consensus.<sup>3</sup>
- Since the three-year funding proposal is also the strategy of the GCO, the GCO will also consult with other (non-contributing) governments in the course of its preparations.

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<sup>3</sup> With an opt-out option for contributing governments, leaving it up to individual governments to commit funding on the basis of bilateral funding proposals and agreements.