UN Global Compact Policy on Communicating Engagement for Non-Business Organizations

From 31 October 2013, non-business participants are required to submit a Communication on Engagement (COE) every two years.

Overview

- For the past several years, only business organizations participating in the UN Global Compact have been required to disclose their progress in implementing the ten principles. Non-business participants have not had to meet any such requirement. To make the most of the engagement by non-business participants in the initiative, the Global Compact Board has decided that non-business participants should also have a periodical disclosure requirement. As of 31 October 2013 non-business participants are required to communicate on the ways in which they support the Global Compact in a Communication on Engagement (COE).
- The COE is a public disclosure through which participants inform stakeholders about their efforts to support the principles of the Global Compact and about their engagement in the initiative.
- As a public document, uploaded to the Global Compact website, the COE is an important
 demonstration of a non-business organization's commitment to support the Global
 Compact and promote the implementation of the ten principles among businesses. Failure
 to submit a COE to the Global Compact website every two years will result in a change
 of participant status and can eventually lead to the expulsion of the organization from the
 initiative.

COMMUNICATION ON ENGAGEMENT POLICY

When joining the Global Compact, non-business participants are asked to identify one or more specific activities that support the Global Compact, according to <u>each type of non-business</u> <u>participant</u> (academia, business association, cities, NGOs, labour and public sector organization).

A Communication on Engagement (COE) is a direct communication from non-business participants to stakeholders on their specific activities to support the Global Compact.

Non-business participants are required to upload the COE to the Global Compact website and should make it widely available through their main stakeholder communications channels. While the overall format is flexible, each COE must adhere to the following.

COE Requirements

- 1. Non-business participants are required to communicate their engagement efforts every two years to stakeholders through a COE (annual reports are encouraged, but not required from non-business participants). Each COE must include all of the following elements:
 - a. A statement by the chief executive or equivalent expressing continued support for the Global Compact and renewing the participant's ongoing commitment to the initiative and its principles.
 - b. A description of the practical actions that the organization has taken to support the Global Compact principles and to engage with the initiative. Practical actions should relate to one or more of the specific activities suggested to <u>each type of non-business</u> <u>participant</u> in support of the initiative.
 - c. Measurement of outcomes (i.e. qualitative or quantitative measurements of results).

2. Non-business participants must submit their COE on the Global Compact website

Non-business participants must submit their first COE within two years from the date
of joining the Global Compact (Note: Existing non-business participants as of 31
October 2013 must submit their first COE by 31 October 2015). All subsequent COEs
are due within two years following the previous submission. Non-business
participants are encouraged – but not required – to submit annual COEs for increased
transparency and disclosure.

Non-business participants are required to submit to the Global Compact website an
electronic version of their COE (PDF file) and, if available, a link (URL) to the web
page that contains their COE. Additionally, participants must complete a brief
questionnaire on the content of their COE.

Consequences of Failure to Submit a Timely COE

Non-Communicating Status

• A non-business participant will be designated as "non-communicating" on the Global Compact website if it fails to submit a COE by the required deadline.

Expulsion from the Global Compact

- If a non-communicating participant fails to submit a COE within a year of becoming non-communicating, it will be expelled from the Global Compact. The name of expelled participants is publicly available on the Global Compact website.
- All organizations that have been expelled need to reapply if interested in rejoining the initiative.

Format and Language

- To make the COE widely available to all stakeholders it should be fully integrated in the participant's main medium of stakeholder communications, for example an annual report.
- In the event that a participant does not prepare formal reports, a COE can be created as a stand-alone document.
- COEs should be written in the language(s) of the organization's predominant stakeholder group. The Global Compact Office welcomes COEs in all languages.

Modification of COE Deadlines

Adjustment Request. Non-business participants can adjust their COE submission deadlines to align with 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 COE submission, non-business participants may request a grace period of 90 days from the COE deadline by submitting a Grace Letter on the Global Compact website and providing a reasonable explanation for the delay. This request must be submitted before the deadline expires. Any grace period granted will extend the COE deadline by 90 days.