

PILOT PROJECT

“Guidance on Responsible Business in Conflict-Affected and High-Risk Areas:
A Resource for Companies and Investors”

Following the official launch of the “Guidance on Responsible Business in Conflict-Affected and High-Risk Areas: A Resource for Companies and Investors” (Guidance) in June 2010, the Global Compact and the Principles for Responsible Investment (PRI) initiative invite Global Compact participating companies and PRI signatories to take part in a Pilot Project. The Pilot Project will be undertaken to test the operational relevance of the Guidance Points identified in the resource across business and investor activities and to develop a practical understanding of how the Guidance can best be used. The Pilot Project will be carried out by companies and investors willing to implement the Guidance in their operations and those willing to work in close collaboration throughout the process.

By joining this Pilot Project, companies will have the opportunity to:

- be recognized as a leader in applying responsible business practices in conflict-affected and high-risk areas, upholding and advancing the company’s commitments to sustainability and corporate citizenship.
- tailor their engagement in this Pilot Project in the most relevant way for the company’s specific needs and interests (see below).
- directly engage and collaborate with a Pilot Team, which includes experts from the Corporate Engagement Project and International Alert, along with the Global Compact Office and PRI staff.

The project is designed to allow companies to participate from a variety of sectors, operating in multiple contexts and at different stages of advancement. Participants can customize their engagement so that it is relevant to their operations as it relates to the Guidance. All participants agree to share their progress on the implementation of the Guidance throughout the project. The main aspects of the project are the following:

- **Timeline:** The Pilot Project will be carried out during 2011 with the possibility of extension.
- **Scope of implementation:** Each participating company will select the sections of the Guidance that they want to address.
- **Area of implementation:** Each participating company will select a specific operating environment where it will implement the selected Guidance points.
- **Suggested phases:** Participants are encouraged to undertake activities such as context analysis, gap identification and policy review, assessment of the Guidance-related risks and impacts to the company’s operations, development of a strategic plan with objectives and a detailed action plan, implementation of the selected Guidance points and sharing of lessons learned.
- **Report-back:** Each participating company will report back on its progress and share its experience with participating companies, investors and the Expert Group. To do so, participants are expected to take part in:
 - Conference calls with other participating companies (once every two months),
 - Conference calls with participating investors (once every 2-3 months),
 - Two meetings in 2011 with the Expert Group. The first of these meetings will be held in Cairo, Egypt, on 18-19 May 2011. The second one will likely take place in New York, USA, in late 2011.
- **Support:** Companies can benefit from individualized support from senior-level experts or carry out the implementation of the Guidance independently. The UN Global Compact Office will remain available to arrange collaboration with these experts.
- **Case studies:** If participating companies are interested, case studies will be developed and communicated publicly towards the end of the Pilot Project.