

# Global Compact Society (INDIA)

## The First Annual Report for 2004-05 (including Nov '03-Mar '04)

The Global Compact Society (GCS) was formed in November, 2003 and registered in New Delhi as an all India forum, for organizations participating in the U.N.'s Global Compact Programme.

### **A. The Global Compact Programme**

The Global Compact Programme, launched by Mr. Kofi Annan, Secretary General, United Nations, in July 2000, is aimed at the social responsibility of corporates all over the world and its sustainable growth. The Global Compact is a partnership between the United Nations, the business community, International labour Organization, and NGOs. It provides a forum for them to work together and improve corporate practices through co-operation rather than confrontation. The Global Compact is aimed at responsible corporate citizenship so that businesses work for social development while creating and spreading wealth and prosperity. In this context, Mr. Kofi Annan, Secretary General, UN stated while launching the Programme:

**"Let us choose to unite the power of markets with the authority of universal ideals. Let us choose to reconcile the creative forces of private entrepreneurship with the needs of the disadvantaged and the requirements of future generations."**

UN's Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the area of human rights, labour, environment and anti-corruption and adhere to 10 universally accepted Principles, which are as follows:

#### **❖ Human Rights :**

- i) Business should support and respect the protection of internationally proclaimed human rights;
- ii) Make sure they are not complicit in human rights abuses

#### **❖ Labour :**

- iii) Business should uphold the Freedom of Association and the effective recognition of the right to Collective Bargaining;
- iv) The elimination of all forms of force and compulsory labour;
- v) The effective abolition of child labour;
- vi) Eliminate discrimination in respect of employment and occupation.

❖ **Environment :**

- vii) Business should support a precautionary approach to environmental challenges;
- viii) Undertake initiatives to promote greater environmental responsibility.
- ix) Encourage the development and diffusion of environmentally friendly technologies.

❖ **Anti-Corruption:**

- x) Businesses should work against all forms of corruption, including extortion and bribery

**B. Setting up of the Global Compact Society**

Over 100 leading organizations from India have joined the Global Compact Programme. Many of these organizations had earlier been meeting in informal Networks in Mumbai and New Delhi. However, it was felt that an institutional framework was needed for these organizations to come together for inter- changing experiences and taking up joint initiatives. Accordingly, the Global Compact Society was formed by them. So far, 42 Indian organizations from public and private sector companies, professional bodies and Institutions have joined the Society as founder members. The main aims and objectives of the Global Compact Society, as outlined in the Memorandum of Association are:

- i) To create awareness regarding human rights, labour standard and environment.

- ii) To promote activities related to labour welfare.
- iii) To promote activities aimed at environmental protection and up-gradation.
- iv) To act in furtherance of the principles relating to protection of human rights and improvement of quality of life, including social and rural development, heritage development of underprivileged sections such as scheduled castes/ tribes, backward areas etc.
- v) To undertake activities/projects aimed at promoting cause of human rights, labour standard & environment.
- vi) To undertake research and organize workshops, seminars and conferences for sharing of experiences of respective organizations.
- vii) To develop networking with international and national organizations, Institutes etc. for exchange of information, experiences, study and research work.
- viii) To develop a data base and information system relating to these activities.
- ix) To publish journals, magazines, newsletters or information papers or other documents for the members as well as the society for creating awareness about the related areas.

The Memorandum of Association was signed by representatives of 12 organizations and a Governing Council consisting of 5 persons was formed.

### **C. Major Activities**

During the last 16 months of its operation, GCS undertook a number of initiatives on UN's Global Compact Programme. Some of the **major highlights include;**

- ❖ **Website** GCS's website became operational from 26<sup>th</sup> Feb.'04, as "globalcompactindia.org" for dissemination of information and uplinked to UNGC's & India Partnership Forum's websites.

- ❖ **National Convention** on “Excellence in Corporate Citizenship and Global Compact” (27<sup>th</sup> July’04), organized jointly with FICCI.

The Convention was inaugurated by Mr. Rajeev Rattan Shah, Secretary Planning Commission. Other dignitaries present at the inaugural function were Mr. Subir Raha, CMD/ONGC & President/GCS, Mr. K.K.Sinha, Director (HR)/NTPC & Vice President/GCS, Dr. Uddesh Kohli, Chairman/CDC, Mr. Y.K.Modi, President/FICCI, Dr. Amit Mitra, Secretary General/FICCI, Dr. Fredrik Dubee, UNGC, New York & Mr. Herman Der Laan, Country Director/ ILO besides CEOs of various organizations.

The Convention was attended by nearly 300 delegates from various PSUs, Private Sector Organizations, Institutions, UN Organizations & experts in the field. Major organizations participated in the convention included INDAL, TATA, ONGC, BHEL, NTPC, IOC, NMDC, HLL, SJVN, HPCL, Mahindra & Mahindra, FICCI, and NGOs & UN Organizations.

Nine organizations (TATA STEEL,ONGC, BHEL, NTPC, INDAL, NMDC, HLL, HPCL, IOC), submitted papers / case studies on their experiences and good practices being implemented by them on CSR.

- ❖ **Participation in the UNGC Leaders’ submit at United Nations, New York**, followed by the first planning meeting on G.C. Regional event in South Asia. (24<sup>th</sup> and 25<sup>th</sup> June’04). A delegation of 15 CEOs and senior personnel from India was one of the largest.
- ❖ **G.C. Regional Conclave in South Asia:** The world’s first regional summit of the Global Compact was organized jointly by the Global Compact Society, Tata Steel and CII, on 8-9 March 2005 in Jamshedpur, in partnership with the United Nations’ Global Compact.

In a special message sent to participants, the UN Secretary General, Mr. Kofi Annan, mentioned that the regional meet in Jamshedpur was a strong expression of support for the UN Global Compact, a voluntary corporate citizenship initiative based on universal values in the areas of human rights, labour, the environment and anti-corruption.

Mr. Georg Kell, Executive Head of the UN Global Compact who was present at the Conclave said that the meet gained importance not only for bringing out a strong message that it made good business sense to be responsible, but also because the world was keenly watching developments on the India-front.

Jamshedpur city was chosen to host this important regional South Asian initiative since it provided live examples of business engagement in community initiatives. Many of these initiatives have made a real, measurable and a meaningful impact to people's lives – a positive impact.

The two days Global Compact Regional Conclave brought together over 20 leaders from the corporate sector, UN organizations and civil society to address various aspects of business engagement with the community.

The sessions included themes like CSR & Business Sustainability; CSR as a Business Strategy; Governance & Ethics; Social Entrepreneurship; and International initiatives in CSR. The programme also included site visits to Tata Steel's sustainability & environment programs; community and rural development initiatives.

The Global Compact Regional Conclave was attended by 200 participants; including 20 international participants from South & South East Asia, Australia, Japan & USA.

- ❖ **UN GC's Meetings:** The UNGC focal point Dr Uddesh Kohli participated in several meetings/conferences organized by UN GC Office

#### **D. Meetings of General Body, Governing Council**

Besides, during this period, 3 meetings of the Governing Council and 3 meetings of GC general body members meeting were organized, to discuss the activities which GCS and various organizations could be taken up to achieve the desired goal.

#### **E. Thrust Areas**

As an apex level nodal agency in India, Global Compact Society has identified following **thrust areas** for its activities:

- i) Create awareness of GC Programme through conferences, seminars, media participation etc.
- ii) Take steps to enlarge GCS's network by opening Chapters at Mumbai, Bangalore, Chennai & Kolkata to coordinate GCS's activities.
- iii) Activities in the regions to be coordinated by Regional Vice President.
- iv) To enlarge membership, and include SMEs, NGOs, Labour & Govt. Organizations also as member of the society besides Corporate & Institutional members.
- v) Organize workshop/seminars to help members on reporting the Communication On Progress (COP), annually to the UNGC Office.
- vi) Compilation of information related to CSR activities undertaken by various Indian organizations and sharing with the members.
- vii) Networking among members.
- viii) Joint activities aimed at corporate citizenship, with the help of NGOs, and participation of GCS members
- ix) Regular interaction with the UNGC office & updating the members on the latest developments.

Sd/-  
**(Subir Raha)**  
President, GCS