

# GLOBAL COMPACT

## Do you want to

- Become a part of the largest corporate social responsibility network in the world?
- Be identified as a desirable partner in the international business context?
- Be a leader in the process of transformation of Croatian economy and society?
- Partner in the process of finding innovative solutions?
- Contribute to the sustainable development of Croatia?
- Harmonize your business processes with the most progressive practice in the world?
- Manage proactively your company's relationships in all of its key areas of influence?

We trust that your response to all the listed questions is YES, and would, therefore, like to invite you to join the Global Compact Initiative. In a time when private sector represents almost 90% of global economy, its every single step towards sustainable development is of major importance.

Global Compact is the international initiative by the United Nations, engaging business sector with UN agencies, governments, and civil society in supporting fundamental societal values in the areas of human rights, labor standards, environment, and anti-corruption.

Since 2000, this Initiative has been adopted in over 100 countries, and has 3.000 members, 2.700 of them corporate.



## The ten principles of the Global Compact

### Human rights

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and  
**Principle 2:** make sure that they are not complicit in human rights abuses.

### Labor Standards

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;  
**Principle 4:** the elimination of all forms of forced and compulsory labor;  
**Principle 5:** the effective abolition of child labor; and  
**Principle 6:** the elimination of discrimination in respect of employment and occupation.

### Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;  
**Principle 8:** undertake initiatives to promote greater environmental responsibility; and  
**Principle 9:** encourage the development and diffusion of environmentally friendly technologies

### Anti-Corruption

**Principle 10:** Businesses should work against all forms of corruption, including extortion and bribery.

## Joining the Global Compact

- Each company committed to the Global Compact principles is welcome to join the Initiative.
- The Board President or the CEO sends a form letter to UN Secretary General, thus fulfilling the formal requirement for membership
- The companies then participate in the activities of the national Global Compact Network, through dialogue, learning, and partnership projects.

## The functioning of the national network

- The companies, and other members, nominate a contact person for Global Compact.
- The formal Network meetings are held at least twice a year, for purposes of strategic dialogue, and identification of priorities.
- UNDP would carry out the facilitation of Network activities, and the role of its secretariat until it is deemed self-sustainable, and ensure synergy with projects and partners at national and international level.
- Dialogue and training on incorporation of Global Compact principles, and on communication on progress as the only formal obligation for members, will be one of the first activities of the Network.

## The content of engagement

Global Compact members, through dialogue in the Network, will be deciding on the issues and modalities they wish to engage in. As a possible framework for initializing such a dialogue, the table below contains a list of issues that national networks frequently tackle, and their potential Croatian contextualization, as matched with the Croatian national priorities listed in the Strategic Framework for Development, 2006-2013.

The Global Compact Principles	Issues frequently considered by national networks	Issues in the context of Croatian national priorities
Human Rights (1,2) Labor Standards (3,4,5,6)	<ul style="list-style-type: none"> <li>• Transparency of information</li> <li>• Right to be consulted</li> <li>• Protection of minorities</li> <li>• Consumers rights</li> <li>• Migrant workers</li> <li>• Health and safety</li> <li>• Decent work/ access to employment</li> <li>• Non-harassment</li> <li>• Non-discrimination</li> </ul>	<p><b>Chapters: Social Cohesion; People and Knowledge; Science, Technology, and ICT</b></p> <ul style="list-style-type: none"> <li>• Promotion and ranking of CSR practices</li> <li>• Education and life-long learning</li> <li>• Collaboration between private sector and educational system</li> <li>• Access to employment: models for entering the labor market, non-discrimination policies and practices, IT literacy</li> <li>• Innovation</li> <li>• Flexible forms of work, and skill flexibility</li> <li>• Internal HRD policies and practices</li> <li>• Health at work</li> </ul>
Environment (7,8,9)	<ul style="list-style-type: none"> <li>• Sustainable use and replacement of natural resources</li> <li>• Impact of communities and local livelihoods</li> <li>• Waste management models</li> <li>• Protection of biodiversity</li> <li>• Development of environmentally friendly technologies and procedures</li> </ul>	<p><b>Chapters: Transport and Energy; Space, Nature, Environment, and Regional Development</b></p> <ul style="list-style-type: none"> <li>• Introduction of more sustainable processes (energy efficiency, renewable energy sources)</li> <li>• Waste management</li> <li>• Sectoral strategies</li> <li>• Introduction of international standards/ certification</li> <li>• Financing environmental projects</li> <li>• Organic food production/ supply chain issues/ rural development</li> <li>• Public education</li> </ul>
Anti-Corruption (10)	<ul style="list-style-type: none"> <li>• Avoiding bribery, corruption, improper political relations</li> <li>• Setting responsible business standards</li> <li>• Standards and procedures for public procurement</li> <li>• Standards for recruitment and development of employers</li> <li>• Transparency in business relations</li> <li>• Corporate governance standards</li> <li>• Reporting</li> <li>• Disclosure of information</li> <li>• Meeting contract terms and expectations</li> </ul>	<p><b>Chapters: Finance and Capital; The New Role of State</b></p> <ul style="list-style-type: none"> <li>• Corporate governance standards/ learning and implementation monitoring</li> <li>• Public procurement</li> <li>• Education of managers in public sector</li> <li>• Internal structures, codes and policies/ complaints procedures, whistleblowers</li> <li>• Business ethics, codes of conduct at company and sector levels</li> <li>• Conflict of interest</li> <li>• Transparency and access to information</li> <li>• Customer relations</li> <li>• Supply chain management</li> <li>• Gray market economy</li> <li>• Responsible finance and investment</li> </ul>

More information on Global Compact may be found at [www.unglobalcompact.org](http://www.unglobalcompact.org), and [www.drustvena-odgovornost.undp.hr](http://www.drustvena-odgovornost.undp.hr). For additional information, please contact the United Nations Development Programme (UNDP) Office in Croatia at [www.undp.hr](http://www.undp.hr), phone 01 2361 638; 639.