



Romania

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On the way to launch Global Compact in Romania

Preparations have started to launch the Global Compact in Romania early next year. The Secretary-General of the United Nations has designated UNDP as the lead agency for the launch at the country level. The Global Compact aims to engage the business community to support Corporate Social Responsibility and the broader UN goals, as well as the expansion of a competitive, market-oriented private sector based on principles of sustainable and equitable growth.

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

Kofi Annan, Secretary-General of The United Nations

The UN Secretary-General, Kofi Annan, first proposed the Global Compact in an address to the World Economic Forum in Davos in 1999. The Secretary-General invited business leaders to join an international initiative - Global Compact - that would bring companies together with UN agencies, government and civil society organizations to support ten universal principles in the areas of human rights, labor and the environment. The Global Compact seeks to advance responsible corporate citizenship so that business can be part of the solution to the challenges of

globalization. In this way, the private sector—in partnership with other social actors—can help realize the Secretary-General’s vision: a more sustainable and inclusive global economy.

The business case for the Global Compact argues that a responsible attitude toward society and the environment can make a business more competitive, more resilient to shocks, and more likely to attract and hold both consumers and the best employees. Some companies also feel that Corporate Social Responsibility is a significant part of their risk management and reputation strategy. More than ninety empirical studies published since 1972 point to a positive relationship between corporate social performance and financial performance.

In a preparatory meeting organized by UNDP in Bucharest on 13 October, representatives from a group of companies met to determine the interest and support for the establishment of a national Global Compact network in Romania. The support among the companies for establishing the Global Compact was very strong, and the discussion quickly moved to the practical questions of how to get from the present to the actual launching event and then to a sustainable national Global Compact Network that can support the effort in the longer term. In preparation for the planned Romanian launch in early 2005, a second preparatory meeting will take place and a draft Global Compact workplan will be developed and shared with all interested partners to provide answers to some of these questions. In the meeting, Mr. Soren Peterson of UNDP’s Nordic office highlighted some of the Scandinavian experiences as examples of how Romanian companies can use the Global Compact, and thereby also contribute to smoother EU integration in terms of corporate affairs.

The 2005 launch will be an opportunity for companies to become members of the Romanian Global Compact network and to sign on to the 10 Global Compact principles of business activities. CEOs of participating companies will send a letter to Secretary-General Kofi Annan expressing support for the Global Compact and its principles. The Global Compact will organize a series of policy dialogues and offer opportunities for companies to learn best practices in Corporate Social Responsibility. Companies will also be encouraged to support community development projects in partnership with UN agencies and civil society organizations that are aligned with UN development goals. At present over thirty companies in Romania support significant community development programs.



THE GLOBAL
COMPACT



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