



**FOR INFORMATION**

THIRD ITEM ON THE AGENDA

**Updates on corporate social responsibility (CSR)-related activities**

**(b) Within other organizations**

1. This paper summarizes the major corporate social responsibility (CSR)-related activities of key international organizations and updates the information previously supplied in March 2007 in document GB.298/MNE/2/2.

**Office of the United Nations High Commissioner for Human Rights (OHCHR)**

2. During the July 2007 Global Compact Leaders Summit, the OHCHR launched the Human Rights and Business Learning Tool,<sup>1</sup> aimed at educating the business community on the relevance and importance of integrating human rights into companies' business practices. At the request of the OHCHR, the ILO had provided comments on the sections on labour-related human rights.

**Office of the United Nations High Commissioner for Refugees (UNHCR)**

3. In June 2007, UNHCR released its Global Report 2006 which identifies corporate partnerships as a crucial component in the creation of peaceful and stable societies. The report cites collaboration between the ILO and UNHCR to develop self-reliance strategies for refugees in Benin, Burkina Faso, Kenya and Thailand.<sup>2</sup>

<sup>1</sup> [http://ohchr.org/english/issues/globalization/business/HR\\_business\\_learning.htm](http://ohchr.org/english/issues/globalization/business/HR_business_learning.htm).

<sup>2</sup> UNHCR Global Report 2006, p. 49, <http://www.unhcr.org/publ/PUBL/4666d25b0.pdf>.

## United Nations Conference on Trade and Development (UNCTAD)

4. In March 2007, UNCTAD held a meeting of experts to discuss further the development of an International Standard on Accounting and Reporting (ISAR), in which the ILO participated. UNCTAD also held a conference entitled “International Financing Reporting Standards: Experiences and Perspectives of Implementation in Countries with Economies in Transition”.<sup>3</sup>

## United Nations Global Compact

5. The July 2007 UN Global Compact Leaders Summit brought together over 1,000 representatives of governments, business, labour, civil society, academia and the UN system to discuss the Global Compact principles and best methods for implementation. Participants adopted a 21-point Geneva Declaration, which sets out specific actions for UN Global Compact participants to meet Global Compact principles.<sup>4</sup>
6. The ILO participated in the Summit and organized a session on labour issues. The Director-General chaired the session in which representatives from Novartis and the International Federation of Chemical, Energy, Mine and General Workers’ Unions spoke, and the Secretaries-General of the International Organisation of Employers and the International Trade Union Confederation gave closing remarks. In addition, the ILO’s Director-General hosted a Strategic Planning Meeting of the Global Compact Task Force on Principles of Responsible Management Education. The Meeting was attended by representatives of business schools and other institutions involved in the launching of the principles of responsible management education. The ILO’s Director-General called for a follow-up meeting between the ILO and the business schools involved to explore possibilities for further collaboration.
7. Ministers and other high-level government officials participated in a roundtable on the role of governments in promoting responsible corporate citizenship. They agreed on the important role of businesses in development and globalization and identified the following practices for governments to support responsible companies including: creating an enabling environment, raising awareness of CSR, promoting best practices, providing tools to facilitate development, and providing funding to help meet initiatives where resources are available.<sup>5</sup>
8. During the summit, the UN Global Compact released its first annual review of the extent to which the Global Compact principles have been implemented by participating companies. The majority of survey respondents stated that they have policies to address human rights, labour conditions, environment and good governance.

<sup>3</sup> <http://www.unctad.org/Templates/Page.asp?intItemID=4186&lang=1>.

<sup>4</sup> [http://www.unglobalcompact.org/docs/summit2007/GENEVA\\_DECLARATION.pdf](http://www.unglobalcompact.org/docs/summit2007/GENEVA_DECLARATION.pdf).

<sup>5</sup> Summary of the Ministerial Roundtable on the Role of Governments in Promoting Responsible Corporate Citizenship, [http://www.unglobalcompact.org/docs/summit2007/Role\\_of\\_Governments\\_Chairs\\_summary.pdf](http://www.unglobalcompact.org/docs/summit2007/Role_of_Governments_Chairs_summary.pdf).

## Organisation for Economic Co-operation and Development (OECD)

9. In June 2007, the OECD hosted a Corporate Responsibility Roundtable on “The OECD guidelines for multinational enterprises and the financial sector” in conjunction with the Annual Meeting for National Contact Points (NCPs), in which the ILO participated. The Roundtable focused on a dialogue between the financial community and NCPs to learn about trends and challenges in CSR practices and how the OECD guidelines can support CSR efforts.<sup>6</sup> The main points discussed during the Meeting included: the fact that the financial sector is becoming more active both in being more socially responsible and in using companies’ social responsibility as a criterion for investment; the use of OECD guidelines for multinationals as useful guidance for the financial sector; and the desirability for the OECD work in this area with other UN agencies, including the ILO, to advance further. The OECD is organizing an International Investment Statistics Workshop in October 2007 and a meeting entitled “Making reforms succeed: Moving forward with the investment policy agenda” in November 2007.

## United Nations Industrial Development Organization (UNIDO)

10. UNIDO and the Global Compact Office have developed a guide for small and medium-sized enterprises (SMEs) on the Global Compact, which was presented at the Global Compact Leaders Summit. UNIDO has also created a task force for ongoing work.<sup>7</sup>
11. UNIDO will host an Experts Group Meeting on CSR and Public Policy in November 2007 in Vienna, to focus on how governments in developing countries can use the incentive structure in public policy to foster the uptake of CSR among SMEs. Participants will include 20–30 experts from government, business, academia and civil society. The outcome is expected to form the basis of UNIDO’s future work in this area.

## International Organization for Standardization (ISO)

12. The ISO is developing a standard in the form of a guidance document on social responsibility. The third working draft was circulated in August 2007 to its Working Group of Experts. The fifth ISO Social Responsibility Meeting will be held in Vienna in November 2007. The event will include a workshop on social responsibility for developing countries, and an open workshop on social responsibility. The ILO participates in the Working Group, and on all committees.

## European Commission

13. The European Commission hosted a responsible entrepreneurship exchange in May 2007 to examine the link between entrepreneurship, values and responsibility. It examined in particular how the ISO standard in the form of a guidance document on social responsibility might assist small businesses to integrate social and environmental issues

<sup>6</sup> [http://www.oecd.org/document/34/0,3343,en\\_2649\\_33765\\_38389666\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/34/0,3343,en_2649_33765_38389666_1_1_1_1,00.html).

<sup>7</sup> [www.unido.org/en/doc/56940](http://www.unido.org/en/doc/56940).

into their operations.<sup>8</sup> During the event, the European Expert Group on corporate social responsibility and SMEs released a report entitled “Opportunity and responsibility: How to get more small businesses to integrate social and environmental issues into what they do”.<sup>9</sup>

14. The European Commission also hosted a mutual learning meeting – a dialogue between representatives from a number of EC-funded initiatives that are working to support the uptake of CSR amongst small and medium-sized enterprises. Issues discussed included how CSR policy of the firm is shaped by the personality and personal values of the owner and other characteristics of the firm, the relevance and usefulness of CSR as a concept to the SME, and how to scale-up initiatives to reach the some 24 million SMEs in the European Union.<sup>10</sup>

## **International Finance Corporation (IFC) of the World Bank Group**

15. The IFC, in coordination with the International Business Leaders’ Forum (IBLF) and the United Nations Global Compact, has developed a Guide to Human Rights Impact Assessment and Management (HRIA) for use by companies.<sup>11</sup>

Geneva, 28 September 2007.

*Submitted for information.*

<sup>8</sup> Europa Press Release, “Responsible entrepreneurship: Small enterprises, big values, tomorrow’s competitiveness”, Brussels, 3 May 2007, IP/07/600, <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/600&format=HTML&aged=0&language=EN&guiLanguage=en>.

<sup>9</sup> Report available at: [http://ec.europa.eu/enterprise/csr/documents/ree\\_report.pdf](http://ec.europa.eu/enterprise/csr/documents/ree_report.pdf).

<sup>10</sup> Mutual learning meeting highlights, [http://ec.europa.eu/enterprise/csr/ereb/mutual\\_learning\\_meeting\\_2\\_may.pdf](http://ec.europa.eu/enterprise/csr/ereb/mutual_learning_meeting_2_may.pdf).

<sup>11</sup> [http://www.ifc.org/ifcext/enviro.nsf/Content/OurStories\\_SocialResponsibility\\_HumanRights](http://www.ifc.org/ifcext/enviro.nsf/Content/OurStories_SocialResponsibility_HumanRights).