GL#BAL COMPACT

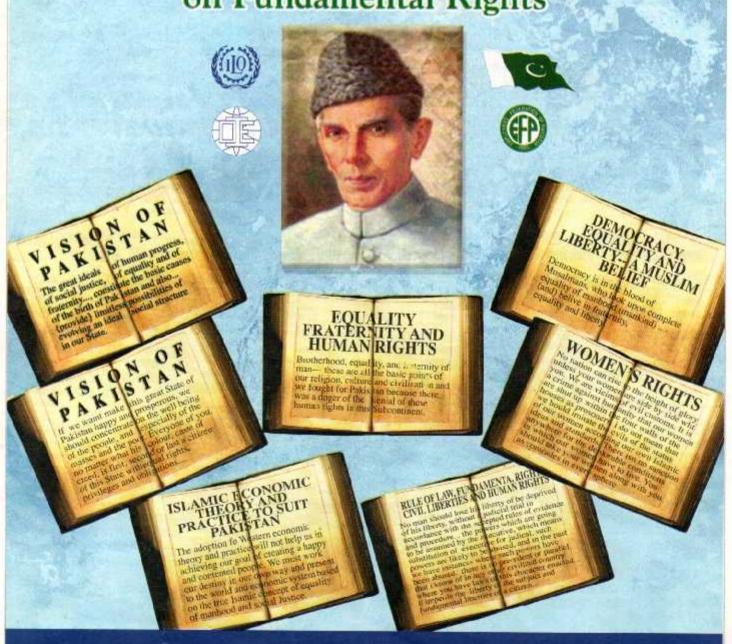


Pakistan Local Network

Progress Communication

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Father of the Nation on Fundamental Rights



PROGRESS REPORT ON GLOBAL COMPACT PAKISTAN LOCAL NETWORK

April - December, 2007

A review of the activities of the Global Compact Pakistan Local Network after its publication of Local Network Program Communication Issue No. 1 in 2007.

2-4 April 07

2nd Regional Network Meeting held at Bangkok was participated by Mr. Fasihul Karim Siddiqi, Secretary Local Network and Mr. Saad, Director Corporate Affairs, Indus Motor Company. Mr. Saad made a presentation on Indus Motor Company's efforts as Pakistan's leading passenger car manufacturing Company in embracing GC principles in its mission, values & organizational culture. Mr. Siddiqi made a presentation on GC principles Implementation at Hinopak Motors, Pakistan's largest truck and bus manufacturing Company. He also made a presentation on activities of Global Compact Pakistan Local Network.

12.4.07

Awareness Survey Questionnaire about Global Compact Principles in Business Enterprises in Pakistan was launched.

11.9.07

Business Talk CSR Series of Learning Events with the theme "Making the United Nations Global Compact Work" was initiated by United Nations Global Compact Pakistan Local Network in collaboration with Employers Federation of Pakistan and Responsible Business Initiative. The first Business Talk CSR event was held on "Building Business Advantage through Ethical Practices" at GlaxoSmithKline Pakistan Limited which drew 48 participants from 18 organizations representing a wide segment of employers, government, workers, academia, NGOs activists professionals and Civil Society. The panel of experts comprising of eight leading personalities from business, academia and civil society led the discussions.

17-18 Oct, 07

Although because of visa problem Local Network could not be physically represented at the Annual Local Network Forum which took place at Monterrey / Mexico, the Annual Report of 2006 – 07 the Global Compact Pakistan Local Network submitted by the Local Network was adopted as part of the Global Network Activities presentation.

27.10.07

Second Business Talk CSR event on the theme "Building Business Advantage through Labour Management Practices" was held at Hinopak Motors Limited. The event drew 54 participants from 26 organizations.

Presentation from 4 Companies were made on "best labor management practices" enlightening the participants as to how these companies were able to cut a competitive edge and achieve excellence in their growth and performance by focusing on labor management relations as a tool. Panel of

Experts comprising 10 prominent personalities representing national level trade Union leaders leading HR professionals and Government representatives shared their professional experience and outlook on the subject with the audience and generated on interesting discussion on the ways and means through which enterprises have the potential to gain competitive advantage by inculcating innovative ways of developing labor management partnership at the enterprise level. The event received wide coverage in local newspapers.

3rd Business Talk CSR event on the theme of "The Principles for Responsible Management Education" was organized at Newports Institute Communication & Economics Karachi. The vent drew more than 100 participants from 33 organizations. "Principles for Responsible Management Education" initiated by UN Global Compact at the Mexico Annual Network Forum this year was formally launched at this event. Prominent representatives from the leading Universities and business schools, employers and workers representing business heads of leading NGOs and leading government officials appreciated the launching of PRME as the need of the hour so that business schools responsible for producing current and future managers play their due role in the global agenda. This event was a landmark among all the Business Talk CSR Series events held so far also received wide coverage in the local press and media.

10.12.07

Mr. Saad, Corporate Director, Indus Motors Company made a presentation on "Global Compact Internalization at Indus Motor Company" at the Employers' National Convention 2007 organized by Employers' Federation of Pakistan.

GLOBAL COMPACT LOCAL NETWORK PARTICIPATION IN REGIONAL MEETING OF GLOBAL COMPAT NETWORK FOCAL POINTS IN ASIA, BANGKOK 4 - 6 April 2007

28.12.07

The Global Compact Awareness Survey Report and the sharing of Best Practices in Global Compact Implementation and CSR among Pakistan companies were compiled and published with the assistance of ILO funding culminating in the Annual Global Compact Pakistan Local Network Meeting 2007, and launch of Global Compact Local Network Report released by UN Global Compact and the Workshop on the theme of "Realizing the Role of ILO & Social Partners in the UN Global Compact.

2nd Regional Meeting of Global Compact Network Focal Point in Asia was held at Bangkok, Thailand from 4 – 6 April 2007. The meeting was participated by 21 representatives from Korea, Pakistan, Vietnam Japan, India, Malasia, Srilanka, Phillippines, Hongkong, Nepal Bangladesh, Singapore, China and Thailand apart from 10 prominent figures from among the speakers and representatives of UN Global Compact office and ESCAP Secretariat.

UN Global Compact Pakistan Local Network was represented by its Secretary Mr. Fasihul Karim Siddigi, Director Hinopak Motors Limited and Mr. Shah M. Saad Hussain, Director Corporate Planning and CR Indus Motor Company. Mr. Saad of IMC and Mr. Siddiqi of Hinopak Motors made an extensive presentation on how the Global Compact principles have been internalized in their respective companies with the support of their management and workers team and the results they expect to gain from these endeavors. Mr. Siddigi made an additional presentation on the activities of Global Compact Pakistan Local Network and the leadership the Network was providing to its member Companies with a comprehensive action plan drawn by the Local Network under the guidance of its Steering Committee.

The Regional Meeting during its various sessions besides reviewing the activities of the Local Network in Asia also shared the value addition of UNGC and the incentives which it could consider for promoting Local Network initiatives. The Pakistan UNGC Network gave special recognition on this occasion, of Excellence Awards to the Japan and SriLankan Network for their notable progress and engagement in the UNGC over the past one year.

The Meeting stressed upon the need for building the UNGC Brand and also discussed key elements of the strategy and requests for support as expressed by UNGC country networks in Asia and the Pacific.







Making the United Nations Global Compact Work 'BusinessTalk CSR'

Series of Learning Events Initiated by UNGC Pakistan Local Network in Collaboration with

Employers' Federation of Pakistan &



"Building Business Advantage through Ethical Practices"

Making the United Nations Global Compact Work 1st of the Business Talk CSR learning events on **"Building Business Advantage through Ethical Practices"** was held on 11th September 2007 from 10:00 to 01:00 pm. at GlaxoSmithKline Pakistan Ltd, S.I.T.E, Karachi.

United Nations Global Compact (UNGC) was launched in 2003, as the UN Secretary-General's initiative on Corporate Social Responsibility (CSR), with the aim of guiding businesses towards responsible behaviour through its 10 Principles (list attached).

BusinessTalk CSR is a series of learning events focusing on one UNGC principle every month, planned across the country by the UNGC Pakistan Local Network in collaboration with the Employers' Federation of Pakistan (EFP) and Responsible Business Initiative (RBI). BusinessTalk CSR is experiential knowledge-sharing between participants and an expert panel whose experience and insight allows them to determine how Pakistani enterprises can implement the spirit of UNGC through tangible action.

The First BusinessTalk CSR event drew 48 participants from 18 organizations representing a wide segment of employers, government, workers, academia, NGOs activists, professionals and civil society (list attached), despite a strike call in the city.

Mr. Fasihul Karim Siddiqi, Secretary UNGC Pakistan Local Network (the Network), moderated the session, which started with recitation from the Holy Quran by Mr. Usman Ahmed. Mr. Siddiqui introduced the Business Talk CSR series as an endeavour to sensitise Network members and other key stakeholders from business and society on how best to address each of the 10 UNGC Principles from a Pakistan specific perspective. Providing a background of the UNGC and a progress report on the Network's activities, he introduced the theme of the session, which focussed on business practices to counter corruption.

Ms. Ambreen Waheed, Executive Director RBI, made the keynote presentation on "Building Business Advantage through Ethical Practices" and emphasised that business could actually derive competitive advantage from developing business models grounded in UNGC principles, particularly Principle No. 10, which relates to corruption. She also emphasised on specific roles of other Stakeholders in promoting ethical practices. She explained how companies wishing to

demonstrate progress on UNGC can use the 'G3' reporting guidelines developed by the Global Reporting Initiative, and adverted to RBI's formal linkages with UNGC and GRI, and its role in developing internationally recognized guidelines for countering bribery and corruption for businesses.

Ms. Khadija Balkhi, Activist and consultant, made a presentation on "Corporate Social Opportunity", emphasising enterprises can look at CSR as a business strategy to improve their business performance and achieve excellence. She emphasised that CSR could be seen as a measure of a company's strategic approach to the principles of sustainability.

Dr. Faiz Shah, Advisor Responsible Business Initiative, introduced the "Business Principles for Countering Bribery and Corruption", a document released by Transparency International and Social Accountability International, in consultation with an international steering group that included RBI. He described the Principles in detail, highlighting how a company could take practical steps to demonstrate its performance in tackling bribery, and identified key areas for intervention, and related examples of good practice.

Mr. Shahid Qureshi, Director GlaxoSmithKline, and Member EFPIs Managing Committee chaired the BusinessTalk CSR Expert Panel, which comprised:

- Dr. Muhammad Ali Sheikh, Director General, Ombudsman Secretariat, Govt. of Sindh.
- Dr. Abdul Wahab, Vice Chancellor Muhammad Ali Jinnah University, Karachi.
- Mr. Karamat Ali, Director Paksitan Institute of Labor Education & Research.

- Mr. Ahsanullah Khan, Convenor, Workers Employers Bilateral Council of Pakistan.
 Mr. U. R. Usmani, Chief Operation Officer, Singer Pakistan Limited.
 Mr. Tariq Saeed, HR Manager, Johnson & Johnson & Member EFP Managing Committee.
 Mr. Usman Ahmed, Head HR, Pakistan Refinery Limited.

Panel members contributed their respective perspective on the subject theme. These ranged from societal issues and the current business environment, to enterprise-level aspects of corruption. All agreed that businesses should adopt recommended mechanisms at the enterprise level to combat unethical practices, and that there are numerous examples in Pakistan today where companies have achieved success, despite difficulties. Panel members stressed the need for developing corporate policies and best-practice guidelines on ethical practices and create mechanisms to ensure implementation in every day operation. Panel members shared best practices and initiatives from their respective organisations where steps had been successfully taken to embrace ethical practices in work culture.

The Expert Panel unanimously agreed that in a society replete with corrupt practices, running an ethical business was itself a struggle for survival. Individual views also adverted to the rampant culture of disrespect for individual rights illustrated by a lack of democratic institutions as a key contributor to corrupt practices. Likewise, a view held that individual freedoms in asserting citizenship were essential ingredients for an organization's compliance with ethical practices. The panel also called for a campaign directed at parents and

educationists to promote demonstrative effects of ethical practices on the life of individuals and corporations.

The Panel observed that even though short term benefits could be achieved by indulging in corrupt practices, ethical practices in the conduct of business was invariably conveyed long-term advantage, and was important for long term sustainability. The panel also noted that business alone cannot combat corruption, without the active support of government and civil society, and suggested a stronger move to unite industry on the issue of ethical practices by developing a strategy to counter corruption within an enterprise and through its supply chain.

A Question-Answer session followed the panel's discussions, with participants pointing out their own experience or seeking advice from the experts' experience. Concluding the discussion, Mr. F. K. Siddiqi urged upon the private sector to play their active role to prevent and control corruption. With appropriate and responsible corporate governance, business has to develop "zero tolerance" for corrupt practices and gain competitive advantage in growingly competitive environment. He thanked the Expert Panel and the participants for enthusiastically participating in the discussion and looked forward towards positive impact of the event. The session was followed by lunch during which participants engaged informally with panellists and the hosts.



NEWS COVERAGE OF 1st BUSINESS TALK CSR MEETING







































2nd Business Talk CSR October 2007 Making the United Nations Global Compact Work

Series of Learning Events held by UNGC Pakistan Local Network in Collaboration with Employers' Federation of Pakistan, Responsible Business Initiative & WEBCOP

"Building Business Advantage through Labour Management Practices"

Making the United Nations Global Compact Work 2nd of the Business Talk CSR learning events on "Building Business Advantage through Labour Management Practices" was held on 27th October, 2007 from 10:00 to 01:00 pm. at Hinopak Motors Limited, D-2, S.I.T.E., Karachi.

United Nations Global Compact (UNGC) was launched in 2003, as the UN Secretary General's Initiative on Corporate Social Responsibility (CSR), with the aim of guiding businesses towards responsible behaviours through its 10 Principles.

Business Talk CSR is a series of learning events focusing on one aspect of UNGC principle each month, planned across the country by the UNGC Pakistan Local Network in collaboration with the Employers' Federation of Pakistan (EFP) and Responsible Business Initiative (RBI) and other networks. Business Talk CSR is experimental knowledge-sharing between participants and an expert panel whose experience and insight allows them to determine how Pakistani enterprises can implement the spirit of UNGC through tangible action.

The 2nd Business Talk CSR event drew 54 participants from 26 organizations representing a wide segment of employers, government, workers, academia, NGOs activities, professionals and civil society (list attached) and proved a big success.

Mr. Fasihul Karim Siddiqi, Secretary UNGC Pakistan Local Network (The Network), moderated the session, which started with recitation from the Holy Quran. Mr. Siddiqi introduced the Business Talk CSR series as an endeavour to sensitise Network members and other key stakeholders from business and society on how best to address the UNGC Principles from a Pakistan specific perspective. Providing a background of the UNGC and a progress report on the Network's activities, he introduced the theme of the session, which focussed on business gaining advantage through Labour Management practices.

Mr. Siddiqi emphasised that radical social transformation of business has been possible through some examples of model relationship between labour & management in Pakistan which hold out great hope in terms of long term sustainability of enterprises. Focusing on the global compact principles relating to labour rights, Mr. Siddiqi dealt at length with their potential linkage with the Global Compact Enterprise Performance Model and its impact on employees. He also provided Global Compact Training Material on the Four Labour practices and looked forward towards the forum to enable its member participants to more intensively embrace the related principles in the work culture of their respective organizations.

Following Key note presentations were thereafter made sharing best practices and Labour Management tools used by organisations resulting in improved performance.

- Mr. Muahammad Iftikhar, General Manager HR, Pakistan Petroleum Limited made his presentation on best labour manageme nt practices in PPL a leading Petroleum Company in the Public Sector.
- Col (R) Usman Bhatti, Sr. Administration Manager of Thal Engineering made a presentation on the best practices in Thal Engineering a leading vendor enterprise in the automobile sector.
- Mr. Muhammad Usman, Sr. HR Manager, Pakistan Refinery Limited made presentation of best practices in PRL, a leading petroleum Company in the Private Sector.
- iv. Mr. Muhammad Akram, DGM HR and Mr. Moosa Khan, Vice President Employees Union of Hinopak Motors Limited made their presentations on model IR relationship in HPML, the leading Commercial Vehicle manufacturing Company of Pakistan.

Mr. Ahsanullah Khan, Chairman Workers Employers' Bilateral Council of Pakistan and former Vice President Employers' Federation of Pakistan chaired the Business Talk CSR Session of Expert Panel which comprised of:-

Mr. U. R. Usmani IR Specialist & COO Singer Pakistan Limited

Mr. Mohammad Ahmed, Chairman, Pakistan Workers Federation

Mr. Kaniz Fatima, Veteran Labour Leader

Mr. Khalil-ur-Rehman Veteran Labour Leader

Mr. Altaf Majeed, Chairman Labour, Sub-Committee, KCCI

Mr. Pervez Rahim, Agha Khan University Hospital
Mr. Zaman Khan, IR Manager, Hinopak Motors limited
Mr. Abdul Karim Ansari, Director General, NILAT

Mr. Javed Iqbal, Asst. Director General, EOBI
 Mr. Nazar Ali, Chief Executive Officer, Skill Development Council, Karachi

The panel members shared their own professional experience and outlook on the subject with the audience and generated an interesting discussion on the ways and means through which enterprises have the potential to gain competitive advantage by inculcating innovation ways of developing labour management partnership at the enterprise level.

The panel observed with unanimity that in order to compete with challenges of globalization and to help enterprises to survive the threats to our export economy, it was inevitable that more and more enterprises focus on the three most important aspects labour rights; the Child Labour, the forced labour and the freedom of association, each one of which need to be looked into very deeply to ascertain their positive influence in developing the enterprise image and hence their competitive advantages against those who lose their opportunity to get this edge. The Employers Federation of Pakistan and the WEBCOP leadership extended their full support in this mutual endeavour of Pakistani enterprises.

Mr. Ahsanullah Khan in his closing remarks summed up the discussion and offered to hold this interactive session in a larger perspective when maximum number of business enterprises and trade organizations be invited to involve themselves in this befitting effort initiated by the Pakistan Network of Global Compact.

Mr. Ayazul Haque Secretary General Employers' Federation of Pakistan offered a vote of thanks at the end followed by lunch.

The event received wide coverage in the local newspapers.

A PHOTO VIEW OF THE 2nd BUSINESS TALK CSR MEETING



NEWS COVERAGE OF 2nd BUSINESS TALK CSR MEETING





































3rd BusinessTalk CSR November '07 Making the United Nations Global Compact Work "The Principles for Responsible Mangement Education"

- 3rd Business Talk CSR learning event on "The Principles for Responsible Management Education" was held on 29th November, 2007 from 05:00 to 07:00 pm. at Newports Institute of Communications & Economics, Kashmir Road Karachi.
- Business Talk CSR is a series of learning events focusing on one aspect of UNGC principle each
 month, by the UNGC Pakistan Local Network in collaboration with the Employers' Federation of
 Pakistan (EFP) and Responsible Business Initiative (RBI) and other networks. Business Talk CSR
 is experimental knowledge-sharing between participants and an expert panel whose experience and
 insight allows them to focus on a subject of prime interest concerning the promotion of UN Global
 Compact.
- The 3rd Būsiness Talk CSR event drew more than 100 participants from 33 organizations representing a wide segment of employers, government, workers, academia, NGOs activists, professionals and civil society (list attached) and proved a grand success.
- Mr. Fasihul Karim Siddiqi, Secretary UNGC Pakistan Local Network (The Network), moderated
 the session, which started with recitation from the Holy Quran. Providing a background of the
 UNGC and a progress report on the Network's activities, he introduced the theme of the session,
 which focussed on the Principles for Responsible Management Education (PRME).
- Mr. Siddiqi described the PRME as a global multi stake holder initiative launched by UN Global Compact on the eve of the last Annual Global Compact Network Forum 2007 held at Monteery, Mexico and said it has taken sixty years for business education in assuring its role in Global agenda with the launching of this unique initiative this year.
- Mr. Siddiqi explaining the UN Millennium Development Goals said that a global citizenship education and research framework was critical to achieving the MDG objectives.
- Mr. Siddiqi said that a taskforce of 40 educationists drawn from the leading business schools of the world including Harward Business School, Wharton, AIM, IIM, AIESEC, Columbia etc. after close deliberations finally came out with PRME principles as a vehicle for business schools to participate in the Global Agenda. He said it was a matter of Pride that Mr. Raza Ali of Newports Institute, a member of our Local Network represented Pakistan on this taskforce. The PRME initiatives calls upon business schools all over the world to voluntarily commit themselves as institutions of higher learning involved in the education of current and future managers to engaging in a continuous process of improvement in the application of the six PRME principles, reporting on Progress to all the stakeholders and exchanging effective practices with the academic institutions.
- Mr. Siddiqi said that the launching of PRME in Pakistan through this event was a landmark in the
 history of Business Education in Pakistan, Mr. Siddiqi expressed the hope that the business schools
 in Pakistan will come forward in a big way to embrace the PRME principles as the guide post in their
 future academic planning.
- Mr. Syed Sikander Ahmed, General Manager, Thal Engineering Limited thereafter made a
 presentation on "CSR Initiative in business as Employee Education" in which he highlighted the best
 practices of his organization in their Employees and Mangers education in Social Responsibilities.
- Mr. Raza Ali Director Newports Institute thereafter made his presentation on the "Introduction to the Principles of Responsible Management Education launched by the UN Global Compact". Mr. Raza explained the PRME Goals and Framework. He dealt at length with the 6 PRME principles relating to Purpose, Values, Method, Research, Partnership and Dialogue and explained how PRME works through the process of Endorsement, Enactment, Engagement & Implementation and External Reporting.
- Mr. Raza informed that Newports Institute has already signed the PRME and appealed to Institutions
 of higher learning in Pakistan to voluntarily embrace PRME and become the pioneer in early adoption
 from Leadership.

3rd BusinessTalk CSR November '07 Making the United Nations Global Compact Work

- Mr. Ahsanullah Khan Managing Committee Member EFP and Chairman WEBCOP and Dr. Aly Ercelan, Joint Director Pakistan Institute of Labour Administration and Research thereafter spoke on Employers and Workers perspectives on Responsible Management Education dwelling upon the role of employers and workers organization in benefiting from Responsible Management Education in terms of business sustainability.
- Dr. Shailah Thaker, an imminent International Trainer & Senior Faculty of the Ahmedabad Institute of Management who was present on the occasion as special guest made a very lovely and thrilling presentation on value-based education and its importance in higher learning.
- Dr. Abuzar Wajidi, Chairman Department of Public Administration, University of Karachi is his
 address fully endorsed PRME as the most needed mechanism to enhance the role of higher learning
 in global business agenda of seeking competitive advantage.
- Ms. Huma Bukhari, Vice Chairperson, Newports Institute and District Governor Lions Clubs International District 305 S1 in her remarks reiterated the commitment of her organization to promote UN Global Compact principles as an integral part of business learning. She said being the first subscriber to GC principles from among the academia in Pakistan, and now having been privileged to be the 1st Business Education Centre subscribing to PRME, and due to her own association with responsibility and social leadership in the curriculum of all the major products being offered in Business Education at her Institute. She extended her full cooperation to GC Local Network in promoting PRME.
- Mr. Muhammad Irfan Shaikh, Council Chairman of Multiple District 305 Pakistan as Chief Executive
 of the Pakistan affiliate of World's largest Social Service Organisation the Lions Clubs International
 hailed the efforts of Employers Federation of Pakistan and the Global Compact Pakistan Local Network
 in serving the cause of both business and education by promoting the Global Compact principles and
 the PRME and assured that his NGO and the Civil Society will extend full cooperation in strengthening
 and improving this relationship.
- Mr. Yousuf Jamal Ombudsman Government of Sindh who was the Chief Guest on the occasion is his closing remarks termed this largely attended meeting as a unique opportunity for the government to closely work with business and academic in improving national competitiveness. He assured the Government's full support to the initiatives launched by the Local Network for promoting GC principles and PRME and offered himself as a member of the national caravan for leading the nation towards sustainable socio economic development.
- Ms. Bushra Raza HR Manager, Newports Institute offered a very emotional vote of thanks particularly
 thanking the organizers for choosing the Institute as the venue for this historic event of launching
 PRME. She thanked the Chief Guest, distinguished dignitaries from academia, Civil Society, NGOs
 and business organizations as well as the faculty and the students of her Institute for participating
 in this event and making it a landmark success among all the Business talk CSR Series held so far.
- The event was followed by refreshment.





NEWS COVERAGE OF 3rd BUSINESS TALK CSR MEETING



























