

## **Message by President**

### **Global Compact Network, India**

### **9th Annual General Body Meeting (AGM)**

**Date: July 1<sup>st</sup>, 2013**

**Venue: SCOPE Convention Centre**

### **Dear Members,**

I am privileged to welcome you to the 9th Annual General Body Meeting of the Global Compact Network, India. Today, after this AGM, we will honour the memory of our founding President at the 4th Subir Raha Memorial Lecture. Mr. Raha's efforts were indeed pioneering in developing this Network and making it a cogent platform for 'Corporate India' to enhance its understanding of Human Rights, Labor Standards, Environment and Anti-Corruption and subsequently embed them into their work practices.

As the global economy slowly strives to recover from the economic distress caused by the avarice and unbridled financial adventurism of the banking sector in select advanced economies, the relevance of the Global Compact and the principles espoused by it assume even more significance. It is in these trying times that the issue of inclusive growth and sustainability has become a universal agenda and there is now a pressing realization on 'Corporates' to embed them into their business practices. As the global citizen rebels against prevailing governance structures that promote growth at the expense of the common citizen, the ten principles, which form the premise of the Global Compact, have become increasingly relevant.

Over the past ten years since its inception in 2003, GCNI has helped spread the message of the United Nations Global Compact to Corporate India and has created a platform that offers a bouquet of services to its members to facilitate better understanding and subsequent inclusion of the ten principles into their work culture and corporate governance structures. The peer group learning and sharing meetings organized by GCNI provides members access to tried and tested knowledge on which to model sustainable practices and has emerged as a potent tool toward capacity building of companies and institutions through networking. GCNI has delivered an increasingly ambitious activity calendar year on year and the past year was no exception.

Allow me to present GCNI's activities in the past year in chronological order.

One of the major achievements of the GCNI, this year was the launch of two new local chapters at Chennai on 8th December 2012 and Kolkata on 11th March 2013, which extended our reach to the Southern and Eastern regions respectively. With five chapters in India, GCNI has inducted a new model of devolution and effective leadership at the local level.

GCNI has continued to provide opportunities to its member companies to learn more about and embed within their functions the ten principles on Human Rights, Labour Standard, Environment and Anti-Corruption that form the basis of the Global Compact.

In implementing the agenda of promoting Human Rights in business, a training workshop for Indian business leaders and senior personnel from leading companies was organized under the auspices of the India CEO Forum on Business and Human Rights from March 5th to 7th 2013. The sessions were focused on understanding Human Rights and associated work practices and embedding them into business policies, processes, management systems and corporate culture. The workshop aimed at enlightening participants with key learning tools, knowledge sharing and open discussions on recent cases pertaining to risk, impact assessment and due diligence from the perspective of Human Rights.

Maintaining focus on 'Rights' of individuals, GCNI organized three events at Chennai, Delhi and Mumbai on 11th July, 1st August & 7th August 2012 respectively on Children's Rights and Business Principles. The principles provide a comprehensive framework for understanding and addressing the impact of business on rights and well being of children. The event brought together leading academicians, child rights activists, corporates and government on one platform to discuss and deliberate on how business could respect and support child rights in their core operations. One of the major areas that was identified during deliberations and is also included in the framework is the elimination of child labor in all business operations. The year also marked the launch of the Women's Empowerment Principles on the occasion of Women's Day on March 8th 2013. The event marked the commitment by some of leading GCNI members towards promoting gender equality in their companies, marketplace and community.

The Collective Action Project (CAP) that was started in 2010 as a dedicated project on Anti-Corruption has made steady progress and continues to retain its place as the one of the leading performers amongst its peers in four countries namely Brazil, Nigeria, Egypt and South Africa. The project during the year organized its first event on Transparency and Anti-Corruption measures in Procurement in India in partnership with the United Nations Office on Drugs and Crime (UNODC) at New Delhi on April 18th & 19th 2012. This 'National Consultation' brought together senior professionals to reflect upon opportunities for enhancing transparency and strengthening anti-corruption measures in procurement processes. CAP, also launched its first publication titled, 'Raising the Bar through Collective Action: Anti-corruption Efforts in Action in India' at New Delhi at the hands of veteran journalist Mr. Kuldip Nayar on October 4th 2012. The book captures some best practices of Indian companies on anti-corruption.

As a part of this project, four stakeholder consultations were organized in partnership with International Business Leaders Forum (IBLF) and Thought Arbitrage Research Institute (TARI) on October 13th at Bhubaneswar, October 23rd at Mumbai, November 9th at New Delhi and November 19th at Hyderabad. The consultations were organized with the objective of assessing region-

specific issues concerning fraud and bribery. The findings of these consultations will be included in a book that will be launched during the year 2013-14.

As we approach 2015, we find ourselves rethinking the development agenda. Shift is being witnessed, both in-terms of terminology and concept, and now we find ourselves moving toward achieving sustainable development goals. In keeping with this overall emphasis on sustainability and sustainable practices, GCNI organized major events before the Rio+20 Summit. These were 'New Geographies of Sustainability: Indian Perspectives for Rio+20' workshop on April 19th at Mumbai and the Rio+20 Curtain Raiser: Business at Rio+20: Engaging for a Sustainable World on June 8th 2012 at New Delhi centered on the theme 'Engaging for a Sustainable World'. While the workshop in Mumbai, organized in partnership with Lead India, afforded the opportunity to ensure that Indian perspectives were firmly integrated into the UN Rio+20 Conference on Sustainable Development, the Rio+20 Curtain Raiser event, in New Delhi, in partnership with CII provided an opportunity to understand the business implications of Rio+20 and get clarity on expected outcomes and implications from a wide spectrum of Industry. The participation of GCNI at the Rio+20 summit organized in Rio de Janeiro, Brazil from June 15th to 18th 2012 and the Caring for Climate meeting convened on December 5th 2012 at Doha, Qatar, demonstrated its commitment towards developing green and sustainable practices, thus reinstating the stand taken by India in the past to promote sustainability and equity together.

The 3rd Subir Raha Memorial lecture was delivered by Dr. Sam Pitroda, Adviser to the Prime Minister on Public Information, Infrastructure & Innovations, on 'Sustainable Development and Inclusive Growth in 21st Century: Possibilities and Challenges for India', on 6th November 2012. In his lecture, Dr. Pitroda, while negating the consumption model, stressed on the construction for an Indian model of sustainable development. He highlighted that innovations in technology would eventually serve in significantly accelerating the development process and that urgent attention was required for conceiving new models with fresh agendas along with innovative infrastructure and knowledge to realize sustainability. Dr. Pitroda also reiterated that all our energy should be focused on generating employment for those placed at the bottom of the pyramid through imparting appropriate skills and promoting entrepreneurship with a focus on reducing disparity and promoting development. The memorial lecture was also graced by Mrs. Subir Raha and Ms. Lise Grande, UN Resident Coordinator and UNDP Resident Representative. The event witnessed participation of over 250 participants from all walks of life.

In keeping with the agenda of sustainability, GCNI also organized the CEO water mandate from March 5th to 7th 2013 at Mumbai. The meeting dwelled on the role of Business and Corporate Water Stewardship in supporting the Post-2015 Development Agenda, to explore critical and complex corporate water management issues and to advance effective and equitable solutions.

In the run up to its annual flagship event, the National Convention, GCNI organized a curtain raiser for the 8th National Convention on March 10th 2013 at Kolkata. The theme speech was delivered by Mr. Peter Kenmore, FAO representative in India on 'Accelerating Millennium Development Goals in India: 2015 and Beyond' in which he highlighted the need of Government to produce out of the box

solutions toward realizing its goal of poverty eradication, reducing income inequality, education, employment and reducing environmental degradation.

The 8th National Convention was organized on March 11th 2013 at Kolkata on the theme 'Sustainable Development Goals and India: Accelerating Growth through Innovation'. The Convention was inaugurated by Dr. Swaroop Rawal, Brand Ambassador of UNICEF and Save the Children, as Chief Guest and Dr. Bhaskar Chatterjee, DG and CEO, IICA, as the Guest of Honour. Some of the key sessions at the convention were 'Innovation as Driver for Sustainable Development' chaired by Shubranshu Patnaik, Senior Director Deloitte, 'Partnership: Key to Aggregated Social Benefits' chaired by Dr. Bhaskar Chatterjee, DG and CEO, IICA and 'Human Development Approaches to Inclusive Growth', chaired by Prof. Anup Kumar Sinha, IIM Kolkata. The valedictory speech for the day was delivered by Rear Admiral (Retd.) A.K Verma (VSM), CMD, Garden Reach Ship Builders & Engineers Ltd. Discussions highlighted the need for innovation, diffusion and transfer of technology, partnerships between stakeholders, inclusive and sustainable business practices, creation of decent jobs and opportunities for securing livelihood for the marginalized segments of society for lasting transformation that could help countries achieve new levels of sustainable development. The event was attended by over 250 participants and was covered by the National and Regional media.

GCNI with the support of its regional chapters organized regional conclaves on September 18th 2012 at Hyderabad and March 14th 2013 at Mumbai respectively. The Southern regional conclave in Hyderabad discussed the theme 'Essentiality of a Sustainable Business'. It dwelled upon three sub-areas, namely; social Imperatives such as land availability, employment, R&R plan; Ecology related issues such as resource optimization, safe guarding the living environment and bio diversity and Economic issues such as contributing towards income of society, enterprise and the Nation. The Western region conclave organized in Mumbai, deliberated on the theme 'Greening the Triple Bottom Line: Environmental Responsibility and Sustainable Development' and discussed Environmental Sustainability Methods (Preventive Action) and Corporate Environment Citizenship (Promotive Action). The regional conclaves were an attempt to draw in regional members and initiate a process of deliberation and discussion on sustainability and sustainable practices. Both the regional conclaves were attended by over 150 participants each and were covered extensively by the media.

GCNI in the past year engaged with various stakeholders, partners and member companies on a number of issues and initiatives through its monthly meetings and brought together all stakeholders resulting in peer learning and sharing of good practices. These monthly meetings are now a sought after event in the calendar of the GCNI and are looked forward to by its members and other key stakeholders. The role and support of our members in making these monthly meetings a success is a crucial one.

GCNI has organized in-house training programmes for some of its members on how companies could embed the 10 principles in their supply chain and on submission of COPs toward maintaining

UNGC's membership. This support of the Secretariat to its member companies has significantly improved COP reporting by the companies to the UNGC and is a welcome move.

GCNI has increased its membership to 126 members from 107 in 2011-2012. We are steadily moving towards including academic institutions and industry bodies into our fold and encouraging them to participate effectively in the UN Global Compact programme. This effort requires support from all GCNI members and I urge you to support GCNI in enrolment of new members.

It is a matter of satisfaction to see GCNI expanding its outreach activity, influence and impact on its stakeholders. In the past year, we achieved more than we had planned, and this would continue to be our endeavour as we move ahead in our mission to enable member companies embed the ten universal principles in their operations and work practices. Today in a family of 101 networks of UNGC, India Chapter is rated among the top-three performing local networks.

The roundtable in Bali in March 2013 highlighted that in the post - 2015 sustainability agenda, corporate sustainability would assume great significance and therefore placed greater responsibility on businesses to contribute more effectively toward this agenda. Taking this discourse forward, the coming year presents opportunities, challenges and goals that we at GCNI have set for ourselves.

In the next year, GCNI would be making concerted effort to initiate discussions on the post-2015 agenda. GCNI has already started forging alliances and partnerships to reflect and promote sustainability as one of its major areas of functioning. The successive year would transform the organization into a knowledge hub for resources on good practices and case learning globally through initiatives such as the Asia - Pacific Resource Centre, the India Collaboration lab and the Global Compact Awards. Impetus will be given toward encouraging Indian business to adopt innovative strategies that promote business growth that also translates into Inclusive growth for all sections of society and also to ensure that such development doesn't happen at an enormous environmental cost.

This year, GCNI will work towards developing alliances and partnerships with academic institutions that form a training ground for our future leaders and managers. These collaborations would aim at developing capacity among students to align their future business activities and operations with corporate responsibility and sustainability. To achieve this agenda we request the support of member companies in reaching out to such institutions.

I gratefully acknowledge the support of my colleagues in the Governing Council whose support and expertise has been crucial in taking the Global Compact movement in India forward. I also acknowledge the support of our patrons and members who helped us organize various events. The GCNI Secretariat, led by its Executive Director has put-in commendable effort and deserves appreciation. I look forward to renewed commitment and effort from this team as we have an ambitious agenda to implement this year.

I thank you for your time and resources in engaging with the Global Compact Initiative during the last year and look forward to your continued association with us in years to come.