



**Meeting Report:
Global Compact Board Meeting
Geneva, 6 July 2007**

I. Overview

In a brief meeting directly following the close of the 2007 Leaders Summit in Geneva, the Global Compact Board met to review the outcome of the summit and to discuss key topics, including Integrity Measures and future working arrangements with the Global Compact Office. After expressing consensus on the success of the Leaders Summit, the Board indicated two key areas of importance. First, it was broadly agreed that there is a need for greater emphasis and further development of the Integrity Measures. Second, the Board asked for increased communication from the GC Office, requesting that it more proactively consult with and work under the guidance of the Board. In return, it was agreed that the Board would provide swift replies to requests for input or guidance from the GC Office.

II. Discussion Topics

- **Feedback on Leaders Summit:** Board members expressed that the Leaders Summit was a success with very good attendance, substance and energy. Following the success of the Summit, *Anne Lauvergeon* called for more visibility of the GC. *Mark Moody-Stuart* positively mentioned the media engagement with BBC and the *Financial Times* and requested increased PR engagement, as did *Suzanne Nora Johnson*.
- **SG Transition:** *Ntombifuthi Mtoba* inquired about the possibility of continuing to work together with Kofi Annan. *Mark Moody-Stuart* answered in the affirmative as long as it is a local initiative. The Board agreed to write a thank you letter to Kofi Annan.

Georg Kell confirmed the successful transition to Secretary-General Ban who has become a key champion of the GC, particularly through chairing the Leaders Summit.

- **GC Implementation within UN:** *Oded Grajew* emphasized the importance of UN implementation of the ten Global Compact principles (e.g. in the areas of procurement and the pension fund). *Georg Kell* welcomed SG Ban's signal to implement the GC principles and suggested a letter from the Board to SG Ban on this issue specifically, which the Board agreed to do.
- **Local Networks:** Several board members stressed the importance of Local Networks, especially in developing countries (*B. Muthuraman, Mark Moody-Stuart, Habiba Al Marashi, José Sergio Gabrielli de Azevedo*). *B. Muthuraman* made a commitment to give fresh impetus to the GC Local Network in India.

Georg Kell encouraged all Board members to attend the 5th Annual Local Networks Forum on 17-18 October in Monterrey, Mexico.

- **Integrity Measures:** *Guy Ryder* called for greater emphasis to be placed on the Integrity Measures and for them to be applied more strictly, noting that delisting of companies was viewed as a sign of strength. *Mads Øvlisen* also voiced the need to focus more on compliance and *Oded Grajew* asked that COP requirements be stricter and suggested that MNCs should report per country.

Ntombifuthi Mtoba requested information on how progress on integrity measures will be continued. *Mary Robinson* asked for clarification on logo usage.

Mark Moody-Stuart stated that the accusation of AngloGold Ashanti in Ghana would be a serious issue. *Mary Robinson* responded that focus should be on the specific problem without condemning an entire company.

It was generally agreed that there may be scope for the Board to take objective and neutral assessments of contentious situations affecting the Global Compact, and the Board more specifically. With further development of the Integrity Measures – for example related to the COP commitment and the complaint mechanism – the Board may be in a position to provide a balanced perspective on controversial issues that arise.

- **GC Office – Board Collaboration:** *Georg Kell* expressed how beneficial it is to work with the Board and called on the members to be active champions for the GC. The Board asked for increased communication from the GC Office, requesting that the GC Office more proactively consult with and work under the guidance of the Board. It was agreed that the Board would provide swift replies to requests for input or guidance from the GC Office.
- **SMEs:** *Antonio Peñalosa* requested that more attention is paid to small- and medium-sized enterprises. *Guillermo Carey* added that SMEs employ up to 80% of people and that GC focuses too much on big corporations.
- **Climate Initiative:** *José Sergio Gabrielli de Azevedo* mentioned that although Petrobras is highly committed to climate issues, he had difficulty joining the “Caring for Climate” initiative due to the carbon dependency of his company. *Mark Moody-Stuart* suggested that signing the statement could be viewed as a step towards future transformation.
- **Water and Human Rights:** *Mary Robinson* voiced concerns over a lack of human right approach in the water initiative.
- **U.S. Politics:** *Suzanne Nora Johnson* suggested leveraging the momentum of business focus on environmental issues to access U.S. political circles. Supported by *Mark Moody-Stuart*.
- **Board Appointments:** *Toshio Arima* asked how Board members are appointed. *Mark Moody-Stuart* responded that members are appointed in their personal capacity, legitimated through an announcement by the SG. *Georg Kell* added that the Local Networks make recommendations for candidates to be Board members.
- **UN Relationship:** *Georg Kell* stated that the GC has well-defined linkages to the UN, yet internal change would be very complex to achieve. The Ministerial Statement was especially important for the report to the General Assembly in late 2007.

III. Action Points

- **Letter to Kofi Annan:** The Board agreed to write a thank you letter to Kofi Annan.
- **Letter to SG Ban:** The Board agreed to write a letter to SG Ban Ki-moon asking for the implementation of the GC principles within the UN.
- **Integrity Measures:** It was broadly agreed that there is need for greater emphasis on and further development of the Integrity Measures, particularly COP compliance, logo usage and complaint mechanisms.
- **Board Collaboration:** The Board asked for increased communication from the GC Office, requesting that the GC Office more proactively consult with and work under the guidance of the Board. It was agreed that the Board would provide swift replies to requests for input or guidance from the GC Office. Additionally, *Georg Kell* called on Board members to be active champions for the GC.
- **Next Board Meeting:** *Mark Moody-Stuart* requested that a date be confirmed for the next Board meeting (tentative dates: 1, 14, 28 November 2007) depending on SG Ban's availability. *Georg Kell* agreed to follow up.

IV. Appendix: Members of the Global Compact Board

Business	
Talal ABU-GHAZALEH*	Chairman and CEO, Talal Abu-Ghazaleh Organization, Egypt
José Sergio GABRIELLI DE AZEVEDO	President and CEO, Petrobras, Brazil
Guillermo CAREY	Senior Partner, Carey & Allende Abogados, Chile
CHEN Ying*	Deputy Director-General, China Enterprise Confederation, China
Suzanne Nora JOHNSON**	Vice Chairman, Goldman Sachs Group, USA
Anne LAUVERGEON	Chair of the Executive Board, Areva, France
Ntombifuthi MTOBA	Chair of the Board, Deloitte, South Africa
B MUTHURAMAN	Managing Director, Tata Steel, India
Mads ØVLISEN	Adjunct Professor, Copenhagen Business School Chair, Lego, Denmark
Toshio ARIMA	Director and Executive Advisor to the Board, Fuji Xerox, Japan
International Labour and Business Organizations	
Manfred WARDA*	General Secretary, International Federation of Chemical, Energy, Mine and General Workers' Unions
Antonio PEÑALOSA	Secretary-General, International Organization of Employers
Guy RYDER	General Secretary, International Trade Union Confederation
Guy SEBBAN*	Secretary-General, International Chamber of Commerce
Civil Society	
Habiba AL MARASHI	Chair, Emirates Environmental Group
Oded GRAJEW	Chair, Instituto Ethos de Empresas e Responsabilidade Social
Huguette LABELLE	Chair, Transparency International
Mary ROBINSON	Chair, Realizing Rights: The Ethical Globalization Initiative
Ex-Officio	
Sir Mark MOODY-STUART	Chairman, Foundation for the Global Compact
Georg KELL	Executive Director, UN Global Compact Office

* Not present at 6 July 2007 Board meeting in Geneva.

** Suzanne Nora Johnson to be replaced by Anthony Ling, Chief Investment Officer of Goldman Sachs, as of 6 July 2007.