

Highlights

Donetsk Hosts Regional Launch of Global Compact Initiative

Donetsk, 20 March, 2007 The UN Global Compact (GC) regional launch was conducted on Tuesday in Donetsk to invite Donetsk companies and agencies in voluntarily implementing the UN's "ten commandments" of corporate social responsibility (CSR). This event was supported by the Donetsk Chamber of Commerce, local authorities and System Capital Management representing the company that already has become GC member. The launch was attended by UN Resident Coordinator in Ukraine Mr. Francis O'DONNELL, Mr. Anatoliy BLYZNYUK, Head of Donetsk Oblast Council, Mr. Borys ADAMOV, Deputy Head of Donetsk Regional State Administration, Mr. Gennadiy TKACHENKO, Deputy Mayor of Donetsk, Mr. Gennadiy CHIZHIKOV, President of Donetsk Chamber of Commerce and Industry and more than 100 representatives of local businesses and media.



In his opening address Mr. O'DONNELL emphasized the importance of GC principles adoption for the development of the Ukrainian economy and awarded membership certificates to the CEO's of three new members of the initiative from Donetsk: Minimetallurgical Works ISTIL (Ukraine), Financial Industrial Group Altcom and Association of Non-Governmental Organisations "Social Economic Strategies and Partnerships". "Social benefits for the community delivered by businesses bring the benefits back to the business", stated Mr. O'DONNELL. "Labour aspect named as first in the CSR perception in Ukraine. This aspect has lots of room for the improvement and Donetsk companies can take this into account", stated the key note speaker of the

event Ms. Severine DEBOOS, International Labour Organization Programme Coordinator in Central and Eastern Europe. "CSR is about going beyond the minimum legislation standards", she added. On behalf of the GC current members, SCM Director of International and Investor Relations Mr. Jock MENDOZA-WILSON presented how business can benefit from the corporate social responsibility. He also noted that well-governed companies pay less interest for investment loans, and attract the best staff.



Opening Dialogue with Media on Corporate Social Responsibility

Kyiv, 12 April, 2007, the UN House hosted the discussion with media on Corporate Social Responsibility: from charity towards sustainable development. The event was a part of a series of discussions which the United Nations in Ukraine is organizing with media representatives on the area of Corporate Social Responsibility. The first discussion was held in December 2006 on the topic "Is CSR newsworthy?"



The discussion was focused on the importance to distinguish CSR from charitable donations and raised issues about the general perception of CSR in Ukraine. The media representatives that attended the discussion shared their opinions on different issues including what does "socially responsible business" mean from media perspective, what are the reasons for business being more focused on charity than on sustainable development and what role could media play in helping the business go beyond charity and become more socially responsible.

As a result of discussion, all participants agreed to the following statements:

- 1) Charities are observed by businesses as a short-term investment, whereas the CSR actions take more strategic and longer term goals that are often neglected by the companies' general management;
- 2) On the legislative level the Government should support companies to be more responsible entities;
- 3) Media outlets' advertising and sales departments sway editorial opinions, while CSR-related materials are treated only as commercial PR stories;
- 4) Media in Ukraine should be more independent, a strong need for public service press and TV is observed. At the same time media should perform a "watchdog" function.
- 5) Being businesses themselves, media should act as socially responsible entities;

As a follow up to the media meeting the attendees were invited to participate in the Forum "CSR: from charity towards sustainable development" that took place on 17 April, 2007 at the Radisson SAS Hotel with the participation of leading Ukrainian and multinational businesses, Government, labour and civil society organizations.

Multi-Stakeholder Discussion on "Corporate Social Responsibility: from Charity Towards Sustainable Development"

Kyiv, 17 April, 2007 Multi-stakeholder discussion on "Corporate Social Responsibility: from charity towards sustainable development" was conducted on Tuesday, 17 April, 2007 in Kyiv at the Radisson SAS Hotel. The discussion was organized on the initiative of the GC network Ukraine members with the support of United Nations Global Compact team in Ukraine. The main objective of the discussion was to initiate a substantial dialogue between the main CSR players in Ukraine on the difference between charity and CSR and the external and internal reasons for businesses to emphasize predominantly on charity.



The forum has been made possible thanks to the financial support kindly provided by Volia, Group of Companies, Global Compact member. A key-note speaker of the forum was Mr. Christian Thommessen, Director of the Private Sector Division, United Nations Development Programme, Headquarters, New York. Panelists of the discussion were Mr. Oleg Opimakh, State Committee for Regulatory Policy and Entrepreneurship, Ms. Viktoriya Ruban, Ukrainian Mobile Communications, Ms. Nina Solomatina, Federation of Trade Unions Ms. Yuliya Begma, Center for Corporate Citizenship, Mr. Petro Kalyta, Ukrainian Association for Quality.

The discussion was focused on the importance to distinguish CSR from charitable donations and raised issues about the general perception of CSR globally and in Ukraine. An emphasis was placed on the understanding that CSR goes beyond charity and requires that a responsible company take into full account its impact on all stakeholders and on the environment when making decisions. This requires the company to balance the needs of all stakeholders with its need to make a profit and reward shareowners adequately.

The event gathered around 45 Global Compact members in Ukraine representing business, Government, Federation of Trade Unions, employers' associations, NGOs and media. The topic of the forum proved to be of high interest to the participants and encouraged vital discussion and constructive dialogue among the multi-stakeholders. As a result participants together with UN GC Team agreed on holding a series of discussions, covering most appealing topics or issues in connection to CSR and experience/knowledge exchange.

Mobile Operators and IOM Launch Counter Trafficking Toll-Free Hotline in Ukraine

Kyiv, April 25, 2007 The International Organization for Migration (IOM) Mission in Ukraine, a UN country team agency, and “Astelit” (life:) trademark), KyivStar GSM, and UMC, the three leading mobile operators in Ukraine has signed a Memorandum of Understanding to establish cooperation on preventing trafficking in human beings. For the first time in Ukraine, the mobile operators are joining forces with IOM to counter trafficking in human beings and raise awareness on protecting Ukrainians’ rights when working abroad. As a first step, the parties have initiated a toll-free counter-trafficking 527 short number, which is functioning with a non-commercial aim where all callers receive accurate information about the current realities and possible dangers that migrants could face outside of Ukraine.



”Well-known and respected mobile phone companies are now coming together, demonstrating social responsibility and partnership, thus setting an example for the business community at large. Foreign and Ukrainian business companies could help stop trafficking in human beings by raising awareness, public outreach and national ownership and support of the Ukrainian counter-trafficking response. We applaud these efforts” stated Mr. Jeffrey Labovitz, Coordinator for Ukraine Moldova and Belarus, an IOM Chief of Mission in Ukraine.

”This is a very important initiative for Ukraine. By signing this agreement today, the corporate social responsibility is not anymore a nice term referred by companies but it is taking real actions”, stated Ms. Ruken Tekes-Calikusu, UN Coordination Specialist. ”Also as a unique cooperation between three GSM operator competitors to overcome an important social and developmental challenge, this initiative deserves international recognition”, she added.

Global Compact Member Company UMC Presents at the Regional Meeting of East European Global Compact Networks

London, April 23-25, 2007, the first European Global Compact networks meeting was conducted. The meeting was attended by representatives of 14 GC networks (Armenia, Belarus, BiH, Cyprus, Croatia, Georgia, Hungary, Lithuania, Kazakhstan, Moldova, Macedonia, Poland, Russian Federation, and Ukraine). For the first time, UN(DP) focal points were accompanied by their respective business champions.



The objective of the meeting was to share information and knowledge about facilitation of GC Networks and promotion of CSR and to improve understanding of benefits of GC participation and role of local business champions.

Two representatives from Ukraine, Ms. Elena Panova, the Global Compact focal point in Ukraine and Ms. Maryna Saprykina of Global Compact member company UMC attended the event to share the experience of the Ukrainian network good practices on the international arena. In her presentation “GC promoting positive changes in UMC”, Ms. Saprykina uncovered how the Global Compact principles are implemented in the business practice based on the CSR experience of the national mobile operator Ukrainian Mobile Communications.

UMC Український Мобільний Зв'язок	Telecommunication/ Телекомунікації
Group of Companies "Foxtrot" Група Компаній «Фокстрот»	Whole and Retail sale of audio-, video-, domestic appliances and other kinds of various devices/ Оптова та роздрібна торгівля аудіо-, відео-, побутової та інших видів техніки
Amoden Амоден	Speechwriting company/ Спічрайтерська агенція
L'viv Consulting Group Львівська Консалтингова Група	Consulting on Organizational Development/ Надання консультативних послуг з організаційного розвитку
Altcom (Financial-Industrial Group) Альтком (Фінансово-Індустріальна Група)	Building, production, management/ Будівництво, виробнича сфера, менеджмент
CJSC "Mini Steel Mill "Istil (Ukraine)" ЗАТ «Міні металургійний завод «Істіл (Україна)»	Steel production/ Виробництво сталі
Confederation of Employers of Ukraine Конфедерація Роботодавців України	NGO/ Неурядова організація
CJSC Studio Europa Plus Ukraine ЗАТ Студія Європа Плюс Україна	FM radio station/ ФМ радіо станція
OJSC "Concern Galnaftogaz" ВАТ «Концерн Галнафтогаз»	Oil and Gas/ Нафта та Газ
Donetsk Chamber of Commerce and Industry Донецька Торгово-Промислова Палата	International economic activity/ Міжнародна економічна діяльність
International Business Foundation Міжнародна Ділова Організація	NGO/ Неурядова організація
Association of NGOs "Socio-Economic Strategies and Partnerships" Асоціація неурядових організацій «Соціально-економічні стратегії та партнерство»	NGO/ Неурядова організація
Donetsk City Charity Foundation "Dobrota" Донецька Благодійна Організація «Доброта»	NGO/ Неурядова організація
Donetsk City Rotary Club "Common Way" Донецька громадська організація «Спільний шлях»	NGO/ Неурядова організація
Mega Market Co Ltd ТОВ «Мегамаркет»	Commerce and Distribution/ Торгівля та дистрибуція
All-Ukrainian youth public organization "Young Managers and Lawyers Board" Всеукраїнська молодіжна громадська організація «Колегія молодих управлінців та юристів»	NGO/ Неурядова організація
"Tradeinvest Consulting" Limited Liability Partnership ТОВ «Трейдінвеконсалтинг»	Legal consulting, audit and trainings/ Правовий консалтинг, аудит та тренінги
Donbass Fuel Energy Company (DTEK) Донбаська Топливно-Енергетична Компанія «ДТЕК»	Coal mining, electricity generation and distribution enterprises/ Вугільна промисловість, вироблення електроенергії та підприємства дистрибуції.

The full list of the Global Compact members in Ukraine is available here:

http://www.un.org.ua/files/gc_members.pdf

Global Compact Leader's Summit

On 5-6 July in Geneva, Switzerland the United Nations will convene history's largest and most significant event on the topic of leadership and corporate citizenship. The Global Compact Leader's Summit will focus exclusively on the business sustainability agenda, helping CEOs and other leaders to develop strategies that deliver maximum economic, commercial and social value in partnership with governments, civil society and labour.

The Summit - a private, invitation-only event - will be chaired by United Nations Secretary-General Ban Ki-moon and will gather approximately 1,000 leaders from business, governments, civil society and labour, including nearly 700 chief executives, several heads of State or Government, as well as more than 40 Government ministers. Dozens of journalists representing broadcast, print and online media from around the world will also be attending the Summit.



The Global Compact's entire international network - spanning 100 countries - will be on display at the Leaders Summit. The official theme - Facing Realities: Getting Down to Business - will be addressed within the initiative's unique multi-stakeholder orientation, and anchored in the Global Compact's ten universal principles.

Under the umbrella of the United Nations, the Summit will provide a platform for leaders from all sectors to work collectively to ensure that globalization delivers the widest possible benefits to all. For more information about the Global Compact Leader's Summit and how to register visit: <http://www.globalcompactsummit.org/>.

International Media Forum on Corporate Social Responsibility

United Nations and Global Compact Network in Ukraine are pleased to invite you to an International Media Forum on Corporate Social Responsibility (CSR) to be held in Kiev on July 12-13, 2007. The Forum is intended to give floor for discussion on the role of media in promoting, challenging and implementing CSR. In today's world, corporate social responsibility is taking high priority position on the global corporate agenda. The relations between business, state and society are changing and media is envisioned as the main driver and an inseparable player in building the capacity of business and government to deliver better results to the sustainable development of society. The International Media Forum brings together media representatives from all around the world together with experts from the private sector to discuss how media can reinforce the CSR development. This two-day international event will focus on the following main aspects:

1. Role of the Media in CSR
2. Media as socially responsible businesses
3. Frameworks enabling media to promote CSR

THE PARTICIPANTS OF THE FORUM WILL BENEFIT FROM:

- Opportunity to discuss the hottest and controversial issues on CSR with a large group of prominent media experts;
- Learning the best practices, defining roles, illustrating the latest trends in CSR within the media as well as the exchange of the unique international experience;
- Getting broad network of contacts with colleagues from around the globe and setting up the grounds for the further fruitful collaboration.

The intended participants of the Forum are the media representatives: press, TV, radio, web-based; professional organizations and associations of media and public relations; PR and advertising agencies; communications and PR specialists from private companies, government and academia.

Please, contact Ms. Aleksandra Afanasieva (Aleksandra.Afanasieva@un.org.ua) for the detailed information about how to participate in the Forum and the sponsorship opportunities.

■ Thank You To....

System Capital Management

We are proud to announce SCM provides on-going support to the promotion of Global Compact in Ukraine. Recently, SCM and UN signed a cooperation agreement for advocating and promoting Corporate Social Responsibility, Public-Private Partnerships and Global Compact initiative in Ukraine. The UN/SCM partnership project, amounting of USD 50,000, will be utilized for different public awareness activities, communication campaigns and development of GC web-site.



Group of Companies Volia



We would like to thank Global Compact member Group of Companies Volia for the support of the forum “Corporate Social Responsibility: from charity towards sustainable development” that has been made possible thanks to the financial support of Volia.

■ Promotional Opportunities

Become a partner of the **International Media Forum on Corporate Social Responsibility!**

Do not miss the opportunity to promote your Company to the highest level of the Ukrainian and International media and business community by becoming a sponsor of the first International Media Forum on CSR. The Forum will become an excellent platform to communicate your social commitments to the wider audience.

Please, contact Ms. Aleksandra Afanasieva Aleksandra.Afanasieva@un.org.ua to find out about the sponsorship opportunities.

Global Compact brochures are now available! Please, contact Ms. Aleksandra Afanasieva Aleksandra.Afanasieva@un.org.ua to order the brochures to be distributed in your offices.



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