# TURKISH GLOBAL COMPACT NETWORK INTRODUCES AN INNOVATIVE SECTORAL APPROACH

Dr. Arguden, the National Representative of UN Global Compact in Turkiye, said that "This innovative sectoral approach will promote further deployment of the GC principles throughout different industries by establishing an environment of collaboration among companies facing similar issues,

by highlighting role models and enticing followers, by enabling better benchmarking and improving learning from peers."

Launched in 2000, the UN Global Compact brings business together with UN agencies, labor, civil society and governments to advance ten universal principles in the areas of human rights, labor, environment, and anti-corruption, "unleashing entrepreneurship" and contributing to national and global efforts to achieve the Millennium Development Goals. This shared understanding achieved the realization of the world's largest voluntary corporate citizenship initiative with more than 8,000 companies from 100+ countries, as well as 500 civil society and international labour organizations, engaged in the initiative.



The Turkish Global Compact Network is among the top ten networks globally, with 12 of the top 20 Turkish business groups such as Koc Holding, Sabanci Holding, Dogus Holding, Zorlu Holding. Key business organizations such as the Chambers of Commerce (TOBB), the Turkish Industrialists' Association (TUSIAD), and Turkish Confederation of Employers' Associations (TISK) are also among the signatories.

The Steering Committee is an assembly of four constituency groups - business, civil society, labour and the United Nations, engaged in the Global Compact and who are committed to advance the implementation of the Global Compact National Network in the country. The members of the Steering Committee are ARGE Consulting, Aksa Akrilik, Koc Holding, Sabanci Holding, TISK, TUSIAD, and Zed Tanitim. The Global Compact National Network is led by Dr. Yilmaz Arguden, the Chairman of ARGE Consulting, the first Turkish signatory of the Global Compact.





GCLN Turkiye has recently embarked on a **new Sector Specific Approach**<sup>1</sup>, developed by ARGE Consulting, to utilize the market segmentation idea for deployment of the Global Compact. Companies in a specific sector tend to face *common* issues *distinct* from other sectors. Also, it is easier to *reach* companies of a particular sector through their industry associations. Finally, collective action enables a comradeship approach within the industry and convincing leading players of the sector increases the attractiveness to join the GC to avoid being left behind.

The purpose of this Sector Specific Approach is to:

- ✓ Make sure that the awareness for ten GC principles is increased throughout the sector,
- ✓ Identify issues specific to the sector in implementing the ten GC principles and to ask sector representatives to propose solutions for implementation,.
- ✓ Ensure that leading companies within the sector to sign the GC and be a role model for the sector,
- ✓ Initiate a sector wide impetus to increase number of signatories collectively,
- ✓ Promote best-in-class benchmarks as role models to increase implementation of GC principles,
- ✓ Incorporate sector associations, labor organizations to support implementation of GC principles,
- ✓ Identify sector specific standards, rules, and regulations that may help in implementing the GC principles.

This Sector Specific Approach is being implemented in three key industries: Pharmaceutical, Automotive, and Textile. The reasons for this selection are:

- Employment of a large number of people,
- Being of critical importance for the competitiveness of Turkish economy,
- Broad geographic presence,
- · Importance of international standards and
- Export potential

On May 4th, 2010 key automotive players in Turkiye, such as Doğuş Otomotiv (Volkswagen distributor), Ford Otomotiv, and Renault Mais confirmed their commitment to the Global Compact in Bursa. On May 24th, 33 pharmaceutical companies signed the Global Compact in Istanbul, a significant increase to the 84 pharma companies who signed the Global Compact prior to the launching of this sectoral approach, globally.



This innovative sectoral deployment approach was also introduced to the UN Secretary General, Ban Ki-moon, at the Bosphorus University during his visit to Istanbul on May 21, 2010.

<sup>&</sup>lt;sup>1</sup> The methodology of the sectoral approach – (workshops,collaboration and publicity and signatory strategy) has been developed by ARGE Consultingwhose Chairman is the Global Compact Network Turkey Representative, Dr. Yilmaz Argüden



Workshop in preparation for attracting Pharmaceutical Industry players to GC Network, held at the Istanbul Chambers of Commerce (February 2010)

\*You may see some examples of recommendations for automotive and pharmaceutical workshops below.



#### **Signatories in Automotive Industry**

- 1 Renault Mais
- 2 Doğuş Otomotiv
- 3 Otokoç Otomotiv
- 4 Ford Otomotiv

Auto Industry Global Compact Signing Ceremony held in Bursa in affiliation with the Bursa Chambers of Commerce (May 4th, 2010)



## Adding 33 new Turkish members to the 84 Global Compact signatories from the Pharmaceutical Industry, globally



Pharmaceutical Industry Global Compact Signing Ceremony, held in Istanbul in affiliation Pharmaceutical Industry Employers' Association (May 24, 2010)



	Signatories in Pharmaceutical Industry		
1	Abdi İbrahim İlaç San. ve Tic. A.Ş.	18	Med-İlaç San. ve Tic. A.Ş.
2	Actavis İlaçları A.Ş.	19	Merkez İlaç San. ve Tic. A.Ş.
3	Adeka İlaç San. ve Tic. A.Ş.	20	Mustafa Nevzat İlaç San. A.Ş.
4	Ali Raif İlaç San. A.Ş.	21	Nobel İlaç ve Hammaddeleri İth. İhr. A.Ş.
5	Berko İlaç ve Kimya San. A.Ş.	22	Novartis Sağlık Ürünleri A.Ş.
6	Biem Tıbbi Cihaz ve İlaç San. ve Tic. Ltd. Şti.	23	Pensa Pharma İlaç Tic. ve San. A.Ş.
7	Bilim İlaç San. Tic. A.Ş.	24	PharmaVision San. ve Tic. A.Ş.
8	Centurion Pharma İlaç Ltd. Şti.	25	Sandoz İlaç San. ve Tic. A.Ş.
9	Delta Vital İlaç San.Tic.Ltd.Şti.	26	Santa Farma İlaç San. A.Ş.
10	Dr. F. Frik İlaç San. Tic. A.Ş.	27	Tabuk İlaç Tic.Ltd.Şti.
11	Drogsan İlaçları San. ve Tic. A.Ş.	28	Terra İlaç ve Kimya San. Tic. A.Ş.
12	Genesis İlaç ve Sağlık Ürünleri A.Ş.	29	Turgut İlaç A.Ş.
13	Genzyme Sağlık Hizmetleri ve Tedavi Ürünleri Tic. Ltd. Şti.	30	Tüm Ekip İlaç A.Ş.
14	Pharmaceutical Manufacturers Association (Business Ass.)	31	Vem İlaç San. ve Tic. Ltd. Şti.
15	Kansuk Laboratuarı San. ve Tic. A.Ş.	32	Yenişehir Laboratuvarı Ticaret ve Sanayi Ltd. Şti.
16	Keymen İlaç San. ve Tic. Ltd. Şti.	33	Yilbak Ticaret A.Ş.
17	Liba Laboratuarları A.Ş.	34	Zentiva Sağlık Ürünleri San. ve Tic. A.Ş.



Within the sectoral approach framework initially the GC principles were introduced to the specific industry representatives. Then during the second part of the meeting, workshops were organized for the industry representatives to help them identify common issues in applying the 10 GC principles to their own industry. Finally, the workshop participants identified the challenges and possible solutions and prioritized them according to implementation capabilities of the industry, as judged by the workshop participants. Similar approach was utilized for both the automotive and pharmaceutiacal industries and the conclusions of these workshops were shared with relevant industry participants in inviting them to join the Global Compact.

The Sectoral Development Strategy also focussed on working with relevant industry organizations to reach out to as many companies as possible and in particular to attract the industry leaders to the initiative as role models. This approach helped us mobilize the leaders in each industry to join the Global Compact and provide help in mobilizing others, as well as bringing impetus to collobarative solutions.



#### A. Recommendations which can be achieved in the short term creating added value – Automotive Sector Workshop

RECOMMENDATION	METHOD
The Environment – Making arrangements in order to remove the implementation and regulation differences	By conducting a committee study, implementation and regulation differences can be set forth and orientation steps can be identified.
The Environment - Translating measurement criteria to Turkish	With a committee study where mutual terms can be composed and criteria where the whole establishment and their workers will easily comprehend can be identified.
Updating the agreements and evaluations between companies within the supply-chain in order for them to include this issue area	On a company basis or with mutual study taking the Global Compact principles into account, an updating study may be conducted.
Discussing issues related to sectoral organization by forming mutual platforms	A workshop can be arranged where mutual difficulties and recommendations regarding the issue are shared and where the fundamental principles are identified.
Forming platforms where agreements can be reached with organizations regarding ethical regulations	The study regarding the second recommendation can also plan this issue
Evaluations aimed at developing lines of business for women can be made within the sector	On a company basis or a by reviewing a mutual study new areas can be developed with regards to women's employment.
Substantiating a study such as SA8000 regarding the compliance of Social Responsibility rules/standards to the sector	Along with the committee study, orientation, awareness raising and dissemination studies can be conducted.
Forming an information network about international incentives	An infrastructure can be developed with the initiatives of umbrella institutions/organizations/unions in the sector.
The Environment- Making sure that solution recommendations are included in the reports regarding the audit results	By providing environmental auditing authorities development recommendations, implementation may be ensured.

#### B. Recommendations which will be concluded within the medium term - Automotive Sector Working Session

RECOMMENDATION	METHOD
Providing encouragement regarding waste management practices	
Research & Development incentives must be increased and made widespread, regulations should be easy to implement	
Encouraging 14001/OHSAS1800 standards and making them mandatory	
Working Conditions – Developing auditing mechanisms	
The Environment - Consolidating auditing mechanisms, increasing the auditors' level of knowledge	
The anti-corruption auditing mechanisms should be developed	
The Environment - Cooperating with the government and local institutions in order to develop practices is necessary	Requests and recommendations can be presented by
Transparency should be increased within institutional practices	having the representative of the sector meet relative
Regulations regarding services should be identified within institutions	government agencies.



#### A. Recommendations for extending range of GC – Pharmaceutical Sector Working Session

RECOMMENDATIONS	METHOD
Inviting and achieving Turkish Pharmacists' Association (TPA), Turkish Mecical	A working group meeting can be arranged for informing and promoting GC to TPA, TTB ve EDD
Association (TTB) and Association of Pharmaceuticals StoreHouses to be part of GC	

#### B. Recommendations for progress in processes – Pharmaceutical Sector Working Session

RECOMMENDATIONS	METHOD
Establishing a chain by municipalities for collecting medical waste from houses and pharmacies	Municipalities can work with NGO's and pharmacies. The issue can be coordinated with companies and official organizations. This study should need an investment and bring results in the long term.
The capacity of İZAYDAŞ can be increased. Developing new waste disposal plants.	Ministery of Environment and Forests (ÇOB), can make cooperation with NGO and İZAYDAŞ. A big amount of investment is required.
Buying carbon credit and planting exchanging for the activities of sales representatives that create CO2 release	Companies and ÇOB can create cooperations. Middle sized investment is required.
Improving logistics and distrubition systems.	Cooperation may be developed with logistics companies. Project development and committee workshops may be needed to make progress on process.
Technologies to lessen the packaging need (recycled papers and similar applications)	Cooperation can be developed with packaging companies. With a Commitee study idea can be defined as an important project.
Structures can be developed to support R&D and innovations. / Eczacibaşı case could be replicated	Committee workshop may be required.
EU's process for environment accord managed by cooperation of public-private sector	Committee workshops can be performed by companies and public institutions.

### C. Recommendations for making progress in regulatory definitions such as principles – Pharmaceutical Sector Working Session

RECOMMENDATION	METHOD
Waste management principles can be created/updated in pharmacy industry. Some organizations in the industry can be the pioneers for this purpose.	Committee workshop can be performed by companies and public institutions.
Training and encouragment programs can be developed for water&energy consumption and CO2 release	Companies can develop common content and internal training programs. This may improve efficiency positively in the short run.
All related stakeholders should work in coordination to collect drugs that exceeds expiration date	A committee workshop can be performed by companies and public instutitions.
Recognizing delibaration power of representative instutitions	Discussion sessions can be scheduled to gather NGO's and public instutions.

#### D. Recommendations for raising public awareness – Pharmaceutical Sector Working Session

RECOMMENDATION	METHOD
Training programs can be be developed for waste management	Companies can develop common content and internal education programs.
Awareness campaigns for drug consumption in public	Communication plans can be developed with the cooperation of TPA, TTB other NGO's and public
	institutions.
Awareness campaigns for women participation in business life can be developed	Policies for increasing women employment can be shared with companies in the value chain.
	Companies can have common or individual applications.