













Terms of Reference for the "Global Compact Inter-Agency Team"

Background

Since the launch of the Global Compact by the Secretary-General at the World Economic Forum in 1999, the Office of the High Commissioner for Human Rights (OHCHR), the International Labour Office (ILO) and the United Nations Environment Programme (UNEP) - as guardians of the principles for human rights, labour and environment - have been closely involved in the further development of the concept. Their involvement included participation at regular meetings with staff of the Global Compact Office.

Following an agreement between the Secretary-General and the Administrator of the United Nations Development Programme (UNDP) in 2000, the UNDP joined the interagency group as the agency responsible for leading the introduction and promotion of the Compact in developing countries.

In 2002, the United Nations Organization for Industrial Development (UNIDO) joined the UN Global Compact as the agency responsible for strengthening the engagement of small and medium-sized enterprises.

In June 2004, following the introduction of the tenth Global Compact principle, the United Nations Office on Drugs and Crime (UNODC) joined the initiative and its interagency group as the agency responsible for the UN Convention against Corruption, and guardian of the anti-corruption principle.

The regular Global Compact inter-agency meetings between the above-mentioned organizations have resulted in an ever-closer involvement of the agencies in the UN Global Compact. It has helped ensure joint efforts and pooling of resources for joint activities, particularly Global Compact outreach, dialogue and learning events. The interagency meetings have, over the last five years, become an important element in the evolution of the UN Global Compact, but have not had any official status or recognition. Participation has been on a voluntary basis. In the context of the development of a new governance structure for the initiative, it now seems appropriate to formalize the meetings. This should lead to greater institutional support and demonstrate clearly how the Global Compact is embedded in the UN framework. The idea of formalizing the meetings is also supported by studies undertaken by independent consultants. For example, the 2004 impact study on the initiative recommended "formalizing the role of UN partner agencies to leverage their resources and expertise more efficiently". Giving the inter-agency

meetings a clear status, mandate and procedures will also enable them to better coordinate, partner and harness UN and private sector resources more effectively.

Purpose of the Inter-agency Team

The purpose of the Global Compact Inter-Agency Team (hereafter "the *Team*") is to:

- Assure a high degree of coherence of the activities of the Global Compact Office and the UN agencies;
- ➤ Ensure that actions and activities undertaken by any one of the Global Compact Office or the UN agencies are complementary and supportive of what the others are doing;
- > Strike the right balance between the focus on the principles and activities flowing from them in line with the Secretary-General's definition of responsible corporate citizenship;¹
- Explore opportunities to pool the expertise and resources of the *Team's* members;
- Continually review the respective roles and contributions that individual agencies can make to ensure the maximum effectiveness of the Global Compact as a network based initiative.

More specifically, the *Team* will seek to achieve maximum positive impact with regard to the key objectives of achieving a better understanding and greater respect and observance of the Global Compact principles by the private sector and encouraging effective partnerships in support of UN goals, especially the Millennium Development Goals. The *Team* will play a key role in sustaining and strengthening the UN Global Compact as an integrated value platform based on universal principles on which to build UN engagement with the business community.

Functions of the Inter-agency Team

The *Team* will have the following main functions:

- Make strategic recommendations on the effective implementation of the Global Compact;
- Ensure coherent support for the efforts by the UN and its agencies to internalize the Global Compact principles;
- Work towards coherent presentations and positions with regard to matters to be considered by other governance structures of the Global Compact
- Review progress reports and the work programme of the Global Compact Office before they are circulated to participants or other interested parties;
- Review Global Compact related activities of the annual work programmes of the agencies, agreeing on ways of improving coordination, complementarity and mutual support;
- In appropriate cases, undertake joint resource mobilization efforts for activities and projects developed in support of the UN Global Compact;
- Make effective use of the agencies' expertise;

¹ In his closing remarks at the Global Compact Leaders Summit on 24 June 2004, the Secretary-General said that "...principles and projects are two sides of the same coin, ... normative and operational efforts can and must complement each other."

- Share the experience of the individual agencies on activities in support of and relevant to the UN Global Compact – for example major projects, initiatives, partnerships, events and communications - and on improved integration of the Global Compact principles in agency operations; and
- Help provide solutions to dilemma situations arising from real or perceived egregious abuses.

Membership and decision-making procedures

The *Team* will consist of one senior representative each from the Global Compact Office and the UN agencies in UN Global Compact. Additional agency representatives may attend meetings where required.

The Executive Head of the Global Compact Office will chair meetings of the *Team*.

The *Team* will operate on the basis of consensus. In the event that a consensus is not reached, such differences in viewpoints will not be made public.

The *Team* will meet at least twice annually, alternating between New York and Europe, where most of the agencies are located. Depending on the nature of the global governance structure of the Global Compact, the *Team* is expected to play an important role as one of the key manifestations of the Global Compact's embeddedness within the UN system. Efforts will be made to ensure that the timing of meetings between the *Team* and other structures in the Global Compact's global governance framework will allow for maximum effectiveness.

To ensure coherence and consistency, every effort will be made by the Global Compact Office and the agencies to communicate and consult on urgent matters with other members of the *Team* in between *Team* meetings.

The *Team* may establish time-bound inter-agency task teams to work on specific issues and activities. Such teams would not necessarily include representatives of each agency and may include representatives of other UN agencies as appropriate. Their outputs will be subject to review and agreement by the *Team* as a whole.

United Nations Office of the High Commissioner for Human Rights
International Labour Organization
United Nations Environment Programme
United Nations Office on Drugs and Crime
United Nations Development Programme
United Nations Industrial Development Organization
Global Compact Office

10 December 2004