



Mreža Global Compact
Slovenija

Networking dogodek Slovenskega društva ZN za trajnostni razvoj

Trajnostni Razvoj Organizacij v Času Krize

Gostitelj je Si.mobil

April 17, 2009





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Agenda

14:00 – 14:10

Dobrodošlica in predstavitev

Dr. Danilo Türk, predsednik Republike Slovenije

Prof. Danica Purg, predsednica IEDC-Poslovne šole Bled & predsednica Slovenskega društva ZN za trajnostni razvoj

Dejan Turk, predsednik uprave Si.mobil d.d.

14:10 – 14:40

Primer dobre prakse: Trajnostni razvoj družbe Si.mobil

Dejan Turk, predsednik uprave, Si.mobil d.d.

14:40 – 15:30

Trajnostni razvoj v času globalne ekonomske krize?

Dr. Nadya Zhexembayeva, direktorica Enoletnega študija Executive MBA na IEDC-Poslovni šoli Bled & podpredsednica Slovenskega društva ZN za trajnostni razvoj

15:30 – 16:00

**Slovensko društvo ZN za trajnostni razvoj 2009: priprava
»Communication on Progress«, načrti in predlogi**

Dr. Nadya Zhexembayeva, direktorica Enoletnega študija Executive MBA na IEDC-Poslovni šoli Bled & podpredsednica Slovenskega društva ZN za trajnostni razvoj



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Sustainability & Crisis

For the last 10 years,
we have been living an economic **period** called

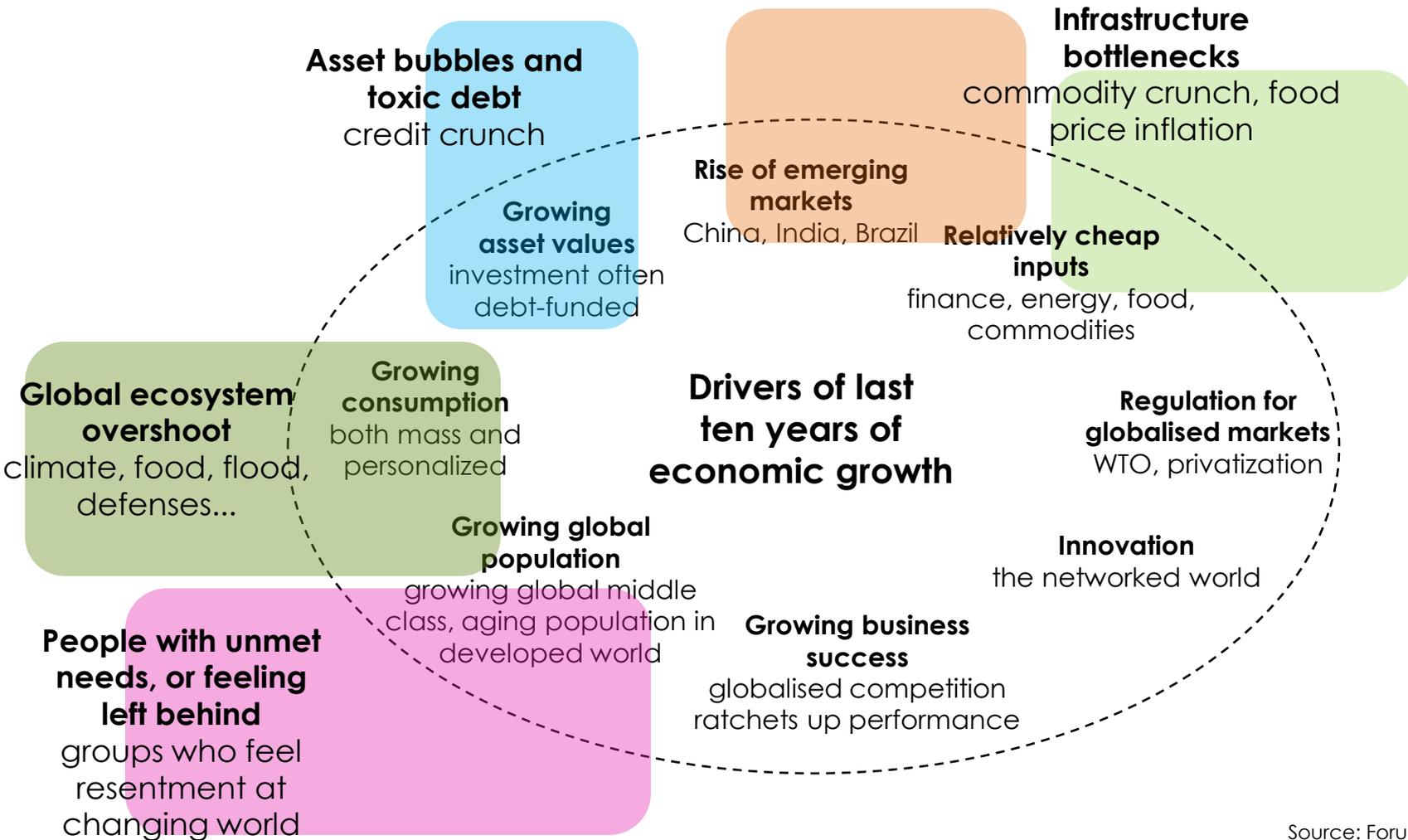
N.I.C.E

Non Inflationary Constant Expansion





Nasty Consequences





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Future? Scenario A

GLOBAL INTEREST

From 2008 to 2018

The interconnectedness of the world was made shockingly clear by the financial crisis of 2008, when only coordinated global action averted complete meltdown. Parallels were drawn with the even greater systemic risks posed by looming ecosystem collapse, climate change and resource crunches. Sustained pressure from business and civil society led to strong international frameworks to tackle global problems. The recession accelerated a switch from products to lower-cost services in rich nations and there was support for government spending on low-carbon infrastructure. China began promoting 'high-efficiency intelligent growth' and positioned itself as the world's biggest exporter of renewable technology. Physical distance matters more than in 2008 and freight miles have decreased. However, sophisticated networks enable communication and coordination, and levels of global trading remain high, particularly in non-physical 'products' such as design and research skills.

Result

Cooperation is the watchword. An effective globalised response to global challenges prompts increased resource productivity and low-carbon growth.

Businesses have to play a greater role in supporting public services and infrastructure but reap the benefits. Successful companies have embedded sustainability management throughout their organization. Separate CSR departments are a thing of the past.



NATIONAL INTEREST

From 2008 to 2018

The failure of the 2009 Copenhagen climate negotiations was a disaster, with emerging nations embracing coal after rich nations failed to agree on the terms and cost of energy technology transfer. Companies retreated to their national borders and capped immigration, and the EU and US adopted a protectionist stance. The oil crunch in 2013 led to further nationalization as transport sectors reeled under high fuel prices. Ireland and Italy left the Euro as their economies fell too far out of alignment, and Spain may be next. Everyone is concerned with the direction the world is headed in.

Results

Many countries have part-nationalized key sectors such as energy, finance and shipping. Sovereign wealth funds are largely investing in their own countries, or in strategic assets for future exclusive use.

Global businesses all but disappear in a retreat to nationalism and protectionism. Nations hoard their own resources and tighten their borders.

Corporate and government agendas are closely aligned and sustainability for business means supporting the national interest. There, 'sustainability' becomes a function of communications and HR departments.



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Future? Scenario C

PATCHED UP GLOBALIZATION

From 2008 to 2018

World recession hit Chinese exports, and China's competitive advantage was further eroded by higher wage demands, spiraling costs, collapsing ecosystem services, and the rising cost of high-carbon centralized infrastructure. China turned inward, spending its vast accumulated trade surplus on dealing with these challenges. The US seized the opportunity to invest in other countries and create alternatives to the Chinese Century. The global low carbon energy gap proved a massive investment opportunity, the way out of recession and the main obstacle to clear for development. Algal bio-fuels took off as an oil crunch in 2013 sent fuel prices soaring.

Result

This world operates a patched-up version of globalization, despite increasing energy and resource pressures and a China in crisis. African and South Asian nations are the new focus of investment as China struggles to cope with tightening environmental limits, energy and resource shortages and internal political demands. A binding global agreement is tackling climate change, and most emerging nations are making use of technology transfer deals to follow alternative models of development that prioritize low carbon infrastructure.

'Sustainability' translates into local development activities. Large companies have a head office department that coordinates the company's development, poverty alleviation and 'bottom of the pyramid' work. Head office shares best practice and sets minimum performance levels.



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Future? Scenario D

ME AND MINE, ONLINE

From 2008 to 2018

The financial crisis in 2008 drained public trust in large institutions that has not been re-established. Institutions are no longer trusted to make big decisions like building nuclear power stations. Digital access is in everyone's reach, through projects like Google's satellite broadband connecting three billion people and One Laptop per Child. Most people are online and the accessible pool of talent and creativity has grown considerably. Developing countries invested heavily in high-speed internet access to connect rural communities to the global economy and reduce the impetus for emigration to already overpopulated cities.

A highly networked world undermines individual countries and companies. Products and services are delivered in a way we would barely recognize. Successful companies are now more like branded hubs, coordinating often temporary and short-lived supplier relationships to deliver customized products.

Result

The world is made up of numerous powerful centers, only some of whom are countries, all interacting through intense networks enabling fast-paced change. The distinction between 'virtual' and 'real' worlds is blurred, with people moving effortlessly between both for work, rest and play. Web-enabled global communities command more loyalty than nation states for a significant fraction of the world's population.

Consumers are pursuing satisfaction from non-consumption. Thus, profit centers are furiously innovating the technologies and the business models that do deliver customer satisfaction from less environmental impact, and that what 'sustainability' means in this scenario.



Whatever future hold, what it means for business...

- It is in business's own interest **to take the first step**. Waiting for governments to regulate for all risks may be too late and too costly. Businesses have the global reach and longer term perspective. Governments need to know that their industries' engines of economic success will support the right sort of regulation.
- **Look for opportunities** that both generate immediate returns and are the first step to creating a positive future. As we head into recession, the most obvious actions are on improving energy and resource efficiency within your company, your supply chains and with customers.
- It is more about **upstream** (cost of raw materials) than downstream (customer demand) - e.g. oil price \$12 (1998) to \$150+ (2008).
- **Create alliances with others** – investors, customers, suppliers, staff, competitors, and regulators – to identify where the existing system is preventing a sustainable outcome, and then find ways of creating change.



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Global Compact in 2009: Upcoming Events

February – March

CSR School

March

Bled Forum on Europe

April

Networking Event

May 11

Deadline for Applications for National CSR
Award HORUS

May 27

Roundtable “Crisis Management and
Communication - Measures for Mitigating the
Crisis in Companies”

Gospodarska Zbornica Slovenije, Ljubljana

June 4-5

Annual Conference of the European Leadership
Centre “Leading in Crisis: Challenges and
Opportunities for Europe”

IEDC-Bled School of Management, Bled

June 4-5

4th IRDO International Conference “Social
Responsibility and Current Challenges 2009”

Štajerska Gospodarska Zbornica , Maribor



Global Compact in 2009: Preparing Your Communication on Progress

- Communications on Progress is **the only official responsibility** of the UNGC members as it is a voluntary initiative.
- In essence, COP is your **summary of current activities** in the domain of sustainability and social responsibility.
- There is **no specific length requirement** for this document; it can be as short as 2 pages, and as long as a full sustainability report.
- There is no single structure for the creation of a COP, it is **required to include**:
 - **A statement of continued support** for the Global Compact in the opening letter, statement or message from the Chief Executive Officer, Chairman or other senior executive.
 - **A description of practical actions** that participants have taken to implement the Global Compact principles during the previous year.
 - **A Measurement of outcomes or expected outcomes** using, as much as possible, indicators or metrics such as those developed by the Global Reporting Initiative.



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Thank you for coming!