



**United Nations Development Programme  
Country: Albania  
Project Document**

**“Global Compact and Corporate Social Responsibility“**

**Project ID:**

**Brief Description**

The current level of involvement of the corporate sector in the national development processes and private sector engagement in Albania in concrete partnership in supporting development priorities is still limited. The private sector can help alleviate poverty by contributing to economic growth, job creation, and poor people's incomes. The establishment of the Global Compact (GC) network and the promotion of the Corporate Social Responsibility (CSR) practices offer a unique framework in partnership creation with private sector. Currently the Global Compact in Albania has 36 members, including both foreign and domestic businesses. Some of the members are actively promoting the GC principles in the four main areas of human rights, environment, anti-corruption and labor rights. However these companies still operate in isolation and further encouragement from UNDP is required in order to establish a sustainable and active GC network and to further strengthen CSR practices. Project activities will be carried out by the UNDP Albania office in Tirana. UNDP Albania will take the full responsibility for the achievement of immediate objectives as well as for the administration of the financial and human resources.

**Expected CPAP Outcome:** Comprehensive integrated framework with RBM feedback mechanisms in place with Government effectively utilizing these tools to implement priority interventions for the achievement of the MDGs

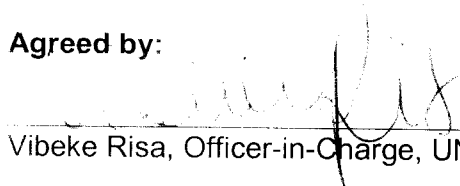
**Expected One UN Programme Outcome:** Outcome 1: More transparent and accountable governance

**Implementing Partner:** UNDP Albania

**Responsible Parties:** UNDP Albania

<p><b>Programme Period</b> July 2009 - June 2010</p> <p><b>Key Result Area (Strategic Plan)</b> Fostering capacities for economic growth and human development</p> <p><b>Atlas Award ID</b></p> <p><b>Start Date</b> August 2009</p> <p><b>End Date</b> July 2010</p> <p><b>Management Arrangements</b> DIM</p>	<p>July 2009 – June 2010 AWP budget: USD 30,000</p> <p>Total resources required USD 30,000</p> <p>Total allocated resources:</p> <ul style="list-style-type: none"> <li>• Regular</li> <li>• Other:</li> </ul> <p>One UN Coherence Fund USD 30,000</p> <p>Unfunded budget: USD 0</p>
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**Agreed by:**

  
Vibeke Risa, Officer-in-Charge, UNDP Albania

07/08/09  
Date:

## I. Situation analysis

Despite economic growth experienced in the recent years and the integration into the world economy, there are still a number of socio-economic issues that need to be addressed urgently in order to meet the MDGs in Albania.

Over the last years Albania has been characterized by stable macroeconomic indicators:

- Satisfactory rates of average annual GDP growth - approx. 6 %.
- The annual inflation level has remained within the limits established by the Bank of Albania (Central Bank), at 2-4 %.
- The local currency has been stable.
- The overall stock of public debt versus the GDP was reduced to 54% at the end of 2007. Official unemployment level has constantly decreased to 13.2% of the active labor force by the end of 2007, from 13.9% at the end of 2006.

Indicator	2006	2007	2008	2009	2010	2011
Population (no)	3,149,147	3,162,030	3,173,825	3,184,697	3,194,538	3,205,894
Real GDP growth (%)	5.5	6	6	6.5	7	7
GDP per capita (USD)	2,887	3,402	3,675	4,021	4,393	4,811
Average annual inflation (%)	2.4	2.9	2-4	3	3	3
Exchange rate (Lek/USD)	98.1	91	92	92	92	92
Exchange rate (Lek/Euro)	123	123.9	122	122	122	122
Lending to private sector (in % of GDP)	21.3	29	34.1	40	45	48
Monetary supply (in % of GDP)	75.6	79.1	83.3	87.3	90.6	92.4
Trade deficit (in % of GDP)	-23	-27	-22.3	-21.3	-20.4	-19.6
Current account balance (in % of GDP)	-7.3	-11.1	-6.5	-6	-5.5	-5.3
Balance of payments (in million Euros)	2.8	2.6	1.3	1.1	1.4	1.5

Source: Bank of Albania Monetary Policy Report 2009-2011.

Albania has developed the private sector, although its role has been very limited to the pursuit of its own objectives. Albania has about 87,484 active enterprises (2007, National Statistics Institute (INSTAT) data)<sup>1</sup>.

<sup>1</sup> INSTAT Business Register, Publication of Year 2008. Does not include enterprises in public administration, NGO's and international organizations.

The enterprises are most dominant in the sectors of industry and transport and communication, with 33 and 21 percent of respective sectors' turnover of activity<sup>2</sup>. Micro enterprises (1-4 employees) prevail in terms of number; they comprise nearly 92% of all enterprises. Large enterprises (80+ employees) make up less than 1 percent of the total number of active enterprises, but their contribution to national employment is sizeable: about 29 percent of the employment (annual average of employed people) and about 28 percent of overall turnover.

**Table 1: Enterprise Structure by Size and Activity**

Economic activity	Total	Number of employees			
		1-4	5-19	20-79	80+
<b>Total</b>	<b>87,484</b>	<b>80,102</b>	<b>5,429</b>	<b>1,525</b>	<b>428</b>
<b>Agriculture</b>	<b>767</b>	<b>644</b>	<b>91</b>	<b>24</b>	<b>8</b>
<b>Industry</b>	<b>8,527</b>	<b>6,878</b>	<b>1,068</b>	<b>417</b>	<b>164</b>
<b>Construction</b>	<b>4,444</b>	<b>2,749</b>	<b>1,173</b>	<b>476</b>	<b>46</b>
<b>Transport &amp; Communication</b>	<b>8,163</b>	<b>7,780</b>	<b>304</b>	<b>58</b>	<b>21</b>
<b>Trade</b>	<b>12,043</b>	<b>11,657</b>	<b>349</b>	<b>27</b>	<b>10</b>
<b>Other Services</b>	<b>42,524</b>	<b>41,060</b>	<b>1,307</b>	<b>136</b>	<b>21</b>

Source: INSTAT Business Register, 2008

The report by the UN Commission on Private Sector Development recognizes the contribution of the private sector to the poverty reduction. The value of engaging the private sector to promote the poverty reduction is maximized when it is grounded in market-based incentives. The private sector's efficiency, creativity, and capacity to mobilize financing have been recognized by the United Nations in a number of ways. One of the most important is the previous Secretary General's Global Compact initiative ([www.unglobalcompact.org](http://www.unglobalcompact.org)).

The Global Compact is a network-based initiative. At its core are the Global Compact Office, the Advisory Council and six UN agencies. The Global Compact involves all relevant social actors: governments, who define the principles on which the initiative is based; companies, whose actions it seeks to influence; labor, in whose hands the concrete process of global production takes place; civil society organizations, representing the wider community of stakeholders; and the United Nations, the world's only truly global political forum, as an authoritative convener and facilitator.

The Global Compact emphasizes the business case for improved social and environmental performance and businesses own operations and activities not the traditional Corporate Social Responsibility concept that is based on philanthropy.

<sup>2</sup> INSTAT Business Register, Publication of Year 2008.

UNDP Albania believes that the large impact that business can have is through conducting their business in a sustainable way that respects human rights, limits environmental impact, treats workers well, and avoids corruption.

The UN Global Compact has two objectives:

1. Mainstream the ten principles in business activities around the world<sup>3</sup>
2. Catalyze actions in support of broader UN goals, including the Millennium Development Goals (MDGs)

To achieve these objectives the Global Compact offers facilitation and engagement of several mechanisms: Policy dialogue, networking, awareness-raising, and outreach, partnership facilitation and learning.

Through the power of collective action, the Global Compact both on local and international level seeks to promote responsible corporate citizenship so that business can be part of the solution to the challenges of globalization. In this way, the private sector – in partnership with other social actors – can help to achieve sustainable development.

This “development dimension” of responsible corporate citizenship – that is, action that ultimately benefits the poor – is increasingly being seen as crucial in the creation of sustainable markets and, related to this, long-term corporate risk management. The former Secretary-General Kofi Annan observed: “As companies have become increasingly global, for example, through expanded supply chains, they find themselves exposed to new and potentially disruptive threats – threats traditionally seen as relating only to governments”. These threats include widespread poverty, disease, conflict, and environmental degradation, among other things.

Global Compact is a great foundation for effective partnerships and for business to-business collaborations. By agreeing to build a business relationship on pragmatism, on the universal and apolitical content of the principles and their global recognition as signs of the business stewardship, companies send a strong signal of determination to fight the root causes of global unrest: the uneven distribution of resources and rights<sup>4</sup>.

Trade and industry associations, chambers of commerce and other types of business coalitions, including voluntary sector initiatives, can play a particularly important role to tackle development challenges that are beyond the scope, capacity, or mandate of any individual company. Such collective action can

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<sup>3</sup> The Ten Principles: Human Rights: Businesses should support and respect the protection of internationally proclaimed human rights; Make sure that they are not complicit in human rights abuses. Labor Standards: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labor; the effective abolition of child labor; the elimination of discrimination in respect of employment and occupation. Environment: Businesses should support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility; and encourage the development and diffusion of environmentally friendly technologies. Anti-Corruption: Businesses should work against corruption in all its forms, including extortion and bribery.

<sup>4</sup> Mads Øvelsen, Chairman of the Board, Lego Group, member of Global Compact board.

increase both the leverage and legitimacy of private sector involvement in addressing the MDGs.

Albania is going through an important period of realizing its goal to elevate the social, economic and democratic life to a level set in the Albanian MDGs and consistent with the European standards. This progress requires other actors' support and active involvement for its successful achievement, not limited to the economic progress. In this context, especially the role of business through socially responsible business practices is still new for the Albanian marketplace.

Global Compact has been structured as a public-private initiative, aiming to promote the GC principles among all stakeholders and to support the companies on their implementation. To accomplish these aims, different activities have been organized in close collaboration with private sector, NGOs, media, government and other international initiatives like seminars on ISO certification, facilitated the participation of the GC members to Black Sea Events, media trainings on CSR concepts, Regional base-line study on CSR, round table discussions on promoting CSR principles in Albania etc. The roundtable organized in Tirana, "Promoting Responsible Business Agenda in Albania" on 16 December 2008 where the main actors of this event were, government representatives, Albanian Global Compact members (36) and other companies with the United Nations support, demonstrated that collective action in addressing very important issues as environment and employment is required. During this activity several business companies showed their will to create a Global Compact network in order to develop further this process in Albania. This project's proposed approach is to furnish support to the companies in this first stage of network establishment, facilitate cooperation among key stakeholders and promote partnership in support of GC principles and bring forward the CSR practice in Albania.

Business engagement shows some extent of commitment to CSR, although the promotion of CSR in the country is almost entirely lacking. The few promotional initiatives that have been undertaken to date typically involve individual projects of civil society organizations that are sponsored by international donors.

At the government level there is no strategy for promotion of CSR vs. the Albanian private sector or society at large. Although the business environment regulatory framework is comprehensive and addresses business responsibility concerns, it generally lacks a reference to Corporate Social Responsibility. The major input to the development of CSR in the country came from international organizations that funded small scale projects of local NGO's and large international companies that have introduced CSR practices through their Albanian subsidiaries. Although few individual businesses show good examples of CSR practice, business organizations are not very active in CSR promotion. In general their activities target government – business relations and focus on financial issues. The media's position to local business development issues has been similar, focusing on financial matters and dedicating less coverage to CSR issues. Besides low level of commitment from different stakeholders, so far there have been no integrated efforts among them to foster CSR development in the country. However, under the pressure of diverse factors, arising primarily as a result of Albania's integration process to EU and opening to

global markets, the interest of local stakeholders to adopt CSR practices and principles is growing.

## **II. PROJECT STRATEGY**

The project's proposed approach is to build on the successful application of the Global Compact in other countries in the region and bring forward the GC principles in Albania. A local network will be created by approaching foreign and Albanian companies. The network will be open and engage media, academia, NGO, Government and other stakeholders to accelerate the process and to build the sustainability of the network.

Local business associations will be brought on board in order to promote their understanding on GC/CSR principles as main platform for large replication on national level. Government will be involved as promoter and advocate of business ethic and responsible business behavior. In this framework, a policy paper will be drafted in order to guide Government actions toward the CSR national agenda.

Community based organizations will be engaged as potential partners for future joint social development projects as experts in areas of common interest for business in particularly on environment and anti-corruption. To this end a Business Code for the GC network members will be drafted, in order to help companies better comply with GC and CSR principles. Academia will play a relevant role in researching, monitoring and promoting CSR within the educational system in particularly in business schools; media will be involved to raise awareness not only for responsible business practices but also journalist accurately reporting on CSR as well as playing the role of the watchdogs.

UNDP's role will be to emphasize its convening and catalytic competencies, mobilize the companies, raise awareness on UN Global Compact and Corporate Social Responsibility, bring on board other partners with relevant knowledge and provide initial support to the Albanian GC network. The project will collaborate with other projects in the region, tapping into their experience, sharing information and knowledge, and creating additional value for business through regional integration.

Global Compact members and other companies are already invited to express their interest on leading the Network. After the establishment of the Global Compact Network, the project will work towards the identification of main activities that will be carried out through the network. The network will offer a unique platform to facilitate dissemination, dialogue, and promotion of the best CSR practices in the country.

Capacity building on Global Compact and CSR will be done through: Learning Forums platforms, workshops, field visits in other countries and information sharing.

Raising awareness about GC/CSR is an important factor in determining the future success and sustainability of the network – it builds and strengthens the local GC brand and thus further entices companies to engage. This process will be done through:

- Working with core partners to build a systematic and integrated communication plan;
- Collaborating with existing initiatives, initialized by other international organizations like EBRD, IFC, GTZ, ILO, USAID, etc.
- Publications, developing a website media campaign, writing in newspapers and involving media companies as partners in the GC.

### **Target beneficiaries**

The target beneficiaries are local and foreign companies, government, and civil society organizations in Albania.

### **Project Expected Outputs**

Output I: Local Global Compact Network established and operational and its members better able to promote principles of CSR

Local Global Compact network needs to meet minimum requirements in order to be strong and effective and support companies in deploying their core competencies in resources in ways that contribute to poverty-reduction programmes. Initial role of UNDP as catalyst and facilitator is crucial for network start-up and building its sustainability. Main activities that UNDP assumes within that role include: seeding the idea of the Global Compact and corporate social responsibility among the business community, involving government, academia, trade unions and NGO/CSOs, facilitating learning and sharing of experiences about CSR and implementation of the GC principles, building active collaboration between participants, identifying the benefits of GC participation and organizing local GC activities of the network, motivating companies to engage in partnerships in support of UN development goals, organizing promotional and launching GC event.

Activity Result 1: Global Compact network established and operational

Actions:

- Organize GC meetings
- Identify company willing to lead the Albanian GC network
- Draft Industry-based Code of Conduct for Albanian GC network members
- Raise awareness on CSR

Activity Result 2: CSR policy paper drafted

Actions:

- Draft policy paper on CSR
- Organize round table to discuss draft CSR policy paper

## **III. Management Arrangements**



Envisioned project activities will be carried out by the UNDP Albania office in Tirana, under the Direct Implementation Modality (DIM). UNDP Albania will take the full responsibility for the achievement of immediate objectives as well as for the administration of the financial and human resources. The steering committee will be composed of one or more private sector organizations in the role of the Senior User. This/these private sector organizations will be selected by the GC members and the network leadership will be changed on rotational basis (every six or twelve months upon decision of the GC network members). UNDP Country Director will act as the senior supplier. Project assurance will be insured by the Governance Cluster Manager. GC Project Associate will assume the role of Project Manager and the UNDP CO Programme Associate for the Governance Cluster will provide project support.

### 3.1 Project Staff

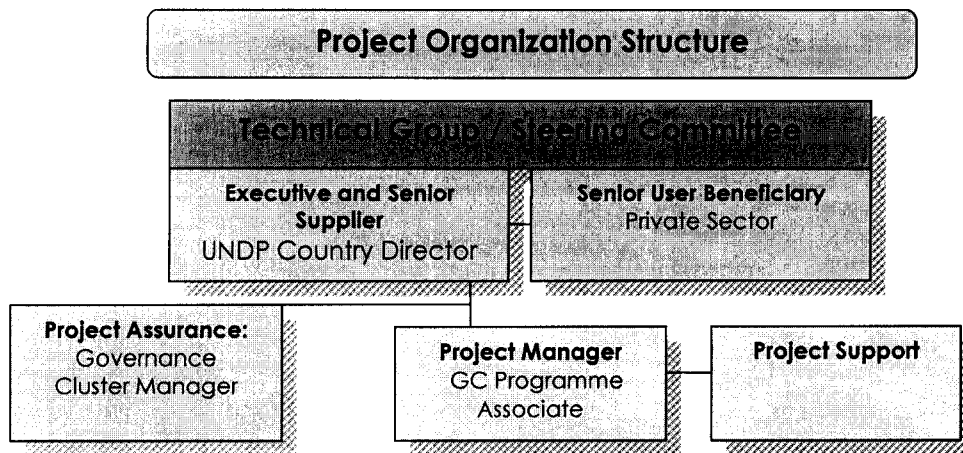
A full time GC Project Associate will be dedicated to the Project implementation, who will closely work with the Global Compact Members in implementing the activities listed. Given the small and catalytic nature of this project, the project will rely on the existing staff of Joint Programme on Youth Employment and Migration in charge of Public Private Partnership component, to also act as GC Project Associate.

The GC Project Associate will be supported by UNDP CO staff, especially the Programme Associate of the Governance Cluster, in the implementation of the Project. The UNDP CO Governance Cluster Manager will provide technical support in addition to assuming quality assurance.

### 3.2 Technical Group / Steering Committee

The Technical Group / Steering Committee will be responsible for making consensus management decisions for the Global Compact Network issues when guidance is required by the GC Project Associate. The Technical Group will be consulted by the Programme Associate for the decisions when the project exceeds normally in terms of time; reviews will also be conducted at designated decisions point during rollout. The Technical Group will be convened every six months and upon need, and where necessary, UNDP will provide logistical support for such meetings.

The diagram below represents the composition of the Technical Group / Steering Committee.



#### IV. Monitoring Framework and Evaluation

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

##### Within the annual cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Quarterly Progress Reports (QPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- a project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- a Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

In addition to the planned outputs of the project the Focal Point will prepare a Final Project Report that will cover all the aspects of the project.

## Results and Resources Framework

<p><b>Intended Outcome as stated in the One UN Programme:</b> Outcome 1: More transparent and accountable governance</p> <p><b>Outcome indicators as stated in the Country Programme Results and Resources Framework:</b> Comprehensive integrated framework with RBM feedback mechanisms in place with Government effectively utilizing these tools to implement priority interventions for the achievement of the MDGs</p> <p><b>Applicable Key Result Area (from 2008-11 Strategic Plan):</b> Fostering capacities for economic growth and human development</p> <p><b>Partnership Strategy:</b> In collaboration with private sectors organizations, media, business community, academia, government and NGOs will work together in order to foster CSR practices in Albania</p> <p><b>Project title and ID (ATLAS Award ID):</b> Global Compact and Corporate Social Responsibility Award ID: Project ID:</p>				
INTENDED OUTPUTS	OUTPUT TARGETS FOR (YEARS)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	1.1 INPUTS
<p><b>Output 1:</b> Albanian Global Compact Network established and operational and its members better able to promote principles of CSR</p> <p><b>Baseline:</b> No local GC network established No CSR policy papers drafted</p> <p><b>Indicators:</b> Albanian GC</p>	<p><b>Targets:</b> GC network established by end of October 2009 Policy paper drafted by November 2009</p>	<p><b>Activity Result 1: Global Compact network established and operational</b></p> <ul style="list-style-type: none"> <li>▪ Organize GC meetings</li> <li>▪ A number of PPPs realized with the GC members support</li> <li>▪ Draft Industry – Bases Business Codes for Albanian GC network members</li> <li>▪ Raise awareness on CSR</li> </ul> <p><b>Activity Result 2: CSR policy paper drafted</b></p> <ul style="list-style-type: none"> <li>▪ Draft policy paper on CSR</li> <li>▪ Organize round table to</li> </ul>	<p>UNDP</p>	<p>USD 20,000</p> <p>USD 10,000</p>

network established  
CRS policy paper drafted

discuss draft CSR policy paper

## Quality Management for Project Activity Results

<b>OUTPUT 1: Albanian Global Compact Network established and members better able to promote CSR principles</b>		Start Date: 3 <sup>rd</sup> Q 2009 End Date: 4 <sup>th</sup> Q 2009
<b>Activity Result 1 (Atlas Activity ID)</b>	Albanian Global Compact network established and operational	
<b>Purpose</b>	Albanian GC network will promote responsible corporate citizenship so that business can be part of the solution to the challenges of globalization. In this way, the private sector – in partnership with other social actors – can help to achieve sustainable development.	
<b>Description</b>	Albanian GC network will bring together of businesses, business organizations, NGOs, media and Government. A company will lead the network on an annually rotating basis, and with support of key members of the network be responsible for organizing GC activities, such as round tables or sponsorship activities, which promote the 10 principles of GC and promoting public private partnerships for youth employment.	
<b>Quality Criteria</b>	<b>Quality Method</b>	<b>Date of Assessment</b>
Number of companies that have joined the Albanian GC network	Project files	Quarterly basis
Ability of companies to promote CSR principles	Number of activities by members of Albanian GC network to promote CSR principles and number of PPPs for youth employment.	Quarterly basis
Active leadership of Albanian GC network through a private enterprise	At least biannual meetings organized by leader of Albanian GC network	Quarterly basis
<b>OUTPUT 1: Albanian Global Compact Network established and members better able to promote CSR principles</b>		Start Date: 3 <sup>rd</sup> Q 2009 End Date: 2 <sup>nd</sup> Q 2010
<b>Activity Result 2 (Atlas Activity ID)</b>	CSR policy paper drafted	
<b>Purpose</b>	Provide guidelines to the government in order to develop a national action plan on Corporate Social Responsibility to promote responsible behaviors	

	among private sector.						
<b>Description</b>	The Policy paper will contain concrete actions, legal improvements, and recommendations on further steps that the government should undertake to promote CSR.						
<b>Quality Criteria</b>	Participation of stakeholders in drafting process						
Policy paper contains concrete recommendations justified through a clear analysis of status of CSR	<table border="1"> <tr> <td data-bbox="612 775 758 1077"><b>Quality Method</b></td> <td data-bbox="612 1077 758 1984">Project files on number of meetings conducted and number of active participants</td> </tr> <tr> <td data-bbox="758 775 901 1077"><b>Date of Assessment</b></td> <td data-bbox="758 1077 901 1984">Quarterly basis</td> </tr> <tr> <td data-bbox="901 775 1045 1077">Review of policy paper by Governance cluster</td> <td data-bbox="901 1077 1045 1984">At the end of 4<sup>th</sup> quarter, i.e. when policy paper has been drafted</td> </tr> </table>	<b>Quality Method</b>	Project files on number of meetings conducted and number of active participants	<b>Date of Assessment</b>	Quarterly basis	Review of policy paper by Governance cluster	At the end of 4 <sup>th</sup> quarter, i.e. when policy paper has been drafted
<b>Quality Method</b>	Project files on number of meetings conducted and number of active participants						
<b>Date of Assessment</b>	Quarterly basis						
Review of policy paper by Governance cluster	At the end of 4 <sup>th</sup> quarter, i.e. when policy paper has been drafted						

Annual Work Plan Year:

EXPECTED OUTPUTS And baseline, indicators including annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	Funding Source	PLANNED BUDGET	
		Q3/09	Q4/09	Q1/10	Q2/10			Budget Description	Amount
<p><b>Output 1:</b> Local Global Compact Network established and operational and its members better able to promote principles of CSR</p> <p><b>Baseline:</b> No local GC network established No CSR policy papers drafted</p> <p><b>Indicators:</b> Albanian GC network established CRS policy paper drafted</p>	<b>Activity Result 1</b>							Total for AR 1: 20 000	
	Global Compact network established and operational			X	X	UNDP	One UN	71 600 Travel 74 500 Miscellaneous 72 400 Communication	5000
	Organize GC meetings	X	X	X	X	UNDP	One UN	74 500 Miscellaneous 72 400 Communication	4000
	A number of PPPs realized with the GC members support		X	X		UNDP	One UN	74 500 Miscellaneous 72 400 Communication	2000
	Draft Industry-Based Business Codes for Albanian GC network members				X	UNDP	One UN	71 400 Contractual Services-IND 74 500 Miscellaneous 72 400 Communication	4000
	Raise awareness on CSR	X	X	X	X	UNDP	One UN	74 500 Miscellaneous 72 400 Communication	5000
	<b>Activity Result 2</b>							Total for AR 2: 10 000	
	CSR policy paper drafted				X	UNDP	One UN	71 400 Contractual Services-IND 74 500 Miscellaneous 72 400 Communication	5000
	Draft policy paper on CSR Organize round table to discuss draft CSR policy paper.				X	UNDP	One UN	74 500 Miscellaneous 72 400 Communication	5000





ANNEXES

**Risk Analysis:** An assessment of risks that may affect the project should be conducted during the formulation.

RISK LOG

Project Title: Global Compact & Corporate Social Responsibility							Award ID:	Date:	
#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Management response	Owner	Submitted, updated by	Last Update	Status
1	Delayed Global Compact Network establishment	Prior to project beginning	Strategic	It will be difficult to identify companies willing to lead the network.	Organize bilateral meetings, disseminate information; public promotion.	GC Project Associate	GC Project Associate		
2	The slow incorporation of the CSR policies in sector strategies	Prior to project beginning	Organizational	Due to national elections in June 2009, the process might be slowed down.	Organize meetings with the government representatives in order to accelerate the process.	GC Project Associate	GC Project Associate		
3	Low capacities of companies to implement the CSR	Prior to project beginning	Organizational	Network	Organize trainings for enterprises	GC Project Associate	GC Project Associate		

Practices											

**Agreements:** Any additional agreements, such as cost sharing agreements, project cooperation agreements signed with NGOs<sup>5</sup> (where the NGO is designated as the “executing entity”) should be attached.

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<sup>5</sup> For GEF projects, the agreement with any NGO pre-selected to be the main contractor should include the rationale for having pre-selected that NGO.

## V LEGAL TEXT

UNDP Project activities shall be carried out in accordance with applicable UNDP regulations, rules, procedures, and policies.

The following type's revisions may be made to this project document with the signature of the UNDP Representative only, provided s/he is assured that the other signatories of the project document have no objections to the proposed changes:

- revisions in, or in addition to, any of the annexes of the project document;
- Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the project, but which are caused by the rearrangements of inputs already agreed to or by cost increase due to inflation.