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Poverty Reduction through Good Governance*

PHI 1021013 Strengthening Institutional Capacities to Manage the Impact of Globalization and Promote Corporate Citizenship

PHILIPPINE GLOBAL COMPACT INITIATIVE: REACHING OUT TO ENHANCE LOCAL DEVELOPMENT INCEPTION PHASE

FINAL REPORT April 2004



EMPLOYERS CONFEDERATION
OF THE PHILIPPINES

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**PHU02/013 Strengthening Institutional Capacities to Manage the Impact of Globalization
and Promote Corporate Citizenship**
Philippine Global Compact Initiative: Reaching Out to Enhance Local Development
- Inception Phase

Final Report

Project Objectives

The overall project objective is to promote local sustainable development in selected cities through the transfer of corporate citizenship know-how to the local business community, in particular the micro, small and medium enterprises (MSMEs) in the city. In this Inception Phase of the project, the specific objective is to formulate a Project Proposal, which will pursue the preceding objective. This Project Proposal will be supported by feedback and learning from this Inception Phase. Therefore, this phase will conduct Global Compact Fora as a way to,

1. Introduce the concept of the Global Compact (GC) and corporate social responsibility (CSR) to MSMEs, as already practiced by the Project Partners (the Philippine Global Compact National Steering Committee);
2. Solicit suggestions, ideas and action plans from Fora participants on how GC and CSR can be spread and implemented in their localities; suggestions which can be inputs into the design of the Project Proposal, and
3. Convince the LGUs of the cities (through the Mayors) to partner with their local Chambers in the creation of a local compact for CSR in their localities.

Project Strategy

The strategy formulated for this phase maximizes the experience of the Project Partners, - especially that of the Employers Confederation of the Philippines (ECOP), the Philippine Business for Social Progress (PBSP), and the Philippine Chamber of Commerce and Industry (PCCI) -- in various projects they have been individually implementing through the years in the pursuit of CSR; not just in Metro Manila but throughout the rest of the Philippine regions. These experiences cover the gamut of CSR (otherwise known as corporate citizenship (CC) or sustainable development') key issues from values and governance to impact on the environment. Thus, a list of initiatives previously or currently being undertaken by the Partners will be presented. The menu of interventions will include, but are not limited to:

- a) Enhancing business practices for global competitiveness

- b) Cleaner production
- c) Greening the supply chain
- d) MSME development through business-to-business mentoring
- e) Enterprise-based training on GC principles
- f) Family planning/reproductive health in the workplace
- g) HIV/AIDS awareness-education-prevention in the workplace

This menu approach allows the MSMEs to choose, based on their individual or group interests and capabilities, the interventions best suited for implementation in their cities,

As a first step in the implementation of such strategy, the Global Compact Working Group (GCWG) was constituted to oversee the planning and implementation of the project. The GCWG member's acre:

- 1) Alex Carrasco of UNDP,
- 2) Atty. Gil Fernando Cruz of the League of Cities of the Philippines,
- 3) Ryan Evangelista of PCCI,
- 4) Jose Roland Moya of ECOP, and
- 5) Angelito Nayan of PBSP, replace by Leonardo Cortez.



1 GCWG members meeting at ECOP Board Room. Mr. Lito Nayan of PBSP was sworn in as DFA official that day Atty. Gil Cruz of LCP was not available.

After the selection and hiring of the Global Compact Coordinator, the GCWG settled to the choice of the three (3) cities, which will be approached and offered the prospect of piloting the technique defined by the Project. The selection criteria used are the following:

- 1) The city is home of a functional local Chamber of commerce and industry or business association, preferably affiliated with the Philippine Chamber of Commerce and Industry.
- 2) The city has an active business sector, as evidenced by the presence of a critical mass of MSMEs. This is based on the national survey of MSMEs of the PCCI.

3) The city is located in a province with a poverty incidence higher than the national average of 33.7 percent (based on the KALAHIB- CIDSS project, and including all the provinces in the ARMM).

4) The city has a Local Government Unit (LGU) which is considered to be, if not friendly, then at least non-adversarial to the business community in the area.

5) Finally, the city is physically accessible to both the participants and the speakers who will be attending the Fora.

From the above criteria, the following cities were tentatively selected and researched:

- Zamboanga City (Zamboanga del Sur) in Mindanao²;
- Tagbilaran City (Bohol Province) in the Visayas; and
- Tabaco City (Albay Province) in Luzon

A second set of cities was also readied in case any one of the above choices, for any reason, cannot accommodate the project:

- Cotabato City (Maguindanao Province) and
- Marawi City (Lanao del Sur) twinned with Iligan City (Lanao de Norte) in Mindanao;
- Ormoc City (Leyte Province) in the Visayas; and
- Tuguegarao City (Cagayan Province) in Luzon.'

This second set of cities became useful when it was announced in the second meeting that the Multi-Donor Program--- 3 of the United Nations was willing to fund two additional Fora for the Inception as long as these were implemented in Mindanao. The GCWG decided to reallocate Inception funds to the two Fora in Luzon and the Visayas and rely on the MDP-3 for the Mindanao activities. The twinned cities of Marawi and Iligan were selected for the additional Forum in Mindanao, with the understanding that the an alternative activity will be to hold a round table discussion with all the Mayors who will sign a Memorandum of Understanding with their Chambers to undertake a Local Compact to solicit their comments on the draft Project Proposal which will cover the next phase off the project; should time constrain the project from holding another city Forum.

All these were discussed and agreed on in the meetings held by the GCWG

Project Activities

A Project Work plan (please see Appendix A) was approved by the GCWG. The Work plan clusters the conduct of the Fora in the month of September, in order to avoid having the draft Project Proposal delayed by lack of inputs froth the cities. The Philippine Business Conference has also been scheduled for the end of November, and it was felt that this where the Chambers' energies will be focused. However, various events caused the delay in the conduct of the Fora:

1) Letters to the cities were sent out only in the middle of September.

- 2) Letters to both the Chambers and the LGUs were sent simultaneously, and while this resulted in having the LGUs and Chambers as co-equal partners for each Forum, a clear lead unit was missing in the city. Communications to cities after the first four sent will then be directed only to the Chamber, as the private sector must lead in the adoption of the Global Compact. They, in turn, will be the ones to persuade their LGU of the advantages of having a Local Compact.
- 3) Some cities and Chambers already had full schedules for September and October, the additional activity of the Forum could no longer be handled by their limited staff As of 25 September, the schedule for Tabaco City is tentative; Zamboanga City is still recovering from their successive activities culminating in the Grand Fiesta; Iligan City has no firm commitment; Marawi City has not answered only Tagbilaran City has set a schedule of 12 November for their Forum.
- 4) In one city, while the LGU is interested the chamber is not; and in another, while the Chamber is interested, the LGU is indifferent. Tuguegarao City will be invited to replace Tabaco City; they will be scheduled for the week of 17 November.
- 5) Iligan City was the only city to formally reply to the letter of invitation.. The Forum as held in Elena Tower Inn on 20 November. This was followed by Tuguegarao City on 02 December, and last by Tagbilaran City on 05 December.
- 6) Letters, faxes and e-mail were sent to the list of GC subscribers in the ECOP database. Out of 152 listed, 109 were contacted, only pie responded. One reply actually asked to taken out of the list.
- 7) The mid-term report was submitted to the NEDA, summary reports on each forum (and an overall summary) prepared, and the TOR for the next phase of the project was drafted.

Iligan Forum Highlights

Of the 44 invitees, 26 registered on the day of the Forum, 20 November 2003. Twenty were from the private sector, the rest were from the City and government offices.

The most effective tool was the sharing of the experience of the MVC, especially the way that they have influenced their supplier-contractors and their business relationship. With MVC as the model and champion in Iligan willing to share its experiences with the community, it is expected that the other participants will be encouraged to internalize the 9 Principles, formally or informally. MVC was invited to share their experience in the other cities, but they politely refused, as it would mean for the Vice President for manufacturing to leave the plant for at least one week (including travel time).

On the conduct of the Forum itself, the objectives must *be made very clear at the start of the Forum*. The structure has to be tightened, with the speakers made conscious of the time limit of their presentations. The background of the participants must be known beforehand, and more effort must be expended to make sure that more SMEs will attend. A directory of Chamber members, existing business associations or DTI clients may be useful.

Some participants expressed appreciation for the fact that such a venue was made available: where the private sector was able to interact freely with technical heads of the LGU, sponsored by an outside group whose only interest was to get them talking to each other. Others expressed apprehension,

though, that the speakers may have other motives in mind, like selling some seminars or training events in the future.



Iligan City Mayor Franklin Quijano with Mr. Alex Carrasco



Mr. Roland Moya on Social Compliance



Mr. Edwin Glindro with some of the Iligan Investment Center/CCI staff



Mr. Menardo S. Germano, Vice President for Manufacturing, presenting Mabuhay Vinyl Corporation's GCI commitment and experiences



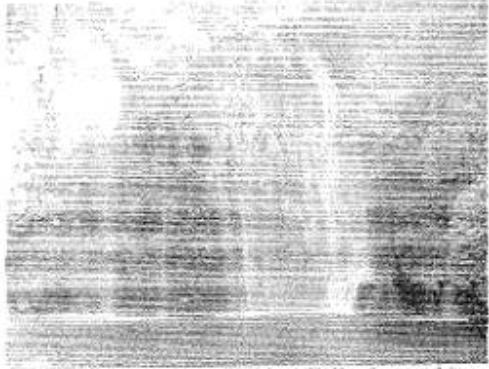
Mr. Leonardo Cortez of PBSP moderating Group 2



Some members of Group 1 (Mabuhay Vinyl Corp.)



GCWG members being briefed on one of Iligan City's economic resources, the 50-year old Ma. Cristina Power Plant



Iligan City's Tinago (Hidden) Falls, featured in their WOW Philippines tourism campaign

Tuguegarao highlights

Venue chosen by Tuguegarao was the Hotel Roma, with the date fixed at 02 December or right after the PBC of PCCI. Of the 53 invitees, 37 registered on the day of the Forum, Twenty-four were from the private sector, the rest were from the City, region and provincial government offices, Fourteen MSMEs signed-up for the Global Compact after the Forum. By size these are 10 micro, 3 small and 1 medium-sized firms.

The Open Forum discussions focused a lot on the perceived lack of government programs for MSMEs. Many complaints were raised about the Sulong program and the BMBE Law, as few applicants seemed to have gotten approval. More lively discussions came after the closing remarks of Mayor Ting. He was able to explain his initiatives to improve business in the city, ranging from registration to the operation of the Display Center for business. Follow-up materials will be sent to those who are interested in more technical details of the presentations. (This was sent on through Mr. Pete Fondevilla on 09 December.)

Tagbilaran Forum Highlights

Venue chosen by Tagbilaran was the Metro Center Hotel. Of the 98 invitees, 25⁵ registered on the day of the Forum. Sixteen were from the private sector, the rest were from the City government offices. The Tagbilaran chamber charged a minimal attendance fee and took the opportunity to hold a meeting in the venue right after the Forum.

Twelve companies, one NGO and the LGU submitted their profiles for the Global Compact database, expressing willingness to adhere to the GC principles. By size these are 3 micro, 4 small, 3 medium and 4 large (including the LGU) firms,

It was only in Tagbilaran City that the Mayor took time out to sit throughout the speakers' presentations, and indeed acknowledge that as a member of the League of Cities, his own organization was active in sending him to the UN's environment forums. He also related how he and his city had benefited from his participation in such events.

In the open forum for the speakers, a question on human rights was raised (the only instance in the three GC fora): how come when the so-called NPA (or their kind) scream human rights violations against the government, the media is agog, while, even as the local population also feels the same when the rebels activities affect their lives and livelihoods, the media seems to turn a blind eye? No one in the panel felt qualified *enough* to comment on such an issue.

On the conduct of the Forum itself, objective setting must be clarified thoroughly. Considering that the heads or executives of MSMEs and larger firms are being invited, the Forum must also be shortened. Discussions are also more fruitful when the LGU representatives are active.

The Open Forum discussions centered on the reactions of the two groups to each other's presentations. The LGU corrected some of the observations by the NGOs, and invited the participants to contact them directly to discuss details of the waste management projects of the city. The NGOs also presented their own food fortification project, that is, checking whether the table salt brought in as samples really contain the right amount of iodine.





Mr. Alex Carrasco of UNDP



Mr. Edwin Glindro of PCCI



Private sector participants to the Tagbilaran City Forum



Mr. Jose Roland Moya of ECOP



Mr. Leonardo Cortez of PBSP

Project Lessons

While the Global Compact Forums are a good way to introduce the Initiative among the business sectors in the regions, more preparatory work before the actual conduct of the Forums maybe effective. Consider that the Nine Principles are already complex concepts in themselves, explaining the concepts of Corporate Social Responsibility at the same time can get to overwhelm the audience. Even the specific examples of the GCWG members and partnership projects of the PCCI can add to this information overload In all three cities, what emerged as the handle by which the businessmen could grasp the GC immediately was that "it was the Christian way of doing business" the company was God-centered and this was an application of that", and that "it was very Christian in its Principles

As shown in Iligan City, the presence of a local adaptor-champion helps audience feel that they themselves may successfully adopt the GO, as a neighbor has been able to do so. Therefore, in the selection of cities, it might be helpful to prioritize those where a local champion is located, and has indicated willingness to share experiences with interested neighboring firms.

In cities where local chambers are active, it may be worthwhile to convince the staff and officers of the chamber first, before addressing the general business community. This will enable the local chamber to act as resource or information center for the GC, preparing the way before the actual conduct of the Forums. This can be easily done as an add-on to the regular meetings and workshops being conducted by the PCCI with their affiliate chambers. This can also be one of the venues to identify a local champion or early adaptor in the localities.

Moreover, as each city has a distinct personality and social realities, the projects to be proposed or implemented in each area must be adjusted to suit local needs. Even for the Memorandum of Understanding, not all cities will

undertake such. For cities like Iligan, where the government and private sector are already working closely with each other through various projects of the Local Development Council (the Iligan City Investment Promotion Center being one such project), the LGU expressed preference for a document that will already have specific projects identified, and to be entered into by the city, the chamber and a national body like the ECOP or even the UNDP itself. In a place like Tuguegarao, where the businessmen and the public seem to be in awe of the Mayor's ability and influence, the private sector must be ready to propose activities which the LGU has not implemented for business yet. Such activities must be able to build on the already existing or planned projects of the city. For Tagbilaran City, where business, the NGOs and the technical departments of the LGU are off one accord and already committed to environmental protection, the GCWG must have ready at hand projects on business development from which the city can choose for implementation.

As the GO will be a regular, sustained activity by the partner organizations, it is suggested that one officer from the lead organization be assigned to oversee, coordinate and otherwise implement any Programme activities. If there is a need for that officer of staff to do full-time work for the project, he or she can be temporarily seconded. This will give a sense of continuity to the project, and as Mr. Glindro has mentioned, a "face" to the GC.

To reach the broader audience, and expose the GC to more businessmen (who may not be members of organizations or are inactive members) a coherent and sustained communications plan may be designed and implemented. Beyond just a promotions plan, the intensity and frequency of the activities may vary according to the budget. Its objectives will be to spread knowledge and acceptance of the Nine Principles as a framework for corporate social responsibility; get the target businessmen to adapt the Nine Principles; getting civil society to be mindful of the implicit promises that businesses who adopt the principles are making and thus monitor them; and let the general population realize that these principles are applicable to their daily activities.

This will include starting at the school or university level (basic principles and details of human rights, labor rights and laws; environmental covenants and principles). Carrying of the logo in the letterheads and publications of the partner organizations can be done, conduct of specific seminars or training events or workshops or other public forums and events; and the inclusion of topic in the regular programs of the partner organizations may be planned and implemented. A media campaign will depend on the available financial resources, or whether media can be convinced to make GC announcements or small ads as part of their public service commitments. The proposed web presence of the Philippine GCI should be implemented and maintained even beyond the life of the Inception Phase of the project.

While the original concept of a voluntary and self-motivated participation is laudable, it has been observed that a little more structure is needed in the Philippine setting. Thus, constant reminders must be given to the subscribers. The yearly Communications on Progress may be required for submission to a central office, with services to assist those who may be having difficulties preparing the Communications. Non-submission will be grounds for dropping any firm from the rolls. Letters and calls to the subscribers must be continued, even if the web page is up and running.

Part of the above reminders may be the replication of the international GC forums on topics like corruption in the local setting, not just in Metro Manila, but also in other major cities. The wealth of information and some technical skills that have been accumulated at the ECOP, P.B.S.P and PCCI should be disseminated to the firm level, through seminars and trainings, covering such topics ranging from environmental management to the trainors training on social compliance to business development.

Annex A: Project WorkPlan

Appendix A:

Selection Criteria of Pilot Cities

**PH/02/013 Strengthening Institutional Capacities to Manage the Impact of
Globalization
and Promote Corporate Citizenship
Philippine Global Compact Initiative: Reaching Out to Enhance Local
Development
- Inception Phase**

First Draft

Selection of Pilot Cities/Municipalities

The main objective of the project as a whole is to promote local sustainable development in selected Philippine towns through the transfer of corporate citizenship know how to the local business community. More specifically, the partnership will assist receptive SMEs located in municipalities -- preferably in those with an incidence of poverty above the national average --- to implement proven Global Compact initiatives with positive effects both on the competitiveness of the firm and on the social well-being of its stakeholders (employees, linked businesses and the community at large).

Given the project objective stated above, the GCWG went through the list of the provinces recording a poverty incidence higher than the national average of 33.7 percent. The resulting 40 provinces (excluding provinces under the ARMM Peace and Development Social Fund) was then checked against the list of active chambers of commerce and industry (Table 1). The smaller list was narrowed down further to those cities and municipalities, which were accessible to Manila, mainly by plane and/or short land trips.

The resulting shortlists of candidate cities/municipalities are:

- Cotabato City (Maguindanao Province) and
- Dipolog City (Zamboanga del Norte) in Mindanao,
- Tagbilaran City (Bohol Province) and
- Ormoc City (Leyte Province) in the Visayas; and

- Tabaco City (Albay Province) and
- Cauayan (Isabela Province) in Luzon.

Comments on the list will be solicited from the Executive Director of the League of Cities of the Philippines before contact with the individual LGUs and chambers will be started.

Table 1. Provinces with Poverty Incidence Higher than National Average

Province	Principal Towns	Poverty Incidence (%)	Local Chamber	Flights
Luzon				
1. Camarines Norte	Daet Paracale	67.7	Camarines Norte CCI (Daet)	
2. Masbate	Masbate	62.8	Masbate CCI (Masbate City)	AS
3. Ifugao	Lagawe	60.6		
4. Marinduque	Boac	51.9	Marinduque CCI (Boac)	AS
5. Albay	Legazpi Tabaco	47.9	Albay CCI (Legazpi)	PAL, SEA
6. Abra	Bangued Luna	47.7	Abra CCI (Bangued)	
7. Quirino	Cabarroguis	45.5		
8. Isabela	Cauayan	44.4	Isabela CCI (Cauayan)	SEA
9. Romblon	Romblon	44.0		
10. Camarines Sur	Naga Pili Inga	43.8	Camarines Sur CCI (Naga City) Inga City and Rinconada CCI (Inga) Metro Naga CCI (Naga City)	PAL
11. Catanduanes	Virac	43.3	Catanduanes CCI (Virac)	AS
12. Quezon	Lucena City Infanta	42.0	Lucena City-Quezon CCI	
13. Occidental Mindoro	Mamburao San Jose	40.1		AP, AS
14. Cagayan	Tuguegarao	39.9	Cagayan Province CCI (Tuguegarao City)	PAL, AP
15. Oriental Mindoro	Calapan	38.9		SEA
16. Mountain Province	Bontoc	38.5	New Benguet CCI (La Trinidad)	
17. La Union	San Fernando	37.4		
18. Sorsogon	Sorsogon	35.8		

Province	Principal Towns	Poverty Incidence (%)	Local Chamber	Flights
19. Kalinga	Tabuk	34.2		
Visayas				
20. Capiz	Roxas City	65.9		PAL, AP
21. Eastern Samar	Borongan	63.0	Eastern Samar CCI (Borongan)	PAL, AS
22. Bohol	Tagbilaran	57.3		
23. Samar	Catbalogan Calbayog	55.1	Samar CCI (Catbalogan)	AS
24. Negros Occidental	Bacolod, San Carlos	53.0	Metro Bacolod CCI (Bacolod City)	PAL, AP, CP
25. Leyte	Tacloban Ormoc	46.2	Leyte CCI (Tacloban City)	PAL, CP
26. Northern Samar	Catarman	41.8		AS
27. Antique	San Jose de Buenavista	39.0		
28. Siquijor	Larena	37.5	Siquijor CCI (Larena)	
29. Iloilo	Iloilo City	35.3	CCI of Iloilo (Iloilo City)	PAL, AP, CP
Mindanao				
30. Davao	Tagum	56.5	Province of Davao CCI (Tagum City)	
31. Sultan Kudarat	Isulan	55.5	Sultan Kudarat CCI (Tacurong City)	
32. Agusan del Sur	Prosperidad	55.3	Agusan del Sur CCI	
33. Zamboanga del Norte	Dipolog City	46.7	Dipolog CCI (Dipolog City)	PAL
34. Sarangani	Alabed	44.8		
35. Zamboanga del Sur	Zamboanga City Pagadian	43.7	Zamboanga CCI (Zamboanga City)	PAL, AP, CP, SEA SEA
36. North Cotabato	Kidapawan	39.8		
37. South Cotabato	Koronadal	39.1	Tipi CCI (Tipi)	
38. Bukidnon	Malaybalay	37.0	Bukidnon CCI Foundation (Malaybalay)	

Province	Principal Towns	Poverty Incidence (%)	Local Chamber	Flights
39. Misamis Occidental	Oroqueta Ozamiz	35.1	Misamis Occidental CCI (Oroqueta City)	
40. Lanao del Norte	Iligan City	35.1	CCI Foundation (Iligan City)	

CCI - Chamber of Commerce and Industry
 PAL - Philippine Air Lines
 AP - Air Philippines
 CP - Cebu Pacific
 AS - Asian Spirit
 SEA - South East Asian Airlines

Appendix B:

Minutes of GCWG

Meeting on 5 September 2003

**PH/02/013 Strengthening Institutional Capacities to Manage the Impact of Globalization
and Promote Corporate Citizenship**
**Philippine Global Compact Initiative: Reaching Out to Enhance Local Development
- Inception Phase**

Minutes of Meeting

1. Present were Ryan Evangelista of PCCI, Lito Nayan of PBSP, Alex Carrasco of UNDP, and Brenda Orosco as Project Coordinator.
2. Discussions started with developments on the planned PBSP business seminar in Cotabato City. Forum cannot be held in conjunction with the seminar, as participants will not be able to stay away from their businesses for more than three days. Cotabato City is also not a part of ARMM; it might be better to explore other cities within ARMM itself. Nayan emphasized that coordination with the Datu Haron Bandla as Head of ARMM. Business Council is still needed even if Forum will not be held in Maguindanao province.
3. Carrasco announced that there is additional funding available, enough to hold one more Forum and other activities besides. Limitation is that activities must be in Mindanao, and everything must be implemented before end of December 2004.
4. Two other cities were then considered, both in Mindanao, one in AR MM' and the other outside. Zamboanga City hosts a thriving business community, and is highly accessible to other provinces of ARMM. PBSP and PCCI have had good results with projects implemented with its the chamber. The Islamic City of Marawi is the only city in ARMM, and is accessible by land trip from Cagayan de Oro and Iligan Cities. PCC1 will hold a business matching in Iligan City next week, and will visit Marawi afterwards. The Forum can be broached by the PCCI team then. Orosco must submit workshop/seminar proposal before then.
5. Meeting with Atty. Cruz of LCP will be set next week to get his comments on the selected cities, Evangelista will check if PCCI has profiles of the cities, Orosco will check with DTI_ Profiles will be used to tailor-fit Forum presentations to the needs of the businesses in the city, in addition to giving them the menu or list of possible activities for the Global Compact. Presentations should also be profusely illustrated with local samples.
6. Draft letters to the LGUs and chambers prepared by Orosco will be revised based on the comments of Roland Moya of ECOP. Schedules of Fora and focus topics must be set as soon as possible so that speakers can be selected and their schedules booked.

7. Successive Friday meetings are set at 3:00 PM at the ECOP Board Room, 12 and 19 September 2003.

Appendix C:

Draft Letters to Chambers of Commerce, LGUs and other Partners in the Pilot Cities

19 May 2004

<<Title>> <Firstname>> <
LastName>> <<Address 1>>
<<City>>
< Province>>

Dear <<Title>> <LastName>>

The Philippine Global Compact Working Group (GCWG) would like to invite you to be the partner of the City Government in the adoption of the Global Compact Initiative in your city.

As background, the Global Compact was first proposed by United Nations Organization Secretary General Kofi Annan in 1999, and became operational in 2000. The Global Compact brings companies together with UN agencies, labour and civil society to support nine principles in the areas of human rights, labour and the environment. The Global Compact seeks to advance 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 local government and other social actors --- can help realize the Secretary-General's vision: a more sustainable and inclusive global economy.

In the Philippines, the GCWG was formed as a partnership among the Employers Confederation of the Philippines, the Philippine Chamber of Commerce and Industry, the Philippine Business for Social Progress, the League of Cities of the Philippines and the United Nations Development Programme in 2003. It aims to sustain the efforts started in 2001 to spread the Global Compact among Philippine private *companies*. Currently, the GCWG is implementing the project **Philippine Global Compact Initiative: Reaching Out to Enhance Local Development- Inception Phase**. In this phase, the project will promote the global compact as a framework for corporate citizenship, and at the same time open discussions with Local Government

Units who are interested in forming a Local Compact with their business communities.

For your Chamber, being a partner will mean that you will co-organize the Local Compact Forum together with the City Government and the GCWG. As co-organizer, the Chamber is expected to identify and invite 24 to 30 company Chief Executive Officers, Presidents or other top decision makers to the Forum; and assign a focal person who will liaise with Ms. Brenda Orosco of the Project Coordination Office at the above address on the preparations and arrangements for the Forum. The Chamber should also identify a Chamber officer to deliver the welcome statement during the Forum, identify a hotel for out-of-town speakers and make reservations for them. If possible, the Chamber is also asked to sponsor some snacks for the event. Ideally, the Forum should be held from 8:00 AM to 5:00PM, in a venue big enough to hold 30 to 35 people, sometime in October 2003. Your Chamber might also want to consider inviting other community organizations (like labour, academe and health) to be part of the participants in the forum.

The Forum, designed to be interactive and participatory, aims to bring together the Chief Executive Officers of both private business entities and Local Government Units in order to advance the principles of the Global Compact in the locality. In the morning session, aside from familiarization with the concepts and principles of the Global Compact, samples of what individual organizations can initiate or implement within their own units will be introduced, and concrete examples of what the Partners in the Philippine Global Compact Initiative have accomplished will be given. In the afternoon session, the workshops will be oriented towards the formulation of action plans for any one of the corporate social responsibility initiatives presented in the morning. Thus, a list of proposals of what the local government units and the private sector can do in their respective localities will be generated.

Enclosed are draft letters of invitation for the prospective participants, and brochures regarding the Global Compact for your use.

Very truly yours,

[Original Signed]
Donald G. Dee
President
Employers Confederation of the Philippines

19 May 2004

<Title>><First name><LastName>
<<Address 1 >>
«City»
«Province»

Dear <<Title>> « LastName »:

The Philippine Global Compact Working Group (GCWG) would like to invite you to be a partner of the Local Chamber of Commerce and Industry in the adoption of the Global Compact Initiative in your city.

As background, the Global Compact was first proposed by United Nations Organization Secretary General Kofi Annan in 1999, and became operational in 2000. The Global Compact brings companies together with UN agencies, labour and civil society to support nine principles in the areas of human rights, labour and the environment. The Global Compact seeks to advance 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 local government and other social actors--- can help realize the Secretary General's vision: a more sustainable and inclusive global economy.

In the Philippines, the GCWG was formed as a partnership among the Employers Confederation of the Philippines, the Philippine Chamber of Commerce and Industry, the Philippine Business for Social Progress, the League of Cities of the Philippines and the United Nations Development Programme in 2003. It aims to sustain the efforts started in 2001 to spread the Global Compact among Philippine private companies. Currently, the GCWG is implementing the project **Philippine Global Compact Initiative: Reaching Out to Enhance Local Development - Inception Phase**. In this phase, the project will promote the global compact as a framework for corporate citizenship, and at the same time open discussions with Local Government Units who are interested in forming a Local Compact with their business communities.

Your city is one of four invited to pioneer the formation of a Local Compact, which aims to promote sustainable development in Philippine cities. Priority is given to cities in provinces which recorded poverty incidence higher than the national average; but with an active micro, cottage, small and medium enterprise sector. While the Global Compact is focused on the participation of private businesses, there are three cities which have expressed support for the initiative, namely, Melbourne in Australia (as the first Global Compact co.), Nuremberg in Germany and San Francisco in the United States. The participation of cities aims to bring together not just the business and labour sectors and their organizations but also other interested members the community (like education and health) to advance and deeper the Global Compact principles in the locality.

For local government units (LGUs), being a partner will mean that the city government will co-organize the Local Compact Forum together with the Local Chamber of Commerce and Industry and the GCWG. As co-organizer, the city is expected to identify and send five (5) government (LGU or government line agency) participants to the Forum (that is aside from yourself); and assign a focal person who will liaise with Ms. Brenda Orosco of the Project

Coordination. Office at the above address on the preparations and arrangements for the Forum. If possible, the city is also asked to provide a venue for the forum and maybe provide some snacks for the event. Ideally, the Forum should be held from 8:00 AM to 5:00 PM, in a venue big enough to hold 30 to 35 people, sometime in October 2003.

The Forum, designed to be interactive and participatory, aims to bring together the Chief Executive Officers of both private business entities and Local Government Units in order to advance the principles of the Global Compact in the locality. In the morning session, aside from familiarization with the concepts and principles of the Global Compact, samples of what individual organizations can initiate or implement within their own units will be introduced, and concrete examples of what the Partners in the Philippine Global Compact Initiative have accomplished will be given. In the afternoon session, the workshops will be oriented towards the formulation of action plans for any one of the corporate social responsibility initiatives presented in the morning. Thus, a list of proposals of what the local government units and the private sector can do in their respective localities will be generated.

Attached are brochures on the Global Compact for your reference

Very truly yours,

{Original Signed}
Donald G. Dee
President
Employers Confederation of the Philippines

Letter to Participants

19 May 2004

«Title» <>Firstname> <
(LastName» <>Address >>
«City»
<Province>)

Dear <>Title» <>LastName»:

The Philippine Global Compact Working Group (GCWG) would like to invite you to the Local Compact Forum partly sponsored by the City Government and the Local Chamber of Commerce and Industry. The Forum aims to bring together

the Chief Executive Officers of both private business entities and Local Government Units in order to advance the principles of the Global Compact in the locality. Aside from familiarization with the concepts and principles of the Global Compact, samples of what individual organizations can initiate or implement within their own units will be introduced, concrete examples of what the Partners in the Philippine Global Compact initiative has accomplished will be given and a list of what the local government units and the private sector can do in their respective localities will be generated.

The GCWG is currently implementing the project **Philippine Global Compact Initiative: Reaching Out to Enhance Local Development - Inception Phase**. The main objective of the project is to promote local sustainable development in selected Philippine cities through the transfer of know-how in corporate citizenship to the local business community. In this phase, the project will promote the global compact as a framework for corporate citizenship and at the same time open discussions with Local Government Units who are interested in forming a Local *Compact* with their business communities.

As background, United Nations Organization Secretary General Kofi first proposed the Global Compact. Annan in 1999, and became operational in 2000. The Global Compact brings companies together with UN agencies, labor and civil society to support nine principles in the areas of human rights, labour and the environment. Through the power of collective action, the Global Compact seeks to advance 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 local government units and other social actors --- can help realize the Secretary-General's vision: a more sustainable and inclusive global economy.

The Forum, designed to be interactive and participatory, aims to bring together the Chief Executive Officers of both private business entities and Local Government Units in order to advance the principles of the Global Compact in the locality. In the morning session, aside from familiarization with the concepts and principles of the Global Compact, samples of what individual organizations can initiate or implement within their own units will be introduced, and concrete examples of what the Partners in the Philippine Global Compact initiative have accomplished will be given. In the afternoon session, the workshops will be oriented towards the formulation off action plans for any one of the corporate social responsibility initiatives presented in the morning. Thus, a list of proposals of what the local government units and the private sector can do in their respective localities will be generated.

In this connection, we would like to invite your office to attend the forum to be held at «Venue» on <(Date> from 8:00 AM to 5:00PM. Please confirm your attendance with <> at <>.

Attached is a brochure on the Global Compact for your reference.

Very truly yours,
Mr./Ms Signatory
Chamber President

**Appendix D:
Minutes of GCWG Meeting on 23
September 2003**

PH/02/013 Strengthening Institutional Capacities to Manage the Impact of
Globalization
and Promote Corporate Citizenship
**Philippine Global Compact Initiative: Reaching Out to Enhance Local
Development
- Inception Phase**

Minutes of
Meeting

Present were Alex Carrasco of UNDP, Ryan Evangelista of PCCI, Roland Moya of ECOP, Lito Nayan of PBSP and Brenda Orosco.

On the additional funding, Carrasco distributed the Addendum document. Some portion of the present funds will be reallocated to supplement the budget for the Fora in Luzon and the Visayas. Approval by MEDCO is being awaited, as they are the implementing agency responsible for the MDP-3, source of the additional funds for this project. NEDA's Brenda Mendoza will be invited to the next GCWG meeting, as NEDA is the implementing agency for this project.

Comments made by Airy. Gil Fernando Cruz of the LCP (during meeting of Friday 19 September at his office) focused on Marawi City. Communication difficulties in Marawi City, the political problems of Mayor Omar Ali, the proximity of the two cities, and the close relationship between Marawi and Iligan led to the suggestion to treat both cities as twins for purposes of the project. Iligan will also be invited to Local Compact, on the understanding that the activity will be held jointly with the Local Government and Chamber of Marawi

Regarding Tabaco, Mr. Moran of the Chamber is hesitant because they have had no activity for the past two years and are only starting to revive the chamber this year. Still, he will call the Mayor's office to check what they are planning. On the other hand, the Mayor's office said they are already talking to the Filipino-Chinese Chamber of Commerce. They also provided the city profile sent by the Department of Trade and Industry. They wanted clarification on which among the government officials should be invited, and were told that this would depend on the Mayor and the vision for the city. A fax copy of the letter sent to the Tabaco Chamber was sent to the Mayor's office.

Regarding Tagbilaran, Mr. Palapos off the Chamber was just reading the letter when he got the call. He is interested, but will meet with his directors first. He will also talk to the Mayor about this. The Mayor's office, on the other hand, while aware of the project (from DTI's request for their profile) could not make any comment for the moment. A fax copy of the letter to the Chamber was sent to their office also. Fax copies of the letters to both Mayor and Chamber was sent to DTI Provincial Director Nimfa Virtucio as she needed to talk to the Mayor about it.

6. Regarding Zamboanga, the Chamber participated in a Zamboanga Peninsula Business Conference last week, the Chamber President will read the letter today. Follow-up will have to be done Wednesday.
7. It was admitted that neither the concept nor principle of CSR nor the Global Compact principles might be familiar to MSMEs in the selected cities. Both are also difficult to translate into the local languages and dialects.
8. Carrasco suggested coming up with a selection criteria for the MSMEs to be invited to the Fora. While this may be applicable to localities with a larger population of businessmen, this may not be needed by the selected cities, given the size of their economies. *Carrasco also pointed out that while it may be true for smaller cities, it might not be so in the larger cities like Tagbilaran. Selection criteria will then be sent to those who will invite private sector participants to the Fora, namely any GC signatories or (ASR practitioners present in the locality, suppliers thereof microsmall-and medium sized businesses (from a range of sectors), main large corporations or businesses in the area (for the purpose of B2B skill transfers). These criteria can be sent in a follow-up letter, fax, which will also suggest specific dates for each Forum in each of the cities.*
9. On the schedules for the Fora, the fourth week of October is reserved for the PCCI Mindanao Business Council (where Evangelista will check if a slot can be given to a speaker from the UN on the Global Compact, just to introduce the concept to the widest business forum in the island). Nayan will be leaving PBSP to, join DFA after the second week of October, but he will bring in a replacement starting next meeting. Further, PCCI will be busy with the Philippine Business Conference scheduled for 25-29 November. Ramadan will likely start 25 November this year, project will have to be careful about scheduling activities in Muslim in that period. The fora in Tabaco and Tagbilaran (if they accept the invitation) will have to be pushed for the first and second weeks of October.
10. The document for the Fora program will have to be recast in the standard language appropriate to the projects of the UNDP.
11. The Opening Session of each Fora should have provision for prayers or invocation, the Pambansang Awit, and other relevant anthems like the UN's or ECOP's Global Compact Theme. For areas with Muslim participants, the schedule of prayers must be provided for in the program. No yan shared his experience in the Cotahato business seminar conducted by the PBSP that the breakout sessions must also make sure that a senior male he included as speaker for the group. For the GC Fora, it is preferable that the breakout sessions be largely self-directed, without gender bias. The local culture may exert itself on its own in the dynamics of each of the sessions.

12. The Introduction and the UN Millenium Goals should be joined as one module. It is also suggested that, as the Network Guidelines say, a high ranking UN official speak to set the tone for the Forum. *Given what is known of the priorities of each city, the recommended speakers are: from UNIDO for Tabaco, as they are interested in promoting industry in the city considering that they have an international port; from UIVDP or UNEP (if it exists in the Philippines) for Tagbilarart, as environment is one of their most important concerns; from UNDP/ITC or UNDP/ITC for Zamboanga, as they are interested are trade and investment promotion for the city ; from UNDP for Marawi, considering the myriad concerns of the city, plus the planned twinning with Iligan.*
13. The question of what will be done once the Fora have been held, MSMEs have subscribed, and/or MOUs have been signed was raised. It was pointed out that the new subscribers even before the next phase of this present project is put in place. The action plans generated by the Fora will serve as guides to the partners as to the specific activities that they can implement in the localities with the cooperation or in partnership with the co-organizers of the Fora.
14. Accommodations for the speakers from out of town may be limited in Marawi.
15. The meeting started at 10:30AM and ended at 12:20 PM. The next meeting will be called when at least one Forum schedule will be firmed up.

Appendix E:

Minutes of GCWG Meeting on 30 September 2003

**PH/02/013 Strengthening Institutional Capacities to Manage the Impact of Globalization
and Promote Corporate Citizenship
Philippine Global Compact Initiative: Reaching Out to Enhance Local Development
- Inception Phase**

Minutes of Meeting

1. Present were Alex Carrasco of UN.DP, Roland Maya of ECOP, Lito Nayan of PBSP and Brenda Orosco.
2. Updates on Fora: Zamboanga has changed their mind and is now negotiating with the Mayor on details of the program. They will work on a tentative schedule of 07 November 2003 for the Forum'. Iligan Chamber has no feedback yet from President and Board of Directors. Mr. Jerry Tomawis, Marawi Chamber President, brought the letter to Marawi; no feedback yet, either.
3. Updates on schedule: Roland will be in Cebu 07-09 October, so a schedule of 10 October will be pushed for Tagbilaran. He will also be in Bangkok 14-18 October, so 20 October will be pushed for Tabaco. Alex has an incoming mission 20-24 October, Mindanao Business Conference (MBC) is scheduled 29-31 October. Giving a donation to M:BC so they can give a slot for a Global Compact speaker is out. PCCI has invited UN Philippine Office to speak in the Philippine Business Conference scheduled 25-27 November; Alex will check if the GC New York Office can send in a speaker.
4. Updates on additional budget Alex has learned that the fiscal year for the source of additional funds ends March 2004, not December 2003. A rewrite of the TOR is required, however. Lito also said that he got an indication that for the PBSP proposal, the fund source Project Manager wants the activities to focus on the results of this Inception Phase. Roland will have to reallocate the present budget meant for the Mindanao Forum to the two to be held in Luzon and the Visayas.
5. The roundtable discussion with Mayors in order to present and get their inputs on the Project Document that will be submitted as final output of the Inception Phase must be studied carefully given the limited budget. If possible, one Mayor should host the activity. However, accessibility of the cities to each other will be a real concern.. Expenses for the Mayors' security must also be considered.
6. The budget of \$2,575 for website development is considered quite generous. ECOP can host the website in their server, but they request that the website development component include training in website use and maintenance for someone from ECOP. It is also recognized that maintenance of the website will be a problem, if no one is specifically assigned to the job. This seems to be the main reason why local websites remain static; containing "historical" instead of current information.
7. On Forum Program details: Roland will represent ECOP in all the Fora. Lito will speak for PBSP in Tabaco, and he Will ask Esguerra of

DOST to speak on environment in Tagbilaran. ECOP will present initiatives in Social Compliance, Labor Standards, and Abolition of Child Labor. PBSP will present Environmental Stewardship - Clean Production, and Corporate Volunteers or CVED. Lito will also prepare for business to business mentoring for Marawi and Iligan.

8. Short descriptions of the CSR initiatives listed in the Program need to be prepared and compiled as a short brochure or flyer as part of the handouts for the Philippine Global Compact Initiative. Contact information for each initiative will be included, aside from the contact address of the Secretariat (ECOP). This will form part of the localized brochure for the Global Compact. Descriptions must be with Brenda by Friday, 03 October so that Lito can ask PBSP to do the layout for presswork. Logos of the partners, the GC logo and the local GC logo developed by the previous ECOP project must also be sent by Brenda to Lito.
9. While concerns about an even distribution of participants in each break-out session were raised, ultimately, the interest of the participants will have to prevail. Still, efforts will be made to make sure each session will have sufficient participants. Workshop design must be prepared for use by the facilitators. This should contain the top three questions related to the specific topic to be presented by the speaker. The speakers will be resource persons in the break-out sessions, and can double as facilitators for each.
10. For project media strategy: communication plan must be formulated first, and the key message has to be formulated. To simplify matters, the PBSP's phrase of "The human face of globalization" will be used as key message. Alex will retrieve GC media strategy so project can fit itself to that. As of now, press releases for each Forum (pre and post) will be made, the partners will use their individual media bureaus to make sure release gets printed. Efforts to ensure media coverage during each Forum will also be made.
11. For the possible column in Enterprise Magazine, who will write the column is the question.
12. Follow-up will be made with LCP for Atty Cruz's promised Mayor's contact list.

Appendix F:

Minutes of GCWG meeting on 13 October 2003

**PH/021013 Strengthening Institutional Capacities to Manage the Impact of
Globalization
and Promote Corporate Citizenship
Philippine Global Compact Initiative: Reaching Out to Enhance Local
Development
- Inception Phase**

Minutes of Meeting

1. Present were Alex Carrasco of UNDP, Ryan Evangelista of PCCI, Roland Maya of ECOP, and Brenda Orosco. Lito Nayan of PBSP sent a late message to say that he was suddenly informed he will swear-in as a DFA official at the same time.
2. For Tabaco, the Mayor's office and his assigned coordinator have been waiting for the promised visit of Chamber President Moran to finalize arrangements for the Forum scheduled for 20 October. As of 07 October, Mr. Moran had promised at least twice to go to the City Hall.
3. A replacement city to Tabaco will be readied. Going through the Kalahi list again, Tuguegarao in Cagayan was considered. There is an active Chamber, and regular flights via Philippine Air Lines. Ryan will ask the Regional Chamber Governor (through channels) to talk to Mr. Moran as a last effort to ensure his cooperation. If no firm commitment can be had from Tabaco by Tuesday or Wednesday next week, letters will be prepared to invite Tuguegarao. Only the Chamber will be the lead actor, but they will be asked to invite the LGU to partner with them for the activity. Sample letters to the Mayor and for the invited participants will be sent with the formal letter inviting the Chamber, and a specific date will be set in the letter (anytime in the week of 17 November).
4. No change for Tagbilaran; schedule is still 12 or 13 November.
5. The Zamboanga City Grand Fiesta (Nuestra Senora del Pilar) is on Sunday, 12 October. Follow-up will be made Monday or Tuesday. Formal follow-up letter will also request that Zamboanga City invite the Presidents (or other high-ranking officers) of the Chambers in Sulu, Tawi-

tawi and Basilan to attend the Forum as observers. If the invited chambers request for subsidy, fares can be offered by the Project.

6. The Marawi Chamber President has not been responding despite repeated calls to his three offices. He has not even left messages regarding the project with any of his staff Conversation with the Secretary General of the Iligan Chamber may give a clue on why this is so. The Marawi Chamber President is the political rival of the incumbent Marawi Mayor; they were pitted against each other in the 2001 local elections. Given that there has been no response from Marawi, it will be left to Iligan if they will invite Marawi (private sector and/or LGU) as observers in the Forum. The Iligan Chamber itself is interested in the Global Compact; even the letter to the Mayor was passed on to the Chamber. The Secretary General plans to course this project through the Transparent Governance Committee co-chaired by both the Chamber President and the Mayor.
7. In terms of travel arrangements, there are now very few flights between Mindanao and Cebu. Speakers must go back to Manila to move from one to another off the selected cities. The only two cities that can be strung together without returning to Manila are Zamboanga then Tagbilaran, with a boat from Cebu to be taken to Tagbilaran. The schedule will be really tight, though. For the more missionary destinations like Tuguegarao, the airlines only have weekly flights.
8. Alex distributed a revision of the project Addendum2 Given that the implementing agency is now MEDCo, not NEDA; and that the funding source is the MDP-3, not UNDP; the Addendum is technically a different project The UNDP budget submission is now at over \$10,700; the TOR is basically the same as the original project TOR. The differences are in the specifics: the scope of work (limited to Mindanao although the effect may be felt in the other island groups), additional activities, additional expected output 3, institutional arrangement (as mentioned above), timeframe now up to March 2004 (although as many activities as can be done should be done before the end of 2003) , budget and schedule of payments. A project coordinator for the Addendum will be needed up to the middle of February 2004.
9. Alex said that Mr. Rivera suggests coordination with the provincial offices of the DTI (now being done but limited to information gathering, DTI offices involved have also been told that they must work through the Chamber if there are CSR topics that they wanted to push for the project) . Discussions also focused on the strategy to be followed by the Addendum -- broadening the reach of the fora or deepening GC in the selected city Deepening GC was favored. The Individual Fora output will be used to justify succeeding activities in the cities. In a sense, although.

the Addendum is part of the inception, it will accept activities that are supposed to be part of the next phase of the project.

10. The selected cities in Mindanao are Zamboanga, Iligan and Cotabato Cities. These three cities each have a sphere of influence that goes beyond the borders of their respective provinces, being commercial and industrial centers in their physical or economic regions.
11. While PBSP, ECOP and UNDP have separately submitted proposals to tap the MDP3, PMO Boy Rivera must be made to understand that all these proposals are under the aegis of the GCWG and thus, the Philippine Global Compact National Steering Committee. Roland and Lito will discuss the coordination of their individual proposals. Proposals must be finalized and submitted to MDP-3 not later than 14 October 2003,
12. On getting a slot for a speaker in the Mindanao Business Conference (MBC), Ryan has broached the subject to the organizers led by Mr. Mamz Agbon. He will now ask them for a slot (30 minutes is all that can be accommodated at this point), it will be Roland who will negotiate with Mr. Agbon for the sponsorship arrangement. It was suggested that Mr. Donald Dee be asked to speak on the Global Compact at the MBC. The MBC will be held in Cagayan de Oro on 29-31 October at the Pryce Hotel.
13. Other matters: PCCI may have a CSR Committee next year. UNIDO - Manila's Raffaello Taroni has developed good rapport with Mayor Lobregat of Zamboanga City Roland will reallocate budget of original project for activities solely in Visayas and Mindanao.
14. On Monday sub-meeting: Lito confirmed that the strategy to be followed for the Addendum is to keep it narrow and focus on advocacy for the adoption of the Global Compact in three cities in Mindanao (Zamboanga, Iligan Marawi, and Cotabato as discussed on Friday.)
15. Pursuit of the Mindanao Business Conference slot will depend on the "donation" that will be discussed. It was felt that the amount of P50,000 will be too high, and that a maximum amount of P20,000 is the livable level.
16. The submissions of PBSP and ECOP will be consolidated into the document prepared by Alex, specifically in the sections on Scope of Work, Main Activities, Activity 1.2 and 1.3 under Output 1, and Budget. Roland and Lito will try to send in their individual revisions of the project document; Brenda will consolidate these and send the revised, consolidated document to Alex by the end of Tuesday, 14 October. The upshot is that it will be the GCWG who will submit a proposal to the MDP-3.

17. It was recognized that a lot of time and effort has been expended to prepare documents for the Addendum. However, more effort has been spent to come up with the strategy being followed in the original project. Should this existing strategy be not acceptable to the MDP-3, the GCWG will have to make a, formal decision on whether a withdrawal tactic from the negotiations with the MDP-3 will be pursued.
18. On the anticipated effect of the Addendum on the original project (if the Addendum pushes through), the draft Project Proposal will still be submitted by the original date of 15 December 2003. It will be based on any of the Fora that will have been conducted by then.
19. Mr. Leonardo Cortex Jr. of P.BSP (phone number 527-3747; e-mail address dingdong@pbsp.org.ph) will take Lito's place in the GCWG. He has been briefed about the project; Lito will turn over materials to him.

Appendix G: Letters to the Cities, LGUs



THE GLOBAL
COMPACT

Philippine Global Compact Initiative Coordination Office
ECOP Office, ECC Building, 355 Sen. Gil J. Puyat Avenue, Makati City
Tel No: 890-4845; 890-4847 Fax No: 895-8576
E-mail: ecop@phijonline.com

17 October 2003

Mr. Pepito F. Fondevilla
President
Cagayan Province Chamber of Commerce and Industry Foundation Inc.
3/F Tony Go Bldg. cor. Luna & Burgos Sts.
Tuguegarao City, Province of Cagayan

Dear Mr. Fondevilla:

The Philippine Global Compact Working Group (GCWG) would like to invite you to partner of the City Government in the adoption of the Global Compact Initiative in your city.

As background, the Global Compact was first proposed by United Nations Organization Secretary General Koffi Annan in 1999, and became operational in 2000. The Global Compact brings companies together with UN agencies, labour and civil society to support nine principles in the areas of human rights, labour and the environment. The Global Compact seeks to advance responsible corporate citizenship so that business can be part of the solution to the challenges of globalisation. In this way, the private sector - in partnership with local government and other social actors --- can help realize the SecretaryGeneral's vision: a more sustainable and inclusive global economy.

In the Philippines, the GC WG was formed as a partnership among the Employers Confederation of the Philippines, the Philippine Chamber of Commerce and Industry, the Philippine Business for Social Progress, the League of Cities of the Philippines and the United Nations Development

Programme in 2003. It aims to sustain the efforts started in 2001 to spread the Global Compact among Philippine private companies. Currently, the GCWG is implementing the project **Philippine Global Compact Initiative: Reaching Out to Enhance Local Development-- Inception Phase**. In this phase, the project will promote the global compact as a framework for corporate citizenship, and at the same time open discussions with Local Government Units who are interested in forming a Local Compact with their business communities.



A Partnership of Employers Confederation of the Philippines, Philippine Chamber of Commerce and Industry,
United Nations Development Programme; Philippine Business for Social Progress, and
League of Cities of the Philippines

For your Chamber, being a partner will mean that you will co-organize the Local Compact Forum together with the GCWG. As co-organizer, the Chamber is expected to identify and invite 24 to 30 company Chief Executive Officers, Presidents or other top decision makers to the Forum; and assign a focal person who will liaise with Ms. Brenda Orosco of the Project Coordination Office at the above address on the preparations and arrangements for the Forum. The Chamber should also be the one to invite the Local City Government as its partner for the activity (sample letter to the City attached). The Chamber should also identify a Chamber officer to deliver the welcome statement during the Forum, identify a hotel for out-of-town speakers and make reservations for them. If possible, the Chamber is also asked to sponsor some snacks for the event, ideally, the Forum should be held from 8:00 AM to 5:00PM, in a venue big enough to hold 30 to 35 people, either on 18 or 20 November 2003. Your Chamber might also want to consider inviting other community organizations (like labour, academe and health) to be part of the participants in the forum.

The Forum, designed to be interactive and participatory, aims to bring together the Chief Executive Officers of both private business entities and Local Government Units in order to advance the principles of the Global Compact in the locality. In the morning session, aside from familiarization with the concepts and principles of the Global Compact, samples of what individual organizations can initiate or implement within their own units will be introduced, and concrete examples of what the Partners in the Philippine Global Compact initiative have accomplished will be given. In the afternoon session, the workshops will be oriented towards the formulation of action plans for any one of the corporate social responsibility initiatives presented in the morning. Thus, a list of

proposals of what the local government units and the private sector can do in their respective localities will be generated.

Enclosed are draft letters of invitation for the prospective participants, and brochures regarding the Global Compact for your use.

Very truly yours,



Donald G. Dee
President
Employers Confederation of the Philippines
Head, GCWG

Letter to the City Mayor

19 May 2004

<<Title>> <<First name >
<<LastName>>

<<Address 1>>
<<City>>
<<Province>>

Dear <<Title>> «LastNarne»:

The Local Chamber of Commerce and Tndustry, together with the Philippine Global Compact Working Group (GCWG) would like to invite you to be a partner in the adoption of the Global Compact initiative in your city.

As background, the Global Compact was first proposed by United Nations Organization Secretary General Kofi Annan in 1999, and became operational in 2001. The Global Compact brings companies together with UN agencies, labour and civil society to support nine principles in the areas of human rights, labour and the environment. The Global Compact seeks to advance responsible corporate citizenship so that business can be part of the solution to the challenges of globalisation. In this way, the private sector - in partnership with

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Your city is one of four invited to pioneer the formation of a Local Compact, which aims to promote sustainable development in Philippine cities. Priority is given to cities in provinces which recorded poverty incidence higher than the national average; but with an active micro, cottage, small and medium enterprise sector. While the Global Compact is focused on the participation of private businesses, there are three cities which have expressed support for the initiative, namely, Melbourne in Australia (as the first Global Compact city), Nuremberg in Germany and San Francisco in the United States. The participation of cities aims to bring together not just the business and labour sectors and their organizations but also other interested members of the community (like education and health) to advance and deepen the Global Compact principles in the locality.

For local government units (LGUs), being a partner will mean that the city government will sponsor the Local Compact Forum together with the Local Chamber of Commerce and Industry and the GCWG. As sponsor, the city is expected to identify and send five

(5) government (LGU or government line agency) participants to the Forum (that is aside from yourself); and assign a focal person who will liaise with the Chamber on the preparations and arrangements for the Forum. If possible, the city is also asked to provide a venue for the forum and maybe provide some snacks for the event. Ideally, the Forum should be held from 8:00 AM to 5:00PM, in a venue big enough to hold 30 to 35 people, on either 18 or 20 November 2003.

The Forum, designed to be interactive and participatory, aims to bring together the Chief Executive Officers of both private business entities and Local Government Units in order to advance the principles of the Global Compact in the locality. In the morning session, aside from familiarization with the concepts and principles of the Global Compact, samples of what individual organizations

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Attached is a brochure on the Global Compact for your reference.

Very truly yours,

President
Chamber

Letter to Participants

17 October 2003

<<Title>> <<Firstnarne>>
«LastName»
<<Address I>>
<<City>>
<<Province>>

Dear <<Title>> <cLastName >:

The Philippine Global Compact Working Group (GCWG) would like to invite you to the Local Compact Forum partly sponsored by the Local Chamber of Commerce and Industry and the City Government. The Forum aims to bring together the Chief Executive Officers of both private business entities and Local Government Units in order to advance the principles of the Global Compact in the locality. Aside from familiarization with the concepts and principles of the Global Compact, samples of what individual organizations can initiate or implement within their own units will be introduced, concrete examples of what the Partners in the Philippine Global Compact Initiative has accomplished will be given, and a list of what the local government units and the private sector can do in their respective localities will be generated.

The GCWG is currently implementing the project **Philippine Global Compact Initiative: Reaching Out to Enhance Local Development -**

Inception Phase. The main objective of the project is to promote local sustainable development in selected Philippine cities through the transfer of know-how in corporate citizenship to the local business community. In this phase, the project will promote the global compact as a framework for corporate citizenship, and at the same time open discussions with Local Government Units who are interested in forming a Local Compact with their business communities.

As background, the Global Compact was first proposed by United Nations Organization Secretary General Kofi Annan in 1999, and became operational in 2000. The Global Compact brings companies together with UN agencies, labor and civil society to support nine principles in the areas of human rights, labour and the environment. Through the power of collective action, the Global Compact seeks to advance responsible corporate citizenship so that business can be part of the solution to the challenges of globalisation. In this way, the private sector - in partnership with local government units and other social actors - can help realize the Secretary-General's vision: a more sustainable and inclusive global economy.

The Forum, designed to be interactive and participatory, aims to bring together the Chief Executive Officers of both private business entities and Local Government Units in order to advance the principles of the Global Compact in the locality. In the morning session, aside from familiarization with the concepts and principles of the Global Compact; samples of what individual organizations can initiate or implement within their own units will be introduced, and concrete examples of what the Partners in the Philippine Global Compact Initiative have accomplished will be given. In the afternoon session, the workshops will be oriented towards the formulation of action plans for any one of the corporate social responsibility initiatives presented in the morning. Thus, a list of proposals of what the local government units and the private sector can do in their respective localities will be generated.

In this connection, we would like to invite your office to attend the forum to be held at <<Venue>> on <<Date>> from 8:00 AM to 5:00PM. Please confirm your attendance with <<Contact>> at <<Phone>>.

Very truly yours,

Mr./Ms. Signatory
Chamber President

Appendix H:

Letter of Mayor Quijano


Republic of the Philippines
PROVINCE OF MINDANAO
OFFICE OF THE CITY MAYOR


24 October 2003

Ms. BRENDA OROSCO
Project Coordinator, Philippine Global Compact Initiative
ECOP Office, 4/F ECC Building, 355 Sen. Gil J. Puyat Ave.
Makati City

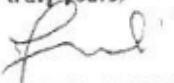
Dear Ms. Orosco,

Greetings in peace!

This is to signify our interest to become a partner to your intervention Global Compact Initiative. We therefore request that we hold the Fo expectedly to discuss its nine (9) principles, for the City of Iligan on November 2003. Arrangements maybe coordinated with Mr. Bernard Rua IV, Executive Director of the Iligan Investment Promotions Center 4 Floor, DENSO Building, Sabayle St., Iligan City. His office phone num are: 063 2233178 / telefax: 063 2238240.

Thank you.

Very truly yours,


FRANKLIN M. QUIJANO
City Mayor

PH/02/013 Strengthening Institutional Capacities to Manage the Impact of Globalization and Promote Corporate Citizenship

Philippine Global Compact Initiative: Reaching Out to Enhance Local Development-Inception Phase

"The Global Compact: Principles, Modes of Engagement and Philippine Initiatives"
Program

**20 November 2003
Iligan City**

Time	Program	Person/s Involved
	Morning Session	
08:00-08:05	1) Registration	IIPC/CCIFI
	2) Opening Ceremonies	
	a) National Anthem	Ms. Pia C. Martinez, IIPC
	b) Invocation	Mr. Sotero Q. Trinidad, CCIFI
08:05-08:10	c) Opening Remarks	Mr. Sim Quina, VP CCIFI
08:10-08:30	3) Objectives/Leveling of Expectations	Brenda Orosco, Coordinator
08:30-09:00	4) Introduction to Global Compact as CSR Framework	Alex Carrasco, UNDP
09:00-09:30	5) Enhancing Social Compliance	Jose Roland Moya, ECOP
09:30-09:45	6) Q & A	
09:45-10:00	7) Coffee Break	
10:00-10:30	8) Corporate Citizenship and Environmental Stewardship	Leonardo Cortez, PBSP
10:30-11:00	9) SME Development	Edwin Glindro, PCCI
11:00-11:15	10) Experience Sharing	Mabuhay Vinyl Corp.
11:15-11:45	11) Q & A	
16:00-16:15	12) Closing Remarks	Mayor Franklin M. Quijano
12:00-13:00	Lunch	
	Afternoon Session	
12:45-13:00	13) Workshop Mechanics	
13:00-16:00	14) Break-Out Sessions	Facilitator-Speakers
16:00-17:00	15) Plenary Session	Presentors

PH/02/013 Strengthening Institutional Capacities to Manage the Impact of Globalization and Promote Corporate Citizenship

Philippine Global Compact Initiative: Reaching out to Enhance Local Development - Inception Phase

"The Global Compact: Principles, Modes of Engagement and Philippine Initiatives"
Program

**02 December 2003
Tuguegarao City**

Time	Program	Person/s Involved
	Morning Session	
08:00-08:05	1) Registration	DTI Cagayan
	2) Opening Ceremonies	
	a) National Anthem	
	b) Invocation	
08:05-08:10	c) Opening Remarks	Mr. Pepito M. Fondevilla, Chamber President
08:10-08:30	3) Objectives/Leveling of Expectations	Brenda Orosco, Coordinator
08:30-09:00	4) Introduction to Global Compact as CSR Framework	Alex Carrasco, UNDP
09:00-09:30	5) Enhancing Social Compliance	Jose Roland Moya, ECOP
09:30-09:45	6) Q & A	
09:45-10:00	7) Coffee Break	
10:00-10:30	8) Corporate Citizenship and Environmental Stewardship	PBSP
10:30-11:00	9) SME Development	Ryan Patrick Evangelista, PCCI
11:00-11:15	10) Experience Sharing	
11:15-11:45	11) Q & A	
11:45-12:00	12) Workshop Mechanics	
12:00-13:00	Lunch	
	Afternoon Session	
13:00-15:00	13) Break-Out Sessions	Facilitator-Speakers
15:00-16:00	14) Plenary Session	Presentors
16:00-16:15	15) Closing Remarks	Mayor Randolph S. Ting
16:15-17:00	16) Signing Ceremonies	1. City Mayor & Chamber President 2. Individual subscribers to t Global Compact

**PH/02/013 Strengthening Institutional Capacities to Manage the Impact of
Globalization and Promote Corporate
Citizenship**

**Philippine Global Compact Initiative: Reaching Out to Enhance Local
Development - Inception Phase**

**"The Global Compact: Principles, Modes of Engagement and Philippine
Initiatives"
Program
05 December 2003
Tagbilaran City**

Time	Program	Person/s Involved
	Morning Session	
	1) Registration	BCCI
	2) Opening Ceremonies	
08:00-08:05	a) National Anthem	BCCI
	b) Bohol Provincial Anthem	
	c) Invocation	BCCI
08:05-08:10	d) Opening Remarks	Mr. Loreto M Palapos, Chamber President Brenda Orosco, Coordina Alex Carrasco, UNDP
08:10-08:30	3) Objectives/Leveling of Expectations	
08:30-09:00	4) Introduction to Global Compact as CSR Framework	
09:00-09:30	5) Enhancing Social Compliance	Jose Roland Moya, ECOI
09:30-09:45	6) Q & A	
09:45-10:00	7) Coffee Break	
10:00-10:30	8) SME Development	Edwin Glindro, PCCI
10:30-11:00	9) Corporate Citizenship and Environmental Stewardship	Leonardo Cortez, Jr., PB!
11:15-11:45	10) Q & A	
11:45-12:00	11) Workshop Mechanics	
12:00-13:00	Lunch	
	Afternoon Session	
13:00-15:00	12) Break-Out Sessions	Facilitator-Speakers
15:00-16:00	13) Plenary Session	Presentors
16:00-16:15	14) Closing Remarks	Mayor Jose V. Torralba
16:15-17:00	15) Signing Ceremonies	1. City Mayor & Chambe President 2. Individual subscribers Global Compact

Appendix J:

Updating of GC Database

COMPANY	FAX	Comment	Date
1 1st Global Property Management, Inc.	893-2378	info of Mr. Yulo	
2 A1COM	890-9811	no answer	
3 ACJ Environ Control Inc.			
4 ADD International Services, Inc.	817-8773	send ok	
5 ADD Life Advertising	362-5233	not in service	
6 ADSI, Inc.	834-1702	send ok	
7 AK Engineering and Fabrication	043-778-0731	send ok	
8 Allegro Pacific	822-3608	send ok	
9 Angeles Electric Corporation	836-6294	send ok	
10 Arco Corporation	751-0994	send ok	
11 Asia Pacific Roundtable for Cleaner Production	637-8640/838-5089	not in service	
12 Asian for Professionalism in Overseas Employment Inc.			
13 Avesco	812-2352	send ok	
14 Buena Mano Crafts, Inc.	858-2710	send ok	
15 Bulacan Chamber of Commerce and Industry	044-862-1180	send ok	
16 Busing Kapunian Mijalics & Perez Law Offices	831-8530	send ok	
17 Canlubang Pulp Manufacturing Corp.			
18 Canlubang Sugar Estate			
19 Capiz Sugar Central, Inc.	251-7324	send ok	
20 Cattige Law Office	082-221-2543 227-6125	no answer	
21 CD Handicraft	639-8138	send ok	
22 Cebu Ferries			
23 Central Azucarera Davao Caraga	817-8247	send ok	
24 Central Azucarera Don Pedro	817-1875	send ok	
25 Chamber of Cosmetics Industry of the Phils, Inc.	850-9377	send ok	
26 Chamber of Mines of the Philippines	635-4160	send ok	
27 Chambot	850-0377	send ok	
28 Chimes Enterprises	075-515-4776	send ok	
29 Comflec Corporation	887-8333	send ok	
30 Cornersteel Systems Corporation			
31 Craft Trade Enterprises	082-295-1855	send ok	
32 CS Garment, Inc.	046-437-0421	send ok	
33 Dagat-Care, Inc.			
34 Datu Coco Crafts	082-297-8036	send ok	
35 Davao City Chamber of Commerce and Industry, Inc.	082-226-4433	send ok	
36 Development Bank of the Philippines	818-5628	send ok	
37 Divinet Computer Parts & Accessories	364-2316	send ok	
38 Domus Accents, Inc.	831-9882	no answer	
39 DotEnable.com Inc	812-5788	send ok	
40 ECF Metal Products & Repair Services	941-4192	send ok	
41 ECPAT	433-1150	send ok	
42 Enviro World Hygiene, International, Inc.			
43 Esco, Inc.			
44 Esteban Garden Hotel	064-421-5488	send ok	
45 EVL Drug Corporation	075-522-2068	error	
46 F.O. Ramos Consultancy	082-244-1137	doesn't know	
47 Federation of Filipino-Chinese Chamber of Commerce & Industry, Inc.	242-2347	send ok	
48 Foodsphere, Inc.	294-0682	send ok	
49 Foreign Buyers Association of the Philippines	893-5126	send ok	
50 Franklin Covey Organization Services	893-9556	send ok	
51 Friendly Care	032-253-4170	send ok	
52 FTB Rurban Development Foundation	822-8003	send ok	
53 Gilmart Industries Philippines, Inc.	824-4871	send ok	
54 Gionoro Construction Development & Trading Inc.	833-1884	send ok	
55 Glass Surveys & Measuring, Inc.	1034-2385-7	send ok	

56	Gordon Marketing Inc.	850-7888	not in service	2
57	Hans Brumann, Inc.	812-9881	send ok	2
58	Hanbin Foundation	924-8976	send ok	2
59	Hilikan Montessori International Preschool, Inc.			
60	Holiday Inn Manila	526-2582	send ok	2
61	Honda Care Pangasinan	075-522-1490	send ok	2
62	Indophit Mfg., Inc.	044-711-8293	send ok	2
63	Integral Chemical Corporation	633-5568	send ok	2
64	Island Spring Bottled Water Co., Inc.	075-552-7234	not working	2
65	IVG Philippines, Inc.	340-7329	not in service	2
66	J.F. Rubber Philippines, Inc.	866-8915	send ok	2
67	Jancar General Services, Inc.	893-2742	not in service	2
68	Kababikat Sa Hanapbuhay Multi-Purpose Cooperative			
69	La Estriana Food Products	082-227-8600	not in service	2
70	La Filipina Uy Gengco Corporation			
71	La Fruteria, Inc.	634-8644	send ok	2
72	Laguna Del-ichi, Inc.	049-541-2397	send ok	2
73	Lagenday Holdings	818-7339	send ok	2
74	Luzon Colleges	075-522-1623	send ok	2
75	Luzon Medical Center, Inc.	075-522-4010	send ok	2
76	M & S International Business Consultants	812-8523	send ok	2
77	Mabuhay Vinyl Corporation	818-4785	send ok	2
78	Maccon Multi-Sales Co.			
79	Manpower Resources of Asia, Inc.	888-9957	send ok	2
80	Mansfield International, Inc.	927-5846	send ok	2
81	Maratex Manufacturing Corp.			
82	Marwasa Manufacturing Inc.	655-0290	not in service	2
83	MCCI Corporation	083-221-5832	send ok	2
84	Metal Engineering Resources Corporation	842-3152	send ok	2
85	Metro Manila Chambers of Commerce and Industry	925-3618	send ok	2
86	Metro Manila Council of Women Bakutan Movement, Inc.	728-7230	send ok	2
87	Metro Manila Linis-Ganda, Inc.	728-7230	send ok	2
88	Mindanao Trucking Corporation	082-233-1539	send ok	2
89	Mitsubishi Motors Cebu Corporation	032-345-1230	send ok	2
90	Motorplaza, Inc.	075-522-8724	not in service	2
91	MSU Iligan Institute of Technology	083-351-8173	send ok	2
92	Muntinlupa Chamber of Commerce and Industry	881-9278	send ok	2
93	Nameis Project Philippines, Inc.	522-3431	send ok	2
94	National Statistics Office	032-253-6494	send ok	2
95	National Union of Bank Employees (NUBE)	912-2378	send ok	2
96	Overseas Workers Welfare Administration	032-254-0305	send ok	2
97	Pacific Rim Innovation and Management Exponents, Inc.	634-7340	send ok	2
98	Pagdas Corporation			
99	Pangasinan Public Employment Service Office	076-842-6211	send ok	2
100	Parsons Energy Philippines, Inc.	063-225-1213	send ok	2
101	Peugeot Dodge Philippines	883-4890	send ok	2
102	Philex Mining Corporation	833-3242	send ok	2
103	Philgerma Manufacturing, Inc.	075-522-0437	error	2
104	Philippine Assn of Environmental Assessment Professionals, Inc.	633-9788	send ok	2
105	Philippine Business for Environment	631-5714	send ok	2
106	Philippine Central Depository	883-5581	send ok	2
107	Philippine Exporters Confederation, Inc.	831-3707	send ok	2
108	Philippine Foremost Milling Corporation	252-2967	send ok	2
109	Philippine Integrated (Mills) Exporters, Inc.	531-1049	send ok	2
110	Philippine Round Reconstruction Movement	132-4995	send ok	2
111	Philippines Alcohol Prohibition Act	1817-48884	send ok	2

112	Philmetal Products, Inc.	840-2123	send ok	2
113	Pro-Kleen Worldwide Services, Inc.	894-0268	no answer	4
114	Q.A. Printing Services, Inc.	049-545-2501	send ok	2
115	Regional Tripartite Wages and Productivity Board -			
116	Remedios Aids Foundation	524-0924	busy	2
117	Sagana Metro Plastics Industrial Corporation	898-9190	send ok	2
118	Saint Francis Cabrini Medical Center	043-778-4860	Mt. Makiling RB	2
119	Seashamp International Export Corporation	833-9362	send ok	2
120	Sagedwinds Traders Corporation	833-9362	send ok	2
121	Satnam Philippines Inc.	032-341-0379	send ok	2
122	St. Francis of Assisi College System	800-4807	send ok	2
123	St. Luke's Medical Center	724-6227	send ok	2
124	Stone Works Specialists International Corporation	892-2489/710-5274	no answer	4
125	Studio 5 Designs	890-9345	send ok	2
126	Sunshem Marketing Corporation	082-2220131	doesn't know	2
127	Supremo Baby Wear, Inc.	631-5256	send ok	2
128	Supremo Strategic Construction Systems and Services, Inc.	048-512-7122	send ok	2
129	Taasi Inc.	746-2357	send ok	2
130	Tahanan Outreach Projects & Services, Inc.	564-4338	send ok	2
131	The Great Plebeian College	075-552-7250	send ok	2
132	The Mother Company Inc.			
133	TLC Beatrice	00-1-212-588-3093	send ok	2
134	Torza Technology Center Corporation	048-545-6942	send ok	2
135	Trade Well Marketing	843-1831	not in service	2
136	Transunion Corporation	890-0355	send ok	2
137	Ultra Security Services Inc.	551-6608	send ok	2
138	Ultron Management & Investments Corp.	634-3849	send ok	2
139	Uni-Lenseal Plastics, Inc.	845-0949	send ok	2
140	Varmark Philippines	607-7819	Alabang Roquet C	2
141	Vasor	032-340-2077	send ok	2
142	Vel Drug Corporation	075-522-3473	error	2
143	Villa Margarita Hotel	082-235-2968	send ok	2
144	Visayan Forum	563-4514	send ok	2
145	WG & A Phils. (Davao)	082-221-1386	send ok	2
146	Women Involved in Nation-Building	687-3180	no answer	2
147	Women Business Council Philippines			
148	Yarn Ventures Resources, Inc.	631-5268	send ok	2
149	Yazaki Torres Manufacturing Component, Inc.	049-545-6942	send ok	2
150	Yazaki-Torres Manufacturing Inc.	049-549-7485	not in service	2
151	YKK Zipper Philippines, Inc.	043-778-2220	send ok	2
152	Youngs Men's Christian Assn. of the Pangasinan, Inc.	075-522-3494	send ok	2
153	Zonta Club of Muntinlupa & Environs Foundation, Inc.	850-9377	send ok	2
COMPANIES AND ORGANIZATIONS SUPPORTING THE GCI - ECOP Listing				
		as of 24 October 2003:		
		send ok	109	
		blanks	18	
		not in service	10	
		no answer	6	
		error	3	
		wrong number really	3	
		don't know how to operate	2	
		busy every time	1	
		Sum	152	

ADDRESS	E-MAIL ADD
Cityland 1D Tower 2 Suite 805 H.V. de la Costa cor Valero St., Salcedo Village, Makati City	
10F Prive Center Bldg., 1179 Don Chino Roces Ave., cor. Bagtikan St., San Antonio Village, Makati City	
148 Amorsolo St., Legazpi Village, Makati City	addinfor@pacific.net.ph
#22 Morning Glory St., Del Norte II Subdivision, Talipapa, Novacelches, Quezon City	midlery@redel-inc.com
2/F NE Section Top Main Bldg., #3 Economic St., Bagumbayan, Libis, Quezon City	
Pres. Laurel Highway, Brgy. San Roque, Sto. Tomas, Batangas	
Multinational Village Road, Kangin II, Brg. Hayes, Paranaque City	omia@atlagsophi.com.ph
1803 Robinson's Equitable Tower, ADB Avenue cor. Poveda St., Pasig City	secm1a@mail.info.com.ph
Unit 204 2/F Cityline Paseo Tamo Condo, Estacion St., Makati City	andor@pacific.net.ph
1901-A West Tower, Tekkie Towers Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City	adrc@info.com.ph
Aurora Blvd. cor. Yate St., Cubao Quezon City	avescot@pacific.net.ph
Quat Run Drive, Vista Valley, Antipolo City	marians@uanmanns.com.ph
Hyping Bulakan Convention Center, Capiz Compound, Macabebe, Bulacan	b601@msn.com
16F Straits 200 Bldg., Emerald Avenue, Pasig City	roxiwave@bamboo.v
CJ Yuhi Bldg., Paseo Tamo cor. Don Bosco St., Makati City	
CJ Yuhi Bldg., Paseo Tamo cor. Don Bosco St., Makati City	
Lots 2 & 3, Block 1, B. V. Ramon Blvd., Manila Harbour Centre Port Terminal R-15 Road, Vitas, Tondo, Manila	
2/F Garza Bldg. Mr. App St., Davao City	cattage@dv.websing.com
#2 25 cor. 31 Phase I, Cagiao Village, Antipolo City	
Quizon Blvd., Pier 4, North Reclamation Area, Cebu City	
SM Cache Gonzales Bldg., 101 Aguirre St., Legazpi Village, Makati City	cado@globe.com.ph
CQ Bldg., 101 Aguirre St., Legazpi Village, Makati City	
#110 Cordillera St., Ayala Alabang Village, Muntinlupa City	comp@vastia.com
Room 204 Ortigas Bldg., Ortigas Avenue, Pasig City	kalops@tm.net
#110 Cordillera St., Ayala Alabang Village, Muntinlupa City	
Chimes Bldg., Perez Blvd., Dagupan City	
19/F The World Center, 330 Sen Gil Puyat Avenue, Makati City	
248 Halcon Road, Central Park Subd., Bangkok, Davao City	cnrlife@info.com.ph
Cavite Economic Zone, 4106 Rosario, Cavite	info@casgarment.com
#606 Sutti St., Lazares Subd., Mandaue, Davao City	eatscoco@eds.com.ph
253B P. Sevilla St., Grace Park, Caloocan City	maccior@edaemail.com.ph
91 Averos Street, Tambo, Parañaque City	info@omusacento.com
11/F IBM Plaza, Eastwood City Cyberpark, E. Rodriguez Jr. Ave., Libis, Quezon City	outlnable.com.ph
#3 Rajah Suliman Street, Parang, Marikina City	
No. 123 V. Luna Extension, Sikatuna Village, Urdan Quezon City	edpat@hi@pworld.net
Magaysay Commercial Center, A.B. Fernandez Avenue, Dugugan City	
18 Island Pine, Woodridge Park Subdivision, Ma-a, Davao City	feramico39@hotmail.com
590 West Service Road Paseo de Bata, Valenzuela City, Metro Manila	ido@world.net.ph
Guite 1103 Cityland 1E Tower, H.V. De La Costa St., Makati City	
4/F Ateneo Professional Schools, 130 H.V. De La Costa St., Belairn Village, Makati City	
CMC Plaza Bldg., Legazpi St. Edtn., Cebu City	tcfeebu@msn.com
1743 Taft Avenue, Manila	
Km. 15 South Superhighway, Parañaque, Metro Manila	
1315 Taft Ave., Bataan, Philippines	
1339 1st Ave., Camella Town Center, 4th Avenue, Bagumbayan, Libis, Quezon City	janetm12345@msn.com

17 Olongapo St., Alabang Hills Muntinlupa City	gdmhph@msn.com
Legazpi Park View Condominium, 134 Legazpi St., cor. Alvarado/Castro Sts., Legazpi Village Makati City Suite 401-404 Fl Garcia Tower 140 Kalayaan Avenue cor. Mayeman St., Diliman Quezon City	
United Nations Avenue, Ermita Manila	info@manila-holiday-inn.com.ph
Ben Miguel, Calasiao Pangasinan	https://www1.net
Brgy. Lambakan, Mariveles Bataan	vianatos@indophp.com.ph
8/F Centerpoint Condominium Julia Vergara Ave., Ortigas Center, Pasig City	info@centerpoint.ph
5 Starline Road, Blue Ridge Subd., Quirino City	
Mutan Ecopark II Lapu-Lapu City, Cebu	
3971 Yague St., Brgy. Sta Cruz, Makati City	
Cityland 10 Tower 2 Suite 805 H. V. dela Costa cor. Valero St., Salcedo Village, Makati City	adchit@info.com.ph
840 Ma. Lourdes St., Junc. Subd., Malinao, Davao City	
Lot 2 & 3, Block 1, B. V. Roman Blvd., Manila Harbour Centre Port Terminal R-1D Road, Vitas, Tondo, Manila	
W-2603 A Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City	
103 North Science Avenue, Laguna Technopark Special Economic Processing Zone, Biñan Laguna	
Ground Floor Macdonald Centre, 2283 Pasong Tamo Extr., Makati City	
Perez Blvd., Dagupan City	
Tausug District, Dagupan City	
Unit 1707 Cityland 10 Tower II, 8817 Ayala Avenue, North cor., H.V. dela Costa St., Salcedo Village Makati City	
3/F Philamlife Center, 128 L. P. Leviste St., Salcedo Village, Makati City	
2/F B Manches St., Brgy. Sta Cruz, Mandaue City	
2/F The Arche Square, Congressional Ave., Quezon City	
Ortigas Avenue Extr., Brgy. Rosario, Pasig City	
Assumption Heights, Iligan City, Lanang del Norte, Mindanao	
Brg. Tunasan, Muntinlupa City	
PCCI Secretariat Office, 14th Floor Multinational Bancorporation Bldg. 8805 Ayala Avenue, Makati City	
215 Regency Park, 207 Sanlolo Road, Quirino City	
123 N. Domingo, Quirino City	
Km. 7, Lanang Davao City	
M/C, Bances St., Mandaue City, Cebu	
Calisao Pangasinan	
P.O. Box 6644 Iligan City	
1086 Remelles St., Malate Manila	nenetgem@yahoo.com
Cebu City	
2/F PBBL Cubao Branch, Aurora Blvd., Cor. Gen. Araneta Avenue, Cubao Quezon City	71268phi@philonline.com.ph
Regiment OWNIA UNIT 7 3/F, IAU Tower, cor. D. Jalandoni and Remoled Sts., Cebu City	
802 Manila Luxury Cent., Pearl Drive, Ortigas Center, Pasig City	
Detu Pagtao, Magumulan, ARMM	
2/F Kasarillo Bldg., Lingayen Pangasinan	
Mataab-ang, Daligupig Iligan City	petroniza@iligan.com
2/F Karnival Plaza 2316 Pasong Tamo Extr., Makati City	
Phatel Bldg., Brion cor., Fairview Sts., Pasig City	PHTEL@PIXIRPHNET.COM
14/F New Divisoria Road, Buendia Caloocan, Pangasinan	
Suite 401 4/F Centerpoint Bldg., Garnet Road cor. Julia Vergara Avenue Ortigas Center, Pasig City	
2/F DAP Bldg., San Miguel Avenue, Pasig City	claire@est.com.ph
G/F, Makati Stock Exchange Bldg., 8787 Ayala Avenue, Makati City	
International Trade Center Complex, Roxas Boulevard cor. Sen. Gil Puyat Ave., Pasay City	
Lots 2 & 3 Block 1, Brion/Franc V. Romero Blvd., Manila Harbor Center Radial Road-10 Vitas Tondo Manila	
2/F Compound, # 296 Daswalen St., Brgy. Malolim, Mandaluyong City	
2/F Mother Ignacia Avenue cor. Libungan St., Brgy. Philomena, Quezon City	armi@qca.com.ph
2/F LTA Condominium Bldg., 148 Pines Rd., Ucabco, Mandaue, Makati City	armihome@ymail.net

140 Amorsolo St., Legazpi Village, Makati City Cylinder 10, Tower 2, BF-HV Dels Costa cor. Valenz Sta., Makati City National Highway, Brgy. Real, Caloocan City	
1068 Remedios St., Malate Manila	RAl@philipn.apo.org
12 Paseo de Roxas, Bel-Air Village 1 Makati City	
Maharlika High-Way, Sto. Tomas Batangas	
Building E, Skydragon Compound Domestic Terminal Road, Pasay City	
Building E, Skydragon Compound Domestic Terminal Road, Pasay City	
MSPZ 2, Aseptic Land, Baesa, Laguna City	
Admiral Village Tahan II, Las Piñas City	softenvu.philipsoftenvu.com.ph
219-E, Rodriguez Sr. Blvd., Quezon City	info@sfduka.com.ph
#57 Paseo de Roxas St., Urdaneta Village, Makati City	stevenvivka@msn.com.net
28 Paseo De Rizas cor. Jupiter St., Makati City	
Cebuco Avenue, Del Pilar St., Agdao, Davao City	LJM-Sunchem@yahoo.com,Marie_Candios@yahoo.com
123 Pioneer St., Mandaluyong City	
Bhk. 6 Lot 14 Puerto Princesa St., South City Homes, Bicutan Laguna	
# 7 Pioneer St. cor. Sheridan St., Mandaluyong City	team@fasei.com.ph
2588 Sta. Clara St., cor. Laiza & Syquia Sts., Sta. Ana, Manila	
Alaminos, Pangasinan	
TLC Beatrice (China), Ltd. 9 West 75th St., Suite 3910, New York	tschirn@aoi.com
Yakult-Torres Compound, Brgy. Makiling, Calamba Laguna	
#2 Sisa St., Rizal Village, Alabang, Muntinlupa City	
2/F Union Araneta Bldg., 331 San Gil Puyat Avenue, Makati City	
2/F El-Faesn Bldg., 383 F.B. Harrison St. cor. Gil Puyat Ave., Pasay City	
W-2603 A Philippine Stock Exchange Co. Centre, Exchange Road, Ortigas Center, Pasig City	
15B Poblano Tower, Ben. St. Gil Puyat Avenue cor. Trinidad St. Makati City	
35 FORT Industrial Complex, Bc. Yunasan, 1733 Muntinlupa City	starmark@compass.com.ph
Median Lepo-Lepo, Cebu	raesco@silink.com
A.B. Fernandez East, Dagupan City	
J.P. Laurel Avenue, Roxas, 2000 Davao City	villamar@interasia.com.ph
2872 Lemayen St., Sto. Ana, Manila	vlabram@msky.net.nat
W.G & A Bldg., Blk. Ana Ave., Davao City	
Unit 514 City and Land Mega Plaza, ADB Avenue, cor. Garnet St., Ortigas Center, Pasig City	witphili@pacifico.net.ph
#3 Brixton St., Bc. Kapitolyo, Pasig City	
Brgy. Makiling, Calamba Laguna	
Brgy. Makiling, Calamba Laguna	
San Bartolome, Sto. Tomas, Batangas	
Dagupan City	
110 Cordillera St., Ayala Alabang Village, Muntinlupa City	

Appendix K:

Mid-term Report

**PH/02/013 Strengthening Institutional Capacities to Manage the Impact of Globalization and Promote Corporate Citizenship
Philippine Global Compact Initiative; Reaching Out to Enhance Local Development**

Inception Phase

Mid-Term Report

Project Objectives

The overall project objective is to promote local sustainable development in selected cities through the transfer of corporate citizenship know-how to the local business community, in particular the micro, small and medium enterprises (MSMEs) in the city. In this Inception Phase off the project, the specific objective is to formulate a Project Proposal, which will pursue the preceding objective. This Project Proposal will be supported by feedback and learning from this Inception Phase. Therefore, this phase will conduct Global Compact Fora as a way to:

- 1) Introduce the concept of the Global Compact (GC) and corporate social responsibility (CSR) to MSMEs, as already practiced by the Project Partners (the Philippine Global Compact National Steering Committee),
- 2) Solicit suggestions, ideas and action plans from Fora participants on how GC and CSR can be spread and implemented in their localities; suggestions which can be inputs into the design of the Project Proposal; and
- 3) Convince the LGUs of the cities (through the Mayors) to partner with their local Chambers in the creation of a local compact for CSR in their localities.

Project Strategy

The strategy formulated for this phase maximizes the experience of the Project Partners, -especially that of the Employers Confederation of the Philippines (ECOP), the Philippine Business for Social Progress (PBSP), and the ~~Philippine Chamber of Commerce and Industry~~ (PCCI) in various projects they have been individually implementing through the years in the pursuit of CSR, not just in Metro Manila but throughout the rest of the Philippine regions. These experiences cover the gamut of CSR (otherwise known as corporate citizenship (CC) or sustainable development') key issues from values and governance to impact on the environment. Thus, a list of initiatives previously or currently being undertaken by the Partners will be presented. The menu of interventions will include, but are not limited to:

- a) Enhancing business practices for global competitiveness
- b) Cleaner production
- c) Greening the supply chain
- d) MSME development through business-to-business mentoring
- e) Enterprise-based training on GC principles
- f) Family planning/ reproductive in the workplace
- g) HIV/ AIDS awareness-education-prevention in the workplace

This menu approach allows the MSMEs to choose, based on their individual or group interests and capabilities, the interventions best suited for implementation in their cities.

As a first step in the implementation of such strategy, the Global Compact Working Group (GCWG) was constituted to oversee the planning and implementation of the project. The GCWG members are:

- 1) Alex Carrasco of UNDP,
- 2) Atty. Gil Fernando Cruz of the League of Cities of the Philippines,
- 3) Ryan Evangelista of PCCI,
- 4) Roland Moya of ECOP, and
- 5) Lito Nayan of PBSP.

After the selection and hiring of the Global Compact Coordinator, the GCWG settled to the choice of the three (3) cities, which will be approached and offered the prospect of piloting the technique defined by the Project. The selection criteria used are the following:

- 1) The city is home of a functional local Chamber of commerce and industry or business association, preferably affiliated with the Philippine Chamber of Commerce and Industry.
- 2) The city has an active business sector, as evidenced by the presence of a critical mass of MSMEs. This is based on the national survey of MSMEs of the PCCI.

- 3) The city is located in a province with a poverty incidence higher than the national average of 33.7 percent (based on the KALAHI-CIDSS project, and including all the provinces in the ARMM).
- 4) The city has a Local Government Unit (LGU), which is considered to be, if not friendly, then at least adversarial to the business community in the area.
- 5) Finally, the city is physically accessible to both the participants and the speakers who will be attending the Fora.

From the above criteria, the following cities were tentatively selected and researched;

- Zamboanga City (Zamboanga del Sur) in Mindanao²;
- Tagbilaran City (Bohol Province) in the Visayas; and
- Tabaco City (Albay Province) in Luzon.

A second set of cities was also readied in case any one of the above choices, for any reason, cannot accommodate the project:

- Cotabato City (Maguindanao Province) and
- Marawi City (Lanao del Sur) twinned with Iligan City (Lanao del Norte in Mindanao);
- Ormoc City (Leyte Province) in the Visayas; and
- Tuguegarao City (Cagayan Province) in Luzon.

This second set of cities became useful when it was announced that the Multi - Donor Program -- 3 of the United Nations was willing to fund two additional Fora for the Inception as long as these were implemented in Mindanao. The GCWG decided to reallocate Inception funds to the two Fora in Luzon and the Visayas and rely on the MDP3 for the Mindanao activities. The twinned cities of Marawi and Iligan were selected for the additional Forum in Mindanao, with the understanding that the an alternative activity will be to hold a round table discussion with all the Mayors who will sign a Memorandum of Understanding with their Chambers to undertake a Local Compact to solicit their comments on the draft Project Proposal which will cover the next phase of the project; should time constrain the project from holding another city Forum.

All these were discussed and agreed on in the meetings held by

the GCWG.

Project Activities

A Project Work plan (please see Appendix A) was approved by the GCWG. The Work plan clusters the conduct of the Fora in the month of September, in order to avoid having the draft Project Proposal delayed by lack of inputs from the cities, The Philippine Business Conference has also been scheduled for the end of November, and it was felt that this where the Chambers' energies will be focused. However, various events caused the delay in the conduct of the Fora:

- 1) Letters to the cities were sent out only In the middle of September.
- 2) Letters to both the Chambers and the LGUs were sent simultaneously, and while this resulted in having the LGUs and Chambers as co-equal partners for each Forum, a clear lead unit was missing in the city. Communications to cities after the first four sent will then be directed only to the Chamber, as the private sector must lead in the adoption of the Global Compact. They, in turn, will be the ones to persuade their LGU of the advantages of having a Local Compact.
- 3) Some cities and Chambers already had full schedules for September and October; their limited staff could no longer handle the additional activity of the Forum.
- 4) In one city, while the LGU is interested, the Chamber is not, and in another, while the Chamber is interested, the LGU is indifferent.

To date, the schedule for Tabaco City is tentative, Zamboanga City is still recovering from their successive activities culminating in the Grand Fiesta; Iligan City has no firm commitment; Marawi City has not answered; only Tagbilaran City has set a schedule of 12 November for their Forum.

Tuguegarao City will be invited to replace Tabaco City; they will be scheduled for the week of 17 November.

Annex A: Project WorkPlan

Task	Week	W33 11-15 Aug	W34 18-22 Aug	W35 25-29 Aug	W36 01-05 Sep	W37 08-12 Sep	W38 15-19 Sep	W39 22-26 Sep	W40 29 Sep-03 Oct	W41 06-10 Oct	W42 13-17 Oct	W43 20-24 Oct	W44 27-31 Oct	W45 03-07 Nov	W46 10-14 Nov	W47 17-21 Nov	W48 24-28 Nov	W49 01-05 Dec	W50 08-12 Dec	W51 15-19 Dec
Clarify project with GCWG																				
Sign Contract																				
Start up Coordination Office																				
Agree on standard procedures																				
Prepare project materials																				
Agree on schedules																				
Get to know budget																				
Submit WorkPlan																				
Organize Global Compact Fora																				
Document selection of cities																				
Initiate contact w/ local cooperators																				
Prepare standard letters for LGUs																				
Prepare standard letters for Chambers																				
Arrange Fora schedule																				
Prepare Fora program																				
Arrange for workshop facilitators																				
Arrange travel for GCWG speakers																				
Conduct Fora																				
Document Fora																				
Maintain database/profile																				
Facilitate Local Compact MOUs																				
Prepare model MOU																				
Follow-up with local cooperators																				
Input to Mid-Term Progress Report																				
Document major GCWG decisions																				
Submit Inception Report																				
Document project activities																				
Submit preliminary Project Proposal																				
Document inception phase learnings																				

Appendix L:

Summary Forum Report

**PH/02/013 Strengthening Institutional Capacities to Manage the Impact of Globalization.
and Promote Corporate Citizenship
Philippine Global Compact Initiative: Reaching Out to Enhance Local Development
-- Inception Phase**

Summary Forum Report

1. Three Fora were held, one each of the major island groups of the Philippines. These were Iligan City in Mindanao, Tuguegarao City in Luzon, and Tagbilaran City in the Visayas. As discussed by the Global Compact Working Group, the local chambers of each of the cities were the designated lead local organizations for the activity. Differences were noted in each of the cities, to wit: the LGU and Chamber relationship was in Iligan was very close, the Iligan City Investment Promotion Center has been an ongoing joint *project since 1996*. The Chamber in Tuguegarao prefers that the Mayor give a prior nod of approval to their projects, he is considered as the driving force behind business in Tuguegarao. The Chamber in Tagbilaran has close connections with the NGOs in the city, and did invite them to attend the Forum.
2. Venues were hotels located in the city center, easily accessible by both the participants and the speakers from Manila- A problem though, was the usual Philippine habit of confirming attendance but not coming to the activity or of coming late to any activity. A total of 91' attended all three Fora, with 62 participants coming from the private sector and a few NGOs. These participants were mostly the entrepreneurs themselves (as presidents or managers of their organizations) and the heads of the different agencies of the cities, and some provincial and regional officers of the national line agencies. A total of 26 firms, one NGO and one LGU submitted the Subscriber Profile form as an indication of their interest in the GC. The individual letters addressed to Secretary Kofi Annan will show how serious their interest really is. By size, these firms or agencies are 1.3 micro, 7 small, 4 medium, and 4 large.
3. All three Mayors were active in each Forum, with Mayor Jose Torralba of Tagbilaran taking time to *stay up to the Open Forum* from his Opening Remarks. Mayor Franklin Quijano of Iligan gave his address before the

lunch break and gave a nice sound bite for the GC: "*The issue about globalization is no longer an issue about imperialism there has to be a paradigm shift. It's not an issue of what the world can do to us, or what we can do to the world- but what this world as a community, as one big community can do as one.*" Mayor Randolph Ting of Tuguegarao very kindly stayed on for two hours after his Closing Remarks to have a free wheeling and lively discussion with his constituents and the businessmen from out of town.

4. Each of the three Chambers are willing to study the proposed Memorandum of Agreement with the their respective LGUs for the creation of a Local Compact, Follow-ups need to be made, as the LGUs have also expressed the same interest.
5. Few of the questions raised on the Open Forum were directly about the GC. Most were centered on the economic and social development of the cities the problems faced by the businessmen during difficult economic times, the seeming lack of

Government programs for MSMEs, and the proliferation of laws, which are not being, implemented well especially those laws, which refer to the environment and to labor. The question on accessibility of the Sulong Program of the SBGFC was heavily discussed in all Fora excluding Tagbilaran (a check with the Bohol Chamber staff seemed to show that they were not yet aware of this program).

6. The few questions raised in the individual company profiles included requests for capacity building in terms of funding and training regarding the GC; more materials and regular information updates regarding GC in the Philippines; experience sharing from Philippine companies who have been with GC; and one specific question from a printing firm: "I am interested to know more about how my business will survive globalization.
7. The main objective of holding the Forum is stated clearly in the Terms of Reference for the Project: *Output 1: Diverse range of SMEs in cities (of the three national island groups of the Philippines acquainted with the fundamentals of the Global Compact and willing to participate in its engagement mechanisms.* As an introduction to the principles of the Global Compact, and the *projects that* have been or are being undertaken by the large business organizations, the Forum seems to have met this objective.
8. Liveliest discussions in the Fora were those involving the business sector, the NGOs and the LGU representatives. It seems like more venues and events wherein the private sector and the LGU can openly discuss their individual concerns are needed in the cities.

9. The results of the small group discussions can be summed this way: more information on the GC relating it to how the individual's business is affected, more technical information to the interested firms on how to comply with each of the specific principles that they are interested in (with attention given to the social compliance for labour and to technical know how for the environment); more programs to help MSMEs remain competitive in the local market, the national market and eventually the international market; and capacity building for the institutions who are willing to promote GC in their localities.
10. On the conduct of the Forum itself objective setting must be clarified thoroughly. The time slot should not be given up or cut short just because the Forum started late. Considering that the heads or executives of MSMEs and larger firms are being invited (as specified by the GCWG), the Forum must also be shortened. More technical discussions maybe reserved for the seminars, which will be conducted for the designated company representatives. Presentations by a local GC practitioner are the most attractive information for the participants; future Fora must always include one Philippine practitioner as speaker.
- 11, *The LGUs can be attracted more to the MOU if specific projects (as examples) can be given to them. This is truer for those LGUs who have very active, working City Development Councils. A simple project can be the directory of the good corporate citizens of the city (using the minimum compliance model of CC), which was suggested to the Tagbilaran LGU representatives.*

Appendix M:

Iligan Forum Report

**PH/02/01 Strengthening Institutional Capacities to Manage the Impact of
Globalization**

and Promote Corporate Citizenship

**Philippine Global Compact Initiative: Reaching Out to Enhance Local
Development**

Inception Phase

Iligan Forum Report

1. Invitations to Iligan were sent 23 September 2003. A formal reply was received on 29 October *sinned by* Mayor Franklin M. Quijano, naming Mr. Bernardo Roe IV, Executive Director of Iligan, Investment Promotion Center a joint Project of the City and the Chamber of Commerce and Industry Foundation of Iligan, Inc.) As the Iligan Coordinator. Iligan is the only city to leave ever sent in a formal reply to the invitation.
2. Venue chosen by Iligan was the Function Room A of Elena Tower Inn in Tibanga, highway Iligan City. The list of Iligan invitees is attached as Annex A. Of the 44 Invites, 26 registered on the day of the Forum, 20 November 2003 Twenty were from the private sector, the rest were from the City and government offices. The list of attendees is attached as Annex B.
3. The Program started at 9:00 AM, and finished at around 4:30 PM. The participants who remained for the afternoon session (about 16 of them) were divided into two groups, Mabuhay Vinyl Corporation (MVC) and its contractors, and the other participants with the two remaining government agencies.
4. Different approaches were used per group, considering that the members of one were all newly introduced to the concept (Group 1), while the other is already an active practitioner of CSR and the 9 Principles of the Global Compact (Group 2.). Annex C shows what each group came up with in the workshops. These differing approaches resulted in vastly different results: Group 1 focused on specific issues on human rights, labor and the environment and their possible solutions, and Group 2 focused on the need for more information on the Global Compact and the need for monitoring of compliance by those who have subscribed to the Global Compact.

5. The main objective of holding the Forum is stated clearly in the Terms of Reference for the Project: **Output .1:** Diverse range of SMEs in cities of the three national island groups of the Philippines acquainted with the fundamentals of the Global Compact and willing to participate in its engagement mechanism. As an Introduction to the principles f the Global Compact, and the projects that have been or are being undertaken by the large business organizations, the Forum seems to have met this objective.
6. The most effective tool was the sharing of the experience of the MVC, especially the way that they have influenced their supplier-contractors and their business relationship MVC started on this road to counter the DENR's putting them on the top 10 list as violators of the environment. With MVC as the model and champion in Iligan willing to share its experiences with the community, it is expected that the other participants will be encouraged to internalize the 9 Principles, formally or informally. The need by the GCWG to support MVC is then very clear.
7. On the conduct of the Forum itself; the objectives must be made very clear at the start of the Forum. The structure has to be tightened, with. The speakers made conscious of the time limit of their presentations. The background of the participants must be known beforehand, and more effort must be expended to make sure that more SMEs will attend. A directory of Chamber members, existing business associations or DTI clients may be useful.
8. The Open Forum discussions is summarized as follows:
 - a. On the relationship of the GC to the Philippine WTO rejection and to the market economy: it was clarified that the GC predates the Cancun negotiations, and that unlike Cancun, GC is corporate-led. GC is a commitment of individual companies in response to the needs of their markets, a framework for CSR or CC to enhance the competitive edge of firms. GC pushes good business practices.
 - b. On the Limitations of the prohibition on child labor a child working in the home is acceptable; the trigger is when a child is harmed or otherwise exposed to danger, made unable to attend school or play or interact with other children.
 - c. On the GC being voluntary, someone asked if the GCWG can push for companies to go beyond just one or two principles; for example, getting Equal Employment Opportunities (EEO) to be legislated: EEO will not be pushed for legislation, as the Philippines has too many laws already, most of which are honored in the breach and not in the implementation. Also, the purpose of the GCWG and the

Forum is to generate project proposals that can expand the activities of GC.

- d. On whether there are solutions to the Philippines dropping near the bottom of the scale compared to the economic development of other Asian countries. The fact is that the country is experiencing the lowest per capita growth in Asia over the past 30 years. Where we are going must be answered by ourselves,
- e. At this point, Mayor Quijano gave his response speech, with the lead statement: "The issue about globalization is no longer an issue about imperialism, there has to be a paradigm shift. It's not an issue of what the world can do to us, or what we can do to the world--- but what this world as a community, as one big community, can do as one."
- f. On the promised fund of Pesos 300 million corn ng from. PAGCOR to support the BMBE law: it was clarified that the fund is not for loans per se, but is meant as an endowment fund to support services to SMEs.

g. On radical proposal for electoral reform, with points given to the voters depending on the taxes that they pay: needs constitutional reform, the Universal Declaration of Human Rights is for equal rights to all. The PBC will sponsor political party presentations so that they can present their platforms and business can hear whether their concerns are being addressed. Everyone is invited to attend the PBC and the sessions, which will be devoted to the party presentations and to the forum for presidentiables.

h. On the PBC, the audiences are the businessmen, how about the rest of the sectors? The reply is that there are plans for similar fora to be held in the major regional centers later, depending on the success of the PBC.

i. On the Sulong Program, DTI is asking for help from the PCCI to follow-up the loan applications, as the pending applications from Iligan have now reached a total of Pesos 40 million.

j. On the question of whether there is an award for outstanding employer of the year: the answer is yes.

k. On support for inventions: there is a dialogue for technologies in the regions.

l. On the focus of PCCI, at present it is the PBC, from which resolutions, which will guide PCCI in the coming year, are generated.

m. On the problem of patented inventions imitated by other Filipinos where DTI could not help in protecting the patent holder: Patent Office no longer with DTI, lawyers need to be contacted. PCCI will check with the Patent Office if there is assistance for SMEs.

9. In the general discussion after the group presentations, some suggestions included:

a. Increase business opportunities and increase profitability, the LGU should invest to stimulate the local economy.

b. Proponents of GC should write to the Mayor and the Council documenting the Workshop, giving a copy to the Chamber

c. GC proponents should accredit themselves as members of the City Development Council

10. Major projects suggested by the Workshop results are better and more sustained information dissemination regarding the GC and the laws which govern the conduct of business in the Philippines and in the locality in

particular; sharing of experiences of present practitioners with interested companies; improvement of the local economy to encourage compliance with the various regulations governing business; and the development of environment management industry other mechanisms which will assist companies comply with environmental and labour laws. Please refer to Annex C on Workshop Documentation for more details.

Annex A:

LIST OF INVITEES
FORUM ON GLOBAL COMPACT
20 NOVEMBER 2003
ELENA TOWER INN

PUBLIC SECTOR	PRIVATE SECTOR
Franklin M. QUIJANO - Mayor	Bienvenido V. BADELLES - PCCI
Lawrence CRUZ - Vice Mayor	Orlando M. MAGLINAO - CCIFII
Hannah QUIJANO - SP Member	Sotero Q. TRINIDAD - CCIFII/NGO
Wilfredo BACAREZA - SP Member	Sim S. QUINA - CCIFII/NGO
Gil R. BALONDO - IIPB/CPDO	Carlos P. CORPUZ - CCIFII
Fernando P. ONGPOY - IIPB/Cass	Erma Y. DARUNDAY - CCIFII
Ernesto M. BALAT - IIPB/CTO	Zaldy L. GEONZON - CCIFII
Marina P. JUMALON - IIPB/CBO	Roberto G. BORROMEO - CCIFII
Linda O. BONIAO - IIPB/DTI	Salvador M. GERONA - CCIFII
Camilo G. EMPLEO - IIPB/CActg	Lea C. ALAGAR - CCIFII
Norberto BADELLES - ENRO	Miguel LASALA - CCIFII
Lano CONFESOR - City Agriculture	Moises DALISAY - CCIFII
Narciso ADANZA - TLDC	Olivo E. CABALLO - FSCAP/NGO
Alice CORONADO - CDLO	Larmino M. TAM - CCIFII
14 govt	Pafnucio B. MEJIA - CCIFII
30 firms	Henry C. DY - CCIFII/LFSCC
	Toto CO - LFSCC
	Suniel LIM - IBSA
	Augusto Fred FLORESCA - CREBA
	Leonardo V. SOLON - ICBC
	Pascual S. AUSTRIA - IBCI
	Ignacio ABONITALLA - IHARA
	Eufemio CALIO - CUIC/NGO
	Eusebio TORREVILLAS - TAG/NGO
	Ruderic MARZO - IIPB/PICPA
	MABUHAY VINYL CORP - 5 pax

Annex B**List of Attendees**

Name	Organization	Contact Number
Fred Floresca	CREBA	221-8695
Bernz s. Baruiz	Mabuhay Vinyl Corporation	221-5757
Allan C.S. Tandayag	Mabuhay Vinyl Corporation	223-1274
Menardo S. Germano	Mabuhay Vinyl Corporation	221-1753
Raul S. Bermundo	Mabuhay Vinyl Corporation	221-5757
Arsenia A. McDonnell	McDonnell Foundation	221-7505
Epifanio Destura	Zodiac	221-1522
Gilberto B. Agbay	MVC Contractor	221-8712
Arnold S. Malonhao	MVC Contractor	221-8712
Franz R. Maniquiz	DOLE 10 – IDO	221-5539
Roy Trinidad	CCIFII (Acctg Firm)	221-3406
Salvador Gerona	CCIFII (Construction)	221-5835
Peter D. Suson	City Environment Management Office	(916) 708-8959
Roberto G. Borromeo	Iligan Chamber	
Bob Roa	IIPC	223-8240
Erma Y. Darunday	CCIFII (Furniture)	221-3772
Boy Torrevillas	Chamber of Commerce CETAG (Engine Repair)	221-3273
Sim Quina	CCIFII (Standard Insurance)	
Olivo E. Caballo	CCIFII	221-6426
Lea C. Alagar	CCIFII (Pet Plans Insurance)	
Lino P. Legaspi	CREBA-Iligan	221-6352
Atty. Moises Dalisay Jr.	CCIFII (Law Office)	221-6106
Linda O. Boniao	IIPB-DTI	
Marina Jumalon	IIPB-CDO	
Orlando M. Maglinao	CCIFII (Prawn Farming)	223-8240
Mayor Franklin Quijano	City Government	221-

CCIFII-IIPC Staff

1. Marilou M. Alfafara
2. Pia Martinez
3. Cathy Patoza
4. May Sharon Lacpapan
5. Loella Quina
6. Donna Banaynal
7. Clarissa
8. Alma Saludsod
9. Larry Amado
10. Jun Libot
11. Renan Rico

Annex C:

Workshop Documentation (words in red are from he discussions during and after the group presentations)

**Group I --- Newly Introduced (from Supra Level
Organizations)**

Discussions on LABOR:

- v (5) Integration of women in decision making--- high post are occupied by men
- v Gender perspective in development plans.
- v Minimum wage (number one factor).
- v Most SMEs are not following the minimum wage law. Business is depressed, also affected by the transfer of the province of Iligan del Norte from Region 12 to Region 10.
- v (4) Non-payment of SSS for employees.
- v Depressed economy discourages implementation of minimum wage.
- v Non-compliance of RA. 7146 mandatory retirement pay law.
- v Contractual workers for 5 months a year, do not become regular employees
- v (6) Lack of upgrading of labor skills
- v (7) Violation of child labor laws
- v (8) Labor wages should be determined according to supply and demand
- v Solutions: How to revive the economy
 - Implement the BMBE law
 - Strict implementation of labor laws
 - Number of months before worker is permanent should be amended

Discussion on HUMAN RIGHTS:

- v No payment for SSS for employees/ retirement's benefits.
- v (5) Lack of understanding that discriminatory employment requests may limit top assets from potential employees—age limitation for employment cuts off those with experience from the work force.
- v (3) Very dirty CR in public market.

- v (4) SMEs employees not allowed to form unions or organizations into groups.
- v Solutions: LGU should provide conducive environment to encourage laborers to report
 - § Partner with media in reporting malpracticing.

Discussion on ENVIRONMENT:

- v (2) No proper garbage disposal—lack of good housekeeping.
- v (3) Dirty comfort rooms and kitchen— same look good housekeeping.
- v (4) Widespread poverty makes issue of long-term sustainability a least priority]
- v Misconception that environmental compliance is bad business (lowest profits).
- v (5) Strict compliance to environmental standards may jeopardize political careers.
- v Water piping system under canal water.
- v Sidewalk occupied by vendors.
- v Smoking in public places should be strictly prohibited and monitored.
- v Solutions: LGU should give incentives to good environmental stewards.
 - § Strict enforcement of LGU laws.
 - § Piloting and/or modeling successful environmental projects.
 - § Strict enforcement of LGU laws.
 - § LGU should lead by example.
 - § Advocacy—Chamber level.
 - § Development of environmental management industry.
 - § Intensive education, environmental and profit not mutually exclusive
 - § Samples

**Group 2 - Mabuhay Vinyl Corporation and
Contractors**

Factors Hindering Deeper Commitment to Global Compact

- Ø Not all commitments have performance indicators.
- Ø Labor: Some or few contractors / suppliers will give salaries to their employees below the ST P set by the government and oftentimes in collusion by the contractor / laborers.
- Ø Lack of information.
 - More advocacy
 - Info on Global Compact, Training
 - Documentation on the report to GC, terms of labor compliance and to my racial responsibility I lack of information of the GC.
- Ø Financial Consideration
- Ø Environment: Intermittent abuse of the environment in the company level is being left unrecorded internally.

Possible Solutions to Above Problem

- Ø Include in the Strategic Planning
 - Cascade to the workers and suppliers / contractors. Require regular reports.
 - Have 2nd or 3rd party verification for GC.
- Ø Labor: Wage law should be properly implemented to be spearheaded by lead government agency in cooperation with MVC.
- Ø Reports regarding Global Compact lecture.
 - Suave and Excellent, More power
- Ø Periodic seminars / conference regarding GC drills.
- Ø Iligan should be included in National Program Information dissemination
- Ø Always make contact with GC for latest information.
- Ø Request UN to support our financial problem.
- Ø Honest is the best policy for the GC to sustain.
- Ø Utilize local experts to cascade GC train them first.

Reasons Firm Adheres to Global Compact Despite Problems

- Ø It's good business sense.
 - Ø The right thing to do.
 - Ø For the next generation.
 - Ø MVC is GOD-centered.
 - Ø It's part of our VMV
 - Ø Continuous implementation of government environment practices
 - Ø For business sustainability
 - Ø For the good of our environment
-

Strategies to Spread Compliance to Global Compact

- Ø Integrating all related pros rams (e.g. ISO 14001, Responsible, SA 8000, Global Compact, other standard based management systems, etc). A matrix of relationships/ similarities will help, consolidate activities into one.
- Ø Regular forum for best Practices.
- Ø To include the GC in the public international UN & eventually integrate the international UN to the local constitution
- Ø Come up with a more detailed structure for GC but still generic in mature
 - o Compliment with best GCI practices
- Ø Organize Network of GU practitioners aid constant update.
- Ø More gathering like what we have now free lunch, free snacks, etc.
- Ø CCIFII as lead agency to conduct more orientation on GC.
- Ø Voluntarism of GC with respect to the environment is void ab *inilio*: must be mandatory like for labor and human rights.
- Ø Tools for implementation of GCI like: details of doing environmental risk assessment knowledge of the law.
- Ø Provide incentive for practitioners especially SMEs (like compliance with ISO 14000)
- Ø We like Brenda, Alex and company to be coming over again to conduct more on global
- Ø Sharing of information regarding labor, leadership etc. to other companies
- Ø Inviting other companies not only Iligan City to see MVC how Global Compact was implemented.

Appendix N: Tuguegarao Forum Report

PH/02/013 Strengthening Institutional Capacities to Manage the impact of
Globalization
and Promote Corporate Citizenship
**Philippine Global Compact Initiative: Reaching Out to Enhance Local
Development
- Inception Phase**

Tuguegarao Forum Report

1. The invitation to Tuguegarao was sent 17 October 2003, when it became clear that Tabaco would not be able to host the Forum for Luzon despite the interest of the City Mayor. Mr. Pepito Fondevilla, President of the Tuguegarao Chamber, suggested that a separate invitation be sent to City Mayor Randolph S. Ting as partner for the activity and to Provincial Director Bernardino Mabborang of DTI to request assistance for the Chamber for the Forum. Both. PD Mabborang and Mr. Fondevilla gave assurance that there was *no need* for them to make formal replies if letters were sent to Mayor Ting and Regional Director Bañares of DTI.
2. Venue chosen by Tuguegarao was the Hotel Roma, with the date fixed at 02 December or right after the PBC of PCCI. The list of Tuguegarao attendees is attached as Annex A. Of the 53 invitees, 37 registered on the day of the Forum. Twenty-four were from the private sector, the rest were from the City, region and provincial government offices.
3. The Program started at 9:00 AM, and finished at past 5:30 PM. The participants who remained for the afternoon session (about 20 of them) were divided into three groups; namely, government sector, service sector, and manufacturing sector.
4. All Groups were asked the same three questions: problems in the community that may be addressed by accepting GC, hindering factors that affect the solution of the problems, and the business-LGU cooperation that may able to address the problems. Annex B shows what each group came up with in the workshops.
5. The main objective of holding the Forum is stated clearly in the Terms of Reference for the Project: **Output:** *Diverse range of SMEs in cities of the three national island groups of the Philippines acquainted with the fundamentals of the Global Compact and willing to participate in its*

engagement mechanisms. As an introduction to the principles of the Global Compact, and the projects that have been or are being undertaken by the large business organizations, the Forum seems to have met this objective. Fourteen MSMEs signed for the Global Compact after the Forum. By size these are 10 micro, 3 small and 1 medium firms.

6. On the conduct of the Forum itself, the time may be shortened, or the discussions tightened so as to keep the interest of the participants. Follow-up materials will be sent to those who are interested in more technical details of the presentations.
7. The Open Forum discussions focused a lot on the perceived lack of government programs for MSMEs. Many complaints were raised about the Sulong program and the BMBE Law, as few applicants seemed to have gotten approval. More lively discussions came after the closing remarks of Mayor Ting. He was able to explain his initiatives to improve business in the city, ranging from registration to the operation of the Display Center for business.

Annex A:
List of Attendees

Name	Company/Product	Contact Detail
Aurora J. Tiangco	Food	846-0201
Mareta B. Terrado	Hotel Carmelita	Diversion Road
Carol Garcia	Irene's Furnicraft	844-1817
Clorinda T. de Rivera	Farmacia Carsal	844-3792
Jaime Y. Tabbu	Marbleworks and Finishing Jobs	844-1425
Marilyn L. Cruz	PruLife UK/Hop & Dine Foodhouse	846-1908
Irene P. Lao To	Private Practitioner, CPA	844-1085
Ricardo A. Calubaquib	Moderncraft Furniture Shop	San Gabriel Village
Prospero C. Castillo	Imperial House	846-1027
Nathaniel V. Lacambra	DOLE 2 – Regional Director	844-2728
Christopher Y. Corral	LGU – Tuguegarao	cris@yahoo.com
Susan C. Maralli	LGU – Tuguegarao	
Alexander S. Luzano	Kapianan GTH Producers Association	
Jesusa D. Luzano, MD	Arts & Crafts Industries	artscraftsind@yahoo.com
Trinidad M. Tobias	Body Boutique – garments	844-2258
Jonathan de Guzman	DOLE – 2	
Elmer P. Abana	Abana Computer Services	844-2992
Mayor Randolph S. Ting	LGU – Tuguegarao City	
Arceli L. Dulin	Cagayan Valley General Merchandising	846-7292
Catalino Tan	CT Variety Store	101 A. Bonifacio St.
Mario Duhn	Cagayan Valley General Merchandising	846-7086
Ronnel P. Foronda	Cagayan Appliance Center	846-4076
Benigno Emilio P. Ramirez	Alejandra Enterprises	846-2207
Ma. Corazon M. Cipriano	DTI – Cagayan Valley	846-4410
PD Bernardino G. Mabborang	DTI – Cagayan Valley	846-4410
Rogelio M. Dimaandal	RM Dimaandal Woodcraft	846-3978
Al Macarubbo	Saver's Mart	844-4334
Guadalupe Baculi	GL Baculi Motor Works	846-1040
Mae G. de los Santos	DENR PENRO Cagayan	846-7177
Estrella F. Guinsatao	DTI – Cagayan	846-4410
Venida M. Piedad	DTI – Cagayan	846-4410
Ma. Belen B. Lim	Golden Press	844-1597
Carol Tobias-Pobre	Governor's Office – Cagayan Valley Souvenirs Shop	vspobre@cagayan.net valleysouvenirs@yahoo.com
Perla D. Marallag	Ryka's Basket Concept	0918-550-4136
Nora F. Cuntapay	DOLE – 2	844-2728
Bonifacio B. Caray	DOST	844-1603
Victor C. Tallud	L & S	drvictallud@yahoo.com

Annex B:

Workshop Documentation (words in red are from the discussions during and after the group presentations)

Group I -- Government Sector

Problem:

- v Lack of employment

Hindering Factor

- v 1 Financing
- v 2 Dearth of viable entrepreneurs
- v 3 Lack of government programs for MSMEs
- v 4 Market accessibility
- v 5 infrastructure

Business –LGU Corporation:

- v 1 Establishment of credit cooperatives
- v 2 Establishment of Big Brother-- Small Brother professional development mechanism
- v 3 Advocacy on BMBE law
- v 4 Develop resource-based and quality products
- v 4 Product promotion through e-commerce and actual fair encounters
- v 5 Establishment of farm to market roads
- v 5 Establishment of irrigation system

Group 2 -- Service Sector

Problems

- Ø On Global Compact
 - Limited capital
 - Low margin on capital
- Ø On Labor
 - Unemployment / underemployment
- Ø On Human Rights
- Ø On Environment
 - Waste management
 - Deliberate burning of grasslands that affect plantation

Hindering Factors

- Ø On Global Compact
 - Cutthroat competition

- Slow repayment of private and government sectors
- Ukay-ukay

Ø On Labor

- Not enough industries
- Lack of market opportunities

Ø On Human Rights

Ø On Environment

- Limited knowledge
- Way of life in ranching areas

Business-LGU Cooperation

- Ø On Global Compact

- Educate Firms on best practices
- Access to other sources of financing other than banks

Ø On Labor

- TESDA should leave keep presat

Ø On Human Rights

Ø On Environment

- Pre-empt burning season by early grass-cutting

Group 3 – Manufacturing Sector

Problems

- Ø On Global Compact

- 1 Inadequate information dissemination of services/programs rendered by line agencies i.e., DTI, DOLE, DA, DAR, TESDA, DENR, DOT, BIR
- 2 Unfair business practices of “unscrupulous politicians/ officials”
- 3 Implementation of government infrastructure projects to improve business performance
- 4 Unfair competition posed by illegitimate or unregistered enterprises

Ø On Labor

- Lack of skilled workers in manufacturing handicraft, furniture, food program

Ø On Human Rights

Ø On Environment

- Poor waste management system of public market and residential houses

Hindering Factors

On Global Compact

- 1 Conflict of interest
- 1 Job avoidance
- 1 Lack of following-through activities
- 1 Absence of subject mechanism
- 1 Lack of coordination among the agencies
- 2 Tolerance of society on of politicians/ officials
- 3 Substandard contract of roads, bridges, etc. (short lifespan, frequent repairs)
- 4 Poor monitoring/ inspections make the system possible

Ø On Labor

- Gaya-gaya system
- “Pirating” of skilled workers
- Absence of training program for government on specialized skills
- Lack of educational institution offering specialized courses

Ø On Human Rights

Ø On Environment

- Lack of discipline—citizen
- Management system—lack of political will; lack of manpower; lack of designated dumping areas; lack of awareness; lack implementation ordinance
- Political will power intervention
- Inadequacy advocacy

Business- LGU Cooperation

- Ø On Global Compact

- 1 Transportation
- 1 Better Governance
- 1 Deputize business sector to monitor performance of the line agencies
- 2 Lifestyle check and enforcement of law versus erring officials
- 3 Strict observances of Specs
- 3 Creation of oversight monitoring group where business is represented
- 4 Business to police own ranks

Ø On Labor

- Government-business partnership on skills training (vocational)
- Improvement of information/ promotion/ marketing strategies, integrate moral values in training curriculum

Ø On Human Rights

Ø On Environment

- Formulate long-range comprehensive waste management program
- Implementation of development plan

- Involvement of business sector in the formulation of plan and its implementation
 - Greater community involvement/ participation
- Ø On Global Compact
- Limited capital
 - Low margin on capital
- Ø On Labor
- Unemployment / underemployment
- Ø On Human Rights
- Ø On Environment
- Waste management
- Deliberate burning of grasslands that affect plantation

Appendix O:

List of Tuguegarao Firms Interested to Subscribed to the GC

Tuguegarao-based Subscribers to the Global Compact

I. Imperial House

1 2

II. Farmica Carsal

1 2

III. Catalino Tan

1 2

IV. Moderncraft Furniture Shop

1 2

V. Body Boutique

1 2

VI. Aurora S. Tiangco

1 2

VII. JY Tabbu's Marble Works & Finishing Jobs

1 2

VIII. Hop & Dine Food house/ Prulife UK—General Agency

1 2

IX. Irene P. Lao To, CPA

1 2

X. Ryka's Basket Concepts

1 2

XI. Cagayan Valley General Marketing

1 2

XII. Irene's Furnicraft

1 2

XIII. Arts and Crafts Industries

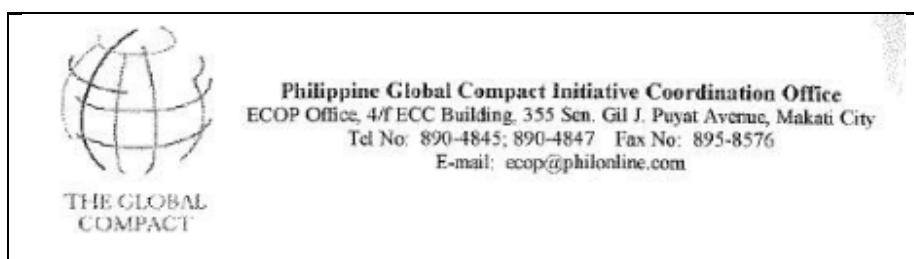
1 2

XIV. Golden Press

1 2

Appendix P:

Letter to Tuguegarao Chamber MOU



09 December
2003

Mr. Pepito F.
Fondevilla
President
Cagayan Chamber of Commerce and
Industry
Foundation, Inc.

c/o Sunshine Motorcycles
and Parts 3 8 Luna Street
Tuguegarao City

Dear Mr. Fondevilla:

Please find enclosed five copies of the Memorandum of Understanding (MOU) for the Global Compact Initiative. Not all copies need to be signed, however, I just included two extra copies just in case. I have also enclosed a diskette, which contains not just a copy of the Memorandum of Understanding but also three Global Compact materials.

Our office would appreciate receiving one copy to the signed MOU, however.

Thank you very much. We hope to hear more of Tuguegarao City's initiatives regarding your own Local Compact in the near future.

Merry Christmas and a Happy New Year!

Very truly yours,

Brenda A. Orosco
Project Coordinator



A Partnership of Employers Confederation of the Philippines, Philippine Chamber of Commerce and Industry,
United Nations Development Programme, Philippine Business for Social Progress, and
League of Cities of the Philippines

Appendix Q:

Tagbilaran Forum Report

**PH102/013 Strengthening institutional Capacities to Manage the Impact of Globalization
and Promote Corporate Citizenship
Philippine Global Compact Initiative: Reaching Out to Enhance Local
Development
–Inception Phase**

Tagbilaran Forum Report

1. The invitation to Taghilar-an was sent 15 September 2003, thus, it is the only original invitee who pushed through with the Forum Mr Loreto Palapos, President of the Bohol Chamber of Commerce and Industry Inc , finally opted for 5 December 2003 for the date of the Forum. A short meeting with Mr Palapos has held on 27 November- during the PBC to finalize arrangements for the Forum.
2. Venue chosen by Tagbilaran was the Metro Center Hotel. The list of Tagbilaran attendees is attached as Annex A. Of the 98 invitees, 25 registered on the day of the Forum Sixteen were from the private sector; the rest were from the City government offices.
3. The Program started at 10:20 AM, and finished at around 3:15 PM Mayor Jose Torralba opened the Forum and stayed until the start of the small group discussions. The two small groups were government sector and the business/NGO sector.
4. All Groups were asked the same three questions problems [It the community that may be addressed by accepting, GC. hindering factors that affect the problem, and the business-LGU cooperation that may be able to address the problems. Annex shows what each group came up with in the workshops
5. The main objective of holding the Forum is stated clearly in the terms of Reference for the Protect: Output I: Diverse range of SMEs in cities of the three national island groups of the Philippines with the fundamental of the Global compact and willing to participate in its engagement mechanism.

As an introduction to the principles of the Global Compact, and the projects that have been or are being undertaken by the large business organizations, the Forum seems to have met this objective. Twelve companies, one NGO and the LGU submitted their profiles for the Global Compact database expressing willingness to adhere to the GC principles. By size these are 3 micro, 4 small, 3 medium and 4 large (including the LGU) firms.

6. On the conduct of the Forum itself, objective setting must be clarified thoroughly. Considering that the heads or executives of MSI Es and larger firms are being invited, the Forum must also be shortened. Discussions are also more fruitful when the LGLJ representatives are active.
7. The Open Forum discussions centered on the reactions of the two groups to each other's presentations. The LGU corrected some of the observations by the NGOs, and invited the participants to contact them directly to discuss details of the waste management projects of the city. The NGOs also presented their own food fortification project; that is, checking whether the table salt brought in samples really contain the right amount of iodine.
8. The LGU is also interested in a directory of the good corporate citizens of Tagbilaran.

**Annex A:
List of Attendees**

Name	Company/Product	Contact Detail
Loy Palapos	Alturas Group of Companies	411-3057
Eleodorn Nasol	Bohol Limestone Corp	411-2858
Alberto San Victores	Agua Vida	411-4376
Nene Baseleres	FCB	411-5058
Dr. Tomas O. Socias Sr.	Bohol Institute of Technology	235-4124
Flor Bucag	M.R. Seafoods Restaurant	411-2197
Winefredo Hodista	CB Bohol	411-3483
Jesus Quipit	Tagbilaran City Tyre Sales & Service Center	411-4621
Jonathan R. Asunto	Bucarez Food Processing Corp	peanutkisses@hotmail.com
Gil A. Tejano	Sayong Furniture Store	411-3095
Reginald Ong	Bohol Quality Corp.	rong@mozcom.com
Dr. Ma. Lilia Pajo-Pague	Bohol Integrated Development Foundation, Inc. (BIDEF)	bidef@mozcom.com
Jun Caturra	JJ's Seafood Village	411-3756
Leah T. Magno	Bohol Internet Marketing Services	leah@bohol-island.com
Nena Dohig	CEDE Machine & Metal Industry Inc.	411-3695
Carlito Resonte	DYTR-AM & FM	411-5137
Mario Lloyd L. Gutierrez	Tagbilaran City	dondon@tagbilaran.gov.ph
Samuel S. Belderol	CMO-Permit	samhel@yahoo.com
Moises C. Millapar	City Motorpool	
C. Burna-at Jr.	City Mayor's Office	
Valentino L. Gamutin	City Mayor's Office - Environment	epmitagbi@mozcom.com
Handel T. Lagunay	City Legal Officer	carotz115@mozcom.com
Atty. Jose V. Torralba	Mayor, Tagbilaran City	jvt@tagbilaran.gov.ph
Pianicita S. Castolo	City Eng'g Office	
Eduardo C. Macalanding	CPDC	ccmacalandag@yahoo.com

Annex B:

Workshop Documentation (words in red are from the discussions during and after the group presentations)

Group 1 – Government Sector

Problems in Community:

➤ On Global Compact

- Weak/disorganized business sector

Ø On Labor

- Child labor
- Non-compliance of minimum wage law y

Ø On Human Rights

Ø On Environment

- Waste disposal system

Hindering Factors

Ø On Global Compact

- Reluctance of most businessmen to join business organization

- Ø On Labor
 - Cheap labor wage
 - Non-reporting to authorities
 - Lax monitoring
 - Kapit sa patalim
- Ø On Human Rights
- Ø On Environment
 - Very expensive waste disposal
 - indiscriminate waste disposal

Business-LGU Cooperation

- Ø On Global Compact
 - Facilitate in organizing business by level (S-IM-Micro)
- Ø On Labor
 - Implement minimum wage law
 - Adopt incentive system (implementation/compliance)
- Ø On Human Rights
- Ø On Environment
 - Joint venture (private-public sector cooperation)
 - Continuing IEC

Group 2 - Business and NGO Sector

Problems

- Ø On Global Compact
- Ø On Labor
 - 1 Selective compliance of the minimum wage law
 - 2 Lack of skilled labor
- Ø On Human Rights
- Ø On Environment
 - 1 Water supply sustainability (alternative sources)
 - 2 implementation of the Clean Air Act (non-compliance)
 - 3 Solid waste management

Hindering Factors

Ø On Global Compact

Ø On Labor

- 1 Poor monitoring
- 1 Law's inflexibility to treat variance in skills
- 1 Company's monitoring
- 1 Negative impact of minimum wage law
- 2 mismatch between supply and demand
- 2 Lack of training programs on needed/ specific skills
- 2 Deficient databases

Ø On Human Rights

Ø On Environment

- 1 Finance
- 1 Political will
- 1 Technical know-how
- 2 Credibility of emission test
- 2 Apathy
- 2 Lack of awareness/ ignorance
- 2 Political will
- 3 Absence of dumpsite (there is a designated dumpsite, LGU will show the NGOs including the facilities arranged)
- 3 Waste segregation not properly observed (demo with children worked, but collection system for segregated materials does exist yet. plans as ongoing, though)

Business-LGU Cooperation

On Global Compact

On Labor

- 1 Strengthen the RTWPB
more objective/ market driven
- 1 Allow market forces to operate
- 1 Effective implementation of BMBE Law
- 1 Information drive on the BMBE Law
- 1 Proper monitoring of wage policies
- 2 Make skills training a government priority
- 2 Synchronization of school curriculum with industry needs
- 2 Market survey

Ø On Human Rights

Ø On Environment

- 1 Massive joint information drive
 - § protection of watershed drive
 - § Household/ Company recycling treatment conservation
 - § reforestation
- 1 Business advocacy for government to implement applicable laws
- 1 Support for pending legislation
- 2 Information drive
- 2 Enlist support of business establishments: awareness of responsibility (policing own ranks)

Appendix R:

List of Tagbilaran-based Firms Interested to Subscribe to the GC

Tagbilaran-based Firms who subscribed to the Global Compact

- I. Bohol Institute of Technology
 - 1
 - 2
- II. University of Bohol
 - 1
 - 2
- III. City Government of Tagbilaran
 - 1
 - 2
- IV. Alturas Group of Companies
 - 1
 - 2
- V. Sayong Furniture Store
 - 1
 - 2
- VI. Bohol Quality Corporation
 - 1
 - 2
- VII. Bohol Limestone Corp.
 - 1
 - 2
- VIII. JJ's Seafood Village
 - 1
 - 2
- IX. Bucarez Food Processing Corporation
 - 1
 - 2
- X. DYTR AM/FM Community Media Network Inc.
 - 1
 - 2
- XI. Tagbilaran City Tyre Sales & Service Center
 - 1
 - 2

XII. CEDE Machine & Metal Industry Inc.

1 2

XIII. Bohol Integrated Development Foundation, Inc. (BIDEF)

1 2

XIV. Bohol Internet Marketing Services

1 2