

Bursa Chamber of Commerce and Industry (BCCI)

**UN Global Compact
Communication on Progress**

2011

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Profile

The Bursa Chamber of Commerce and Industry (BCCI) is an active member of the Union of Chambers and Commodity Exchanges of Turkey (TOBB) and is a registered business support association located in Turkey's fourth largest city in Bursa, Turkey. It is Turkey's largest chamber of commerce and industry and represents over 33,000 members, mainly SMEs. The main industries of the city of Bursa are the main and sub automotive industries, textiles and garments, machinery-metal and food processing industries

The BCCI is the first Chamber of Commerce and Industry that signed the United Nations Global Compact in Turkey (June, 2009) and committed to embrace, support and implement, within its sphere of influence a set of core values in the areas of Human Rights, Labor, Environment and Anti-corruption.

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles. This ever-increasing understanding is reflected in the Global Compact's rapid growth.

With over 8,000 corporate participants and other stakeholders from over 130 countries, it is the largest voluntary corporate responsibility initiative in the world. Endorsed by Chief Executives, the UN Global Compact is a practical framework for the development, implementation, and disclosure of sustainability policies and practices, offering participants a wide spectrum of work streams, management tools and resources — all designed to help advance sustainable business models and markets.

The purpose of this report is to communicate the BCCI's progress within these four issue areas and disclose the sustainability policies and practices of the chamber to its members and other stakeholders.

www.tobb.org.tr

www.btso.org.tr

REPRESENTING BURSA-

HER COMPANIES AT HOME AND ABROAD...

With a growing population of 2.5 million (2010), Bursa is Turkey's Fourth largest city.

Bursa is located in the Western part of Turkey and is the gateway of the Anatolian Peninsula to the West and vice versa. Today, Bursa has a powerful industrial, cultural and historical structure that contributes to the economy of the city and the country in terms of foreign investment, production, employment and export.

Bursa has been a pioneer city in many fields throughout history. The city is a leader in many areas such as textiles due to its ancient location on the Silk Road.

Furthermore, the establishment of the Gemport Port and Warehousing Administration Inc, the first ever private port of Turkey, accelerated the export and import facilities of the country significantly.

The city also ranks fourth in terms of GDP contribution to Turkey. Furthermore, Bursa's per capita GDP is higher than the national average.

Due to its geographic location, the transport and logistic opportunities are well developed in the city and in the vicinity is the Gemlik Port making Bursa highly advantageous with her import and export opportunities.

The export from the city is mainly realized to European countries with a rate of 81% representing over 10 billion USD in 2010.

There are more than 500 foreign investment companies in the city. The main foreign investor countries are Germany, France, Italy, Greece and the Netherlands.

Message from the President of the Board



Dear Readers,

The Bursa Chamber of Commerce and Industry (BCCI) has added value and made contributions to the city of Bursa on many levels. Since our establishment in 1889, we have continued upon a path of continuous improvement for which our main aim is to ensure the adequate representation of our member companies nationally and internationally. Representing the largest chamber of commerce and industry in Turkey, we aim to share our practices in the areas of the universal principles with other chambers, our members, strategic partners and other stakeholders.

As an active member of the United Nations Global Compact since 2009, it is with great pleasure and honor to share with you our first Communication on Progress (CoP). As a leading chamber, prior to and since joining the Compact, we have shown great efforts in disseminating information on the importance of sustainable business practices to all our members and our employees within our own operations.

This first CoP, aims to shed light on some of the existing activities and initiatives that we are undertaking to advance the ten universal principles within our sphere of influence through our members. Although the report is brief, it aims to provide our members and other stakeholders a snapshot of ways in which we are making strides to advance the universal principles.

The BCCI continues to contribute to the mission being a “common benefit” institution for ethical trade, sustainable development and competitiveness.

Mr. Celal Sönmez

Our Responsibility to Society

The Added-Value of our Employees

The BCCI is committed to operating within all legal requirements for providing fair working conditions to all its employees. As such, the BCCI commits to international labor principles and norms by providing support to the elimination of all forced and compulsory labor as well as child labor which are prohibited under Turkish laws.

Within the Chamber, employment opportunities based on the skills and trainings of employees are determined in the quality system.

We find that our employees bring added-value to the BCCI and we are committed to developing their skills through trainings and career assessments.

Increasing Competitiveness & Creating Employment Opportunities

Due to her continued dedication to supporting and training in Bursa, the BCCI became the first and unique chamber in Turkey that received the "Outstanding Service" award of the Turkish Grand National Assembly.

The most important contribution of the BCCI to the economy and industry is the industrial park project which provides the clustered industries with a complete infrastructure in the area which was the first step of the industrial process in Bursa.

Established in 1961, the organized industrial park is the first of 13 industrial parks in Bursa. Today, it offers employment to more than 35, 000 people in 225 factories.

Investing in Education

The City of Bursa places great emphasis on education and providing youth with the necessary professional skills. The Uludag University which was founded in 1975 has more than 45,000 young students. Furthermore, the vocational education rate in Bursa is over the above the national average.

Building upon this shared belief, the BCCI created BUTGEM, a vocational educational foundation to support the city by developing a trained and skilled labor force.

The core value of BUTGEM is to provide youth and other inspiring entrepreneurs, free of charge, life-long, practical and flexible hands-on trainings with the latest technology in order to enhance their employment, business start-up and expansion capabilities. For more information please visit: <http://www.butgem.org.tr/>.

Furthermore, the BCCI takes part in the provincial employment and vocational training board composed of local authorities and NGOs to discuss employment conditions and to train technical staff.

Raising Awareness on Human Rights

The BCCI is committed to raising awareness on Human Rights every year during Human Rights day in addition to it's duty as a member of the Human Rights Council of the Governorship of Bursa.

Anti-Corruption

The BCCI organized several events that aim to raise awareness on the importance of ethical business transactions and trade. In March 2010, we organized a press meeting on the long-term costs and risks of tax evasion and the informal economy.

Philanthropy

Within the Corporate Social Responsibility approach of the Chamber, the Ataturk Congress and Cultural Center and the Merinos Cultural Park were established with the aims of increasing the tourism potential of the city and adding a new initiative to it's commercial and industrial functions.

With this magnificent congress and cultural center, having the highest capacity of it's kind in Bursa, many national and international events are organized similar to the ones realized in metropolitan cities.

Our Responsibility to the Environment

The BCCI commits to the environmental principles of the UN Global Compact by organizing events to raise awareness about environmental sustainability to its members. The Chamber also collects hazardous wastes and recycles materials through the use of recycling bins. The BCCI has made significant contributions to the environmental protection and development to tackle the environmental challenges we face today in the world and encourages the use of environmentally friendly technologies.

In 1996, the BCCI inaugurated its waste water treatment plant with a capacity of 50,000 tons. The plant has a physical, chemical, biological and sludge treatments processes.

The following year, the Chamber established the Bursa Environmental Counseling Center which provides consultancy and training services and know-how support to companies on the development of measures on saving energy and water in the industry, waste management and environmental management systems.

The capacity of the industrial waste water treatment plant was increased in 2004 and reached 96, 000 cubic meters per day. With this investment, the Bursa Chamber of Commerce and Industry owned a discharge system to treat the waste water of the organized industrial park as one of the few and best examples in the world in terms of capacity and technology. The 2nd waste water treatment plant was established in 2006 with a capacity of 48,000 cubic meters per day.

The BCCI Organized Industrial Park inaugurated the process water production plant in 2004. The plant which has a production capacity of 50,000 cubic meters per day, provides the companies in the organized industrial park with the process water. The amount of water that the industrial companies used from the plant has reached a level of 700,000 tons/month in a year.

Our Commitment to the UN Global Compact

The BCCI became a signatory to the UN Global Compact in June, 2009 during the VII Annual Local Networks Forum (ALNF) for which it was a patron sponsor, during a special signing ceremony in the presence of the Executive Director of the UN Global Compact, Mr. Georg Kell and our President Mr. Celal Sonmez.

Since becoming a signatory, the Chamber has been an active member of the Global Compact Local Network Turkey for which it was a strategic partner within its sectoral (automotive) outreach activities.

The automotive industry in Turkey plays a crucial role in the manufacturing sector of the Turkish economy. Senior managers from automotive industry were convened at the BTO Educational Foundation of BUTGEM on 1 April 2010.

During the meeting, discussions addressed the challenges and opportunities in incorporating with the 10 universal principles of the UN Global Compact in the automotive industry. The working session was attended by executives from major automotive enterprises including the relevant industry associations. This workshop was then followed with a signing ceremony for new signatories on 4 May 2010, during the second Uludag Economic Summit on *World Economic Models and Turkey's Exit from the Crisis*, for which leading automotive enterprises in Turkey, such as Dođuş Otomotiv, Ford, Otokoç and Renault Mais confirmed their commitment to the UN Global Compact during a high-level signing ceremony for which Mr. Acar, C.E.O of Dođuş Otomotiv was the Keynote Speaker.

Lastly, the BCCI also drafted a FAQ handbook on the UN Global Compact in Turkish (*Sorularla BM Küresel İlkeler Sözleşmesi*) which it disseminated to all its members.

Below are the main findings of the workshop*:

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

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

B. Recommendations which will be concluded within the medium-term - Automotive Sector Workshop

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

*** The information above is the summary of the recommendations made by workshop participants**

Our International Network and Partnerships

Free Trade Zones are defined as labor intensive manufacturing centers that involve the import of raw materials or components and the export of factory products where some trade barriers such as tariffs and quotas are eliminated and bureaucratic requirements are lowered in the hopes of attracting new business and foreign investments. They are located within the border of the country, but are treated as a foreign country in terms of export.

The Bursa Free Trade Zone, established in 1998 in Gemlik today has a trade volume of 1.4 billion USD and hosts 230 companies of which 25 are foreign investment.

The Bursa Chamber of Commerce and Industry, foreseeing the necessity of an international fair center and aiming at contribution to the commercial atmosphere of the city, established an impressive fair center in 1997. The Fair Center, hosts 20 national and international fairs annual in various sectors.

Lastly, the BCCI has been implementing the *Enterprise Europe Network* project since 2008 aiming to encourage SMEs in their internationalization process. Furthermore, the chamber has been hosting the EU Information Center since 1997 with the goal of raising EU awareness throughout the public and the American Corner since 2003 to inform the public about trade procedures with the U.S.A, visas, education, training, travel and cultural programs of the U.S.A.

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