



## Communication on Progress Year: 2011/ 2012

### Statement of Continued Support of the UN Global Compact

The Federation endeavours to maintain national, regional and international credibility as an Employers Organization (EO) that is member-based with a value of promoting Global Compact (GC) Principles. To achieve this goal, the Federation in the 2009/2012 strategic plan will integrate GC principles within the thematic areas of the strategic plan.

The Federation has prepared the following for its member use as a process of promoting the GC principles:

1. Guidelines on social responsibility (with full clauses from the GC) 2005. These guidelines are due for revision in order to incorporate among others the New Labour Laws, National Environmental Authority (NEMA) requirements, National Work Ethics including anti-corruption.
2. The Federation is already active in anti-child labour programmes and a project and guideline has been developed.
3. As a way of upholding human rights, the Federation has developed a series of guidelines on the management of HIV/AIDS at the workplace where 80% of member have developed HIV/AIDS policies.
4. The Federation championed the restoration of labour issues at the workplace after the disputed election crisis through workshop and will be carrying out a similar programme come 2012/13 period.
5. The Federation has prepared policy guidelines to members on the management of violence at the workplace. Moreover, FKE offers support by way of HR manual development and CBA negotiations to facilitate and advocate for best practise in the areas of industrial relations, Labour and Human rights
6. FKE in part of forums specific to: National Anti-Corruption, People living with disabilities, the establishment of a strategic CSR programme called SUSBIZ to facilitate the promotion of good labour practises, review of supply chain management through environmental awareness and human rights

2012, Renee Olende (FKE)

**Company name:** Federation of Kenya Employers

**Sector:** Labour

**Number of employees:** 52

**UN Global Compact signatory since:** 2006

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## Brief description of nature of business

**Vision:** *To be the preferred centre of excellence in industrial relations services, management practises, and advocacy of employer's interests*

**Mission:** *To promote an enabling business environment and sound industrial relations in Kenya through effective representation, advocacy and provision of value added services that strengthens the ability of employers to attain competitiveness.*

## OBJECTIVES

- To act as a forum for Employers.
- To promote and defend interests of Employers.
- To promote good management practises.
- To collaborate with Employers, intergovernmental and other business organizations.
- To develop a sustainable institutional capacity and competence.

## CORE VALUES

- Uphold the principal of tripartism in the promotion of social policy.
- Maintain confidentiality in its dealings with members.
- Promote the principles of diversity, transparency and integrity.
- Maintain good governance and a national character in representation of its organs and staffing.
- Practice professionalism in its service.

## REPRESENTATION

The Federation of Kenya Employers (FKE) has a wide network that has enabled it to play a critical part in member engagement and service delivery. Largely, FKE members are drawn from all sectors of the economy including:

*Churches; Schools, Colleges and Universities; Professional bodies; Hospitals; Manufactures; Aviation; NGO's; Bank and other Financial Institutions; Textile 7 Allied Industries, Food Processing & Allied Industries, Building and Construction, Planting and Agriculture; General Engineering; Printing, Publishing, Paper Manufacturing; Chemical processing and General Manufacturing; Chemical Allied Industries; Saw milling, Timber and Furniture Making*

Employers' interests are always safe guarded, due to FKE's representation in various taskforces, committees and boards. At a national level the management board is involved in various forums where key issues of importance to the private sector are discussed including promotion of public-private sector dialogue, which is critical for enhancing a business friendly environment. FKE represents employers' interests in various boards such:

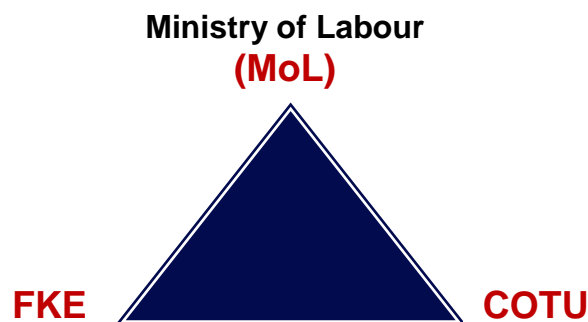
*National Labour Board; Agricultural Wages Council; General Wages Council; National Hospital Insurance Fund Board of Management (NHIF);*

## Scope of this COP

**The Federation of Kenya Employers (FKE)** is the premier employer's organization in Kenya, established in 1959 under the Trade Unions Act Cap 233 to represent the collective interest of Kenyan employers. The Federation's membership is open to all organizations and employers associations in the private and public sectors – including state co-operations and the local authorities.

As a Federation, we provide a forum for employers in promoting sound industrial relations and observance of fair labour practices. FKE also advocates, endorses, and defends the interests of employers. In addition, the Federation supports good management practices and develops sustainable institutional capacity and competence among its members.

Our goal as FKE is to be the leading employer representative in the region that supplies quality and value added services to our members. The Federation cannot succeed without its members, we therefore appreciate their continued commitment and support, which has allowed us to grow and improve over the years.



As part of the tripartite dealing with labour issues in Kenya (*FKE's relationship between the Ministry of Labour (MoL) and Central Organization of Trade Unions – COTU Kenya*) the Federation will continue to serve its membership and advocate for the Employers Agenda; in the improvement of opportunities for doing business and enhancement of employment opportunities in Kenya.

The Federation of Kenya Employers is the sole Employers organization in Kenya representing private sector, manufactures, NGO's, civil society and Government organizations. FKE is the largest Employers organization in Africa, serving its members with Industrial relation and Legal support, best practise knowledge and training to sustain Employer organization institutional capacity and competence.

# Human Rights

## UN Global Compact principles covered:

**Principle 1: Business should support and respect the protection of internationally proclaimed human rights**

**Principle 2: Business should ensure that they are not complicit in human rights abuses**

### Human Rights Current

#### Commitment

*The Federation is Involved in programs that promote rights of people living with disabilities, as well as, able Kenyans working and doing business in Kenya.*

#### A brief description of our Processes or Systems

*FKE is represented on the National Council of Persons with Disability.*

#### Activities implemented in the last year

*FKE was engaged in forums that promote equality for people living with disability in the private sector. Training was provided for HR Managers where it was advocated that employers are obligated to cater for persons with disability in the work place.*

#### Measurement of outcomes and value added for our company

*Improved awareness and service, by FKE members, to people living with disabilities*

### Human Rights Future

#### Activities planned for next year

- *Continued advocacy for people living with disability*
- *Mainstreaming of disability at FKE*

# Labour Rights

## UN Global Compact principles covered:

**Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining**

**Principle 4: Business should support the elimination of all forms of forced and compulsory labour**

**Principle 5: Business should support the effective abolition of child labour**

**Principle 6: Business should support the elimination of discrimination in respect of employment and occupation**

## Labour Rights Current

### Commitment

*As an EO the Federation is committed to industrial relations matters pertaining to employers this is done through legal support, advocacy and lobbying.*

### A brief description of our Processes or Systems

*As an ongoing process FKE facilitated 63.7% of all CBA's in 2011 (out of 361 registered by the industrial court the Federation handles 230).*

*FKE on a weekly basis (through a media platform) highlights issues related to Industrial Relations policy issues, as well as areas pertaining to other advocacy and lobbying*

### Activities implemented in the last year

*Other areas where FKE has ongoing activities include:*

- *Dissemination of CPI to FKE members organizations*
- *Job Evaluation (as an out-sourcing activity the Federation carry's out this service): The beneficiaries are predominantly FKE members. The JE's that the Federation has facilitated have contributed towards the elimination of discrimination in recruitment.*
- *FKE's ICT platform supports Information dissemination on Industrial Relations issues (advocacy and lobbying)*
- *Adopt a school project is a child labour project that was started in 2010 and is ongoing.*
- *Review of HR manual's has also contributed towards ensuring companies comply with the minimum requirements of the law*
- *Development of the Employer Business Agenda(this document will be made available/ circulated in 2012)*

### Measurement of outcomes and value added for our company

*FKE has grown in its commitment to labour rights. Since 2010 COP reporting period FKE has increased its contributions towards industrial relations/ labour specific policy lobbying and advocacy*

## Labour Rights Future

### Activities planned for next year

*Continue to promote best practise in Industrial relations, specifically policy issues pertaining to the labour market.*

# Environment

## UN Global Compact principles covered:

**Principle 7: Business should support a precautionary approach to environmental challenges**

**Principle 8: Business should undertake initiatives to promote greater environmental responsibility**

**Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies**

## Environment Current

### Commitment

*FKE has made a commitment towards instilling a more improved environmentally conscious activities as a contribution towards going green*

### A brief description of our Processes or Systems

- *FKE has an ICT policy that encourages reduced wastage*
- *The Federation encourages its staff to use E –communication and to avoid wastage with regard to paper use.*

### Activities implemented in the last year

*Wastage tracking*

### Measurement of outcomes and value added for our company

*FKE has copying machines and manual tracking in place to monitor the use of paper per department, so far this is the only measure that is in place.*

## Environment Future

### Activities planned for next year

*FKE will continue to promote and encourage policies to reduced wastage, as well as, continue its efforts to facilitate training in the areas of strategic CSR with regard to supply chain management in view of environment, occupation safety and health (OSH).*

# Anti-corruption

**UN Global Compact principles covered:**

**Principle 10: Business should work against corruption in all its forms, including extortion and bribery**

<b>Anti-corruption Current</b>	<p><b>Commitment</b>  <i>FKE is committed to the fight against corruption and for this purpose continues to advocate and lobby for change in Kenya's labour sector towards a corruption free business environment.</i></p> <p><b>A brief description of our Processes or Systems</b>  <i>FKE is involved in forums and activities that promote and advocate for anti- corruption</i></p> <p><b>Activities implemented in the last year</b></p> <ul style="list-style-type: none"> <li>- <i>FKE represents employer at the Kenya Integrity Forum (KIF) as part of the National Anti-Corruption Plan (NACP), specific to the labour sector. The forum meets every two months to review sector wide action plans towards anti-corruption activities in Kenya. The forum also holds nationwide outreach to raise awareness about anti-corruption efforts at a grassroots level.</i></li> <li>- <i>FKE is facilitating Social Responsibility Audits (SRA's) to help members organizations establish gaps – this will be carried out from 2011 to 2013</i></li> <li>- <i>OSH workshops and training</i></li> <li>- <i>SUSBIZ Kenya project: the goal of this project is to create more awareness amongst employers; advocating for social responsible activities with their annual work plan (AWP) for long term integration.</i></li> </ul> <p><b>Measurement of outcomes and value added for our company</b>  <i>Participation and contribution to Kenya's NACP This has been of great value to the Federation and its membership in terms of awareness and advocacy.</i></p>
<b>Anti-corruption Future</b>	<p><b>Activities planned for next year</b></p> <ul style="list-style-type: none"> <li>- <i>Hold FKE Strategic CSR training in 2012/13 annual work period.</i></li> <li>- <i>Promote SRA's among employers and the private sector.</i></li> <li>- <i>Develop and Employers anti-corruption policy for FKE membership to adopt</i></li> <li>- <i>Promote Employers Manifesto focused on leadership of integrity among other pertinent matters for adoption by political parties and Kenya leaders to enable a better environment for doing business.</i></li> </ul>



### How do you intend to make this COP available to your stakeholders?

*This report will be disseminated through FKE's web portal, by way of the Federations E-shot and/ or mass email campaigns. In addition, FKE global compact inspired/ informed activities will be mentioned through press releases and press briefings and other event presentations.*

### Donations, awards

We support the community in various activities among them are:

*FKE supports community through HIV/AIDS activities, Child Labour Projects, Occupational Health and Safety activities and lobbying and advocacy activities (this contributes greatly to Kenya's business community.*