

Global Compact Communication on Progress (COP) of the DFSME

Danish Federation of Small and Medium-Sized Companies (DFSME) and Global Compact related activities

1.1. Our commitment

The DFSME is strongly committed to the ten Global Compact principles in the areas of human and labour rights, environment, and anti-corruption.

The DFSME was established in 1879, and is today a well established business federation with a wide membership base among Danish SMEs. The DFSME is representing more than 20,000 companies within many different sectors such as construction, manufacturing, crafts, retail and services. The main objective of the DFSME is to improve the business conditions of Danish small and medium-sized enterprises.

In the course of the last 15 years, the DFSME has increasingly been involved in projects in emerging economies such as the Baltic States, Eastern Europe, China, India and developing countries in Latin America, Africa and Asia. Many of our activities, in Denmark as well as internationally, are related to strengthening and promoting strategic CSR and the four Global Compact areas for small and medium-sized companies. The DFSME has been a member of Global Compact since 2007, and the DFSME finds the Global Compact initiative very useful for SMEs as a commitment and as a tool for working strategically with their global responsibility.

The DFSME will continue to actively promote the Global Compact principles among our member companies and other stakeholders.

Paul Mollerup, Managing Director

Global Compact Communication on Progress (COP) of the DFSME

1.2. General activities to promote Global Compact Principles

In the DFSME we are mainly working with three focus areas within the ten Global Compact principles:

1. Strategic CSR implementation for SMEs with international activities
2. Climate change and environmental improvements
3. The inclusive labour market

In the following, some of our main activities within the three focus areas in 2007-2008 are listed

Focus area 1: Strategic CSR implementation for SMEs with international activities

The activities within focus area 1 support mainly the Global Compact principles 3-6 as well as the Global Compact principles 7-9, but also the Global Compact principles 1-2 are supported.

Projects

SUSBIZ India – Partnerships for Sustainable Business Development

SUSBIZ India is a multi-stakeholder initiative for the promotion of sustainable business practices in Indian firms.

SUSBIZ India facilitates collaboration between eight Danish small and medium-sized enterprises and their Indian suppliers on the implementation of social and environmental initiatives. The purpose of the project is to demonstrate the link between improved social and environmental conditions and modern business development

SUSBIZ India is developed and managed by the Danish Federation of Small and Medium-Sized Enterprises together with the Danish Commerce and Companies Agency. The project is supported by the Ministry of Foreign Affairs of Denmark under Danida's Public Private Partnership (PPP) Program. For further information, please visit the SUSBIZ website: www.susbizindia.org

Child Labour project

In co-operation with Save-the-Children and several Danish textile and apparel companies, the DFSME is working on solving child labour problems in the textile industry in Bangladesh. The project is supported by the Danish Ministry of Foreign Affairs. A part of the project has been to develop a child labour toolkit – the toolkit can be downloaded from our website: www.hvr.dk/internationalt/csr/projekter

Global Compact Communication on Progress (COP) of the DFSME

Consultancy

CSR and PPP projects

The international department of the DFSME has assisted a large number of SMEs in improving responsible supply chain management and building capacity on CSR issues at partners in developing countries and emerging economies. Through the Public Private Partnership Programme (PPP) of the Danish Ministry of Foreign Affairs, the DFSME has assisted Danish SMEs and their suppliers in India, China, Indonesia, and Bangladesh in developing and implementing ethical supply chain management systems and activities. The projects include typically assistance to formulation of policies and management systems, development of tools to support the implementation of these, and assistance to training of suppliers in CSR management, workers' rights, and occupational health and safety.

B2B projects

The International Department plays an active role in the development, promotion and implementation of international business-to-business programmes that support the creation of sustainable commercial collaboration between Danish SMEs and SMEs in Central- and Eastern Europe, Africa, Asia and Latin America. We provide individual services to Danish companies in terms of matchmaking, preparation and implementation of partnerships with companies in the collaborating countries. An integrated part of this service is to give consultancy assistance within CSR.

Networks and promotional activities

Network meetings on Global Compact

In 2007 and 2008, the international department of the DFSME organised a series of network meetings on Global Compact and CSR, targeted SMEs. The network meetings were held in cooperation with the Global Compact representative at UNDP and Danida.

Membership of the Danish Ethical Trading Initiative

The DFSME is board member of the Danish Ethical Trading Initiative. DFSME has from the beginning of 2007 participated in the working group preparing the establishment of the Danish Ethical Trading Initiative, which was finally launched on 7 February 2008. The Danish ETI is a multistakeholder initiative established by the Danish labour movement, NGOs, business associations and private companies. The initiative will function as a resource centre and a member organisation, assisting Danish companies in building up their capacity to implement CSR in their supply chain in developing countries. For further information, please visit www.dieh.dk

Danish Coffee Network

The Danish Coffee Network functions as a synergy-creating network for coffee companies, development-oriented organisations and coffee producers. The Coffee Network works to establish a connection between an improvement in the Danish coffee culture and the strengthening of marginalised coffee holders in developing countries. The DFSME is actively involved in this initiative as chairman of the board. For further information, please visit www.kaffeklubben.net

Global Compact Communication on Progress (COP) of the DFSME

CSR UPDATE

The international department of the DFSME publishes a quarterly newsletter on CSR and Global Compact related activities for interested stakeholders. The newsletter can be downloaded from our website.

CSR network for member organisations within construction

During 2008, the DFSME initiated a CSR network for membership organisations. The background for the network is increased social and ethical demands in public procurement and tenders, and the subsequent challenges for small and medium sized enterprises. Two network meetings have been organised in 2008.

Global Compact Communication on Progress (COP) of the DFSME

Focus Area 2: Climate change and environmental improvements

The activities within focus area 2 support the Global Compact principles 7-9

Training of craftsmen in energy efficiency in buildings

During 2008, DFSME will implement a series training courses for craftsmen like carpenters, plumbers, electricians, glaziers, and insulators, focusing on energy efficiency potentials in buildings. In general, there is a large potential for energy efficiency improvements in buildings, but often the owners and administrators of the building are not aware of the potential for savings in energy, CO₂ and money. Craftsmen are through their daily contact with building owners and administrators able to raise awareness and promote the implementation of energy efficiency measures – if they are themselves sufficiently aware and capable of assessing potentials and recommending measures.

The training courses will through practical examples focus on where to find the largest energy saving potentials, what technologies are most efficient, and what the economic arguments are.

Environmental Management System designed for SMEs

www.miljostyring.dk is a website developed by DFSME in cooperation with Oktan2 and PlanMiljø, and financed by the Danish Environmental Protection Agency. The website is a management tool, assisting SMEs in management of occupational health and safety and environment.

Training in EMS in the auto repair workshops in China

Our member organisation, the Union of Auto- and industrial lacquers (Foreningen for Auto- og Industrilakerere (FAI)), has from 2007-2009 been working with a project on introducing an environmental management system (EMS) to auto repair workshops in Chongqing in China. 8 pilot workshops and 10 trainers from technical schools, the business association and from the relevant authorities have participated in a training programme in Chongqing and in Denmark. The 8 pilot workshops have been assisted in their implementation process of EMS and improved occupational health and safety standards. Moreover, an EMS handbook has been developed for the industry in Chongqing. The DFSME has assisted FAI with the project implementation. The project is supported by Danidas PPP programme.

Energy efficiency advice

On DFSME's website www.hvr.dk, links are provided to energy efficiency advice providers like Energy service (Energitjenesten) and the local energy companies. Both in 2005 and 2006, a number of DFSME's magazines 'De Selvstændige' focused on energy efficiency in SMEs.

Global Compact Communication on Progress (COP) of the DFSME

Focus Area 3: The inclusive labour market

The activities within focus area 3 support mainly the Global Compact principles 1-2

Integration of immigrants: Project on integration and organisation of immigrant self-employed business people

DFSME has initiated a project aiming at integration and organisation of immigrant self-employed business people. An increased organisation rate of SMEs owned by immigrants in ordinary Danish business associations is believed to contribute to a better survival rate of these SMEs, as their membership of a business association will give them access to counselling and other services. Furthermore, the immigrant companies will through their organisation in a business association get access to a network of Danish companies, which will contribute to improved social integration. Finally, better survival rate of immigrant SMEs will contribute to an improvement of employment opportunities for workers with other ethnical backgrounds than Danish.

Project Job Coach

In co-operation with our member organisation, Active Women (Virksomme Kvinder), a new project on job coaching for immigrant women has been launched. The idea of the project is to train 10 employed women as job coaches for unemployed immigrant women in Denmark and support them in their coaching of unemployed immigrant women. The objective is to increase networking and employment possibilities for unemployed immigrant women. The project is supported by Ministry of Refugee, Immigration and Integration Affairs.

1.3. Planned activities in 2009

In 2009, we will – among other things -

- Develop an inspirational guide on Global Compact and CSR for small and medium-sized companies in co-operation with the UNDP and Danida.
- Climate is a key issue for the DFSME in 2009. Among other things, we will organise an energy/climate conference in September 2009 for small and medium-sized companies. Moreover, we support the large climate campaign: 1 ton less
- Continue and finalise the SUSBIZ project
- Continue promoting CSR, PPP and Global Compact among small and medium-sized companies
- Network meetings on ethical and social considerations in public procurement for the DFSME member organisations