

COMMUNICATION ON PROGRESS
JUNE 2007



Indonesia Business Links
Resource Centre for Corporate Citizenship

STATEMENT OF CONTINUED SUPPORT/COMMITMENT

The Board of Management of Indonesia Business Links (IBL) is committed to support the Global Compact initiative, and will continue to be an advocate of good corporate citizenship in Indonesia. For this reason, IBL will support the Indonesian Global Compact Network by facilitating knowledge sharing and capacity building among GC's signatories in Indonesia.

This document aims at encouraging other Indonesian based GC signatories to report their progress on the implementation of GC Principles. IBL is willing to facilitate the learning process among all GC signatories on progress of commitment, to ensure real implementation, monitoring, and proper reporting.

NATURE OF ORGANIZATION

Indonesia Business Links (IBL) is a non-profit organization established in 1999, in the wake of the Indonesian economic crisis of 1997, to promote ethical business practices in Indonesia, mainly through awareness raising, capacity building, and development of collective actions (programs).

IBL gathered 42 member corporations (national and multi-national companies operating in Indonesia) and collaborates with development agencies (such as UNDP, DFID, USAID, and Ford Foundation).

Since 2003, IBL has expanded its remit to include wider aspects of Corporate Social Responsibility (CSR). It is functioning as a resource centre providing information, resources, and facilitation/coordination services for development partnership initiatives.

Currently employing around 20 staffs at the executive and program operations, IBL manages five programs in the last 7 years worth a total of Rp8 billion rupiah (approx. US\$1million).

PRINCIPLE	COMMITMENT	SYSTEMS/POLICY	ACTIONS	PERFORMANCE
1) Protect Internationally proclaimed human rights	Encourage corporations in Indonesia to implement business practices that respect human rights.	Through regular consultative workshops with corporate partners, IBL establish learning forum, where companies can learn about effective actions on CSR. In this system, IBL adopt egalitarian approach i.e. the Learning Forum is open for public.	Adding to the existing bilingual book on human rights, within the next 3 years, IBL will: 1. Promote this topic through dialogues with corporate partners 2. Identify problem areas and resolution models 3. Publish a tool book based on realistic examples	IBL conduct training/workshops for corporate/organization to increase knowledge/skills of the CSR practitioners.
2) Comply against human rights abuse	Maintain full compliance against human abuse within its operation.	Implement Charter (Code of Conduct) and SOP internally with suppliers and partners.	Provide employment benefits in compliance with government regulations.	No abuses in the work place.
3) Freedom of association and the right to collective bargaining	Recognized to be a multi-dimensional and multi-stakeholder organization, every IBL employee is free to join any other organization as long as it is in line with IBL's vision and mission.	Same as above. Due to its small number of employees (< 25people), there is no official employee association required.	Employees of IBL are free to join membership of other any organization(s) as long as it is not counter-productive or jeopardizing the employee's main job. Currently, some employees participate in: <ul style="list-style-type: none"> Indonesia Marketing Association Indonesian Association of Environment Professional Indonesia Philanthropy Association 	Inclusion of employees' connection (membership) with other organisations in Annual Report
4) Elimination of forced and compulsory labor	Maintain full compliance on day-to-day operation.	All staff members work based on performance agreement signed by each of the employees and their immediate supervisor.	Consistently implementing the policy	No force labor
5) Abolition of child labor	Maintain full compliance on day-to-day operation.	All kind of works at IBL can only be served by mature adult, hence zero child labor	Consistently implementing the policy	No child labor

6) Elimination of discrimination in the work place	Maintain full compliance on day-to-day operation.	Apply general equality between man and woman employees, disability and age.	Consistently implementing the policy	No discrimination
7) Precautionary approach to environmental challenges	Adopt environmentally friendly practices in various business aspects	Develop Standard Operating Procedure for internal management and external collaborations with suppliers and partners.	Attempt to save energy and to adopt non-polluting operation and 3R (reduce- reuse-recycle)	<ul style="list-style-type: none"> - Reuse all papers in day-to-day activities - Automatic power turn-off after 8pm.
8) Promote environmental responsibility	Raise corporate commitment to sustainable development and environmental protection.	Through the "CSR for Better Life" program, IBL produce references (publications and web-based mapping) on CSR programs that are consistent with the growing interest and commitment for corporations and other partners in Indonesia to adopt CSR in their business strategy.	To accelerate the achievement of environmentally friendly achievement, through development of network of companies and civil society organizations	<ul style="list-style-type: none"> - One book on "Practical Reference for Sustainable Development" in 2006. - Four other books are currently being written on CSR practices in 4 areas : human capital development, environment, local economic development, and vulnerable/disaster areas. - Web-based mapping on CSR programs, accessible from the IBL website: www.ibl.or.id
9) Environmentally friendly technology	Promote environmentally friendly technology among its stakeholders incl. program beneficiaries as much as viable. (Note: IBL beneficiaries are young/new businesses, small NGOs, and youth community).	There are 3 programs currently relate to entrepreneurship and youth, i.e. Young Entrepreneurs Startup (YES), Youth Employment and Entrepreneurship Initiative (YEEI), and Entrepreneurs Enabling Network (<i>warbisnet</i>).	To enrich the Technical Assistance program for young entrepreneurs and implementing organizations, with environmentally friendly operation.	<ul style="list-style-type: none"> - YES Program currently assists 16 new businesses, employing around 50 young people. - YEEI is providing grants to 10 NGOs that empowers a total of over 5600 young people. - warBISnet in Jogja empowers 21 handy craft producers that employ more than 200 people.

<p>10) Against corruption, including extortion and bribery</p>	<p>Infuse the Indonesian business community with the necessary information to help fight corruption at all levels and encourage transparency and governance best practices.</p>	<p>Since 1999, IBL has been implementing a program on “Managing Ethical Dilemmas in Business Practices”. In 2005, IBL entered into a solid collaboration with the Committee of Corruption Eradication (KPK), to raise public awareness upon the Anti-Corruption Law.</p>	<p>1). Series of Workshops on “Managing Ethical Dilemma on Facilitating Payments”. This workshop typically attracts 30-50 participants, attended by business, government, and NGOs. 2). Production of tool books (bilingual), including a compilation of cases and their resolutions. 3). Starting 2007, the program also includes series of radio talk shows to outreach wider audience all over Indonesia.</p>	<p>Since 1999, the workshops have outreached over 1200 participants (over 700 in the last 2 years).</p> <p>We produced 4000 copies of each book.</p> <p>We conduct 20 sessions per years.</p>
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