



SENIOR  
MANAGEMENT  
CONSULTANTS

# UN Global Compact

## Communication of Progress #4 2008

**semco**

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WE SUPPORT

# About Semco

Semco is a Norwegian, partner-driven, Management Consulting firm:

Established in 1975.

With experienced consultants and a broad network.

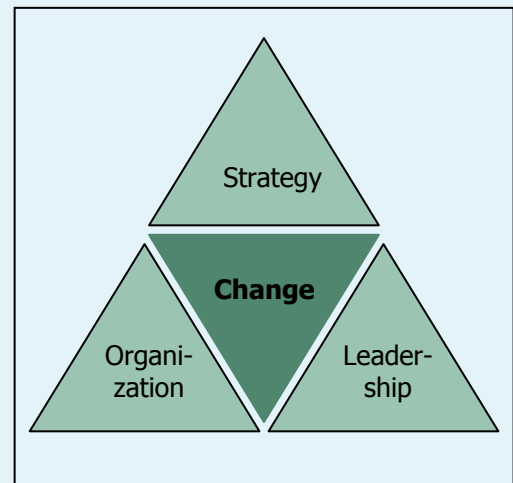
Conducting a large number of assignments for business enterprises, non-profit organisations, governmental organisations and municipalities.

Semco offers clients new insights, actionable plans and practical implementation capabilities to achieve business improvements.

As well as general management skills, Semco also has substance matter expertise in certain areas.

We serve major companies and organisations within various types of businesses including manufacturing, process industries, oil & gas industries, construction, utilities, retail, services, real estate, and public sector.

Our market is primarily within the Nordic countries, however, international or even global assignments are taken on occasionally.



# Statement of Support

We believe that the current situation in the world requires from all companies that they should overhaul how they operate and ensure that they contribute to the reduction of the climate threat. Furthermore, companies operating in developing countries, should have improvements of human standard of living as a focal point.

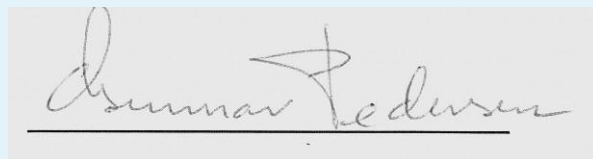
We also believe that the social and environmental components are crucial in the development of long term profits and competitive advantages of any organisation.

Semco is member of Abelia - Business Association of Norwegian knowledge- and technology based enterprises, a trade and employers association associated with Norways largest employers organisation; the NHO (Confederation of Norwegian Business and Industry). NHO is the main representative body for Norwegian employers with a current membership of over 18,500 companies ranging from small family-owned businesses to multinational companies.

During 2008, we have been active in NHO's *Forum for CSR and sustainability*, including giving input to Norwegian Ministry of Foreign Affairs work with a white paper on corporate social responsibility in a globalised economy. The Government launched the white paper on January 23, 2009.

In our effort to acquire new projects, we focus on clients and projects where environmental issues are of importance, and we will continue our commitment to the Global Compact principles.

Oslo, February 2009



CEO and partner

# Consultancy and Role. Practical Actions and Outcomes.

*Our biggest and most important outcome on GC Principles, is through the choice of clients and projects.*

## **Planting trees for life in Nicaragua**

Deforestation is a serious problem in Nicaragua, according to the local environmental authorities probably the most serious environmental problem in the country. Some 70,000 hectares of forest have disappeared annually from 1983 to 2000, as the result of indiscriminate felling, due to harvesting of firewood and charcoal, and clearing of land for agriculture and pastures.

Supported by The Norwegian Agency for Development Cooperation (Norad), a directorate under the Norwegian Ministry of Foreign Affairs (MFA), and mainly financed by Norwegian forestry owners, Semco's Chairman and staff have for the last 5-6 years been involved in a reforestation project in the region of Boaco in Nicaragua.

In these days about 1.000 hectares of underutilized grassland is on the way to be covered by plants of teak and local species. The plan is to build a plantation of from 5000 to 10 000 hectares, with its own nursery and training system. The project is executed in close contact with the Nicaragua'n Ministry of Environment and Natural Resources, labour unions and local authorities. As a part of the project a training program involving literacy training as well as forestry training programs and health programs have been established. The majority of employees are local women. At peak load the project will employ several hundred employees, in a region where underemployment is very high.

The project goals are to improve the living conditions for the local people, to restore the woodlands absorption of carbondioxide from the atmosphere, and to stop the heavy soil erosion. And not the least, to prove that it is possible to establish a successful commercial project not using free aid money in the execution of the project itself, in one of the poorer countries.

## **Cleaning the inner waters of Oslofjord**

Oslo, the capital of Norway, is located at a bay (Oslofjord) in the south-east of Norway. The fjord is 107 km long, and is divided into the inner (*indre*) and outer (*ytre*) Oslofjord at the point of the 17 km long and narrow Drøbaksundet. The inner basin is contaminated due to spillwater and sewage during periods with heavy rainfall. Some parts of the sewage system was established in the 1890's, and the capacity is limited.

The area nearby the basin (Bjørsvika) is currently under development with office and apartment buildings. The new Opera House is already in place. Due to a general requirement for clean waters, and particularly because of the public beach that will be made as part of a new recreation area, it is urgent to substantially upgrade the sewage system.

Oslo Water and Sewerage Works (OVA), a municipally-run utility responsible for the supply and treatment of drinking water and sewage, is responsible for the project.

Semco, as part of a 3-year long management for hire contract, is supervising all contracting for this environmental important project, estimated to 950 MNOK.

# Consultancy and Role. Practical Actions and Outcomes.

## **Mining and Sami reindeer industry living together**

Northern territory of Norway (the county of Finnmark and Northern Troms) is Sami land. Reindeer husbandry has been, and is, an important aspect of Sami culture, and according to Norwegian law the Samis have legal rights for continuing reindeer herding.

In May/June 2005, the Norwegian Parliament (Stortinget) decided through Finnmarksloven (The Law of Finnmark) to transfer 95 % of Finnmarks state-own property (ca. 45.000 km<sup>2</sup>) to a new local organisation, Finnmarkseiendommen (Finnmark Property). This law confirm that Sami people, because of their longlasting utilization of land and waters, also shall have rights to land areas.

The implication of this is that activities like road construction, mining, quarrying etc. need special consideration.

A Semco consultant, Sami himself, is member of the board of a mineral exploration company, planning establishment of a quarry for producing natural stone in inner Finnmark, starting May 2009. Careful considerations and planning is necessary to avoid the conflict of interests between mining and reindeer herding, obeying The Law of Finnmark. For instance, no mining will take place during wintertime while reindeer herding is going on in the area, and the provisory dumper road will be brought back to nature, as far as possible.

In cooperation with local authorities, a refinement factory will be established, based on local work force, and so relieve the pressure on reindeer herding industry, which in turn is expected to reduce the strain on nature and thereby ensure that reindeer herding continue to be sustainable.

## **Assessment of logistics, costs and environmental impact**

A swedish-based company is making fluoescent lamps that have at least three times as long lifetime as compared to standard fluoescent lamps. New technology reduce energy consumption for lighting, and also has other positive environmental impacts when tubes are disposed, for instance considering mercury.

The company has as of 1993 offered their customers return-and-recycling of used lamps, without any extra costs.

The company has its main factory in Sweden, while also using other suppliers in Europe.

Semco was hired to evaluate potential cost savings in the total supply chain while also targeting more environmental friendly transportation setup.

## **New strategy promoting clean and renewable energy**

EBL Norwegian Electricity Industry Association is the trade organisation for about 260 generators, suppliers, distributors and contractors. EBL's members each year produce nearly 120 TWh, which is some 99 % of all power production in Norway. EBL's members have approximately 2.1 million grid customers, which is about 93 % of Norway's grid customers. EBL's members have some 14 000 employees, and had a gross turnover to end-users in 2007 of 75 billion Norwegian kroner (NOK).

Semco has facilitated the strategy development process, resulting in a strategy where clean and renewable energy is a strong part. The project is continuing through the implementation phase where the members of the association is urged to think about the environment and the climate.

# Practical Actions

## **UNGC Nordic Network**

Semco is member of UN Global Compact Nordic Network, and as such, we took part in communications related to the Network meetings in Reykjavik, Iceland, May 7 - 9, 2008 and in Helsinki, Finland, October 23 - 24, 2008.

## **Forum for CSR and Sustainability, NHO (Confederation of Norwegian Business and Industry)**

We are an active part of the Forum for CSR and Sustainability, organised by the Confederation of Norwegian Business and Industry (NHO).

On February 7, 2008, Norwegian Ministry of Foreign Affairs invited Forum members to make proposals to the content of the forthcoming white paper on CSR and sustainability. The Ministry also invited Forum members to make their proposals at the web site established for this purpose.

Semco contributed at the meeting and on the web as well.

On May 28, 2008, we participated at the Forum meeting where ISO 26000 was introduced and discussed.

## **Article on Sustainability and Leadership**

A writer closely associated with Semco, has published an article on business leaders responsibility in our time, where the climate threats are inevitable. The article was published in "Ukebladet Ledelse" ("Management Weekly") 02/2008, January 11, 2008

## **Concerned Scientists Norway**

Scientists from various disciplines, such as natural science, law, social sciences etc. are building a network in Norway. A Semco-associate is connected to this network.

# Following the Principles

Due to the type and small size of our business, our biggest impact is via our clients. We are committed to present these principles to our clients and proactively encourage them to take actions. Businesses and client projects where improval of CRS and environmental issues are in focus, is of special interest to us.

## **Human Rights** - Principles 1 and 2

*Semco is committed to the protection of international human rights within our sphere of influence.*

Semco fulfils all its responsibilities according to Norwegian law.

## **Labour** - Principles 3, 4, 5 and 6

*Semco is committed to protect labour rights, including freedom of association, abolition of forced and child labour, and the elimination of any type of discrimination.*

Semco fulfils all its responsibilities according to Norwegian law. At the end of 2007, 10% of our working force is from outside of Norway, promoting ethnic diversity. We are also working on hiring more women.

## **Environment** - Principles 7, 8 and 9

*Semco is committed to the promotion of greater environmental responsibility and precautionary approaches to environmental challenges.*

We have since 2006 been recycling paper in our offices.

All lights are normally shut off during off-office hours.

## **Corruption** - Principle 10

*Semco is committed to work against corruption in all its forms.*

We renew our commitment to publicly denounce any type of behaviour that can be perceived as corrupt and/or that breaks any laws.



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# Sharing our Commitment with our Stakeholders

This Communication of Progress has been discussed and approved by the Semco board.

All our employees have received a copy of COP.

The COP will be published in the United Nations Global Compact website [www.unglobalcompact.org](http://www.unglobalcompact.org) and in our own website [www.semco.no](http://www.semco.no)

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Sharing