

UN GLOBAL COMPACT
COMMUNICATION ON ENGAGEMENT

ASSOCIATION OF GHANA INDUSTRIES

Message from the CEO

From: January 2014

To: December 2015

To our stakeholders:

I am pleased to confirm that the Association of Ghana Industries re-affirms its support for the United Nations Global Compact and its ten principles of the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents. In this Communication on Engagement, we describe the actions that our organization has undertaken to support the UN Global Compact and its principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Seth Twum-Akwaboah

Chief Executive Officer

DESCRIPTION OF ACTIONS

The Association of Ghana Industries (AGI) remains committed to the ten principles of the UN Global Compact. In our quest to promote best business practices, AGI first rolled out the Ghana Business Code (GBC) from 2006 to 2010. The Code was started as a set of norms based on the universal principles referred to in the U.N Global Compact relating to human rights, labour standards, environment and anti-corruption, among others. AGI initiated this with other Business Associations and supported by the Danish Development Assistance.

Today we are happy to be part of the UN Compact and have linked our members to the UN Global Compact after the expiration of the Ghana Business Code. We consider the UN Global Compact as guiding principles and a benchmark in our business practices as an Association and will always uphold these principles. As an association with a diverse membership, we also feel challenged to ensure compliance with the principles by all our sectors as much as possible. In creating a conducive business environment we have also denounced unfair and corrupt business practices that tend to give others an edge over their peers in doing business.

Some of our major activities undertaken within 2014 to 2015 include the following;

- **Human right issue-** In 2014, AGI mediated in a case involving an AGI member company and its employee who sustained injuries in a factory accident. AGI advised an upward adjustment on the compensation due the accident victim to settle the matter.
- **Promoting Sustainable Practices-** AGI instituted the Best Practices in Sustainable Manufacturing Award category under the AGI Ghana Industry Awards. The Award seeks to identify and reward companies that adopt environmentally- friendly and sustainable business practices in their manufacturing processes and has been running for the past 4 years.
- **AGI SCORE programme-** AGI promoted the ILO Sustaining Competitive and Responsible Enterprises (SCORE) programme for a year. The programme sought to improve productivity, sustainability and job quality in SMEs.
- **Anti-corruption-** AGI advocated against the multiplicity of taxes imposed on businesses at the port. In addition, in our quest to fight corrupt practices and to reduce the cost of doing business, AGI brought to the attention of the Tariffs Advisory Board in Ghana, cases of unfair taxes and under-invoicing to evade taxes. Currently undertaking a regulatory guillotine on taxes for businesses.

- **Training on energy-** At the peak of the energy crisis (2013 to 2015), AGI organized seminars for members on affordable and clean energy during this period. Officials from the Volta River Authority (VRA), Energy Commission and the Electricity Company of Ghana took Industry players through presentations on the power supply situation in Ghana and the need to adopt energy conservation measures, considering the energy deficit facing the country. The forum explored other sources of renewable energy to augment the country's legacy hydro which had shrunk significantly.

MEASURE OF OUTCOMES

ILO SCORE- A total of 25 employees from 5 SMEs benefited from the ILO SCORE training programme during the period in question.

Training on energy efficiency- A total of 72 companies participated and benefited from the seminar on energy efficiency and conservation as organized by AGI

Anti-corruption and unfair trade practices

Our advocacy against unfair trade practices inured to the benefit of the following sectors;

- Local cement manufacturers in Ghana, who now have a fair tax margin with Cement importers
- Local biscuit manufacturers who now have a fair tax margin with biscuits importers
- Local plastic manufacturers who also now have a fair tax margin with plastics importers