



اتحاد الصناعات المصرية

FEDERATION OF EGYPTIAN INDUSTRIES

Statement to the UN Global Compact from the Chairman,

Dear Mr. Secretary General,

I am writing to pledge FEI continued support for the ten principles of the UN Global Compact with respect to human rights, labor standards, the environment and anti-corruption.

The Federation of Egyptian Industries (FEI) recognizes the vital role that UN Global Compact plays in supporting the operationalizing and mainstreaming of CSR concepts across the global business community. FEI supports and shares this aim through our partnership with UN Global Compact and our role as the voice of Egyptian industries that propel FEI to be well placed to implement and promote corporate social responsibility initiatives in Egypt based on the most recognized international practices.

FEI believes that instilling principles of responsibility in industry is essential to tackle the challenges that Egypt faces, and will help build new era of corporate sustainability, where CSR principles are integrated into business.

In light of the above, and on behalf of the FEI employees, I hereby renew our continued support to exert every effort that deem effective to promote the principles of the UN Global Compact.

In this regard, please accept my highest consideration and looking forward to continue our mutual fruitful cooperation.

Eng. Mohamed El-Sewedy

Chairman of the Federation of the Egyptian Industries



**Communication on Engagement Report
(COE)**

Submitted by:

The Federation of Egyptian Industries

October 31, 2016

The Federation of the Egyptian Industries (FEI) is considered one of the very few entities in Egypt that took the initiative to engage with the UN Global Compact Network Egypt by signing the letter of commitment in 2007 and joining in 2014 the UN Global Compact initiative to engage “non-business participants” in aligning their strategies with the ten general principles developed by the UN Global Network.



The report will tackle the way FEI incorporated the Corporate Social Responsibility (CSR) principles in an effort to contribute to the development of a more responsible and responsive Egyptian Industry through promoting the implementation of the ten principles among Industrial companies working in Egypt by adopting qualitative & quantitative approaches.

FEI is expanding its awareness to the Egyptian business community through strategic partners that are working in the development field; just to name a few: ILO, USAID, EBRD, Egyptian Council for Training & Development (ECTD), Alexandria Businesswomen Association (ABWA), Professional Management Expertise Center (PMEC), Professional Development Foundation (PDF) & in the Academic field: AUC and GUC.

In its mandate primarily as a business association, the FEI aligned its CSR strategies towards:

1- Attracting new business participants through their outreach efforts and awareness raising.

- A partnership was set up with Egyptian Banking Institute (EBI) to provide training courses for women in business (WIB), the members of FEI Chambers. (This agreement duration was Sep 2015 – Jun 2016).
- Two workshops for WIB were organized in Alexandria and Cairo on ‘Finance and how to deal with banks’. They were successful events as the topic was highly demanded by the WIB pilot group. Access to Finance is a major challenge facing most of the working women mainly due to the fear of dealing with a banking institute. The workshops had an excellent turnout and proved that the subject is of significant interest to the businesswomen, especially those with no financial background, experience or training.
- A report was prepared on the topic of “Access to Finance & Financial Literacy” in addition to work being done to set up a finance platform through which the subject can be discussed among relevant stakeholders and advocated to policy makers. Discussions with Federation of Egyptian Banks (FEB) are currently on-going to work together to discuss the setup of this platform.
- FEI Conference on December 14, 2015 “FIRST INTERNATIONAL CONFERENCE ON R&D INCENTIVES IN EGYPT”: Jointly organized by the Ministry of Higher Education & State Ministry of Scientific Research, FEI and UNESCO Cairo Office (with support of PWC and KPMG) to promote on-going efforts since 2006 and the Scientific Research Plan 2007-2016 to help develop the value chain and link research with business. Among the attendees was Minister of Higher Education and State Ministry of Scientific Research, Director of UNESCO Cairo Office, Director and Head of R&D and Government Incentives Group Deloitte Russia, Director PWC Global R&D Tax Incentives The Netherlands, KPMG Global Tax Incentives Partner Australia. Speakers were: two professors and research chairpersons from USA and Canada. This was a positive step due to the importance of university-industry cooperation, that is crucial to development and advancing the standards and productivity of industry.

- FEI – ECO Unit Conference on December 15, 2015 “2015 AWARDS FOR PIONEER BUSINESSES TO ACHIEVE SUSTAINABLE DEVELOPMENT”: The second annual award presentation ceremony and panel discussion held by FEI’s ECO Unit at FEI’s premises was a way to encourage companies to put higher consideration for their environmental impact and show how it would be of benefit to business, economy and society as a whole. Eleven companies were selected out of the 190 companies that submitted applications, among two of the winners were businesswomen who participated in the WIB Unit’s training workshops. This event was attended by: Minister of Environment and Minister of Manpower.
- Holding a conference with the cooperation of Alexandria Business Association to introduce international best practices & success stories in incorporating & mainstreaming CSR concepts in the companies’ DNA.
- Organizing three consecutive annual meetings in 2014, 2015 and 2016 focusing on specific issues related to promoting CSR concepts in the business community.
- Co-organizing a workshop in Alexandria on April 19-21 and 26-28, 2015 aiming at capacity building of working women to become a pilot networking group of the Women in Business Unit at FEI. Also to enable improved outreach of donors to assess their programs that support businesswomen and focus on areas still not tackled. Among the topics covered were networking, leadership skills, communication, and market analysis.
- Co-organizing in Alexandria on September 1-3 2015 a workshop titled "Capacity Building Workshop on Corporate Social Responsibility". The main aim of the workshop was to introduce the concepts of CSR to 26 participants who are the first pilot group in this series of 4 workshops, to enable participants to create CSR activities in their own companies and share them with other companies; hence creating a spillover effect while promoting good CSR working practices and FEI initiatives.
- Co-organizing on October 17, 2015 the 7th Businesswomen Conference in Alexandria under the title “Small and Medium enterprises shaping the economic future of Egypt” with the cooperation of Alexandria Businesswomen Association (ABWA) and International Labor Organization (ILO).

- Conducting on February 11 & 13 2016 a workshop entitled ‘E-marketing & Branding Workshop’ Organized by the Egyptian Council for Training & Development (ECTD), and FEI Women in Business Unit.
- Publishing a booklet (consisting of 2 parts) in cooperation with the AUC elaborating CSR concepts and its applicability by Egyptian companies by citing and referring to 10 examples of companies that contributed in promoting and applying CSR concepts in-house.
- Preparing CSR mapping research in collaboration with GUC to come up with a concise understanding of CSR trends, shortcoming and come up with valuable recommendations.
- Establishing CSR unit affiliated with Women In Business Alex Association and designating a CSR expert for three month to support the Association.
- Launching CSR & WIB website to disseminate news, resources, initiatives and programs undertaken by the FEI in the fields of CSR and gender.

2- Organize learning and dialogue events, workshops and training for their members on the UN Global Compact and specific topics relevant to corporate sustainability.

- Conducted two workshops aiming at the provision of financing and technical expertise to business chambers member on ways to deal with labour conflicts, disputes and strikes through our Labour Affairs unit.
- Established a CSR unit within the new structure of the FEI to provide all services and resources needed related to the application and mainstreaming of CSR concepts targeting specifically chambers members, and also the business community at large.
- Established a Women In Business unit to support women who run or manage businesses. We have implemented training programs as a kind of building their capacities and built a pilot local network of WIB in Cairo & Alex.
- Provision of a training program targeting the employees working at labor affairs and conflict resolution department to coach and train them on the best ways to

deal with work disputes, collective negotiation strategies, salaries, and health and safety issues.

- As part of raising the capacity building of the FEI experts and employees, FEI organized field visits to Switzerland, Germany, and France to explore the best way to restructure, modernize and reform the FEI organizational structure to match with the highest international standards and organizational structure of Employers organizations developed worldwide.

There is a real and concrete FEI top management consensus and will to convey the message that being an industrial enterprise does not necessarily mean profit seeking solely but it also encompasses achieving a more responsible business with all its good & wide implications on the individual enterprise and on society at large. This will be supported by an overall enabling and conducive political environment now more than ever to fight corruption, achieve a degree of social equality in the labor field, gender and the society at large.

More conferences and workshops should be directed at creating some sort of dialogue or mutual understanding with the governmental entities, and business association on many issues that includes but not limited to:

1. Communicating with the governmental entities concerned to allocate the problems that need to be tackled and addressed by the private sector, that the government budget cannot afford. Hence, the private sector efforts will be thus directed in the right way and to serve the real needs of the society.
 2. Agree on the most pressing and urgent issues that need to be addressed.
- More efforts need to be exerted to unify and gather WIB database across the 20 chambers affiliated to FEI so as to facilitate communicating and tackling women issues quantitatively.
 - Quantitative survey regarding the impact of certain developmental and training involvement need to be developed at CSR unit.
 - Most importantly develop a reporting mechanism whereas the Companies who have CSR unit may align their efforts with FEI and this can be considered a very essential qualitative and quantitative measurement.

We also commit to have shared part in participating with the UN Global Compact and their event, and will continuously do so. Last but not least, hope this report have fulfilled the purpose of COE and looking forward to continue our mutual cooperation in the field of Corporate Social Responsibility.