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To our stakeholders:

I am pleased to confirm that Mongolian National Chamber of Commerce and Industry (MNCCI) reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Ms. Oyunchimeg Magvan

CEO

# **COMMUNICATION ON PROGRESS (COP) 2016-2018**

**Mongolian National Chamber of Commerce and Industry (MNCCI)** is the leading non-governmental, business advocacy institution in Mongolia acting since 1960.

MNCCI has more than 3200 member entities- entrepreneurs, 21 branches in all provinces and actively cooperates with more than 40 international Chambers of Commerce and 100 Trade promotion Organizations from 41 different countries. It assigned 36 delegates in 23 countries and 11 honorary councils in 9 countries. The MNCCI is a full member of international and regional trade promotion organizations such as the International Chamber of Commerce (ICC), the Asian Trade Promotion Forum (ATPF), and the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI).

The Chamber conducts wide range of activities including the rendering overall business services to its members and non-members, operating public-private sector counseling committees, arbitrating foreign trade disputes, inspecting export and import goods on a neutral basis, certifying foreign trade documentation, issuing bar codes, registering patents and trademarks, promoting exports, SMEs and CSR, organizing domestic and international exhibitions and trade fairs, sending and hosting business missions, exchanging business and investment information, promoting public relations with the media and member companies, conducting training, seminars and conferences, ranking TOP-100 companies on an annual basis, and conducting wide range of economic and business surveys such as the corruption index, business confidence index, and many more.

## **Human Rights**

- Child right and Business principles: UNICEF Mongolia and the Mongolian National Chamber of Commerce and Industry (MNCCI) signed MOU to advance the Child Rights and Business Principles (CRBP) and provide advice on CSR tools and policies to respect and support children's rights in the workplace, marketplace and community. MNCCI and UNICEF Mongolia organized "Child Rights and Business Principles" workshop for council secretaries of Mongolian national chamber of commerce and industry and province representatives to educate business community for respect and support for children's rights within the framework of business activities.
- Women entrepreneur activities: MNCCI works actively to promote women in business. Firstly, MNCCI is member of International Women's Entrepreneurial Challenge (IWEC) which is a New York-based non-for-profit organization whose mission is to connect and develop a global network of successful women business owners. IWEC's reach encompasses women who are already in the global marketplace and want to expand, and those who are ripe to get into the marketplace. Secondly, in 2005, MNCCI established "Women entrepreneur council" under MNCCI. The council goals to promote women entrepreneurs role in economic and social life of the country and works actively in last 13 years.

## **Environment**

Since 2000, MNCCI carries out a broad range of activities for greening of economy and business with the aim to save the environment for the future generation. MNCCI is the pioneering and leading organization in Mongolia continuously delivering to the entrepreneurs the internationally recognized tools and methodologies for improving resource use efficiency and pollution prevention. We are collaborating with the Mongolian Government and other stakeholders in developing strategies and plans for moving to Green economy model. We are cooperating with international organizations as UNEP, UNIDO, UNESCAP, WBCSD and others on green economy issues. MNCCI's main activities for greening economy and business are:

- Organic Mongolia program: Since 2008 Mongolian National Chamber of Commerce and Industry in collaboration with Xacbank, Capital bank, Petrovis group, Max group and Energy resource LLC has initiated Organic Mongolia program in order to promote business entrepreneurial thinking, improve livelihoods, create a local organic brand, promote the production of organic product and its importance to the public, provide low interest financial services, which is done within corporate social responsibility.
- World water day: since 2005, MNCCI alongside Mongolian government celebrates world water day and host conferences and exhibitions to aware companies and public about water consumption.
- Green credit guarantee fund (GCGF): In the 21st century, economic development is defined increasingly by its commitment to sustainable development whilst protecting an ecological balance.
  - Recognizing the importance of this movement, the MNCCI has initiated and established the GCGF. The purpose of the fund is to provide a supplemental collateral guarantee for energy Mongolian National Chamber of Commerce and Industry GREEN PAPER 2013 17 efficiency improvements, green investments, and cleaner production projects.
- Organic label: MNCCI initiated the "GREEN-LABEL" and "GREEN BAR CODE" concept.
  The green label and bar code are issued to select products, which are manufactured to strict eco-friendly standards. This initiative aims to promote awareness of best technology practices, production processes, and to instill healthy food consumption practices among consumers and businesses.
  - "GREEN-LABEL" and "GREEN BAR CODE" are registered trademarks, and according to chapter 31 of the International Trademarks classification are issued to "agricultural, plant and forest products, rice not included in other classifications, live animals, fresh clean fruits and vegetables, seeds, plants, flowers, fodder and other ecologically clean products."
- **Green technology expo:** The expo is initiated and organized by the MNCCI in cooperation with the Ministry of Environment and Tourism. The exhibition brings together the largest group of green technology and renewable energy developers and supply chain partners.

- "Green hotel" eco labeling scheme: The Green Hotel eco label is a voluntary environmental label. It was established in 2012 to certify the hotels and lodging properties' environmentally friendly management activities.
- **Green office guideline:** MNCCI have developed "Green office" Guide to engage businesses, mass, government organizations and their employees to control their activity, routine and habits in contribution to the worldwide contest against climate change, desertification, natural pollution and natural regression by creating "Green work place", "Green environment", "Green consumption" through the "Green office" handbook.
- Water policy council: The Council has been established on 14th April 2010 under the slogan "No water- no business". The goal of the council is to build up legal, economic conditions for introduction of latest technologies cleaning household or industry water, to save water, to develop government and private sector's partnership in water sector.
- Renewable energy development council: the council was established in 2009 with the aim to promote investment, exchange ideas, experiences for developing renewable energy sector in Mongolia.

#### **Anti-Corruption**

**Anti-corruption national forum:** MNCCI participated Anticorruption national forum and Ms.Oyunchimeg Magvan, representative of UN Global compact network Mongolia, took speech about Mongolian companies activities for anti-corruption, which took place in Mongolian state house. The national forum was attended by Members of Parliament, foreign diplomats in Mongolia, authorities of government organizations and representatives of organizations cooperating with the Independent Authority against Corruption and civil society organizations.

**Anti-corruption ISO37001 workshop:** MNCCI in partnership European Commission's Support to modernization of Mongolia's standardization system (SMMSS) project organized introduction workshop

for Anti-corruption ISO37001 standard. In the workshop, over 30 representatives of companies attended.

Workshop on Promoting Transparent and Ethical Business Practices: for years of 2017 and 2018, MNCCI in partnership with Transparency International Mongolia and The Asia Foundation host workshop on "Promoting Transparent and Ethical Business Practices" in regular basis and aims at Identifying the most pressing issues regarding business integrity in Mongolia; Selecting topics for relevant capacity building activities for BCM BEWG; and Formulating key advocacy messages to promote an enabling and transparent business environment.

#### **Other**

**CSR Forum and workshop:** In September 2016, MNCCI in partnership with the Embassy of the United States of America in Mongolia and UNICEF is organizing a forum and workshop on Corporate Responsibility with a distinguished guest speaker Jane Madden, US Managing Director of Corporate Responsibility at Burson-Marsteller, a leading global public relations and communication firm.

**CSR introduction workshop:** In December 2016, MNCCI in partnership with Embassy of South Korea in Mongolia organized "CSR introduction workshop" for Korean investment companies in Mongolia. In the workshop, 20 representatives from Korean investment companies participated.

The best CSR company awards: MNCCI held its "Entrepreneur-2016" awards ceremony for the 20th year, distinguishing entities, organizations and business owners of the year who made solid contributions to the country's social and economic development. UN global compact network Mongolia in partnership MNCCI started to name "The best CSR company a year" nomination as part of "Entrepreneur" awards to promote companies who are practicing exemplary corporate social responsibility in the year.