



FAQ – 2018 engagement model for UN Global Compact business participants

As of 1 October 2017

Starting in January 2018, the UN Global Compact will offer two distinct engagement tiers to suit your company's needs: **Participant** or **Signatory**. In order to engage in either tier, and remain an active Participant or Signatory of the UN Global Compact, we ask larger companies to make a required annual financial contribution, based on their company's annual gross revenue/sales.

- Please explore our [2018 UN Global Compact Flyer](#) for more details on these exciting new programmes, each designed to deliver greater support and opportunities for your company
- [Attend an informational webinar](#)
- We are here to help: please contact your [Local Network](#) or the UN Global Compact [Client Engagement team](#) (+1-212-907-1301 or info@unglobalcompact.org) with any questions or concerns.

What is a Participant?

Participants actively engage at the global level, and at their national or regional level, with the UN Global Compact. Participants receive:

- Full access to global resources and activities.
- Full access to their country-specific resources and activities.
- Full access to the UN Global Compact digital platform and tools.
- Opportunities to fully engage with the Global Compact Local Network in their country or region.

The Participant tier is ideal for leaders or learners looking to accelerate their sustainability efforts and scale up their impact across the globe. To engage in the Participant tier, businesses of all sizes must make a required annual financial contribution, based on their annual gross revenue/sales.

What is a Signatory?

Signatories actively engage at their national or regional level with the UN Global Compact. Signatories receive:

- Full access to their country-specific resources and activities.
- Basic access to the UN Global Compact digital platform and tools.
- Opportunities to engage with the Global Compact Local Network in their country or region.

To engage in the Signatory tier, businesses with revenue over USD 50 million must make a required annual financial contribution, based on their annual gross revenue/sales. The voluntary nature of financial contributions to the global initiative is preserved for smaller businesses: Signatories with annual gross revenue/sales less than USD 50 million are asked only to make a financial contribution if they wish to fully engage with the Local Network in their country.



What are the concrete opportunities for each engagement tier?

		PARTICIPANT	SIGNATORY
Access to Global Compact Local Networks in 70+ countries* (contribution for Signatories under USD 50M and Subsidiaries)		X	X
COMMUNICATE YOUR COMMITMENTS			
Digital profile	Basic company profile on UN Global Compact website, including annual Communication on Progress (COP)	X	X
	Enhanced company profile on UN Global Compact website	X	
Visibility and recognition	Country-specific opportunities at events and conferences; through traditional, digital and social media; and as an SDG Pioneer	X	X
	Global opportunities at events and conferences; through traditional, digital and social media; and as an SDG Pioneer or Global Compact LEAD	X	
Logo and Media Toolkit	Tools to communicate engagement in the UN Global Compact	Logo + toolkit	Logo
EASILY ACCESS TOOLS AND RESOURCES			
Support	Access to UN Global Compact helpdesk: guidance and support	X	X
Sustainability content and learning	Access to UN Global Compact digital library of world-class sustainability content and materials	X	X
	Access to UN Global Compact Academy guided learning and coaching	X	
UN Global Compact Navigator	Self-assessment and benchmarking	X	X
	Tailored roadmaps and content curation	X	
GLOBAL REACH AND CONNECTIONS			
Partnerships	Access to UN-business partnership support and advisory services	X	X
Global events and convenings	Invitations to UN Global Compact flagship events, global programmatic convenings and UN side-events, including the UN Global Compact Leaders Summit and Making Global Goals Local Business regional convening	X	
Global leadership programmes	Ability to join UN Global Compact Action Platforms (additional financial commitment) – learn more	X	
	Eligibility for Global Compact LEAD recognition (available to companies participating in two or more Action Platforms)	X	

*Please contact your Local Network for more details: www.unglobalcompact.org/engage-locally



What is the required annual financial contribution for each engagement tier?

ANNUAL GROSS REVENUE/SALES	PARTICIPANT	SIGNATORY
Over USD 5 billion	USD 20,000	USD 10,000
USD 1 - 5 billion	USD 15,000	USD 7,500
USD 250 million - 1 billion	USD 10,000	USD 5,000
USD 50 - 250 million	USD 5,000	USD 2,500
USD 25 - 50 million	USD 2,500	LN contribution may apply*
Under USD 25 million	USD 1,250	LN contribution may apply*

*Please contact your Local Network for more details: www.unglobalcompact.org/engage-locally

When is the deadline to decide my company's engagement tier?

- All Global Compact companies and SMEs are encouraged to choose their 2018 engagement tier by 31 March 2018.

How do I select my company's tier?

- Companies should log-in to their [Global Compact dashboard profile](#) to select their preferred engagement tier: Participant or Signatory. At this time, companies will also be asked to confirm key required data including annual revenue/sales (USD), financial contact info, and corporate ownership (i.e. subsidiary, privately owned, etc.)

When does my company have to pay?

- Signatories and Participants are expected to pay their 2018 required annual contribution by 31 December 2018.

How do I make this payment?

- Details on where and how to make your company's annual contribution will be shared starting in Q4 2017. Companies will no longer be asked to pay separate annual contributions to their Local Network and to support Global activities, as the new business model supports both Global and Local as **One Global Compact**.

What happens if my company does not pay?

- Companies that do not make the required annual contribution (appropriate to their company size) by 31 December 2018 will no longer be considered active Participants or Signatories of the Global Compact and will no longer be eligible to avail of the opportunities or recognition available to Global Compact Participants or Signatories.



How will these required annual funds be used?

- These funds will be used to deliver programmes, tools and resources, and activities to your company at both the global and country level. Required annual contributions are shared between the Global Compact office and the Local Network in your country of operation.

5% of all Signatory and Participant annual contributions will be used to endow a Local Network Development Fund, which will provide seed funding to new and early-stage Local Networks.

Please read our [2016 Management Report](#) and [2017 United Nations Global Compact Progress Report: Business Solutions to Sustainable Development](#). Past Global Compact reports can be found in [our online library](#).

Audited financial reports are also available for both the [Global Compact office](#) and the [Foundation for the Global Compact](#). All Local Networks are also required to release similar reports, please contact your Local Network for more details:

www.unglobalcompact.org/engage-locally

How is the UN Global Compact funded overall?

The UN Global Compact was founded on the principle that public-private collaboration is essential to find lasting solutions to pressing global problems. All Global Compact Office operations, programmes and activities are made possible by voluntary contributions from Governments to the UN Global Compact Trust Fund and from business to the Foundation for the Global Compact. Funders play a crucial role in advancing sustainable business models and markets, as the UN Global Compact does not receive funding from the regular budget of the United Nations. Maintaining this approach is important to ensure the Global Compact can continue to function as a public/private initiative.

UN Global Compact funding sources: www.unglobalcompact.org/about/finances

Foundation for the Global Compact: www.unglobalcompact.org/about/foundation

How do I engage with my Local Network?

- Local Network participation in the country where your company is domiciled is included in the required annual contribution for both *Signatories* with annual gross revenue/sales over \$50 million and *Participants*. *Signatories* with less than \$50 million in annual gross revenue/sales or Subsidiaries (see below) may be asked to make a financial contribution in order to fully engage with the Local Network in the country where they are domiciled. Local Network participation benefits may differ between tiers; please contact your Local Network for details of participation benefits.

Find your Local Network at www.unglobalcompact.org/engage-locally



Does this affect non-business organizations?

- No, non-business organizations are not subject to a required annual contribution at the Signatory tier of engagement. However, if non-business organizations wish to engage directly with the Local Network in their country, that Local Network may require a local financial contribution.

Read more about non-business participation:

www.unglobalcompact.org/participation/join/who-should-join/non-business

How do subsidiaries engage with the Global Compact?

- Subsidiaries of active Signatories or Participants may continue to engage in the UN Global Compact under the umbrella of the parent company without paying a separate annual contribution. Subsidiaries wishing to engage with a Local Network outside of the parent company's country of operation may be asked to make a Local Network contribution. If the subsidiary wishes to engage on their own, they must engage fully as an active Signatory or Participant and pay the relevant required annual contribution.

A process to link subsidiary and parent companies will be introduced in Q4 2017. Read the updated [subsidiary policy](#).

The term "subsidiary" is defined as a company controlled by another company in the sense that the parent can dominate the decision-making process of the subsidiary in relation to its financial and operating policies in pursuance of the objectives of the parent company.

Does my company still have to submit an annual Communication on Progress?

- Yes, the introduction of a required annual financial contribution for business participants will have no effect on the UN Global Compact Communication on Progress (COP) Policy. The UN Global Compact requires participating companies to produce an annual COP that details their work to embed the Ten Principles into their strategies and operations, as well as efforts to support societal priorities like the Sustainable Development Goals (SDGs). The COP is a visible expression of a company's commitment to sustainability, and stakeholders can view it on a company's [profile page](#). According to the policy, failure to issue a COP will change a participant's status to non-communicating, which can eventually lead to the de-listing of the participant from the UN Global Compact initiative.

Read the UN Global Compact [COP Policy](#).

How can my company join a Global Compact Action Platform?

- Any Global Compact *Participant* can join an Action Platform, as long as their COP status is active and the company has made their annual financial contribution for the Participant tier. To learn more about Action Platforms, visit the Global Compact [website](#), or reach out to the Client Engagement team (info@unglobalcompact.org) to schedule a briefing call. To sign-up for an



Action Platform, you will need to [login](#) to your company's Global Compact dashboard profile and complete a short registration form.

How can my company be recognized as Global Compact LEAD?

- Global Compact LEAD is transitioning from a membership platform to a recognition opportunity for leading companies across a range of sustainability issues. A company meeting the following criteria will be eligible for LEAD recognition:
 - Engage with the Global Compact in the Participant tier
 - Participate in two or more Action Platforms
 - Demonstrate continuous leadership on sustainability issues, either/both through a history of engagement with the UN Global Compact or recognition by a range of external sustainability performance assessments
 - Pass a UN Global Compact integrity screen
 - Submit an Advanced COP

- LEAD companies will enjoy the following unique benefits:
 - Opportunity to be profiled as part of learning opportunities for broader base of UN Global Compact companies
 - Special events and opportunities to recognize LEAD companies
 - High profile on UN Global Compact communications and website
 - Consideration for speaking opportunities at UN Global Compact events
 - Exclusive use of the "20xx LEAD" logo
 - Advise the UN Global Compact on thematic priorities for the coming year

For further questions, please contact your [Local Network](#) or the [Client Engagement](#) team of the New York-based Global Compact office (+1-212-907-1301 or info@unglobalcompact.org)