



**UNGC Local Network Armenia – Steering Committee Meeting**  
**Minutes of Meeting, Yerevan, December 10, 2009, 3.00p.m.**

*The Steering Committee Meeting took place in VivaCell-MTS office.*

*List of Attendees:*

Mr. Ralph Yirikian <i>Chairman</i>	General Manager	VivaCell-MTS
Mr. Gagik Danielyan	General Director	Coca-Cola Armenia
Ms. Ani Hakobyan	Marketing Director	Grant Thornton
Ms. Narine Melikyan	Deputy Head of BoD	Ashtarak-kat
Mr. Jonathan Stark	CEO	Cascade Capital
Ms. Diana Gaziyan	Executive Director	AMCHAM
Ms. Susanna Khalatyan	Advisor to CEO	UMBA
Mr. Gagik Makaryan	Executive Director	UMBA

*Other participants:*

Ms. Narine Arustamyan	CSR specialist	VivaCell-MTS
Ms. Lara Tcholakian	HR Manager	VivaCell-MTS
Mr. Sevak Amalyan	Project Coordinator	UNDP/GC

**1. Welcome notes and introduction to the agenda:**

*Mr. Ralph Yirikian* welcomed participants and presented the agenda of the meeting, which included:

1. Review and confirmation of the first meeting MoM.
2. Presentation of the VivaCell-MTS's Code of Ethics.
3. Presentation and discussion of projects by the SC members for the year 2010.

It was mentioned that no comments were received from the SC members on the MoM of the previous meeting.

**2. Review of the SC first meeting:**

*Mr. Sevak Amalyan* summarized the main agreements and outcomes of the first meeting and mentioned that the SC should come up with concrete project/activity proposals to be presented to the General Meeting of the UNGC Local Network. Date of the General Meeting to be set by the SC.

*Agreements/decisions: Participants agreed to call the General Meeting when project proposals are ready and approved by SC.*



### 3. VivaCell-MTS's Code of Ethics:

**Mr. Ralph Yirikian** mentioned that as agreed the SC members will share their experience in terms of development and adoption of corporate Code of Conduct/Ethics and introduced Ms. Tcholakian, HR manager of VivaCell-MTS to present the Code of Ethics adopted by the company.

**Ms. Lara Tcholakian** delivered a PP presentation outlining the main objectives of the document (available on the company's website) and the main issues/areas covered. The practical aspects and the benefits of adopting such a document for a company were highlighted. Ms. Tcholakian answered questions by the participants particularly on mechanisms for implementation and control of the compliance with the presented document within the company.

**Mr. Gagik Makaryan** asked if it is possible for VivaCell-MTS to help other companies in the country to develop and adopt similar documents within the companies. It was mentioned that Armenian companies need to be educated in terms of the necessity and usefulness of adopting such documents. For example the GC may prepare and publish a manual/brochure on how to develop a Code of Conduct/Ethics.

**Mr. Ralph Yirikian** stressed that such documents are quite specific to a particular company and should be developed only by them. It is not the responsibility of a company to develop similar documents for others, however VivaCell-MTS is ready to be an example and help other companies on development of the Codes. In regard to the companies participating to the UNGC it is a requirement to develop and adopt the Codes. For other companies UNGC members can organize educational events particularly through UMBA. Mr. Yirikian once again expressed readiness to deliver lectures for interested companies on the topic of discussion. This is a long process and the stakeholders should work together step by step.

Management of VivaCell-MTS regularly visits universities and lectures on Corporate Responsibility/sustainable development so as to have the future managers/businessmen being aware of the importance of the mentioned concepts. Also, sharing the experience, serving as an example and helping others were among the main reasons for the company to join the UNGC. Finally, Mr. Yirikian mentioned the two day seminar on CSR organized in October, where the second day of the event was held for students from various universities of the country. However, seminars and similar event are not considered to be so effective and instead of talking about CSR the GC members should initiate and implement joint projects and through this attract other companies.

**Mr. Jonathan Stark** expressed an opinion that the GC should not require all the companies to develop and adopt Codes, given their different stages of development towards modern business practice. Companies in Armenia may not have any understanding of the principle.

There is a lack of communication among the stakeholders/companies in the country in regard to the activities performed by different companies in CSR. Therefore, it could be reasonable to organize a series of presentations by various companies on their experience/practices. Also, Mr. Stark mentioned that organizing trainings/seminars for payments may help managers of the companies value the obtained knowledge/skills.

*Agreements/decisions: Participants agreed that the GC should initiate series of presentations/lectures/seminars on CR/Internal policies for the business community of the country and the mentioned events can be organized by UMBA.*



#### 4. Project proposals for the year 2010:

**Mr. Gagik Makaryan** presented two project ideas 1) to establish a loan/grant facility at one of the higher education institutions of the country to support young entrepreneurs in establishing their businesses, 2) to support the Government in adoption of International Convention on SMEs.

**Mr. Ralph Yirikian** stressed that the proposed activities are mainly the Government's responsibility and the GC is not yet in a position and has no capacities for accomplishing such projects. However, if the proposed projects are specified and presented in details to the SC the latter may decide to come up with certain proposals for the Government.

As far as there were no other concrete projects proposals by other SC members Mr. Yirikian presented the idea of a project in the portfolio of VivaCell-MTS proposed by Sun Child organization. The project's objective is to establish an educational complex on a plot of land offered by the Yerevan Municipality, where will be provided higher level education on Environmental management, CSR, Sustainable development etc. The complex should also include exhibition, zoo and other facilities. The total estimated cost of the project is USD3 million, and the budget for the year 2010 is about USD540,000. There are several international and local organizations interested in the project and the GC network can also support the project.

**Mr. Jonathan stark** presented an idea of a collective action for the GC members – Going Green in the Office, which can be afforded by any company and bring tangible results.

*Agreements/decisions: Participants raised various questions about the proposed project for which the answers can be provided by the authors of the project. Hence it was decided:*

- a) *Organize a SC meeting with the representatives of the Sun Child organization in January (tentatively 3<sup>rd</sup> week) 2010 for them to deliver a full presentation of the project and answer all the questions by the SC members.*
- b) *Make the final decision on the projects for 2010 during the same SC meeting in January.*
- c) *Call the General Meeting of the GC local network in a week after the SC meeting (tentatively 4<sup>th</sup> week of January).*
- d) *Prepare, distribute and present the ideas for collective actions proposed by Mr. Stark and Mr. Yirikian to the General Meeting of the network in January.*