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Business and the Millennium Development Goals



A FRAMEWORK FOR ACTION

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The Prince of Wales International Business Leaders Forum in collaboration with the United Nations Development Programme

**Business and the Millennium
Development Goals:
A Framework for Action**

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In an age of interdependence, global citizenship – based on trust and a sense of shared responsibility – is a crucial pillar of progress. At a time when more than 1 billion people are denied the very minimum requirements of human dignity, business cannot afford to be seen as the problem. Rather, it must work with governments and all other actors in society to mobilize global science, technology and knowledge to tackle the interlocking crises of hunger, disease, environmental degradation and conflict that are holding back the developing world.

UN Secretary-General, Kofi Annan

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A Framework for Action

This briefing provides *A Framework for Action* on how companies and business coalitions can work with the UN system, governments, and civil society organisations to help achieve the Millennium Development Goals (MDGs), aimed at making globalisation a more positive force for more of the world's people.

All companies and business associations can play a role, from small and medium enterprises to large national and multinational companies, and from local chambers of commerce to international business organisations. Their impacts and contributions may vary in scale

and scope, but the following *Framework for Action* has relevance to all of them, as well as to people in the development community with an interest in working with the private sector. It aims to provide a basic overview with some illustrative examples, rather than an exhaustive analysis, and will hopefully generate ideas for practical action.

The report answers three key questions:

- 1 What are the Millennium Development Goals?
- 2 Why are they important to business?
- 3 How can business contribute to their achievement?

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1 What are the Millennium Development Goals (MDGs)?

In September 2000, 189 heads of state ratified the *Millennium Declaration*. The declaration is an unprecedented global commitment and one of the most significant United Nations documents of recent time. It offers a common and integrated vision on how to tackle some of the major challenges facing the world. www.un.org

The declaration has resulted in eight Millennium Development Goals (MDGs) focused on reducing poverty, improving the quality of peoples' lives, ensuring environmental sustainability, and building partnerships to ensure that globalisation becomes a more positive force for all the world's people. Specific targets and indicators have been set for each of the goals, to be achieved by 2015. The goals and targets are the focus of this report and are summarised on the page opposite. Some of them have very direct implications for business, others relate more broadly to the enabling framework and policy environment in which companies have to operate. All of them are relevant for the private sector in today's inter-dependent global economy.

At the same time, it is crucial to emphasise that the main responsibility for the achievement of the Millennium Development Goals lies with governments. In particular, there is a need for good governance, rule of law, human rights, ongoing efforts to tackle conflict and corruption, and implementation of international norms and standards. There is also a need for more generous and effective development assistance from donor governments, debt relief, and fairer access to global markets for exports from developing countries. It is within such a framework of government leadership that the private sector can most effectively play a constructive role.

Many companies ask how the eight Millennium Development Goals relate to the nine principles of the UN Global Compact, also summarised on the page opposite. The Global Compact is a learning network with participation from UN bodies, companies, business associations, NGOs, and trade unions. Its nine principles are focused specifically on the implementation of responsible business practices in the areas of human rights, labour standards and environmental performance. The Global Compact asks companies to adhere to these nine principles, which are all based on international intergovernmental agreements, within their own corporate sphere of influence. This commitment in itself is a crucial component of how business can support the Millennium Development Goals. Companies can play a vital role by promoting this set of universally agreed core values, and by minimising the negative impacts of their own business operations. www.unglobalcompact.org

At the same time, the Global Compact and a growing number of other initiatives encourage companies to engage in cross-sector partnerships in order to develop practical solutions for meeting the broader development objectives outlined in the eight Millennium Development Goals. These broader development objectives sometimes go beyond the company's immediate workplace, marketplace and supply chain. Although there is growing debate on what the boundaries of business should be in tackling these challenges *vis a vis* governments and civil society organisations, there is no doubt that the private sector can play a creative and beneficial role. At the very minimum, it must ensure that its activities are carried out within the law and do not have a negative impact.

Millennium Development Goals

189 United Nations member states have pledged to meet the following eight goals by 2015:

GOAL	TARGETS
1 Eradicate extreme poverty and hunger	p7
2 Achieve universal primary education	p9
3 Promote gender equality and empower women	p11
4 Reduce child mortality	p13
5 Improve maternal health	p15
6 Combat HIV/AIDS, malaria and other diseases	p17
7 Ensure environmental sustainability	p19
8 Develop a global partnership for development	p22

www.developmentgoals.org

Global Compact

At the World Economic Forum in Davos on 31 January 1999, UN Secretary-General Kofi Annan challenged world business leaders to “embrace and enact” the following set of universal principles within their sphere of influence in the areas of human rights, labour standards and the environment:

Human rights	Principle 1	Businesses should support and respect the protection of human rights within their sphere of influence; and make sure their own corporations are not complicit in human rights abuses
	Principle 2	
Labour standards	Principle 3	Businesses should uphold freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation
	Principle 4	
	Principle 5	
	Principle 6	
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges undertake initiatives to promote greater environmental responsibility; and encourage the development and diffusion of environmentally friendly technologies
	Principle 8	
	Principle 9	

www.unglobalcompact.org

2 Why are the MDGs important to business?

International objectives such as peace, security, sustainable development, human rights and poverty alleviation, are increasingly interlinked. They have ramifications for all sectors of society and their achievement requires complex and collaborative solutions. Whilst governments must carry primary responsibility for achieving them, it is increasingly in the interests of business to be part of the solution rather than part of the problem.

Over the past decade, domestic and foreign companies have become more important and influential actors in many developing countries as a result of privatisation and market liberalisation and they have a growing stake in the future progress of these countries.

At the same time, there are growing international demands for companies to be more transparent and more accountable for their economic, social and environmental impacts everywhere they operate.

Within this context, there are three broad reasons why it makes sound business sense to contribute towards the achievement of the Millennium Development Goals.

Each of these is a crucial pillar for building successful and competitive private enterprises:

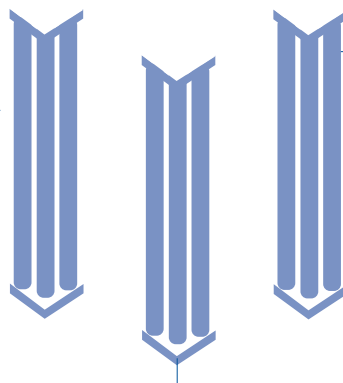
- First, investing in a sound environment in which to do business;
- Second, managing the direct costs and risks of doing business;
- Third, harnessing new business opportunities.

INVESTING IN A SOUND BUSINESS ENVIRONMENT

Most legal enterprises benefit from operating in stable and secure societies. They benefit from having access to a healthy and competent workforce and prosperous consumers and investors. Productive and competitive companies benefit from the existence of open, rule-based, predictable and non-discriminatory trading and financial systems and a non-corrupt and well-governed economy. Failure to achieve the MDGs is likely to undermine some or all of these pillars of business success – at both a national and international level.

"...I believe that it is part of building good sustainable businesses to help establish safe, secure, stable and peaceful societies. Business thrives where society thrives."

PETER SUTHERLAND, CHAIRMAN BP AND GOLDMAN SACHS around "THE BUSINESS OF PEACE" (IBLF, WITH INTERNATIONAL ALERT AND CEP, 2000)



MANAGING DIRECT COSTS AND RISKS

Challenges such as local environmental degradation, global climate change, HIV/AIDS, ethnic conflict, and inadequate health and education systems, can add directly to the costs and risks of doing business. They can increase operating costs, raw material costs, hiring, training and other personnel costs, security costs, insurance costs and the cost of capital. They can create both short-term and long-term financial risks, market risks, litigation risks and reputation risks. The companies that understand and address these challenges can improve their risk and reputation management, reduce their costs, improve their resource efficiency and enhance their productivity.

HARNESSING NEW BUSINESS OPPORTUNITIES

Some of the world's most successful and innovative companies are developing new products, services, and technologies, and in some cases even transforming their business models, to address social and environmental challenges. They recognise that many developing countries, especially those with large populations and natural resources, offer long-term business opportunities. To these companies, helping to achieve the MDGs is not only a matter of corporate social responsibility, embedded in compliance, risk management and philanthropy, but also a matter of corporate social opportunity, embedded in innovation, value creation and competitiveness.

Not only can corporate and social needs be integrated, but the success of the developing world in improving prosperity is of fundamental strategic importance to almost every company.

PROFESSOR MICHAEL PORTER, HARVARD BUSINESS SCHOOL around "TOMORROW'S MARKETS" (WRI, WBCSD AND UNEP, 2002)

3 How can business contribute to the achievement of the MDGs?

Most companies have some impact on development and can make a contribution in the following spheres of influence:

- Their core business activities – in the workplace, the marketplace and along the supply chain;
- Their social investment and philanthropy activities; and
- Their engagement in public policy dialogue and advocacy activities.

These three spheres of business influence form the basis of our *Framework for Action* throughout the report.

Trade and industry associations, chambers of commerce and other types of business coalitions can play a particularly important role in helping to tackle development challenges that are beyond the scope, capacity or mandate of any individual company. Such collective action can increase both the leverage and legitimacy of private sector involvement in addressing the Millennium Development Goals.

The specific contribution that different companies and business associations can make to achieving the MDGs depends not only on the MDG in question, but also varies according to:

- The industry sector;
- The company's business model, size and ownership structure;
- The location – not only in terms of different cultures and circumstances, but also whether it is corporate headquarters operating at the global level or a local operating unit; and
- The number of companies involved – for example, whether the company is acting in an individual capacity, within its own business operations and supply chain, or through its own corporate foundation, or in partnership with other companies, or other sectors such as government and non-governmental organisations.

Whatever the size and nature of your company, the following questions may help to make connections between day-to-day business operations and helping to achieve the MDGs:

Core business activities for each of the eight MDGs...

● **Products and services:** How can the sourcing, manufacturing, development, distribution, pricing or end-use of your company's products and services either impede or contribute to this MDG?

What are the risks and opportunities for your business?

● **Policies and practices:** How do your company's policies and practices in areas such as ethics, the environment, health and safety, human rights, labour relations, and human resource management either impede or contribute to this MDG? What are the business risks and opportunities?

Social investment and philanthropic activities for each of the eight MDGs...

What can your company contribute to local communities through:

- **People** (employees volunteering their time, expertise, and passion);
- **Profits** (financial support for community organisations and NGOs);
- **Products** (product donations);
- **Premises** (offering office space, computers and other equipment);
- **Purchasing** (buying from local businesses and social entrepreneurs);
- **Power** (convening or influencing decision-makers); and
- **Promotions** (undertaking cause-related marketing campaigns that also support a social cause or organisation)?

SOURCE: GRAYSON, D. AND HODGES, A., EVERYBODY'S BUSINESS, FT AND DORLING KINDERSLEY, 2001

Engagement in policy dialogue and advocacy activities for each of the eight MDGs...

● **Platforms:** How can your CEO and other senior executives take a leadership position on one or more of the MDGs in their internal and external meetings and on public platforms?

● **Participation:** Through collective action and legitimate dialogue with government and civil society leaders how can your company contribute to setting rules, norms and standards that support the advancement of the MDGs?

To help answer these questions, the rest of this report sets out illustrative examples of the potential contribution of business to each of the MDGs.

The Corporate Contribution to Development

SOCIAL INVESTMENT AND PHILANTHROPIC ACTIVITIES

Mobilise core competencies and resources such as money, products, skills, premises and people to help support or strengthen local communities by:

- **Supporting education, training, youth development, environmental, and health and nutrition projects in local communities**
- **Building capacity of community leaders and social entrepreneurs**
- **Training local technical specialists in environmental management**
- **Building the governance capacity and voice of local civil society groups and media organisations**
- **Supporting multi-cultural education programmes**
- **Assisting with voter education initiatives**
- **Establishing and supporting micro-credit programmes and small business support**

CORE BUSINESS ACTIVITIES

Obey the law, manage risks, minimise negative social and environmental impacts and create positive value for host countries and communities by:

- **Producing safe and affordable products and services**
- **Generating income and investment** – through paying local wages, taxes, dividends, and royalties, making timely payment to local suppliers, and earning foreign exchange etc.
- **Creating jobs** – recruiting locally, both within the company and along the supply chain, and facilitating positive organised labour relations.
- **Developing human resources** – investing in training, skills development, health and safety in the workplace and along the supply chain.
- **Building local businesses** – through supplier and distribution networks, especially with medium, small and micro-enterprises.
- **Spreading responsible international business standards and practices** – in areas such as environment, health and safety management, human rights, ethics, quality etc.
- **Supporting technology development and transfer** – investing in local research and development and introducing technologies and processes for cleaner and safer production systems.
- **Establishing physical and institutional infrastructure** – for example investing in plant and machinery, telecommunications and transport systems, and legal and financial frameworks and institutions.



POLICY DIALOGUE AND ADVOCACY ACTIVITIES

Take individual and collective action to influence the enabling environment and support systemic change at a local, national and international level by:

- **Working with governments to improve social infrastructure by supporting healthcare and education reform and quality improvement**
- **Addressing environmental regulatory and fiscal policies with governments and civil society**
- **Engaging in global dialogue on issues such as climate change and biodiversity**
- **Supporting local and national governments to achieve: the elimination of bribery and corruption, efficient public administration and service delivery; fair and transparent regulations; and respect for human rights**
- **Helping to increase ability to attract and retain foreign and domestic investment**
- **Advocating for improved access for developing country exports to OECD markets**
- **Advocating for increased levels of government aid to developing countries**

* Enabling framework = regulations, legislation, fiscal incentives, voluntary guidelines and codes of conduct, public opinion, institutional structures, financing mechanisms, research, training and capacity-building, media etc.

SOURCES: NELSON, J. BUILDING PARTNERSHIPS. UN AND IBLF, 2002 AND NELSON, J. BUSINESS AS PARTNERS IN DEVELOPMENT. IBLF, UNDP AND WORLD BANK, 1996.



GOAL 1: ERADICATE EXTREME POVERTY and HUNGER

Target 1:

Halve between 1990 and 2015, the proportion of people whose income is less than one dollar a day.

Target 2:

Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

“..as the debate rages over what can be done about global poverty, there’s a quiet revolution underway in some countries. What’s emerging is a new approach that combines greater use of market-based strategies with a smarter deployment of foreign aid that sets tougher standards and demands results.”

FIGHTING POVERTY: BUSINESSWEEK, OCTOBER 14 2002

HOW CAN BUSINESS ENGAGE?

Two-thirds of the world’s population – some 4 billion people – live on an annual per capita income of less than \$1,500, at the bottom of what Professors Stu Hart and C.K. Prahalad have dubbed the ‘economic pyramid’. This group of people represents a potential multimillion-dollar market for the companies with the necessary creativity, agility and innovation to serve them in a low-cost but profitable manner. Conversely, failure on the part of governments and the private sector to help lift these people out of poverty is likely to exacerbate inequality and sources of conflict, which may undermine corporate reputations, ‘licence to operate’ and long-term business success.

What can business do? Two of the key factors that help to lift people out of poverty are:

- Access to affordable products and services – especially those that meet basic needs such as water, energy, nutrition, healthcare, housing and education; and
- Access to economic opportunity – through employment, business linkages, other income generating opportunities, ownership of property, and access to credit, new technologies and training.

Companies can play a role in addressing these challenges in the following ways:

CORE BUSINESS ACTIVITIES

1 Providing affordable products and services – Can the company develop new product and service offerings that reach poor communities or extend the distribution outreach of existing products? In particular, what can companies in the water, energy, credit, insurance, nutrition, information technology, and pharmaceutical sectors do to increase access to their products in an economically viable manner? How can they rethink conventional wisdom about capital efficiency, product development, distribution, business models and joint ventures to make a profit by serving the needs of the poor? The World Business Council for Sustainable Development, the World Resources Institute and the Bottom of the Pyramid Laboratory are doing important work in this area.

- *Food and beverage companies* can develop new products that combat nutritional deficiencies and are affordable to low-income families. P&G, Unilever and Nestlé are all working on such initiatives.
- *Utilities companies* can participate in public-private partnerships to increase access to clean water, energy and telecommunications. Suez, Thames Water, Eskom, Edf, ABB and Vodafone are all examples of companies that have invested in such projects, and the E7 group of electricity companies is leading several access initiatives.
- *Energy companies* can support efforts to develop renewable energy sources, especially in rural communities, as BP, Shell and others are doing.
- *Financial services* companies can develop banking and insurance products, including microcredit, as Citigroup and Deutsche Bank are experimenting with.

2 Building local business linkages and employment opportunities – Can the company find new ways to open up its distribution, procurement and recruitment channels to excluded groups? Are there opportunities to build linkages with local small, medium and micro-enterprises or develop the skills and employability of local people? Large companies and business associations can play a key role in: building supplier relationships and other business linkages with SMMEs; supplying credit, equity, risk insurance and other financing products, especially in the case of financial institutions; supporting the transfer of appropriate product and process technologies; and providing training, mentoring, capacity building and information sharing programmes.

- *Manufacturing, food and beverage, and consumer goods companies* can source raw materials from local suppliers. DaimlerChrysler, McDonalds and Coca-Cola have all developed innovative developing country supplier networks.
- *Agribusiness companies* can work with small farmers and their cooperatives along global supply chains to provide credit, improve local rural productivity, quality and food security. DuPont and Nestlé both have such programmes.
- *All large companies* can outsource or subcontract support activities to local entrepreneurs. Anglo-American, for example, has developed a comprehensive small business outreach programme.
- *Consumer goods companies* can use SMMEs to distribute their products, as Coca-Cola and Unilever have done in Africa, Asia and Latin America.

SOCIAL INVESTMENT AND PHILANTHROPY

1 Invest in social entrepreneurs – Can the company support NGOs or community leaders who are targeting some of the key causes of poverty?

- *All companies* can offer in-kind support through employee volunteering. Consultants from McKinsey, PWC, KPMG and Accenture, for example, share their skills with social entrepreneurs in a number of countries.

2 Build local capacity – Instead of one-off donations, how can the company help build the sustainability, skills and resilience of local NGOs and community groups over a longer period of time?

- *Some 'large footprint' companies* such as Alcoa, Rio Tinto, BP, Shell and Chevron Texaco are developing more integrated community investment initiatives that focus on local institution and capacity-building, as well as wider regional approaches.
- *Instituto Ethos* in Brazil is working with the government programme, Fome Zero, to engage businesses in the eradication of hunger. This has included a practical manual on the role that business can play and a business-supported media campaign to help raise public awareness of the hunger challenge.

POLICY DIALOGUE AND ADVOCACY

1 Support public policy efforts to build the domestic private sector and attract foreign investment – Can large companies work collectively to help create a more suitable enabling environment for business? For example, through building effective business associations and support structures, lobbying government and/or helping to build public capacity for necessary regulatory and financial reforms – such as providing the poor with access to property rights or increasing access for small farmers to markets.

- *The International Chamber of Commerce* has worked with UNCTAD to increase foreign direct investment to some of the poorest countries.
- *Financial services, legal and accounting firms* can help to build institutional structures and promote good standards of corporate governance.

2 Advocate for fairer access to OECD markets – Can Western companies lobby their governments to address the issues of agricultural and other subsidies that result in unfair market access?

- *The World Economic Forum* brought together major agribusiness companies, NGOs and UN agencies on a task force to advocate for agricultural trade reform.



GOAL 2: ACHIEVE UNIVERSAL PRIMARY EDUCATION

Target 3:

Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

HOW CAN BUSINESS ENGAGE?

A well-educated and skilled workforce is one of the most important factors in ensuring national and corporate competitiveness in an information-based global economy. More generally, there is clear evidence that investments in education, especially girls' education, can lead to better healthcare and nutrition, declining birth rates, poverty reduction and improved economic performance at both the family level and beyond. Nearly 40% of the world's population is below the age of 20. These young people are not only the key to more stable and prosperous societies and economies, but for many companies they are also the employees, customers and leaders of the future. In short, investment in education makes sound business sense, especially over the longer-term.

The private sector can support the goals of increased access to education, improved quality and relevance of education, and better usage of information technology in education in a number of ways through core business activities, philanthropic programmes and advocacy. It can also play a role in eliminating child labour, defined by Save The Children as "work that is harmful to children because it prevents them from getting an education, damages their health, subjects them to physical, sexual or emotional abuse, or exploits them in other ways". Examples of possible business engagement include:

CORE BUSINESS ACTIVITIES

1 Tackle child labour – Companies with global supply chains and contractors in developing countries are playing an increasing role in tackling child labour along these supply chains. Given the fact that children usually go to work because their families are poor and cannot afford to send them to school, such initiatives are often accompanied by efforts to support the education of these children.

- *The local Chamber of Commerce in Sialkot Pakistan and the Bangladesh Garment Manufacturers Exporters Association* have both worked in partnership with the ILO and Save the Children on eliminating child labour in the soccer ball and garment export sectors respectively.
- *The Abrinq Foundation for Children's Rights* is a non-profit organisation originally established by the Brazilian Toy Manufacturers Association, which works with the government, UNICEF, the ILO, national business associations, NGOs and private sector companies in a variety of innovative partnerships to promote children's rights. Its programmes include an initiative to eradicate child labour and a certification system for responsible 'Child Friendly Companies'. A total of over 1,500 companies in Brazil have been certified since the initiative was launched in 1995.

2 Deliver education services – In certain situations private sector entities can work with the public sector or operate independently. The most appropriate balance of public and private delivery of education and education-related support services, however, continues to be an area of debate.

3 Harness technology for education – Information, communication and education-based companies can play a role in developing culturally relevant education materials and innovative learning methodologies and in supporting the use of information and communications technologies in schools.

■ *The Cisco Networking Academies* offer an example where a company is mobilising its core business competencies, partly on a business and partly on a philanthropic basis to address a social need.

SOCIAL INVESTMENT AND PHILANTHROPY

1 Facilitate the education of employees' children – Companies that are major investors in developing countries can support the education of their employees' families at different levels, from supporting on-site or local community schools to providing scholarships for tertiary education.

2 Invest in local schools or support the work of education NGOs – Companies can do this through donations i.e. financial contributions and product donations, such as books, technology and equipment, either directly to schools or to NGOs and other intermediaries active in the education field. They can also support employee engagement in schools, for example mentoring students, teaching young people about the world of work and sharing management skills with school administrators.

■ *Food and healthcare companies* – can support programmes to improve child nutrition and provide immunisation through the school system and to raise children's awareness on health and lifestyle issues. Kellogg, Nestlé and Unilever all invest in such programmes.

■ *EQUIP (Education Quality Improvement Programme) in South Africa* – initiated by the National Business Initiative, its goal is to work with education authorities and other NGOs to improve the quality of education in government schools.

■ *Instituto Qualidade no Ensino in Brazil* is focused on providing a framework for the business community to develop partnerships with educators in Brazil, with the aim of improving the quality of education at a low cost. Established in 1994 by the American Chamber of Commerce in São Paulo, it offers a framework for many of the chamber's over 3,000 member companies to support education.

POLICY DIALOGUE AND ADVOCACY

1 Advocate for education access, quality and reform – Business associations, such as Chambers of Commerce and Organisations of Employers, as well as individual business leaders, can be important advocates for increased public spending on education at the national level and internationally.

■ Both the Brazilian and South African examples outlined above are also active in the debate on education policy in their respective countries and offer valuable models for other countries to explore.

■ *NETAID* was established by UNDP in partnership with Cisco Systems and others to raise awareness and mobilise resources to tackle development issues. It has been particularly effective in education and children's issues, through initiatives such as its 'Say Yes to Children' campaign and its 'Global Schoolhouse' initiative.



GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

Target 4:

Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015.

HOW CAN BUSINESS ENGAGE?

Despite the enormous constraints that they face, millions of women already make a crucial contribution to household earnings, formal and informal economic enterprises, community development, education and health, peace-making and conflict prevention. Some companies and industry sectors have a longstanding business interest in empowering women, but for most companies the issue of equal opportunity and the recognition of women as valuable employees, customers, business partners and shareholders has only recently started to grow in importance.

In addition to the critical issue of achieving gender equality in schooling, where business has less of a direct role to play, the following areas are of particular importance in terms of promoting women's rights, opportunities and capacities.

CORE BUSINESS ACTIVITIES

1 Strengthening women's economic capacity as entrepreneurs, employees and producers –

By employing more women and supporting workplace diversity programmes, or developing business linkages or credit programmes with women entrepreneurs, companies can help them to hone their technical and marketing skills, strengthen their negotiation and bargaining tactics, foster their access to and influence over new technologies, build networks and business associations and identify new market opportunities, both locally and globally.

2 Eliminating workplace violence against women – Companies that employ large numbers of women, either directly or along their global supply chain, have a role in tackling sexual harassment and other forms of workplace violence or mistreatment of female workers. Tourism and entertainment companies have a role in addressing sexual exploitation and trafficking of women.

- *Global Alliance for Workers and Communities* – this is an initiative of the International Youth Foundation, the World Bank Group, Nike Inc. and Gap Inc., with additional support provided by foundations and universities. It aims to improve the lives and future prospects of workers involved in global production and service supply chains, the majority of whom are young women.
- *L'Occitane* has worked with UNIFEM on a partnership that has enabled hundreds of women to double their earnings while improving their sales, negotiations and technical skills.
- *Youth Careers Initiative* – started in SE Asia by the International Business Leaders Forum, UNICEF and several hotel chains, this programme aims to provide young women with training and safe jobs in the hotel industry.

SOCIAL INVESTMENT AND PHILANTHROPY

1 Support women's issues – either directly or through NGOs that focus on these issues.

2 Invest in women's leadership development beyond the company's own operations – support women's capacity building and networking programmes; awards and recognition initiatives; and targeted efforts to place women in specific leadership positions for example on government task forces and delegations, company boards, peace negotiation teams and in senior roles in international organisations.

■ *The Centre for International Private Enterprise*, part of the US Chamber of Commerce, runs a 'Women in Business' programme which, as well as hosting international conferences, provides grants for projects that help to empower women in developing and transition economies.

■ *Avon* and *Eli Lilly* are two companies that have made women's issues a strategic focus of their global philanthropy efforts.

■ *The International Federation of Business and Professional Women* and *Soroptimist International* both provide extensive development opportunities to women.

■ *L'Oréal/ Helena Rubinstein* has supported UNESCO in developing an award and fellowship programme to support women leaders in science.

POLICY DIALOGUE AND ADVOCACY

1 Raise public awareness of women's issues and promote women's voices – this is another area where certain companies and industry sectors can play a role, with the aim of changing government policies and stimulating shifts in public attitudes. The media has an especially important role, but most companies that undertake advertising and other public communications activities can support efforts to ensure that women's voices and/or women's issues receive more of a public profile.

2 Advocate for equal access to education and economic assets – Business associations can call for regulatory, legal and institutional reforms to give women the right to ownership and equal access to education and economic assets.

■ UNIFEM's *Digital Diaspora Initiative* in Uganda works with African IT executives who are successfully running IT companies abroad, as well as UN and government representatives, civil society organisations to support African women in the use of information technologies through an inclusive approach to IT-related training, employment, entrepreneurship and market access.



GOAL 4: REDUCE CHILD MORTALITY

Target 5:

Reduce by two thirds, between 1990 and 2015, the under-five mortality rate.

HOW CAN BUSINESS ENGAGE?

Two sectors that can have a significant impact on reducing child mortality are the pharmaceutical and food sectors, which between them manufacture the basic medical and nutritional products that are essential to reducing child mortality. Water companies can also contribute by increasing access to clean water supplies for children, thus reducing the incidence of water borne diseases, which represent the single largest cause of sickness and death in the world. The achievement of this goal is also inextricably linked to the reduction of HIV/AIDS. UNICEF has calculated that between 2000 and 2005 over 50% of child mortality will be due to HIV/AIDS in Southern Africa, and therefore one of the main ways that business can contribute in this area is to ensure that their HIV/AIDS programmes contain a component that relates to children.

CORE BUSINESS ACTIVITIES

1 Provide affordable products and services – increase access of poorer families to basic medicines, nutritionally good food, clean water and consumer products that help to increase household hygiene.

- *Global Alliance for Improved Nutrition – GAIN* was initiated in 2001 and aims to foster and support food fortification and other sustainable strategies that will save lives and improve health, productivity and cognitive function. It works across sectors to eliminate vitamin and mineral deficiencies. Current partners include the World Bank, other UN agencies, USAID, CIDA, the Micronutrient Initiative, and companies such as Proctor and Gamble, Heinz, Unilever and Roche.
- *Global Initiative For Public-Private Partnerships In Handwashing* – this is a collaborative effort between the World Bank, UNICEF, the London School of Hygiene and Tropical Medicine, the private sector and others to tackle diarrhoeal diseases by encouraging hand washing with soap. The programme aims to combine corporate marketing expertise and products, with major public health campaigns to make cheap one-handwash soaps widely available. Pilot projects are underway in Ghana and India.
- *Global Alliance for Vaccines and Immunization (GAVI)* – this initiative was established with support from the Bill and Melinda Gates Foundation, the Rockefeller Foundation, United Nations bodies such as WHO, UNICEF and the World Bank; governments, the International Federation of Pharmaceutical Manufacturers Associations (IFPMA), and technical and research institutes to leverage public and private sector resources aimed at developing and distributing vaccines to ensure that all children, however poor, have equal access to vaccines and immunization.

SOCIAL INVESTMENT AND PHILANTHROPY

1 Support children's NGOs and awareness raising projects – companies can support education and community projects to promote basic hygiene and sanitation, improve nutrition, and ensure access to basic medicines to minimise the core causes of childhood mortality.

■ *Netaid* was launched as a partnership between UNDP and Cisco Systems in 1999 and operates as an online community, with the mission of informing people about poverty issues and empowering them to take action through online volunteering or donations. One of its current online activities is “Say Yes to Children”, where people can voice their support for children's rights, donate kits for mother and baby survival in Rwanda and promote basic learning skills in Peru.

■ *Change for Good Campaign* – this is one of UNICEF's most successful awareness and fund-raising initiatives, which collects foreign currency from airline passengers. The initiative is supported by over 10 airlines, with British Airways having been a key champion. The programme has generated over US\$30m for UNICEF since 1991.

2 Support programmes for AIDS Orphans

■ *Step Forward...for the world's children* is a long-term, international programme to help improve the lives of AIDS orphans and vulnerable children around the world. Created and funded by the Abbott Laboratories Fund, Step Forward assists children, families and communities affected by AIDS by improving local health care services, providing voluntary HIV counselling and testing, supporting primary and secondary education programmes and providing for basic community needs.

POLICY DIALOGUE AND ADVOCACY

1 Advocate governments to support the Rights of the Child and to support children's issues

■ *Global Movement for Children* – Initiated by UNICEF, this programme aims to mobilize civil society, non-governmental organisations, business and other partners to support the global agenda for children.



GOAL 5: IMPROVE MATERNAL HEALTH

Target 6:

Reduce by three-quarters, between 1990 and 2015, the maternal mortality rate

HOW CAN BUSINESS ENGAGE?

Women comprise a majority of the workforce in labour-intensive manufacturing industries such as apparel, footwear, toys, electronics, food processing and house-ware. Also, women workers tend to be of a child-bearing age, with less education than their male counterparts, and with lower social status. Therefore businesses in these sectors, whose supply chains extend into developing countries, can have a major impact on improving the health of these women through health education, access and nutrition.

One of the best reports that explores business engagement in this area has been produced by the business coalition Business for Social Responsibility, with support from the David and Lucile Packard Foundation. Entitled *Addressing the General and Reproductive Health of Women in Global Supply Chains*, this report looks at how businesses can improve women's health throughout their supply chains in Mexico, India, Indonesia and China. Some of the examples below are taken from this report.

Achievement of this goal has clear linkages with combating HIV/AIDS and providing access to clean water, both of which would dramatically reduce the maternal mortality rate. Therefore companies with a significant stake in HIV/AIDS prevention or improving access to clean water, either by virtue of the nature of their products or the location of their operations, can indirectly contribute to the goal of reducing maternal mortality rates.

CORE BUSINESS ACTIVITIES

1 Provide affordable products and services – Pharmaceutical and other healthcare companies, or those with large numbers of female employees, have a particularly important role to play in the provision, either commercially or on a donation basis, of reproductive health services and products.

2 Improve working conditions and occupational health for women – one of the most pressing issues faced by women workers in developing countries is the need for more information, including different methods of contraception, sexually transmitted diseases and nutritional issues.

■ As part of its *Global Initiative on Reproductive Health Commodity Management*, UNFPA has established a Private Sector Initiative. This has undertaken pilot studies in a number of developing countries to explore ways to facilitate cooperation between governments, donors, and the local and multinational commercial sectors, to expand access to reproductive health commodities.

■ *The Global Alliance for Workers and Communities* – profiled under Goal 3 addresses some of these issues.

SOCIAL INVESTMENT AND PHILANTHROPY

1 Support women's NGOs and community health services

■ *The Asia Foundation* provides women workers with basic health checks, information about good health and occupational health, and legal information and services, directly in the workplace for those factories that voluntarily participate in its programs.

■ *The Chinese Working Women Network (CWN)* has a mobile van service that is stationed in designated, approved locations where there are a number of nearby factories. Each of these organisations has reached tens of thousands of workers, through printed information, seminars and exhibitions and direct service.

2 Combat stigmatisation – because in many developing countries there can be a range of cultural and religious factors which hinder open discussion and proactive action on reproductive health issues, companies can look to external networks and civil society organisations which offer support to female workers on these issues.

■ *The media industry or companies that reach many female consumers* can support social marketing projects in this area to encourage family planning, use of contraceptives and safe sex.

POLICY DIALOGUE AND ADVOCACY

1 Encourage good public policy and public awareness on women's health issues

■ In addition to the social marketing and media campaigns outlined above, employers organisations, large individual employers of women, pharmaceutical companies and their trade associations can also raise the importance of women's occupational health and reproductive health issues in relevant public policy forums.



GOAL 6: COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES

Target 7:

Have halted by 2015, and begun to reverse, the spread of HIV/AIDS

Target 8:

Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases

The AIDS fight needs everything the business world can offer, from leadership to marketing, media, supply chains, organisation and infrastructure, and most importantly, people.

BILL ROEDY, PRESIDENT MTV NETWORKS
INTERNATIONAL AND FORMER CHAIR OF THE
GLOBAL BUSINESS COALITION ON HIV/AIDS

HOW CAN BUSINESS ENGAGE?

There is growing evidence that improving healthcare, fighting disease and increasing life expectancy are all essential for supporting economic growth, which in turn is crucial to long-term business success. Closely linked to this, is evidence that the health of employees has a direct impact on their productivity in all types of work. The HIV/AIDS epidemic, in particular, disproportionately affects the most economically productive group in most countries. Research by the Global Business Coalition on HIV/AIDS, the International Business Leaders Forum, UNAIDS and others has demonstrated, for example, that as a result of the epidemic many businesses are experiencing:

- Lower productivity – with increasing absenteeism and staff turnover, loss of skills and declining morale;
- Increased costs – including training and recruiting, insurance cover, retirement funds and funeral costs; and
- Declining profits and investments – as the epidemic adversely affects consumer and business confidence.

Some of these business costs are also relevant to other diseases and work-related illnesses that affect employees. The increase in international trade and travel has created new health challenges for governments and the private sector, as company employees and in some cases products can be affected by and/or transmit diseases across borders. There is growing evidence that targeted and well-managed corporate investments in protecting the health of employees, customers and local communities is worthwhile relative to the potential risks and costs, both reputational and operational, of not making such investments. Specific health issues vary depending on the industry sector and its products and services. A few of the many examples in this area include:

CORE BUSINESS ACTIVITIES

1 Provide affordable products and services – Promoting health and preventing disease are obviously of particular relevance and responsibility for the pharmaceutical and healthcare sector. Some of the core business issues to be addressed include pricing strategies for HIV/AIDS drugs and other essential medicines in poor countries, product development and research priorities, patent protection and intellectual property rights, and patient rights. (See also Target 17).

- *The Accelerating Access Initiative* is a cooperative initiative of UNAIDS, WHO, the World Bank, UNICEF, UNFPA and six research-based pharmaceutical companies (Abbott Laboratories, Boehringer-Ingelheim, Bristol Myers Squibb, GlaxoSmithKline, Merck, and Roche). Its aim is to improve access to HIV/AIDS drugs in developing countries, while ensuring rational, affordable, safe and effective use of these drugs.
- *Medicines For Malaria Venture (MMV)* established as a not-for-profit entity to support a collaborative effort to develop new accessible and affordable anti-malarial drugs. Partners include WHO; IFPMA; Rockefeller Foundation; the World Bank; research-based pharmaceutical companies and academia.

2 Implement workplace HIV/AIDS programmes focused on education, prevention, treatment and care.

■ *The Global Business Coalition on HIV & AIDS* works with companies to help them implement prevention, treatment and care policies for employees and immediate communities; harness commercial strengths to make HIV/AIDS programmes more effective; and advocate for greater action with governments and civil society. It offers comprehensive examples of how individual companies are addressing these issues. Other guidelines and good practices are available from the Corporate Council on Africa, the World Economic Forum, and the International Organisation of Employers.

SOCIAL INVESTMENT AND PHILANTHROPY

1 Provide product donations – donate products through corporate foundations, emergency relief and other social investment programmes.

■ *The Partnership for Quality Medical Donations (PQMD)*, this is a partnership between pharmaceutical companies and non-governmental organisations, which is working with WHO and the World Bank to improve the integrity, relevance, effectiveness and efficiency of drug donations.

2 Support HIV/AIDS and other medical funds, NGOs or research institutes and AIDS orphans projects.

■ *The Global Fund to Fight AIDS, Tuberculosis and Malaria* - this is a major effort to mobilize public and private funds and expertise to support national programmes tackling HIV/AIDS, tuberculosis and malaria. The Fund has attracted contributions from Governments, foundations, the private sector and individuals.

POLICY DIALOGUE AND ADVOCACY

1 Establish national business coalitions – to advocate for healthcare reform and business engagement in HIV/AIDS issues.

■ At a country level *The Thai Business Coalition for HIV/AIDS* has worked with UNICEF and the government to encourage workplace action. Other business coalitions dedicated to tackling HIV/AIDS have been established in countries such as South Africa, Brazil and Zambia. In other countries, existing business associations or employers' organisations have taken a lead role, for example the Confederation of Indian Industries in India. The International Organisation of Employers (IOE) is working with its national affiliates to play a major role in advocating for and supporting greater workplace action and public policy support on HIV/AIDS. The Global Business Coalition on HIV/AIDS is also supporting policy dialogue and advocacy at national and international levels.

2 Participate in global public policy networks – focused on increasing awareness and investment in these health issues.

■ *The Roll Back Malaria and Stop TB Partnership* are both global, multi-stakeholder movements, each composed of over 70 partners and aimed at influencing health policy frameworks, R&D and delivery mechanisms.



GOAL 7: ENSURE ENVIRONMENTAL SUSTAINABILITY

HOW CAN BUSINESS ENGAGE?

It is in the interest of most companies and industry sectors to be part of the world's ongoing efforts to ensure environmental sustainability. This is especially the case for those that either rely on natural resources and a healthy environment and/or have a major impact on the environment, due to the nature of their production activities or the products and services that they produce. This includes companies and business associations with interests in energy, water, agri-business, forestry, fisheries, life sciences, mining, infrastructure, construction, transportation, waste management, chemicals, travel and tourism. At the same time, financial and professional services companies, especially in banking, insurance, fund management, auditing and accounting, and information technology and media companies, have a crucial influence on promoting more sustainable production and consumption patterns.

There are sound business arguments for companies to be proactively engaged in debate and action on environmental management and protection. These include the potential for cost savings, more efficient production processes, product and service innovation, access to new markets, improved risk management, better stakeholder relations and having a 'seat at the table' in policy dialogues on the appropriate mix of regulatory frameworks, market-based mechanisms and incentives and voluntary, industry-led initiatives.

A key target of this goal is increasing access to safe drinking water. This target can only be met by creating public-private partnerships in the areas of financing, management and governance. It will also require the active involvement of local authorities, community leaders and representatives of end users. Major water companies are already forming such partnerships with governments to provide water services to underserved areas. They are, however, under intense political scrutiny. At one end of the spectrum private operators are perceived as the panacea, and too much is expected of them in terms of their capacity to deliver. At the other end, their involvement is treated with great suspicion and opposition, for fear that water, as a crucial public good, will be privatised and priced out of reach of the poor. Moreover, in parts of Africa, large-scale infrastructure projects are simply not profitable, particularly in rural areas. Efforts are needed to tackle these economic obstacles and political risks. They include government risk guarantees, active community participation models, and multi-stakeholder dialogues and governance structures. Another alternative is community-driven development, whereby donors, either governments or corporate philanthropic funds, support local small-scale enterprises or NGO projects that provide water.

The role and responsibilities of companies in ensuring environmental sustainability will vary from industry to industry, issue to issue, and geography to geography. Most companies, however, will be able to undertake actions in the following broad areas:

Target 9:

Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

Target 10:

Halve, by 2015, the proportion of people without access to safe drinking water

Target 11:

By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers

Businesses, large and small, have no need to apologise for their essential role as the organisers of the major part of the world's economic activity, and the engine of growth. However what companies do have to consider carefully, as do governments, is how to develop the right sort of economic growth, more inclusive in its benefits and more eco-efficient in terms of resource use and environmental impact.

LORD HOLME

DEPUTY CHAIR, BUSINESS ACTION FOR SUSTAINABLE DEVELOPMENT

CORE BUSINESS ACTIVITIES

1 Understand and manage the company's direct environmental impacts

- *Do no harm* – comply with regulations and voluntary industry standards where they exist. Ensure that company environmental policies at the local level are aligned with national targets and international standards. Carry out environmental impact and risk assessments.
- *Do positive good* – Make investments in eco-efficiency, cleaner production processes, pollution prevention, product life cycle analysis and so on – i.e. risk, cost and process management strategies. Share environmental management systems and transfer environmentally sound technologies along supply chains and with business partners.

2 Invest in product and process innovation and transform business models

- *New value-creation* – develop new products and services or transform business models to create new markets and business opportunities while addressing environmental issues. Water companies, for example, can extend services to poorer communities, where profitable and in partnership with local governments. Energy companies can develop commercially viable renewable technologies for poor communities, and consumer goods companies can develop more energy efficient and cost effective products for these markets.

3 'Green the financial markets' – ranging from environmental risk management in the banking and insurance sector, to positive environmental screening in fund management and project finance, to creation of environmental venture capital and private equity funds, to stock market indices etc. Of obvious relevance to financial companies, but all companies and boards of directors can influence change.

- *UNEP's Finance Initiative* and *WBCSD's financial task group* both offer a wide variety of examples in this area.
- *Sustainability Indices*, such as those established by the Dow Jones, the Johannesburg Stock Exchange, and the FTSE4Good are examples of evolving market mechanisms for sustainable development.
- *The Carbon Disclosure Project* – this is another innovative initiative that has mobilised some of the world's leading institutional investors to call on the largest 500 companies to publicly disclose their strategies for addressing climate change.

4 Address the challenge of sustainable consumption

- Companies and business associations can be more proactive in publicly addressing the issue of unsustainable consumption patterns and be part of the necessary shift in consumer values that must underpin the transition to more sustainable consumption. UNEP's Technology, Industry and Economics Office is working with a variety of companies on its sustainable production and consumption programme.

5 Tackle climate change

- *The Greenhouse Gas Protocol* – a WBCSD/WRI- led coalition of businesses, NGOs, government and inter-governmental organisations looking to develop internationally accepted accounting and reporting standards on greenhouse gas (GHG) emissions for use by companies and other organisations. The GHG Protocol Initiative also provides practical guidelines to help companies manage their GHG emissions.

SOCIAL INVESTMENT AND PHILANTHROPY

1 Support international environmental NGOs and campaigns

■ Companies can support the work of international partnerships such as the Millennium Ecosystem Assessment and the work of NGOs such as the World Wide Fund for Nature, Conservation International, IUCN, and WaterAid.

2 Mobilise core corporate competencies to support community-level environmental initiatives

■ Companies and business groups support thousands of community-based initiatives at the local level through funding, employee volunteering and sharing corporate expertise. Philippine Business for Social Progress, for example, works in an integrated way with local communities to regenerate the environment, develop small and micro-enterprises, and build capacity of local institutions. Guinness Nigeria is working with the Voluntary Services Organisation to ensure that communities are actively involved in the planning, construction and maintenance of their own projects.

3 Support education courses in sustainable development

■ Companies can support school-level environmental curriculum development, endow university chairs, fund courses and research projects, and invest in executive education programmes on the environment.

4 Support environmental awards and media campaigns

■ Many companies are starting to fund environmental awards or cause-related marketing campaigns that raise public awareness on a wide variety of environmental issues.

POLICY DIALOGUE AND ADVOCACY

1 Negotiate international rules and develop voluntary standards – Cooperation can help to build appropriate policy frameworks and new institutional structures to address environmental issues on a sector, thematic or geography specific basis. The policy and institutional structures developed may be regulatory frameworks, co-regulation mechanisms or voluntary codes and standards.

■ *The Global Reporting Initiative* – this is one of many examples where companies have worked with UNEP, CERES and other NGOs to develop a voluntary framework for sustainability reporting.

2 Change market frameworks – develop new economic instruments such as environmental taxes, charges and refund schemes, or market-based mechanisms, such as tradable permit systems and eco-labelling.

■ There are now hundreds of examples where governments and business associations have undertaken joint initiatives to change market dynamics, with the aim of improving environmental stewardship. Organisations such as the World Business Council for Sustainable Development (WBCSD), Global Environmental Management Initiative (GEMI), World Resources Institute (WRI), World Environment Centre (WEC), International Institute for Sustainable Development (IISD), and Conservation International, as well as trade associations, UNEP, the UN Commission on Sustainable Development and national environmental ministries have excellent databases of examples.



GOAL 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT

Target 12:

Develop an open, rule-based, predictable, non-discriminatory trading and financial system. Includes a commitment to good governance, development, and poverty reduction – both nationally and internationally.

Target 13:

Address the special needs of the Least Developed Countries, landlocked and small island developing countries. Includes: tariff and quota free access for LDC exports; enhanced programme of debt relief for HIPC and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction.

Target 14:

Address the special needs of landlocked countries and small island developing states.

Target 15:

Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long-term.

Target 16:

In cooperation with developing countries, develop and implement strategies for decent and productive work for youth.

Target 17:

In co-operation with pharmaceutical companies, provide access to affordable drugs in developing countries.

Target 18:

In co-operation with the private sector, make available the benefits of new technologies, especially information and communications.

Rich people need to understand that when the third world develops (economically), the first world benefits... through more markets for their companies and products.

LUIZ INACIO LULA DA SILVIAS,
PRESIDENT OF BRAZIL,
FINANCIAL TIMES, MAY 28, 2003

HOW CAN BUSINESS ENGAGE?

This goal calls for a new global partnership, especially between governments, but also with the private sector and others playing a role, to address some of the crucial macro-economic and governance challenges needed for more effective and equitable globalisation. It also focuses on the special needs of the least-developed countries, highly-indebted countries, landlocked countries and small island developing states. Finally it draws attention to three challenges that are critical to sharing the benefits of progress more widely: economic opportunities for young people and the need to widen access to affordable drugs and new technologies.

All of these factors matter to the private sector, both directly and indirectly, with more relevance in certain industry sectors and countries than others. Targets 16, 17 and 18 are not only investments in the long-term public acceptance and success of private enterprise, but also represent immediate business opportunities for certain sectors. The private sector, usually acting collectively through representative business associations, also has a major stake in creating more effective enabling environments at both the international and national levels.

TARGET 12:
International trading and financial system

1 Support the UN Global Compact

2 Help build the 'soft infrastructure' for global commerce

The achievement of Target 12 is crucial to the successful operation of international business. There is growing awareness among leading companies that a rules-based trading and financial system requires not only economic rules, but also rules in areas such as labour, human rights and the environment.

- Apply the nine principles of the UN Global Compact in the company's sphere of operations. This initiative is itself an example of a new global partnership between different development actors, focused on the responsibilities of the private sector.
- Many companies and industry associations work with specialised UN agencies in setting international economic norms and standards – building the 'soft infrastructure' for global commerce. This ranges from work on intellectual property rights and corporate governance, to developing common standards for cross-border transactions, transportation, and telecommunications. It also involves joint efforts to tackle bribery, corruption and money laundering.

TARGETS 13, 14 AND 15:
Least-developed, landlocked and small island developing countries, and debt relief

1 Promote investment in least developed countries, especially in Africa

2 Advocate OECD governments for increased market access, official development assistance and debt relief

The main support that business can provide to achieving these targets is through policy dialogue and advocacy and thereby helping or pressurising governments to create an appropriate enabling environment. In most cases these activities are more effectively and legitimately carried out through collective action, especially representative business groups such as chambers of commerce and trade associations.

- Business associations, such as the International Chamber of Commerce and the US-based Corporate Council on Africa, with a membership of over 170 major investors in Africa, are playing a growing advocacy role in this area. They are also helping to build international linkages and to build the capacity and strength of local business associations throughout Africa.
- Companies can participate in the UNDP-led initiative called *Growing Sustainable Business in LDCs*, which has grown out of the Global Compact, and which encourages and facilitates increased business investments in LDCs that have a direct positive impact on local sustainable and economic development.
- One area where the private sector is currently playing little or no role, is in advocating for a more fair and equitable international economy. Many NGOs and developing country governments would argue, that if anything, major companies and their trade associations are lobbying against such a global economy rather than for it. This has sometimes been the case, especially in the area of trade. There are, however, some recent examples of companies joining with NGOs and UN agencies to advocate for reform of OECD agricultural policies and improved market access, for the least-developed countries. Some companies have also supported civil society debt relief campaigns, such as the Jubilee 2000 Campaign.

TARGET 16:

Decent and productive work for youth

HOW CAN BUSINESS ENGAGE?

According to the ILO, around 20 per cent of the world's population is aged between 15 and 24 years old. In many developing countries, especially in Africa, the number of young women and men entering the schooling age group is rising as a result of high fertility levels and improved child survival. It has been predicted that around 500 million new jobs will be necessary by 2010, both for new labour force entrants, most of them youth in less developed regions, and to reduce the existing global unemployment rate.

There is a clear economic case for promoting youth employment and entrepreneurship. For example, employed young people spend their money on goods and service, boosting aggregate demand; society reaps a return on its investment in education and training; and the young person is more likely to serve as a positive role model for his or her peers, which helps to create a stable operating environment for business.

The UN's Youth Employment Network has identified the following four priorities – employability; equal opportunities; entrepreneurship; and employment creation. The private sector can play a role in all of them, either through its core business activities by hiring young people, running apprenticeship programmes, and other efforts to increase youth employment or by building linkages with small, medium and micro-enterprises run by young people. Through their philanthropic and social investment programmes, companies can also support NGOs focused on youth development, by providing mentoring and business advice for young people, as well as money. There is also potential for business associations to advocate for governments to give greater attention to youth issues, and even call for the creation of Ministers for Youth Development in certain countries.

Employability

invest in education and vocational training for young people to facilitate the school-to-work transition and to give young people a head start in working life, particularly those who are disadvantaged because of disabilities or who face discrimination due to race, religion or ethnicity;

Equal opportunities

give young women the same opportunities as young men;

Entrepreneurship

make it easier for young people to start and run enterprises and/or engage in social entrepreneurship and other forms of self-employment;

Employment creation

place employment creation at the centre of macroeconomic policy.

■ *The Youth Employment Network* is drawing up a policy roadmap on youth employment that will be sent to all governments in a drive to increase the quality and quantity of work for young people. Its secretariat is based at the ILO and participation is drawn from across sectors and includes representatives from the UN, World Bank, trade unions, business and civil society.

■ *Youth Business International* – This is a programme of the International Business Leaders Forum, which works with companies, individual business executives, governments, other youth organisations and United Nations bodies to establish national-level programmes to support youth entrepreneurship. Although adapted to local needs and circumstances, these programmes share a common approach based on a combination of start-up funding and business mentoring.

■ *International Youth Foundation* – This is an NGO that has established a network of youth development organisations and projects around the world focused on identifying, scaling up and learning from what works. It works actively with a wide range of companies and other partners, and has impacted the lives of millions of young people.

TARGET 17:

Access to affordable drugs

HOW CAN BUSINESS ENGAGE?

Providing access to affordable essential drugs is an issue that has critical implications for major pharmaceutical companies. These businesses are coming under significant pressure, particularly from campaigning organisations, to make their patent-protected medicines more widely available – a challenge that goes right to the heart of the business operations for these companies. Patent protection offers a necessary guarantee that companies will receive a return on their significant R&D investments. At the same time, infectious diseases – particularly in developing countries – are spreading at an alarming rate. The challenge for these companies is to play a full role in helping to improve access to their medicines while remaining profitable, a role which varies enormously according to one's stake in the issue. It is essential for companies to engage in transparent and open dialogue with all of their stakeholders to reach an acceptable compromise, something which leading companies in the sector have already started to do with some success.

CORE BUSINESS ACTIVITIES

1 Research and development, patent protection, intellectual property rights and pricing – the drugs for some diseases offer a greater return on investment than others, and for the less 'profitable' diseases it is essential that companies work in partnership with other organisations in order to reduce the disease burden in a sustainable and commercially viable manner.

■ *Leading pharmaceutical companies* have started to tackle these issues by agreeing preferential pricing arrangements in developing countries, opening new research facilities focussed on diseases of the developing world, and granting voluntary licences to generic producers in developing countries for patented medicines. They are working on these initiatives both individually and on a collective basis. In its publication *Facing the Challenge*, GlaxoSmithKline was the first major pharmaceutical company to provide a public overview of its strategic approach to addressing these issues.

2 Providing workplace access to essential drugs – In addition to the central role of the pharmaceutical sector, other companies operating in countries where HIV/AIDS and other infectious diseases are a major challenge, can also play a role by implementing workplace programmes for prevention, treatment and care, including the provision of essential medicines.

■ *Mining companies* such as Anglo-American and Rio Tinto, which operate in countries with the highest incidence of HIV/AIDS have been leaders here. Anglo American was the first company to announce that it would provide anti-retroviral drugs free to all its employees who needed them. Companies are also providing essential medicines to employees to tackle other diseases such as malaria. One difficult dilemma is how far should such drug provision programmes extend – should they include the families of employees? What about local communities where the company operates? The further away from the workplace, the greater is the need for partnerships with government, NGOs and pharmaceutical companies to make such programmes viable and sustainable.

SOCIAL INVESTMENT AND PHILANTHROPY

1 Responsible drug donation programmes and guidelines – pharmaceutical companies can also support access through drug donations and the use of volunteer employee expertise at a community level. The establishment of WHO and voluntary guidelines for ensuring that these programmes have beneficial impacts has been an important issue.

■ *Many pharmaceutical companies* operate such programmes and as outlined on page 18, the *Partnership for Quality Medical Donations* serves as a useful intermediary for US-based companies and NGOs. In partnership with local health ministries, *Pfizer* is distributing its Diflucan drug for free throughout Southern Africa. *GlaxoSmithKline* has been working with WHO for over three years on a lymphatic filariasis elimination programme, which has so far distributed over 140million albendazole tablets and *Merck* has supported the long-standing donation programme to tackle river blindness in Africa. *Johnson & Johnson*, *Abbott Laboratories* and many other companies operate product donation initiatives.

1 Building a better policy environment – This can include companies and business groups advocating for public health reforms in certain countries, supporting an enabling environment for public-private R&D, and negotiating international trade regimes that improve access to the poorest countries, without destroying the basis on patents and market-mechanisms that provide funds for long-term investment.

■ *The World Economic Forum* has established a *Global Health Initiative* with the support of a range of companies including Accenture, Ford, Volkswagen and Unilever and other organisations such as the UN Foundation, to fight against HIV/AIDS, TB and malaria.

TARGET 18:

Access to technology, especially information and communications technology (ICT)

HOW CAN BUSINESS ENGAGE?

The 'digital divide' is growing rapidly for poor countries and for the almost three billion people who live on less than \$2 per day, as well as poorer communities within rich countries. If supported by appropriate content and technical assistance, access to computers and to the Internet provides an effective way to improve education, build vital skills and contribute to health, social progress and enterprise development in poor communities. It is also a key to increased transparency, access to information and open societies, which underpin public accountability and good government, and which can reduce opportunities for corruption.

Bridging the digital divide requires integrating the delivery of five key components – access to equipment and appropriate software; telecommunications links with Internet connections; technical assistance and training; access to relevant content; and access to affordable equipment. Lack of progress on liberalisation of the telecommunications sector and IT markets is in many cases a primary inhibitor of growth and access. In less developed countries fewer than 2% of people have access to these opportunities due to lack of computers, Internet connections and essential technical assistance as well as power and phone lines. This can only be achieved through business led public/private partnerships within an enabling public policy framework.

Although Target 18 is focused on information and communications technology, other types of new technology also offer great potential, but enormous challenges for developing countries. The most controversial of these is biotechnology and genetically modified organisms (GMOs), which offer the hope of helping to address a wide range of food security, health, environmental and industrial challenges in developing countries, but face enormous public distrust and uncertainty in terms of their impacts. For companies active in this sector, the major challenge is to increase stakeholder engagement and public dialogue as their research and development processes.

Other technologies that offer great potential for developing countries include renewable energy technology and others that can support cleaner production and consumption processes. The following examples, however, focus on information and communications technology.

CORE BUSINESS ACTIVITIES

1 Providing low-cost technology to rural areas on a commercial basis

- A growing number of companies are looking at commercially viable ways to make ICT solutions available for poor people in order to bridge the 'digital divide'. Three of many examples include Hewlett Packard's E-Inclusion initiative, Vodacom developing community access centres in southern Africa, and Netcore Solutions in India, which has developed low-cost computers and information centres in rural areas.

SOCIAL INVESTMENT AND PHILANTHROPY

1 Support NGO or community-led projects through donating resources, expertise and technology

- *Digital Dividend Project Clearinghouse* – A project run by the World Resources Institute, this is an innovative online platform tracking social enterprises that use ICT to deliver critical tools and services to underserved communities in developing countries. Since it was launched in August 2001, the Clearinghouse has grown from zero to nearly 700 projects, and users are invited to submit their own projects from around the world.
- *World Economic Forum digital divide initiative* – WEF's Global Digital Divide Initiative (GDDI) builds partnerships between the public and private sector to bridge the divide between those who can make effective use of information and communication technology (ICTs) to improve their lives and those who cannot.
- *Examples of specific projects* where companies are working with the UN system, NGOs and others on ICT solutions include: *Satellite*, which uses ICT to improve access to advice on medical issues; the *Cisco Networking Academies*, which are working with UNDP and many other partners around the world to support access and training on ICT; and the *Digital Partnership*, which works with the World Bank, ICT companies, government authorities, and other companies to refurbish old computers and put them to use in schools.

2 Donate technology and expertise to more effectively manage humanitarian crises

- *Ericsson and Microsoft* have both worked with the UN humanitarian agencies and NGOs to apply ICT solutions to the communications, logistics and management challenges of disaster relief and refugee registration. Both Ericsson's 'First On the Ground initiative' and Microsoft's 'Refugee Registration Project' offer useful models for others to consider.

POLICY DIALOGUE AND ADVOCACY

1 Advocating for and supporting better public policy on ICT issues to improve access, participation and governance

- *The UN's ICT Task Force* – this includes representatives from Member States, the private sector, the non-profit sector, including academia and NGOs, and United Nations bodies. It is the first instance of a body created by a UN inter-governmental decision in which Member States, the private sector and other stakeholders will participate as equal partners in a major effort to influence the enabling environment and policy frameworks needed to harness information and communication technology for development.
- *Digital Opportunity Task Force* – DOT Force was established by the G-8 governments in 2000, as an international partnership including companies, NGOs and the public sector. It has created a wide range of policy proposals and projects in areas such as national e-strategies, access and connectivity, human capacity building, entrepreneurship, and local content.

Useful contacts of coalitions active on development issues and partnership examples illustrated in this report

Abrinq www.abrinq.org.br

Accelerating Access Initiative www.unaids.org

African Institute of Corporate Citizenship www.aiccafrica.com

AmCham Brazil www.amcham.com/br

Asia Foundation www.asiafoundation.org

Aspen Institute Business in Society program www.aspeninst.org

Boston College Center for Corporate Citizenship
www.bc.edu/corporatecitizenship

Bottom of the Pyramid Learning Laboratory
www.bschool.unc.edu/centers/SustainableE/

Brazilian Hunger Campaign www.fomezero.org.br

Business for Social Responsibility www.bsr.org

Business in the Community www.bitc.org.uk

Carbon Disclosure Project www.cdproject.net

Centre for International Private Enterprise www.cipe.org

Centre for the Advancement of Sustainable Development
Partnerships www.casdp.org

Conservation International www.conservation.org

Copenhagen Centre www.copenhagencentre.org

Corporate Council on Africa www.africacncl.org

CSR Europe www.csreurope.org

Digital Partnership www.digitalpartnership.org

DOT Force www.dotforce.org

Dow Jones Sustainability Index www.sustainability-index.com/

E7 www.e7.org

EMPRESA www.empresa.org

ENGAGE – The International Employee Engagement Campaign
www.iblf.org/engage

FTSE4Good www.closefm.com/ftse4good

Global Alliance for Improved Nutrition www.micronutrient.org

Global Alliance for Vaccines and Immunization
www.vaccinealliance.org

Global Alliance for Workers and Communities
www.globalalliance.org

Global Business Coalition on HIV/AIDS www.businessfightsaids.org

Global Compact www.unglobalcompat.org

Global Environmental Management Initiative (GEMI) www.gemi.org

Global Fund to Fight AIDS, TB and Malaria www.who.int

Global Initiative for Public-Private Partnerships in Handwashing
www.wsp.org

Global Movement for Children www.gmfc.org

Global Reporting Initiative www.globalreporting.org

Greenhouse Gas Protocol www.ghgprotocol.org

Institute Ethos www.ethos.org.br

International Business Leaders Forum www.iblf.org

International Chamber of Commerce www.iccwbo.org

International Federation of Business and Professional Women
www.bpwintl.com

International Institute for Environment and Development
www.iied.org

International Institute for Sustainable Development www.iisd.org

International Organisation of Employers www.ioe-emp.org

International Youth Foundation www.iyfn.org

Johannesburg Sustainability Index www.jse.co.za

Medicines for Malaria Venture www.malariavaccine.org

Millennium Ecosystem Assessment www.unep.org

National Business Initiative www.nbi.org.za

NetAid www.netaid.org

Netcore www.emergic.org

Partnership for Quality Medical Donations www.pqmd.org

Philippine Business for Social Progress www.pbasp.org.ph

Roll Back Malaria www.who.int/rbm

Satellife www.satellife.org

Save the Children www.savethechildren.net

Soroptimist International www.sorop.org

Stop TB Partnership www.stoptb.org

SustainAbility www.sustainability.com

UNEPs Finance Initiative <http://unepfi.net>

United Nations Foundation www.unfoundation.org

WaterAid www.wateraid.org

World Economic Forum www.weforum.org

World Business Council for Sustainable Development
www.wbcscd.ch

World Environment Center (WEC) www.wec.org

World Resources Institute www.wri.org

World Wide Fund for Nature www.wwf.org

Youth Business International www.youth-business.org

Youth Careers Initiative www.iblf.org/yci

Note: we have not included the many sector-specific trade and industry associations that are active on development issues, UNEP's Technology, Industry and Economics Office has an extensive database on these associations. www.uneptie.org

THE PRINCE OF WALES INTERNATIONAL BUSINESS LEADERS FORUM

(IBLF) is a not for profit organisation, founded in 1990 by HRH The Prince of Wales and a group of international CEOs, in response to the emerging social challenges of economic growth and change in the global economy. The Forum's mission is to promote international leadership in responsible business practices, to benefit business and society. The Forum works strategically with business, civil society and the public sector in transition and emerging economies in order to achieve socially, economically and environmentally sustainable development.

The IBLF has been working with UNDP and other parts of the UN system for over 8 years to increase awareness and action on the role that the private sector can play in supporting international development. The Millennium Development Goals and the Global Compact both provide valuable frameworks for taking this work forward in the coming years.

THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) is the United Nation's global development network. With a presence on the ground in 166 countries, UNDP advocates for change and uses its extensive network to connect donors and developing countries, private and public sectors and policy advice and programme resources to help nations build their own development skills and solutions.

UN Secretary-General Kofi Annan has also asked UNDP Administrator Mark Malloch Brown to be the "score-keeper" and "campaign manager" for the Millennium Development Goals – spreading awareness within the UN system and across the world and making them an integral part of the UN system's work in the field. The MDGs provide a framework for the entire UN system to work coherently together toward a common end, and a number of UN country teams are already working with host governments to do detailed monitoring, analysis and reporting on them.

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“For leading companies, helping to achieve the Millennium Development Goals is not only a matter of corporate social responsibility, embedded in compliance, risk management and philanthropy, but also a matter of corporate social opportunity, embedded in innovation, value creation and competitiveness.”