

CREATING CHANGE

The International Business Leaders Forum puts business at the heart of sustainable development.

Here are just some examples of how we've made a difference to the work of international companies, governments and other organisations.




The Vietnamese government adopts sustainable development as a central economic strategy

As a result of the social and economic benefits of a seven-year cross-sector partnership led by IBLF to improve working conditions in footwear factories in Vietnam, the Vietnamese government has adopted sustainable development as a key economic strategy.

Through the Vietnam Chamber of Commerce & Industry (VCCI), IBLF's long-term local partner, the government is establishing a Sustainable Development Office that will promote sustainable business practices across major business sectors in Vietnam, such as timber, tourism, finance, construction and infrastructure, telecommunications, transport and agriculture, food and fishery.

This development follows on from the success of the Vietnam Business Links Initiative, a project established by IBLF, VCCI, shoe manufacturers and multilateral agencies in 1999 that has improved the working standards in 60% of the footwear factories in Vietnam.

The footwear industry, one of the key factors behind the country's rapid economic development over the last five years, employs some 400,000 people – a number that is expected to rise over coming years. The Vietnam Business Links Initiative has shown that higher working standards are good for business, good for workers and result in higher quality products.



“IBLF facilitated constructive engagement between Nestlé, Fairtrade and other NGOs”

Marriott champions human rights in the tourism sector

Working closely with IBLF, Marriott International has developed a comprehensive human rights policy that includes the prevention of the exploitation of children. The move demonstrates a commitment to the protection of human rights by embedding and reinforcing human rights and ethical business practices throughout the company, and strengthening their involvement with poverty alleviation and youth employability programmes.

Ed Fuller, President and Managing Director of International Lodging at Marriott says that, “IBLF has demonstrated a clear business rationale for the hospitality industry to include human rights issues among the most imperative to address.”

Marriott’s leadership stance has been welcomed by its own shareholders and competitors alike, providing impetus for the rest of the hotel industry to improve their own standards.

In December 2006, Marriott began to include in its pre-arrival emails to 20 million guests annually, The Responsible Tourist and Traveller, a brochure developed by the United Nations World Tourism Organization. The brochure encourages tourists to respect human rights, help preserve natural environments and contribute to economic and social development by supporting local economies.

Marriott is an IBLF corporate partner and a founding member of IBLF’s Tourism Partnership.

IBLF helps Nestlé develop a Fairtrade coffee brand

In October 2005 Nestlé became the first of the four major coffee roasters to launch a Fairtrade coffee brand, enabling the company to support sustainable agricultural practices in El Salvador and Ethiopia and create a competitive advantage.

IBLF played a strategic role in the development of Nestlé’s new product Partners’ Blend, providing advice throughout the process and facilitating constructive engagement between Nestlé, Fairtrade and other NGOs.

Nestlé is the world’s largest buyer of coffee, processing more than 10 million bags of coffee per year, and its decision was seen as a landmark for the Fairtrade movement. It showed that Nestlé was responding to public demand for ethical products and could manage its supply chains and comply with rigorous standards such as the Fairtrade mark.

IBLF was involved from the very beginning of the process, advising Nestlé on how to develop a coffee brand that could specifically help farmers in the poorest coffee nations.

Coffee is a sector where multinationals can directly tackle poverty, as most production takes place in developing countries and 80% of coffee growers are smallholders, rather than large companies. Nestlé’s project in El Salvador, for example, focuses on small farms of less than 10 hectares, 20% of which are run by women.

Nestlé is an IBLF corporate partner.



China Development Bank develops transparency policy

As a result of two years of engagement with the China Business Leaders Forum, the China Development Bank – the infrastructure financing institution of the Chinese government – is developing new policies to improve the transparency in projects it finances.

The China Business Leaders Forum is an organisation set up by IBLF and the Renmin University to improve business standards and transparency.

Following a China Business Leaders Forum workshop in September 2005, the China Development Bank sponsored a research project with the Renmin University to design new transparent credit approaches to be applied in national and local infrastructure projects that it oversees.

The China Development Bank is one of the three policy banks of the People's Republic of China and at the end of 2005 had a total lending portfolio of RMB 1,731.8 billion (US\$ 220 billion). It is primarily responsible for funding large development projects, including most of the funding for the Three Gorges Dam, and particularly focuses on projects in the energy and infrastructure sector.

The China Development Bank has a seat on the Steering Committee of the China Business Leaders Forum.

Unilever, HSBC & Nestlé improve workforce diversity in the Philippines

As part of a programme operated by IBLF and Philippine Business for Social Progress (PBSP) to improve conditions in the Autonomous Region in Muslim Mindanao (ARMM), three multinational companies – Nestlé, Unilever and HSBC – have provided internships for young Muslim professionals from the region.

IBLF and PBSP have operated a Business and Peace programme in Mindanao since 2001, with the aim of co-ordinating a collective business contribution to peace building and development in the region.

One component of the initiative is the Young Muslim Professionals for Business and Peace (YuPPeace) Program, an internship project that provides an opportunity for young Muslim professionals, currently employed in local business enterprises in ARMM, to experience how companies operate and to bring their experience back to their workplaces in Mindanao. Since 2001, a total of 22 interns have been deployed and at least 49 more are now being planned over the next two years.

The programme has enabled Unilever, HSBC and Nestlé to experience religious and cultural diversity in their local workforce with very positive results. The interns have made a real impact on their local community – one, for example, is now the Executive Director of her local Chamber of Commerce and Industry and another has transformed the marketing of her village's craft products.

Nestlé and Unilever are IBLF corporate partners.

CREATING CHANGE



UN Global Compact works with IBLF to help companies tackle corruption

The UN Global Compact – the world’s largest corporate citizenship initiative – has produced a framework for how companies should tackle corruption, developed in close partnership with IBLF over a number of years.

IBLF has been a member of a working group on corruption set up in 2004, after the Global Compact introduced a 10th principle on corruption: “Businesses should work against corruption in all its forms, including extortion and bribery”.

In 2005, IBLF, the Global Compact and Transparency International produced Business Against Corruption: a framework for action – to help companies deal with corruption in every aspect of their operations.

As part of the framework, the Global Compact adopted the view held by IBLF that collective action by companies is the best way to tackle corruption, because it helps to provide a level playing field in which to compete and do business. This idea has been tested by IBLF and businesses across 10 countries, including Kenya, China and the Philippines.

The UN Global Compact was established by the then UN Secretary-General Kofi Annan in 2000, has 3,000 signatories and operates a number of regional networks. IBLF has supported the initiative since its inception.

IBLF helps Thai businesses to increase the impact of their social investment

As a result of an IBLF Task Force in 2005 that took business executives to see for themselves how business could play a role in post-tsunami recovery, Thai companies started discussing how businesses could act collectively to increase the impact and sustainability of their social investment.

This discussion led to a group of Thai and international companies coming together under the banner of the Thailand Business Partnership for Community Development to improve their investment in social challenges. The group includes KPMG, Diageo, ThaiBev, Nestlé, Manpower, Cadbury Schweppes, The Nation Multimedia Group and The Stock Exchange of Thailand, with the support of the British Ambassador.

The Thai Business Partnership enables businesses to combine their skills and resources to work with local people and tackle grassroots development issues – for the benefit of both business and the communities. The companies already support a number of projects including KPMG assisting IT skills in schools, Thai Bev supporting the construction of a football stadium and football training for young people, and Cadbury Schweppes providing fishermen with new boats to replace those destroyed by the December 2004 tsunami.

Cadbury Schweppes, Diageo, KPMG and Nestlé are IBLF corporate partners.