

MARKETS OF THE FUTURE: THE UN GLOBAL COMPACT IN THE LEAST DEVELOPED COUNTRIES



United Nations Global Compact



UN GLOBAL COMPACT LOCAL NETWORKS IN THE LEAST DEVELOPED COUNTRIES

The UN Global Compact has local operations in over 90 countries around the world; these Local Networks have never been more dynamic and ready to play a unique role as the UN uses all of its resources to achieve its broad development objectives.

UN Global Compact Local Networks are organized by participants who come together voluntarily to advance the UN Global Compact and its principles at the local level. There are over 97 established and emerging networks. While retaining diverse operations, all Local Networks operate with the mission to advance the UN Global Compact principles in business.

Local Networks perform increasingly important roles in rooting the UN Global Compact within different national, cultural and language contexts, and also help to manage the UN Global Compact's rapid expansion. Their role is to facilitate the progress of companies – both local firms and subsidiaries of foreign corporations – engaged with the UN Global Compact in implementing the ten principles, while also creating opportunities for multi-stakeholder engagement and collective action. Furthermore, networks deepen the learning experience of all participants through their own activities and events and promote action in support of broader UN goals.

Local Networks are established or emerging in a number of Least Developed Countries (LDCs), and offer numerous advantages:

1. Advancing sustainable business development and building productive capacities;
2. Creating special foras for enterprises and other stakeholders to dialogue on challenging issues and advance joint solutions;
3. Connecting LDCs to the broader global economy and related supply chains.

ESTABLISHED GLOBAL COMPACT LOCAL NETWORKS IN THE LDCs:

Bangladesh - Rashedur Rahman, Email: m.rashedurrahman@gmail.com

Sudan - Mohamed Abdala Ali Elkafi, Email: info@sudabiz.org

Zambia - Rosario Fundanga, Email: gczambia@yahoo.com

EMERGING GLOBAL COMPACT LOCAL NETWORKS IN THE LDCs:

Madagascar – Hasina Ramarson, Email: hasina.ramarson@undp.org

Malawi – Daisy Kambalame, Email: daisy@aiccafrica.org, daisy@globemw.net

Mozambique – Nurdine Sale, Email: Nurdine.Sale@undp.org

Nepal – Nabina Shrestha, Email: nabina.shrestha@undp.org

Senegal – Katy Tall Sarre, Email: ksarre@sentoo.sn

Uganda – Shaffi Manafa Masai, Email: shaffi79@yahoo.co.uk



MARKETS OF THE FUTURE: THE LEAST DEVELOPED COUNTRIES (LDCS)

Successful development requires sufficient private sector investment to enable broad-based sustainable growth. Enterprises can play a crucial role in identifying concrete, action-oriented solutions to LDC-specific challenges. Particularly in the LDCs, responsible business and investment can assure the longevity and robustness of interventions. Through platforms like the UN Global Compact, enterprises can contribute directly to building, and ultimately benefiting from, the markets of the future. By conducting business and investing in responsible ways, companies can help advance broader societal objectives, in turn helping to strengthen an environment that can increasingly support the growth and stability of business operations.

Companies – domestic and foreign – are making important contributions to social and economic development in LDCs.

AFGHANISTAN, ANGOLA, CAMBODIA

Since 2008, Komatsu, a Japanese manufacturer of construction and mining equipment, has been actively engaged in addressing the removal of embedded anti-personnel landmines. Using existing construction equip-

ment technology, Komatsu developed a demining machine that it provides to several countries that are signatories of the Ottawa Treaty, including Afghanistan, Angola and Cambodia. Komatsu also partners with the Japanese Mine Action Services - a Japanese non-profit organization run by retired defense workers - to provide technical training to use the machine in cooperation with the appropriate governments and organizations.

BANGLADESH

Viyellatex Group, a Bangladeshi textiles and apparel manufacturing company, works towards sustainable social and environmental development. The company has pledged to become carbon neutral by 2016. Its carbon footprint was reported to decrease by 25% from 2009 to 2010, and seven million trees are being planted to offset the carbon dioxide produced by the company. The company reuses treated effluent water in toilets used by 8,000 workers which, combined with a rainwater harvesting system, saves 135 million litres of underground water each year. Viyellatex also uses and re-uses generator exhaust to produce air cooling pressure and steam saving energy and gas.



DEMOCRATIC REPUBLIC OF THE CONGO, UGANDA

Entebbe Handling Services LTD (ENHAS), a Ugandan ground handling service, is providing safe drinking water to its staff and other families in the community at no cost in the Democratic Republic of Congo (DRC). The company has invested approximately USD 40,000 to ensure eight stations in the DRC have safe drinking water. The same project has begun for the Entebbe Uganda station where bottled water is used. ENHAS is committed to promoting sustainability in the communities where it operates by reducing the use of plastic bottles and improving garbage collection methods at its operations facilities. The company is also increasing its use of solar power and raising awareness of alternatives to cooking by coal for household consumption.

SUDAN

Sayga Flour Mills of Sudan, a food and drink company headquartered in Khartoum, has embarked on the Green Bakery Initiative in an effort to mitigate the negative environmental consequences of traditional bakeries. Traditional bakeries in Sudan consume large amounts of firewood and contribute to deforestation, air pollution and climate change. The Green Bakery initiative seeks to shift bakeries toward being more environmentally-friendly by developing alternative power solutions using liquefied petroleum gas and solar energy.

TANZANIA

In 2003, Unilever Tea Tanzania (UTT) created a biodiversity action plan to prevent the expansion of agriculture on company managed high biodiversity forest areas, including UTT's Mufindi tea estate which is over 65% natural forest. Company guidelines prevent the felling of indigenous trees, call for managed forest fires, and aim to reduce the use of trees for firewood by offering employees alternative sources. Currently, UTT is working with stakeholders to implement the action plan, which includes developing a monitoring system to track changes in the ecosystem and any necessary remediation steps.

ZAMBIA

The Coca-Cola Company joined with Oxfam America and bottling partner SABMiller to study the economic and social impact of the companies' value chain on communities in Zambia (as well as in El Salvador). Based on the poverty footprint methodology developed by Oxfam, the report *Exploring the Links between International Business and Poverty Reduction* looks at how the companies are impacting sustainable livelihoods, health and well-being, diversity and gender, empowerment, and security and stability, all key dimensions of poverty. In addition to identifying positive impacts – including job creation, the development of entrepreneurial skills and technical training – the report makes recommendations for improvements in areas including workplace, gender, water and opportunities for small businesses.

ABOUT THE UNITED NATIONS GLOBAL COMPACT

The United Nations Global Compact is a call to companies everywhere to voluntarily align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take actions in support of UN goals, including the Millennium Development Goals. Endorsed by chief executives, the UN Global Compact is a leadership platform for the development, implementation, and disclosure of responsible corporate policies and practices. Launched in 2000, it is largest corporate responsibility initiative in the world – with over 8,000 signatories based in more than 135 countries. For more information: www.unglobalcompact.org.

Engagement in the UN Global Compact provides opportunities and benefits for companies:

- Sharing best and emerging practices to advance solutions and strategies for sharing best and emerging practices to advance solutions and strategies for common challenges;
- Advancing sustainability solutions in partnership with a range of stakeholders;
- Linking business units and subsidiaries across the value chain with the UN Global Compact's Local Networks around the world;
- Accessing UN knowledge and experience with sustainability and development issues;
- Utilizing UN Global Compact tools and resources, with the opportunity to engage in specialized workstreams and events.

The Ten Principles of the United Nations Global Compact

HUMAN RIGHTS

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2 make sure that they are not complicit in human rights abuses.

LABOUR

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4 the elimination of all forms of forced and compulsory labour;
- Principle 5 the effective abolition of child labour; and
- Principle 6 the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7 Businesses should support a precautionary approach to environmental challenges;
- Principle 8 undertake initiatives to promote greater environmental responsibility; and
- Principle 9 encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

