



**United Nations System
Private Sector Focal Points Meeting 2011**

**“Transforming Partnerships:
Moving to the next stage of UN-business
collaboration”**

MEETING REPORT

12-13 April 2011

**UNESCO Headquarters
7, place de Fontenoy
Paris, France**

Co-hosted by:

**UN Global Compact Office
UN Educational, Scientific and Cultural Organization
UN Environment Programme
UN Population Fund
UN World Food Programme**

Representatives of over 30 UN Agencies, Funds and Programmes gathered for the annual United Nations System Private Sector Focal Points Meeting together with representatives from business, international organizations and NGOs in Paris on 12-13 April 2011. Over 120 participants were in attendance. Organized by the United Nations Global Compact Office, United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations World Food Programme (WFP), United Nations Population Fund (UNFPA) and the United Nations Environment Programme (UNEP), these annual meetings serve to enhance communication, strengthen learning, advance coordination, and improve collaboration among UN staff working with the private sector.

Discussions focused on the notion of “transformational” partnerships, collaborating with the Global Compact Office, enhancing UN-business relationships and exchange programmes, innovative funding mechanisms, procurement and value chain considerations as well as enhancing the UN-business partnership gateway

Objectives of the Meeting

- 1. Increased Coherence:** Continue to work toward a consistent and coherent approach to private sector engagement across the UN system. Issues explored include due diligence procedures, Global Compact engagement, UN reform and sustainable procurement.
- 2. Explore Transformational Partnerships:** Introduce a new typology for understanding the characteristics of successful partnerships; discuss the requirements on both the business and UN side of such partnerships.
- 3. Advanced Communication:** Review current communications tools and strategies and explore how they can be leveraged further.
- 4. Learning and Sharing:** Provide a forum for representatives of UN and business to network, dialogue and engage. Examine trends taking root in each and continue to work toward understanding mutual needs and objectives.

Background

Since 2000, the Global Compact Office has been responsible for developing the Secretary-General's report to the General Assembly under the item "Towards Global Partnerships". This report takes stock of current, system-wide efforts to enhance private-sector cooperation, outlines challenges and puts forwards recommendations on ways of enhancing cooperation between the UN and the private sector. Outcomes of this event will provide significant input to the sixth Secretary-General's Report.

Recommendations and Next Steps

Increased Coherence

- UN Agencies, Funds and Programmes are encouraged to begin to explore new ways of working more closely with the Global Compact to advance their respective missions – both at the global level and at the country-level with Global Compact Local Networks.
- A deadline will be set for a final round of feedback on the due diligence tools presented with a view to finalizing them for use by agencies.
 - The due diligence questionnaire, once finalized, will be uploaded to business.un.org.
 - A decision needs to be taken on the proposals for due diligence service provision and, if relevant, implemented.
 - If there is interest in the private discussion forum, agencies would be invited to join.
- Template agreements for secondments and staff exchange should be created to harmonize the UN legal framework (following the example of successful agreements between the UN and the private sector)

- Propose with UN DOCO a potential private sector-UN taskforce to address issues precluding a greater role for private sector partners in the UN Reform partnership modalities.
- Work to improve the knowledge divide between UN Private Sector Focal Points and their UN Reform counterparts within agencies, to enhance engagement of private sector partners in UN reform efforts.
- Creation of a subgroup composed of UN private sector focal points, Global Compact and ICC devoted to: 1) advancing the internationalisation of Global Compact principles within UN agencies through procurement and requisitioning and 2) considering how the UN system's vendor community (especially in developing countries) can be supported to meet the potential requirements of sustainable procurement.
- Present distinct models for UN agencies to engage companies of varying sizes in supply chain/value chain partnerships.

Explore Transformational Partnerships

- Ideas shared on "transformational" partnerships will contribute to the ongoing work of the Global Compact LEAD Working Group on "Co-creating New Forms of UN-Business Partnerships: Increasing Scale & Impact".

Advanced Communication

- Greater promotion of business.un.org, both internally and externally; to this end additional resources need to be allocated to support site maintenance and promotion.
- Develop a common framework across the UN for social media engagement, if appropriate
- If there is interest, set up a small working group that could provide insights and further reflect on the impact of social media on UN process and working environment.

Learning and Sharing

- Develop a report of successes and challenges in known staff secondment/exchange scenarios between the UN and the private sector.
- Identify opportunities for two or more agencies to develop joint projects to put forth to companies for partnerships, further leveraging the combined strengths of each.
- Identify ways in which UN agencies can help address on-going challenges companies experience in value chain initiatives to ensure the maximum beneficial impact on communities involved.
- Continue to share best practices, challenges and ideas on new directions for innovative funding mechanisms across the UN system.
- Identify successful examples of private sector collaboration in Delivering as One pilot countries, Joint Programmes, Multi-Donor Trust Funds and other joint modalities, for knowledge sharing and potential replication.
- Conduct an analysis of tools and methods deployed and gains achieved (reputation, financial, management) by corporate entities when implementing sustainable purchasing mechanisms. Consider how adapt some of these experiences to the UN.

Proceedings

Opening Plenary Session

Event moderator **Maria Bobenrieth, The Partnering Initiative**, opened the meeting by framing the discussion around three key areas: 1) attendees have much to learn from each other; 2) harmonization is needed for greater effectiveness and 3) beginning a process of thought leadership on this is important. **Hans d'Orville, UNESCO**, provided a background on the UN system's partnership with the private sector and described the partnership strategy of UNESCO in particular their recently developed partnership guidelines – based on the UN system guidelines. **Georg Kell, Global Compact**, emphasized the importance of the UN system reaching coherence in how it engages with the private sector.

1. Enhancing UN-Business Relations

Despite significant progress made both at the individual Agencies, Funds and Programmes level as well as at the system-wide level, there is an acute sense that “the time is now” to facilitate more strategic and “transformational” partnerships, between the UN and the private sector, that place a greater emphasis on achieving impact and scale and focus on areas where collaboration is highly valued. However, while the number of partnerships and models proliferate, the conditions under which impact and scale can be achieved are often unclear. Panelists presented a short summary of the evolution of UN/Business partnerships, and categorized the three main types of public/private partnerships as:

- Core business operations and value chain partnerships
- Social investment and philanthropy
- Advocacy and public policy engagement

Mr. Wade Hoxtell, Global Public Policy Institute (GPPi), noted that UN-Business partnerships have evolved from a focus on merely collecting financial contributions from business, to strategic collaborations utilizing core competencies of the private sector for achieving both UN goals as well as corporate financial or non-financial goals. **Mr. Miguel Pestana, Unilever**, emphasized that it is imperative there be a match in core competencies between private/public partners and that greater success could be reached if collaborations were widened to include natural market competitors.

Participants were then asked to discuss in small groups examples of key private sector partnerships and, while reflecting upon success criteria, think constructively about where these lie on a “transformational” partnerships spectrum. Details of existing partnerships were plotted by post-it note on a virtual spectrum at the front of the room (profiled partnerships are listed in the Annex). Subsequently, representatives from UNDP Syria shared aspects of their partnership with Total that engages the community to improve local living conditions. **Ms. Maria Bobenrieth, The Partnering Initiative**, noted that trust is an essential component of a successful partnership, adding that three elements are key: equity, mutual benefit, and transparency.

2. Enhancing Collaboration with the UN Global Compact Office

This session highlighted recent developments in the evolution of the UN Global Compact. The session illustrated the various ways in which UN Agencies, Funds and Programmes can work more closely with the UN Global Compact Office – both at the global level (on issues and initiatives including Global Compact LEAD, the Women’s Empowerment Principles, the UN Private Sector Forum among others) – as well as at the country-level with Global Compact Local Networks. **Mr. Georg Kell, Global Compact**, began the session by briefing attendees on the mandate, development and current directions of the Global Compact. He described the various platforms available for UN entities to participate in, as a means to establish connections with the private sector.

Ms. Laraine Mills, UN Women, described the process undertaken between the Global Compact and UN Women to develop the Women’s Empowerment Principles. Ms. Mills explained that one of the mutual benefits of this collaboration was the Global Compact’s ability to leverage the business perspective and for UN Women to bring a variety of stakeholders to the consultation process. The clear alignment of the initiative with each organization’s vision and competencies has contributed to its success. **Ms. Faten Tibi, UNDP Syria**, explained the creation of the Global Compact Network Syria which, launched by UNDP Syria, is now self-sustained through private sector contributions and is one of the fastest growing Global Compact Local Networks in MENA. Global Compact Local Networks are platforms for companies to engage with local stakeholders in business activities to achieve inclusive growth.

Subsequently several topics were discussed, including companies expelled from the Global Compact, the importance of leveraging Local Networks, the role of the Global Compact in supporting UN system due diligence procedures. In addition, it was emphasized that there are various ways for UN entities to collaborate with the Global Compact.

3. Outcomes from Working Lunch Session for organizing committee members of the 2010 UN Private Sector Forum

A working lunch was held for members of the organizing committee of the 2010 UN Private Sector Forum with a view to identifying lessons learned to help prepare for the 2011 UN Private Sector Forum. The Private Sector Forum is an annual high level event convening around 350 Heads of State and Government, UN agency heads, CEOs and heads of civil society organizations on a topic of key importance to the UN. This year's theme, by choice of the Secretary-General, will be Access to Energy and is expected to provide a clear roadmap to the Rio+20 event. Lessons learned from the 2010 event include the need to:

- be clearer about the expectations of organizing committee members
- agree on the objectives and deliverables
- start preparations earlier
- decide early on the criteria for which companies would be eligible to receive an invitation
- compile the potential invitees list from scratch rather than start with the previous year list
- automate the invitation process
- have different tracks for agencies with a minor and major interest in the topic

4. Working Group Session #1

A. Capacity-Building and Staff Exchange Programmes

As partnering between the UN and the private sector becomes "core business" for both the UN and the private sector, there seems to be greater demand for acquiring work experience in the partner's organization; that is, placing UN colleagues in a private sector setting and, likewise, private sector employees receiving work experience at the UN. A preliminary analysis carried out by UNESCO revealed that several UN entities are interested in learning from practitioner UN entities, but that only a few UN entities have a legal framework for staff secondment in place and examples of staff exchange to share.

During the session, **Ms. Anne-Claire Marrast, Novartis**, presented the Novartis fellowship that is open for candidates from developing countries. WHO issues the call for applications for the fellowship programme and fellows are jointly selected by Novartis and WHO. A virtual alumni community was established to allow fellows to form a community of exchange and practice. **Mr. Shane Kerr, P&G Pampers**, explained that within their Pampers vaccination partnership with UNICEF, P&G staff were selected as volunteers to work for UNICEF in the field for a period of three months. Employees of P&G, unpaid during the volunteer programme, bring in their Marketing, Sales, Operations and Communications backgrounds for UNICEF.

Mr. Henrik Moller, ILO, illustrated the ILO-Michelin staff exchange under which one ILO staff member works at Michelin for 18 months while at the same time, a Michelin employee is placed within the ILO, Mr. Moller's counterpart was **Ms. Anja Miller, Michelin**. While the exchange was successful, they voiced that the legal framework was not in place at the time. The ILO's Human Resources department was currently working on template agreements for secondments/staff exchanges.

B. Exploring New Media/Social Networks

Social network service focuses on building online communities of people who share interests and activities, or who are interested in exploring those of others. Most social network services are web-based and provide a variety of ways for users to interact, such as e-mail and instant messaging services. Social networking has encouraged new ways to

communicate and share information. These websites are used regularly by millions of people, and it seems that social networking will be an enduring part of everyday life. Rapidly evolving forms of information technology (new media/social networks) create new and dynamic opportunities for the UN to engage with the global public at large - including the private sector.

Ms. Nicole Carta, UNFPA, described a project that convened 55 social media experts from Facebook, Linked In, Foursquare, Idealist and others, to brainstorm ideas around a global social media campaign to mark the 7 Billion population milestone occurring in October 2011. **Ms. Regina Castillo, UNAIDS**, discussed how various social media site were used to promote World Aids Day. A video produced by UNAIDS, titled "Prevention Revolution" saw 5.5 million viewers in its first 6 weeks.

Mr. Gabriel Accascina, UNDP, detailed UN TeamWorks, a knowledge exchange platform, with currently 9,000 users. This resource, available in multiple languages, connects experts on various topics (e.g. gender, democratic governance) with knowledge seekers. **Ms. Jennifer Campbell, L'Oréal**, shared that the company has promoted several projects through social media platforms. These projects include the Women in Science Prize Fellowship (with UNESCO) and a project that unites Hairdressers against HIV/AIDS.

C. UN Brand Management, Due Diligence & Partner Screening

Restricted to UN staff members, this session was an opportunity to advance a range of issues connected to protecting the reputation of the UN when partnering with the private sector. It provided participants with a range of tools to help agencies with partner selection and to help manage associated risks. The discussion focused on how to increase coherence system-wide.

The tools presented included:

- due diligence questionnaire that potential partners could be asked to complete to provide UN entities with additional information about the company
- list of "sensitive industries" with contact persons within UN agencies with whom to follow up to discuss specific risks
- draft due diligence checklist that can be used to help guide and document the screening process undertaken.
- potentially launching a private discussion forum for UN Private Sector Focal Points.
- due diligence service provider, of which a small informal focus group of UN agencies that has been reviewing four different service provider proposals.

Representing a small informal focus group of UN agencies, **Ms. Carlotta Barcaro**, UNICEF, shared the group's perspective on proceeding with a UN system-wide service provider. In the interest of enhancing UN-system coherence, she provided an overview of four potential partner screening service providers currently under consideration by the UN. Participants were encouraged to independently review each of the potential service providers.

Mr. Philipp Müller-Wirth, UNESCO, focused on the importance of branding and how it is integrated in partnership negotiations. He also suggested that that communications colleagues be involved at the early stages of partnership development, as they will ultimately be highly involved in exposure of the partnership. **Mr. Alex Ross, WHO**, noted that it's important that UN Agencies, Funds and Programmes support each other in terms of not partnering with companies from certain sectors if there is a UN code. The

UN should continue to share soft intelligence on these issues since it's not information but rather judgment that is critical to this process.

D. Innovative Funding Mechanisms

In a climate of decreasing funding from government donor agencies and fiercer competition than ever for development, sustainability and humanitarian funding, how can UN organizations work together with the private sector to access new, sustainable funding streams? The landscape of fundraising has changed drastically in recent years. In the private sector, a move from "corporate philanthropy" to genuine partnerships has been evident, with implications for fundraising. A trend for "microfundraising" from a wide base of donors has emerged, with more public-facing campaigns. This session looked at examples of non-traditional funding mechanisms and the role of the private sector in their development, with a view to identifying common success traits and replicable models.

Mr. David Evans, The Global Fund to Fight AIDS, Tuberculosis and Malaria, presented the RED campaign which – launched in 2002 – has raised USD \$168 million to date to eradicate AIDS. He explained that part of the success of the campaign was creating a new market space and linking with successful brands and products, creating a blended value proposition. **Mr. Kelly Brooks, The Coca-Cola Company**, discussed the Haiti Hope project, which leveraged their presence in Haiti. The company launched a long-term investment in rebuilding Haiti's mango industry, in part a new beverage was created where 100% of profits from its sale are allocated to Haiti reconstruction.

Ms. Laure Duault, UNICEF France, explained that they receive more than 12% of private funding from corporate partnerships. They are very careful about selecting brands to partner with, and have fostered successful long term partnerships with key companies operating in France. **Mr. Julien Meimon, French Ministry of Foreign Affairs**, represented the of 64 nation Secretariat of the Leading Group on Innovative Financing for Development. Specifically targeting the MDGs the Group has raised USD \$5 billion since 2006, their objective is to raise USD \$168 – 180 billion in the next 5 years to address the MDG gap, one solution being explored by the Group is instituting a tax on international market transactions.

5. Enhancing the UN-business partnership gateway www.business.un.org

The UN-business partnership gateway was launched in all UN languages in June 2010 (a soft launch occurred in January 2010). To date there has been minimal promotion of the site, yet there have been thousands of visitors and hundreds of offers posted by businesses. The majority of offers seem to be submitted by small and medium-sized enterprises (SME). The site provides a wealth of inspiration/information and a useful matching function designed to better link UN needs with the resources of businesses around the world. Enhancing usage and better promotion of this central resource – both internally and externally – was discussed.

The discussions focused on the importance of using the site as a tool for UN agencies and business to forge partnerships. Managing respective expectations, communicating clearly on what the project needs and on the profile of business partners is essential. Partnerships are developing through connections made on business.un.org. **Ms. Maja Bott, UNDP Sudan**, described how the website was leveraged to scale-up a hibiscus tea project developed in Sudan. When this project was at a point where importers were needed to enter into arrangements with hibiscus farmers a need was posted to the site and received positive feedback from relevant companies.

Ms. Isabelle de Muyser-Boucher, UN OCHA, explained that OCHA regularly leverages the website. Since OCHA coordinates relief operations in emergency situations, the website has become a useful tool to publicly communicate humanitarian response needs and as an entry

point to receive and review offers for the private sector wishing to participate in supporting relief efforts. **Mr. Wyn Baptiste, Silverfish Media**, conveyed the motivation for his company to propose a partnership with the UN through the website. Silverfish Media, a SME, received positive feedback from their proposal and subsequently they have entered into dialogue with several UN entities; he emphasized that while the company is keen to partner with the UN they must work within their own capacity and are limited in the number of UN entities that they can partner with.

6. Working Group Session #2

A. Delivering as “One UN” with the Private Sector at the Country-Level

The UN is working to enhance its coherence, effectiveness and efficiency at the country level through establishing “Delivering as One” pilots, Multi-Donor Trust Funds, Joint Programmes and other coordinated initiatives to support humanitarian, recovery, reconstruction and development processes. While the private sector’s role in UN Reform mechanisms has been limited to date, the process is creating new opportunities for the private sector to engage and support UN efforts to streamline its work and improve coordination at the country level. During the session two projects were shared.

Mr. Lars Tushuizen, UN System Papua New Guinea, explained that private sector and other partners have found utilizing the Delivering as One (DaO) Fund an effective and efficient way to support UN work in the country. **Ms. Katie Elmore, Population Media Center**, described the MDG awareness media campaign that was developed in partnership with the DaO Country Team in Papua New Guinea. Of note from this partnership was that business partners, perhaps as with national governments, are more concerned with the outcomes from the work, not necessarily which UN entity is conducting the activities.

Ms. Joy Marini, Johnson & Johnson, described their contribution to the UN Health Four+ initiative. Strong benefits are projected as a result of the partnership however there were policy and transactional challenges in forming the partnership due to a need to coordinate separately among each of the H4+ entities (UNICEF, UNFPA, WHO, World Bank and UNAIDS). **Ms. Nicole Carta, UNFPA**, explained that to maximize outcomes with available resources, H4+ country teams decided that one agency would accept funds on behalf of H4+, the move was encouraged by headquarters. In addition, J&J’s contributions are now supporting coordinated project efforts in existing work plans.

B. Sustainable Procurement

Sustainable procurement is not only a tool for the UN to “walk the talk” but also a tremendous business opportunity for many of the 6,000 plus companies in the developed and developing world that are making efforts to implement the Global Compact principles. This session provided an opportunity to discuss what the UN is doing in the area of sustainable procurement - touching upon the sensitive issue of commercial relationships. Experience thus far shows that sustainability in procurement is possible and that business is ready to respond.

While the UN has some sustainable procurement experience, it is still behind compared to other international organizations. **Ms. Isabella Marras, UNEP**, elaborated on the state of advancement and discussions on sustainable procurement within the UN system. She explained that although this concept is still controversial, it is a growing reality in many UN agencies. **Mr. Niels Ramm, UNOPS**, highlighted that while sustainable procurement is still controversial within the UN high level political arena, UN agencies are progressing in capacity by developing tools and guidance. Training requisitioners is fundamental to sustainable procurement occurring institutionally.

Ms. Andrea Bacher, ICC, provided an overview about the ICC's long-standing engagement with the UN, and its activities in procurement. This includes the policy work of the procurement commission, the green economy task force as well as cooperation between the world chambers federation and UNPD. **Ms. Nadine-Lan Hönighaus, BASF**, explained that BASF evaluates both new and existing suppliers regarding environmental protection, occupational safety and social standards. The tools applied include country-based risk-assessments and a supplier code of conduct which is binding to BASF suppliers worldwide.

C. Supply Chain & Value Chain Issues

Across the UN, many agencies are now working on different dimensions of value chain development as a strategy for strengthening local economies and to help break the cycle of poverty. The session explored how UN agencies can most effectively partner with the private sector on value chain development. The case for sustainable supply chain management, as laid out by **Farid Baddache, BSR**, may be increasingly understood, but key challenges remain, including how to efficiently and effectively monitor the social accountability of suppliers; building supplier ownership of the agenda, managing cooperatives, stakeholders communication, encouraging buyers to boost their internal coherence, worker empowerment, and improving the public policy enabling environment.

Nina-Alexandra von Radowitz, Metro Group AG, gave a telling example of how her company identified a challenge along its supply chain and found value through a partnership with UNIDO to address it. **Ricarda McFalls, ILO**, illustrated the efficiencies that can be gained by companies through partnership with a UN agency. ILO's Better Work program consolidates the aims of companies needing social audit schemes to address labor issues along their supply chains.

Monica Marshall, WFP, presented a WFP project to be implemented in partnership with the private sector that presents potential for value chain development. Participants were asked to contribute factors to take into consideration when developing such an initiative. These included: developing the business case; engaging suppliers so they understand the business case; mapping the right stakeholders and deciding approaches; maintaining inclusiveness; clarifying the stake each has in order to understand the distribution of responsibility. The UN has established an inter-agency working group on value chain development. Agencies that are doing work in this area, but not yet involved in the working group may wish to contact UNDP to join the group.

Concluding Plenary

Georg Kell, Global Compact, encouraged participants to take with them a sense of optimism as they are the leaders of a modernization movement making the UN more efficient. He added that as the collective experience in UN-business partnerships has evolved, all must consider how to leverage our core advantages. **Akio Arata, UNESCO**, thanked participants and commented that the annual meeting continues to evolve, as this is the first time that the two-day proceedings were opened to the private sector, and that it is a sign of positive relationship building. Moderator **Maria Bobenrieth, The Partnering Initiative**, closed the meeting indicating that there were many excellent ideas and experiences shared during the meeting. She inspired participants to remain optimistic in their work and continue to be experimental, as this is what truly helps to push the needle in the direction of truly successful and impactful partnerships.