



International Chamber of Commerce
The world business organization



PRESS RELEASE

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Award winners prove that fighting poverty is good for business

New Initiatives unveiled as part of Business Call to Action

New York, 24 September 2008 —Ten private companies were recognized today for their work in improving the lives of the world's most disadvantaged people. From a family-owned soybean business in Ghana, to one of the leading telecommunications companies in the Philippines, these firms prove that making a profit and 'doing the right thing' are not mutually exclusive.

Held under the patronage of Her Majesty Queen Rania Al Abdullah of Jordan and Senegal's President Abdoulaye Wade, the Award Ceremony is part of the special focus on the Millennium Development Goals (MDGs) during the opening week of the United Nations' General Assembly in New York.

The World Business and Development Awards (WBDA) showcase creative initiatives by corporations, large and small, who apply their core business expertise to world-wide efforts to achieve the MDGs. In total this year's winners improved the lives of millions of poor people across Africa, Asia and Latin America.

"Today, business leaders like all of you are rewriting the value equation —to show that true worth comes not only from profits but from making a positive difference," said Queen Rania in her address to the Awardees. "More and more, when we look at some of the cruelest challenges our human family faces, we find it is business leading the charge of innovation for human development —inventing new tools, initiating new partnerships, re-imagining service delivery... to bring life-saving vaccines and life-altering technologies into the hands of the poor."

"Government is certainly responsible for piloting the great ships that our nations are, and Heads of State certainly need to navigate them well," added President Wade. "But government is not the whole ship. The health of the vessel depends on the determination, will, creativity and productivity of the passengers it carries. This I see as the greatest role of business. Participate, build, lead, grow and be the wind in the sails or the bio fuel in our national engine."

This year's award winners include projects that provide Nigerian farmers with commercial finance and technical assistance to produce higher quality crops, expand electricity to the poorest neighbourhoods of Brazil, raise awareness about HIV/AIDS with pioneering mobile games in India and provide credit services to the poor through mobile phones in Kenya. The WBDA winners prove that companies can be an engine of both growth and development. By mobilizing human and financial resources, they can be a valuable source of innovation and can promote positive change. Business can create domestic employment and wealth, and promote an entrepreneurial spirit, all of which contribute directly to reaching the MDGs.

“As the world becomes more interdependent, doing business with the poor has shown not only to be a potential boost to a company’s competitiveness, but also —with the right business model— to be a force in the fight against poverty,” said Kemal Derviş, Administrator of the United Nations Development Programme (UNDP). “We are presenting a new approach to develop long-term business initiatives to harness the resources and talents that are the central strength of global business. This is a potent demonstration of our collective commitment to being a strong partner to the private sector in furthering shared aims.”

It’s this spirit that led to the formation of The Global Partnership for the Business Call to Action, launched earlier today at a lunch hosted by UN Secretary-General Ban Ki-moon, the day before his High-Level Event on the MDGs. The CEOs of Yara, Ericsson and Map International announced new initiatives that attempt to tackle food shortages in Mozambique and Tanzania, improve access to financial services for more than two million people living in rural Uganda and develop mobile applications that focus on health solutions in Sub-Saharan Africa.

These companies are an integral part of a movement to enable the poor to access speedy flows of information, money and business expertise as well as creating new employment opportunities.

“I am pleased that companies like Yara, Map International and Ericsson have joined the Business Call to Action,” said Douglas Alexander, UK Secretary of State for International Development. “Business has a vital role to play in reducing poverty and the involvement of these companies in the Business Call to Action will help accelerate progress towards increasing growth in developing countries and meeting the MDGs by 2015. This is a crucial year for businesses, governments, non-governmental organizations, faith groups and citizens. The time has come to step up activity to meet the MDGs and ensure a safer, developed and more prosperous world.”

The Global Partnership aims to increase momentum and mobilize the efforts of the private sector to support growth in developing countries and contribute to the achievement of the Goals. Companies, that signed up to the Business Call to Action in May are challenged to develop specific core business initiatives and turn their signatures into concrete action. A Business Call to Action Secretariat will be formed to monitor these initiatives and assess their contribution to fighting poverty and eradicating hunger.

The WBDA and the Business Call to Action are not about philanthropy. They challenge companies to use their core business —whether it be manufacturing, finance or telecommunications— in a way that contributes both to sustainable development and to their own commercial success. They aim to inspire CEOs and companies to realize that reducing poverty also makes good business sense.

It’s been just over seven years since 189 world leaders endorsed the MDGs. The Goals represent a global partnership to promote poverty reduction, education, maternal health, gender equality, and aim at combating child mortality, AIDS and other diseases. More than halfway to the target year of 2015, the MDG track record is mixed. Considerable progress is being made, but many countries are falling behind, with Sub-Saharan Africa most at risk. The region is not on track to meet a single MDG by the deadline.

Initiatives like the WBDA and the Business Call to Action aim to build awareness of the MDGs in the business community and to share lessons on what works well for both businesses and the world’s poor in the hope that it can be replicated globally.

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Still photos can be accessed www.bajornas.net/UNDP-WBDA-awards

NOTES FOR EDITORS

About the WBDA

Established by the International Chamber of Commerce in 2000, the Awards recognize the contribution of the private sector to achieve the MDGs through their core business. The 2008 WBDA received an unprecedented 104 applications from 44 countries. The WBDA raise awareness, promote best practices, and encourage further action. Concrete examples are shared with governments and businesses on the advantages of joining forces for poverty alleviation. The WBDA encourage action at the country level and create a network of companies and entrepreneurs.

The WBDA is sponsored by:

The International Chamber of Commerce

The International Business Leaders Forum

UNDP

About the Global Partnership for Business Call to Action

The Business Call to Action challenges companies to find new business opportunities for the 21st century — using companies' core business in a way that both contributes to the MDGs and to their success. The Global Partnership for the Business Call to Action with UNDP, the UN Global Compact, The Clinton Global Initiative and the International Business Leaders Forum, alongside the UK Government, will take forward and extend the reach of the Business Call to Action towards 2015. The Partnership will track commitments companies make, and learn lessons on what works well for both businesses and poor communities, that can be replicated globally.

About the International Chamber of Commerce (ICC)

ICC is the voice of world business, championing the global economy as a force for economic growth, job creation and prosperity. ICC activities cover a broad spectrum, from arbitration and dispute resolution to making the case for open trade and the market economy system, business self-regulation, fighting corruption and combating commercial crime (www.iccwbo.org).

About the International Business Leaders Forum (IBLF)

IBLF works with business, governments and civil society to enhance the contribution that companies can make to sustainable development. Founded by HRH The Prince of Wales, the IBLF is an independent, not-for-profit organization currently supported by over 100 of the world's leading businesses (www.IBLF.org).

About the Department for International Development (DFID)

DFID is leading the British Government's fight against world poverty. Find out more about the major global poverty challenges and get the facts on what DFID is doing to fight them:

<http://www.dfid.gov.uk/aboutdfid/howwefightpoverty.asp>. Subscribe to our e-bulletin:

<http://www.dfid.gov.uk/feedback>

About UNDP

UNDP is the UN's global development network, an organization advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. Working on the ground in 166 countries, the organization supports national partners to address development challenges and achieve the MDGs (www.undp.org).

APPENDIX I –2008 WBDA WINNERS

3K&A—A small Ghanaian, family-owned and run business that has built a profitable soybean processing plant and developed new soy products. Its commercial success has been reliant on the rapid growth and improvement in the local production of raw materials (particularly soybeans), made possible by investing in farming techniques, planning and commercial skills. In an area of Ghana where more than 80 percent of the population had never had access to currency, more than 2,800 farmers are now earning an average income of £531 per agricultural season.

Diageo—Two decades ago, all the grain for Diageo’s breweries in Africa was imported. The imports required precious foreign currency and represented a lost business opportunity for local farmers. Diageo joined a project to develop the cultivation of a beer-friendly variety of sorghum in Nigeria. The project identified a usable sorghum cultivar and trained farmers to grow the crop. Sorghum farmers reported a 35-50 percent increase in yield from their land. Today, Diageo breweries in Nigeria source 95 percent of their grain from local farms, sustaining around 27,000 jobs.

ENDESA—The largest utilities company in Spain, ENDESA set out on a plan to make electricity accessible to the poorest part of the population in Brazil. The programme is centred around the innovative concept of exchanging recyclable waste for electricity account credits. The two main objectives are to improve recycling and to provide customers with liquidity on their energy accounts, especially low-income customers. The programme has led to a substantial reduction of losses and unpaid accounts for ENDESA and has helped to increase distribution to new customers who were previously unable to access electricity. By 2020, some 40 million people are expected to be participating in the programme.

Haygrove—Though winter tourism is a major source of business in The Gambia, much of the profits go to Western-owned tour operators, airlines and hotels. Haygrove identified willingness among high-end tourist hotels and restaurants to switch their purchasing from imported to locally-grown produce. However, hotels and restaurants were put off by unreliable supply and poor quality. Haygrove and partners established a project called ‘The Gambia is Good’ (GiG). The project has had a major impact in connecting the high-end tourism market to the benefit of local agriculture workers, by dramatically improving their horticultural production capacity, in terms of quality, yield and diversification. In 2008, GiG is working with more than 1,000 growers from different parts of the country.

Olam Nigeria—Nigeria consumes about 5.4 million MT (metric tons) of rice annually while local production only amounts to some 2.3 million MT per year. The remaining 3.1 million MT is imported, making Nigeria the second largest importer of rice in the world. Olam Nigeria, a major rice importer, decided to invest in local production of high quality rice for Nigeria’s domestic market. In 2006, USAID/Nigeria entered into partnership with Olam, providing over 10,000 farmers with secure markets, high quality inputs, access to commercial finance, and technical assistance to produce high quality rice. In less than three years, the programme has improved farm productivity by more than 200 percent and increased farmer profitability by more than 250 percent.

Safaricom—M-PESA is a new Safaricom service allowing customers to transfer money and access other mobile banking services using their mobile phone. In the last few years, Africa has recorded the greatest mobile telephony growth in the world. In Kenya alone, there are over 12 million mobile phone subscribers, yet out of 33 million Kenyans, only three million have bank accounts. M-PESA bridges this gap using mobile technology, making money transfer affordable and secure. Within one year, the M-PESA customer base had expanded to 2.7 million subscribers and now Safaricom adds approximately 200,000 new customers per month to M-PESA. The reliable savings mechanisms and credit services provided by M-PESA have helped poor communities increase income and work their way out of poverty.

Sistema Ser—The objective of Sistema Ser (SSer) is to improve the lives of those at the bottom of the economic and social pyramid in Argentina by increasing their access to health care. SSer has a self-financed system that provides primary care at low prices. SSer has two components: a nonprofit foundation (Fundacion Ser) and a network of non-exclusive associated providers (for profit). Individuals can join the system by purchasing a card (for about US\$4 a year) that allows a variety of medical services and prescription drugs to be bought at significantly below market rates. To date, SSer has 20,000 members.

SMART Communications—SMART is the leading wireless services provider in the Philippines. Before SMART introduced low-cost mobile phone subscription in 1994, there were only one million landline subscribers and 102,400 mobile phone owners, all of whom belonged to the more affluent social classes. By the end of March 2008, there were 58.9 million mobile phone owners, of whom 31.6 million subscribed to the SMART network. Adhering to its original strategy and riding on the success of a project called “Smart Load”, the company has introduced about 20 other innovative products/services in the span of just over 10 years. These products have revolutionized the telecommunications market in the Philippines, giving the poor access to communication and micro-enterprise opportunities.

Syngenta—When it comes to feeding the globe’s growing population, sustainability is one of the greatest challenges facing the world today. Syngenta helps increase sustainable agricultural productivity in order to address these challenges. It provides innovative tools and technologies that help farmers produce more on limited farmland. The tropical sugar beet project is an example of this. The specially developed tropical sugar beet can yield the same quantity of sugar per hectare as cane in half the time. This directly improves the livelihoods of smallholder farmers and their communities in developing countries; helps increase food production; generates employment; protects and improves soils; and ensures more efficient use of precious natural resources, especially water.

ZMQ Software Systems—This innovative software solution provider, develops information and communication technology products for new markets at the bottom of the pyramid by successfully reaching out to grassroots, under-privileged, and marginalized communities. On World AIDS Day, 1 December 2005, under the banner “Freedom HIV/AIDS”, ZMQ released four mobile games on HIV/AIDS awareness to reach out to millions of people. It was a pioneering initiative to create awareness of HIV/AIDS within grassroots communities. The objective was to make use of the latest mobile technology to help combat a serious disease. In the span of 15 months, the four games reached 42 million people in India, with a download of 10.3 million game sessions.

APPENDIX II – Business Call to Action Announcements:

Map International—Map International, a financial infrastructure technology provider, has pledged to enable access to electronic bank accounts for more than two million people in Uganda —many of whom live in rural areas— over the next two years.

Fast, easy and secure access to banking services will greatly reduce the time and effort required to make and receive payments, generating substantial economic efficiencies. In addition, electronic and mobile banking technology should remove much of the risk to vulnerable individuals, especially women, associated with handling cash.

Yara—Yara International, a Norwegian based fertilizer supplier, has announced an innovative way to tackle food shortages in Mozambique and Tanzania. Research shows that with better access to fertilizer, Africa’s food production could be tripled by 2015. In these countries, the current ports system is highly ineffective, with shipments of fertilizer taking three-four times longer to clear customs and be delivered to the farmers than in other ports. Yara’s “Growth Corridor” announcement will speed up the process, making fertilizer available all year-round to farmers by establishing a holding warehouse that can streamline effective distribution. If successful, this project will be implemented in various other locations in Africa.

Ericsson—Ericsson is establishing an Innovation Centre that will develop mobile applications to focus on solutions in health, education, agriculture and small business in Sub-Saharan Africa. With three hubs in Kenya, Nigeria and South Africa, the Innovation Centre will initially concentrate on applications tailored to the needs of 400,000 people in these countries. The Innovation Center will aim to create a tool set that will allow users to deploy applications quickly and effectively utilizing mobile technologies. The first application allows healthcare workers to create information-gathering forms (such as for recording births or deaths, tracking epidemics or the monitoring progress of antiretroviral drugs) using simple, web-driven graphic user interface. These forms can then be instantly made available across the mobile network.