A Global Compact for Sustainable Development

As Governments and the United Nations negotiate the post-2015 development agenda, which will include a set of Sustainable Development Goals (SDGs), businesses, investors and civil society are increasingly considered a positive force for sustainable development and are expected to play an important role in achieving the future SDGs. The UN Global Compact will during the final months of negotiations continue to inform the political processes and prepare the ground for corporate implementation of the SDGs, building on the existing corporate sustainability architecture. This note provides a brief overview of the UN Global Compact and those of its global and local platforms that are most relevant to the design and implementation of the post-2015 development agenda.

The World’s Largest Corporate Sustainability Initiative
The UN Global Compact is the world’s largest voluntary corporate sustainability initiative, which has grown to over 8,000 corporate participants and 4,000 non-business participants based in 160 countries since its launch in 2000. In line with its UN General Assembly mandate to "promote responsible business practices and UN values among the global business community and the UN System", the UN Global Compact calls 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 action in support of UN goals.

Businesses are asked to respect and support these principles and goals, at a minimum, avoid causing or contributing to harm throughout their value chain. In addition, companies are encouraged to take action through their core business (i.e. products, services and business models), philanthropy, collective action and partnerships, and public policy advocacy to advance UN priorities, including future SDGs. Already, thousands of Global Compact participants around the world are contributing to global development priorities by aligning with the ten principles and through partnerships – both with other companies and with civil society, Governments and the UN – that deliver outcomes no sector can achieve alone.

At the core of the UN Global Compact is a CEO commitment, which sends a strong signal throughout the organization that shifting towards sustainability is a strategic priority. The initiative, although voluntary, has a mandatory, annual reporting requirement and thousands of companies are publicly reporting on their strategies and activities related to corporate sustainability and sustainable development.

The Post-2015 Business Engagement Architecture
The “Post-2015 Business Engagement Architecture”, which was launched by the UN Secretary-General in September 2013, provides a framework for motivating and supporting global business in realizing its full potential to advance sustainable development through action, collaboration and co-investment.

The Architecture illustrates the main building blocks necessary to enhance corporate sustainability as an effective contribution to sustainable development, creating value for both business and society. Each of these building blocks must be further strengthened and connected through a comprehensive and collective effort if they are to help take corporate sustainability to scale and turn business into a truly transformative force in the Post-2015 era. Individual companies, corporate sustainability organizations, Governments, investors, business schools, civil society, labour and consumers all have a role to play. The UN Global Compact’s approach is fully aligned with the Architecture.
Consultations and Advocacy
Since the Rio+20 Corporate Sustainability Forum in June 2012, the UN Global Compact has consistently provided input to Governments, the UN Secretary-General and the UN system at large with a view to inform discussions that will ultimately lead to the adoption of a post-2015 framework in September 2015. The input provided builds on surveys, consultations and discussions among thousands of UN Global Compact business participants and Local Networks, focusing on which global development issues responsible business considers the key priorities and how to best engage business and investors in their implementation.

In addition, the UN Global Compact actively contributes to the preparations of the Third Financing for Development Conference. Its outcome is expected to be critical in implementing the Post-2015 Development Agenda. The UN Global Compact, in collaboration with UNCTAD, the UN-supported Principles for Responsible Investment and the UNEP Finance Initiative, has published the report entitled “Private Investment and Sustainable Development”. The report highlights the role institutional investors, banks, companies and foundations can play in the financing strategy for global sustainability, and it seeks promote the adoption and reporting of environmental, social and governance (ESG) factors by businesses and investors, in order to achieve greater alignment of private investment with sustainable development.

Local Networks Facilitating Business Action and Partnerships
Global Compact Local Networks exist in more than 85 countries with a view to help companies take sustainability action on the ground. They are organized and run locally – led by business but always bringing in key stakeholders. Local Networks foster learning, reporting, networking, partnerships and advocacy – all with the goal of advancing sustainability understanding and performance country by country. Local Networks can play an important role in local implementation of the SDGs and the definition of country-led bottom up accountability frameworks by facilitating corporate engagement, public-private multi-stakeholder dialogue, partnerships and collective action at the country level.

Already, there are many notable examples of how these country networks – some of which have existed for over ten years – bring local corporate champions together with other stakeholders to address global priority issues, such as anti-corruption, peace building, climate change and gender equality, among others. Companies and their subsidiaries are encouraged to engage with Local Networks in this endeavour. In addition, through capacity-building initiatives, Local Networks are improving their abilities to broker effective multi-stakeholder partnerships to implement the SDGs, engage Global Compact participants, and contribute to enabling environments that advance multi-stakeholder, transformational partnerships.

Global Platforms and Partnerships for SDG Implementation
The UN Global Compact has for over a decade developed a comprehensive global architecture that supports business engagement and platforms, which can provide great support for the implementation of the SDGs.
**Issue Platforms**
The UN Global Compact together with UN partners hosts a number of global “issue platforms”, including Caring for Climate, the CEO Water Mandate, the Women’s Empowerment Principles and Business for Peace, which drive individual and collective business action related to specific sustainable development challenges. Each of these issue platforms have hundreds of business participants from across all regions of the world and offer scalable platform for engagement and SDG impact – connecting global frameworks and principles with local action and delivery. Each of these platforms has built-in accountability measures.

**Global Compact LEAD**
In 2011 the UN Secretary-General launched Global Compact LEAD with a view to facilitate action and collaboration by a group of the most engaged and committed Global Compact participants. The work taking place within Global Compact LEAD is helping to accelerate the full integration of business risk and opportunities related to sustainable development into all core corporate functions and business units, promoting such issues as strategically important for both the top management and the boards of directors. LEAD companies have played a key role in the UN Global Compact’s Post-2015 consultations and many are taking steps to align their own corporate sustainability goals with the future SDGs. In addition, LEAD companies have contributed to developing resources providing guidance, good practice examples, and lessons learned to increase partnership scale and impact, which can be leveraged to help advance the SDGs.

**UN-Business Partnerships**
In line with the UN Global Compact’s General Assembly mandate and to advance the unprecedented levels of UN-business collaboration required to implement the new SDGs, the UN Global Compact continues to work to strengthen the UN System’s capacity to partner with business, including through coordination of a network of UN staff from across the Organization tasked with private sector engagement. The UN Global Compact coordinates the biennial report to the General Assembly under the agenda item “Towards Global Partnerships”, tracking important trends and opportunities to strengthen partnerships between the UN and business. The UN Global Compact also assists corporate participants and Local Networks navigate entry points to working with the UN through events and relationship-building initiatives. These include local projects designed to foster stronger relationships between the UN and Global Compact participants at the country level, as well as the development of tools, resources and learning opportunities to support multi-stakeholder, transformational partnerships.

**UN Global Compact Business Partnership Hub**
A notable feature of the new-era business sustainability movement is the adoption and use of technologies to drive implementation and partnerships. For example, the UN Global Compact Business Partnership Hub is an interactive, online platform designed to connect business with potential partners, including the UN, in support of societal goals. The Hub is a critical tool for assisting companies set goals, find partners, and scale up their contribution to implementing the SDGs. Through the Hub, companies and other organizations can find partners for their own projects or join existing ones. There are currently over 200 projects posted on the Hub and 400 organizations promoting partnership opportunities on the platform in areas such as Energy and Climate, Water and Sanitation. The UN-Business Partnership Hub, a prominent component of the Hub, is designed to better connect the UN and private sector to partner on a broad range of UN priorities. The platform showcases a wide array of partnership resources, inspirational partnership stories and guidance.

**Special SDG Projects**
On top of existing efforts and initiatives, the UN Global Compact is engaged in two projects that will help prepare individual companies for aligning their core business with the future SDGs:

**Business Action on Sustainable Development Goals**
While responsible businesses can provide an extraordinary boost to realizing the SDGs, furthering the SDGs can bring about prosperity and opportunity for the private sector. To harness the potential of this symbiosis, the UN Global Compact, the Global Reporting Initiative and the World Business Council for Sustainable Development have embarked on a new partnership project. The project will culminate in a guide that offers linkages between company management and global development priorities, and leads companies to scale up their impact assessment and goal setting practices.

**SDG Industry Matrix**
The UN Global Compact is collaborating with KPMG to create the SDG Industry Matrix, which will put forward examples of companies that make bold decisions and take actions to advance the SDGs. The SDG Industry Matrix takes an industry-specific lens to illustrate how the comparative strengths, resources, products or technologies of an industry can make it better suited to contribute to a particular SDG or issue. It can serve as a powerful tool to help companies understand how their products and services can be used for shared value – addressing the most pressing global challenges while seeking new business opportunities.