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CORPORATE LEADERS PARTNER TO EXPEDITE PROGRESS

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It is a great pleasure to be here with you today.

Thank you very much, Gib, for your kind introduction.

I would like to discuss with you the growing phenomenon of multi-stakeholder partnerships as well as the opportunities and challenges that partnerships present us with. I will be brief in order to leave time for your questions.

Let me begin by presenting a few of the latest striking statistics:

In 2006, global **Official Development Assistance (ODA)** totaled **US \$103.9 billion**, which is 5.1% less than in the year before. On the other hand, **global Foreign Direct Investment (FDI)** reached **US \$1,3 trillion** in 2006. FDI, an integral part of an open and effective international economic system and a major catalyst to development, **outstripped ODA more than tenfold!** (UNCTAD expects the FDI figures to be even higher in 2007)

From these figures it becomes clear that companies, through their investment might, are major players in the development process.

This considerable influence and the immense resources, both financial and material assets, which companies possess, should not be left unused. Governments as well as non-governmental institutions and organizations, such as the United Nations, can benefit tremendously by engaging these companies in their work towards a better future.

Public-private partnerships to achieve development and institutional goals is not a novel concept – in fact, the first such partnership recorded in this country was in 1652, when the Water Works Company of Boston began providing drinking water to citizens.

But as globalization and information technologies allow individuals to forge international connections with unprecedented ease, social, economic, political and cultural challenges become inextricably linked. It is increasingly difficult to work in one of these areas without considering the impact or repercussions in another.

This new reality has formed a space that did not exist before – a space where public private partnerships among governments, civil society, foundations and the private sector are gaining recognition as a promising approach for addressing social challenges.

In today's interdependent world, global partnerships are needed more than ever. The challenges and issues facing us, be they polio eradication, the fight against HIV/AIDS, ensuring access to safe drinking water, striving for environmentally sustainable growth or combating terrorism are too vast and too complex for any one sector to confront alone. There is a role that each and every one of us can, and should, play. **The issue remains of how best to engage all the stakeholders and ensure everyone contributes their skills and resources for the benefit of humanity.**

Collaborative efforts that leverage the comparative advantages of government, the private sector, foundations and civil society create synergies with which to address complex, cross-cutting issues that no single sector has the resources and ability to manage. Single initiatives might not only fail to reach their potential but they might work at cross purposes or duplicate efforts. Public-private and Multi-stakeholder partnerships are increasingly seen as pre-requisites to success.

The **private sector** has lots to offer: **leadership skills, expertise in management and logistics, infrastructure systems.**

At the same time, the **public sector** can provide an **enabling environment for business to prosper while also meeting its social responsibilities of looking out for its citizens.**

In the past few decades, the United Nations has enhanced its efforts to foster successful partnerships, many of them between the public and private sector, recognizing that they have become the new way of doing business, and that without engaging the private sector and using its resources, the Millennium Development Goals (MDGs) would hardly be reached.

Simultaneously, corporate leaders have increased their efforts to engage in partnerships geared towards improving education, environmental sustainability and global development. A kind of long-term investment in new markets.

In 1999, the UN Secretary-General launched the **Global Compact** - a framework for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, the environment and anti-corruption. With over 3,000 signatories, today it has become the world's largest global corporate citizenship initiative. (www.unglobalcompact.org)

The Global Compact is first and foremost concerned with exhibiting and building the social legitimacy of business and markets. But there is also a need and recognition of the importance to turn normative commitment into action. Many corporations are therefore working with the UN on concrete projects on the ground.

Without question, this has been the real growth area of the last few years.

Let me introduce a few partnerships to illustrate the various ways in which the private sector is supporting efforts to reach the MDGs:

Ø Nothing But Nets

A significant limiting factor in malaria control, especially in Africa, is the short supply of insecticide-treated mosquito nets. The long-lasting treated nets can be used without replacement for an estimated three-years, providing continued protection. In 2006, the UN Foundation launched the 'Nothing but Nets' initiative - a grassroots campaign asking individuals to donate \$10 to "send a net, save a life". Each \$10 donation pays for an insecticide treated bed net to a family in need in Africa, and provides education on its proper use to prevent Malaria. Since 2002, over 23 million bed nets have been distributed in 18 countries across Africa through these integrated child health campaigns. Further partners in this campaign are NBA Cares, The People of the United Methodists Church, and Sports Illustrated.

Ø The Global Polio Eradication Initiative

The Global Polio Eradication Initiative has become the largest public health initiative the world has ever known, utilizing the skills and talents of WHO, UNICEF, the US Centers for Disease Control and Prevention, USAID, Rotary International, the UN Foundation and hundreds of other NGOs.

The Initiative has worked closely with more than 200 national governments, UN agencies, local NGOs, traditional and religious leaders, multilateral organizations, donor governments and foundations, vaccine manufacturers, and 20 million volunteers to ensure that *every* child under five years of age is vaccinated. Thanks to this unprecedented cooperation, some two billion children around the world have been immunized against polio, backed by an international investment of over \$4 billion.

Ø The Equator Initiative

The Equator Initiative is a partnership that brings together the UN, governments, civil society, business and foundations to help build the capacity and raise the profile of local enterprises in the tropics that link economic improvement and job creation with protecting the environment. The Equator Initiative champions and supports community efforts to link economic development and income generation with the conservation and sustainable use of biodiversity.

Ø India Solar Credit Programme

One of the main barriers to the development of markets for clean energy is access to finance. In response to this challenge, we supporting a UN Environment

Programme led initiative, in partnership with two major Indian banks (Canara and Syndicate banks) to accelerate the market for financing solar home systems in southern India. By providing an interest rate subsidy to lower the cost to customers of solar home system financing, the project has been catalytic in assisting the Indian banks to establish credit facilities dedicated to providing loans to finance solar power development. With 18,000 loans to date the program has catalyzed a vibrant credit market for solar home systems and several other Indian banks are now launching competing products.

The India Solar Credit Programme recently won the prestigious Energy Globe, the “World Award for Sustainability”, which is given to projects from all over the world which make careful and economical use of resources and employ alternative energy sources on a yearly basis.

Ø Ericsson’s First On the Ground Initiative

The "First on the Ground" partnership uses private sector capacity to bring the power of technology and resources directly to the service of humanity, and in particular, humanitarian relief operations.

Ericsson's "First on the Ground" concept is designed as an in-kind contribution at the disposal of the UN system to provide and maintain effective mobile communications equipment and expertise for humanitarian relief operations.

This initiative also helps improve existing communications networks where appropriate. The programme draws on support from Ericsson’s offices in more than 140 countries worldwide and focuses on disaster preparedness as well as response.

Ø Blue Planet Run

A global around-the-world run started on June 1st on the North Lawn of the United Nations Headquarters in New York to raise attention for over 1 billion people without access to safe drinking water. The first time ever around-the-world run is going to continue for 95 days until the 20 outstanding athletes will have crossed 16 countries and covered 15,200 miles. The runners, from 13 different countries, carry a small flask of fresh and safe drinking water (baton) in ten-mile shifts. The main objective of the run is to encourage people to open their eyes and support the over one billion people that lack daily, immediate access to safe drinking water at the 1400 events that are planned along the Blue Planet Run. The United Nations Office for Partnerships assisted the partners of this run, which include the Blue Planet Run Foundation, a non profit organization, the Chemical Dow Company, Motorola, Skype and PayPal, in the set-up of the launch of the

Blue Planet Run and will also provide advice to the partners on the allocation of funds that will be raised during the run to various projects aimed at providing access to drinking water.

What is also interesting to note is the role of philanthropy - American private giving in 2005 was more than UN \$95 billion, outstripping US ODA by more than 3,5 times. This figure includes foundations, corporations, individuals, churches, voluntary organizations and universities. The total number of US philanthropic foundations increased from 30,000 in 1993 to 76,000 in 2005 with the total grants giving growing to more than US\$ 30 billion in the same period.

The challenge is to work collectively, because we at the United Nations certainly cannot tackle the challenges lying ahead of us alone. Although the opportunities of cross-sectoral partnerships are numerous and outstrip the challenges by far, we also encounter some difficulties during the process. Drawing on my experience during my time as Executive Director of the UN Office for Partnerships, I would like to mention a few **building blocks** that have proven to facilitate successful partnerships.

Confidence: Very often people in an organization who are not directly involved in a partnership are suspicious and resistant. If you can achieve early success you can persuade them and win them over. A key to early success is not to have over ambitious goals. Keep the goals simple, achieve success over a short time period, spread the word within the organization then bite off a bigger goal over a longer time period.

Clarity: Obfuscation of goals or lack of clarity can be a big impediment. To really make partnerships work, a strong and clear commitment is needed from every partner involved. It is also vital to set out the partnership's objectives right from the beginning to avoid future misunderstanding and to ensure that the partnership doesn't just remain a vague vision, but actually works effectively to reach its goals.

Congruence: If the partnership's goals are incongruent with the organizations' goals then it may be in danger of being derailed. They have to be going in the same direction.

Chance: Partnership success requires risk taking as there are often many unknowns. Staff must be encouraged to take risks, even if it means making mistakes and learning through trial and error.

Calmness: As in life, partnerships engaged in desperation are more likely to fail. If all partners are healthy and provide added value then the partnership is more likely to flourish. Due diligence at the outset is a must. Tools are being developed to assess the potential success of a partnership prior to closing. However, nothing can replace building trust and developing intuitive skills to assess potential success with partners.

These are some of the critical elements we have faced in our daily efforts to foster partnerships for development work. However, **it is clear that the public and private sectors can no longer afford to work separately from each other** if we want to tackle today's global problems effectively. And we have already seen the immense rewards of these kind of partnerships in many areas of work.

This may be the only shot we get at finding long-term solutions to the global challenges facing us, and our task is to use it in the most effective way possible by leveraging the comparative advantages of each sector in order to obtain the best outcome.

Thank you for your attention. I welcome your questions.