



## Summary

### Preparatory Meeting for the SIDS Global Business Network Forum 2024

Thursday 18 April, 8-9am

Virtual

#### Opening

- Ms. Tishka Francis, Senior Programme Management Officer, extended a warm welcome to the participants of the final preparatory webinar for the 2024 SIDS Global Business Network Forum themed "Island Ethics: A Principles-based Approach to Doing Business in Small Island Developing States."
- She began by expressing gratitude to the United Nations Global Compact for co-organizing the event with the UN-OHRLLS, acknowledging their invaluable support to the Forum, including their role as a member of the advisory group.
- Additionally, Ms. Francis thanked the Governments of Denmark and Ireland for their generous contributions to the Forum. Throughout the SIDS4 process, SIDS have demonstrated their commitment to provide better jobs for their people, protect human rights, and support the green transition. To achieve this, it is important that the private sector is aligned with this commitment.
- Ms. Francis elaborated that the last webinar examined the business environment in SIDS and how responsible business facilitated long-term success for businesses operating in SIDS, including Micro Small and Medium Enterprises. She mentioned that the outcomes of this webinar would be incorporated into an outcome summary of the Forum and its preparatory process, which would share recommendations for private sector engagement in the new SIDS agenda.
- Ms. Francis concluded that the summary would also touch upon the Global Compact Principles and how they would apply for the SIDS-GBN going forward.

#### Moderator

- Mr. Gabriel Torres moderated the final Preparatory Webinar for the SIDS Global Business Network Forum 2024.

#### Private Sector Discussion

- Mr. Torres, representing the UN Global Compact, addressed the role of the Global Compact in inspiring the private sector to embrace responsible business practices while also catalyzing progress towards the Sustainable Development Goals (SDGs). He emphasized the importance of understanding the diverse complexities and contexts within the business landscape.

- Mr. Torres presented a brief overview of the role of the Global Compact and discussed some forward-thinking initiatives. The Global Compact originated in 1999 with a special address by then-Secretary General Kofi Annan at the World Economic Forum in Davos. At that time, Mr. Annan advocated for a new initiative to humanize the global market, marking a significant departure in the UN's engagement with the private sector. This proposal aimed to establish a specific entity to serve as a gateway for businesses to engage with the UN system, emphasizing the importance of imbuing the global market with shared values and principles.
- Mr. Torres explained that the Global Compact focuses on four key areas: human rights, labor, environment, and anti-corruption, which constitute the 10 principles. These principles serve as the foundation for a company's sustainability journey, rooted in declarations and legal frameworks established over the past two decades. They are complemented by the SSDGs, particularly at the country level. Additionally, Global Compact networks are informed by national and regional laws, providing reporting mechanisms and sustainability ecosystems for companies. These principles are considered timeless, as they offer a baseline for companies to contribute to various frameworks at national, regional, and global levels. Currently, around 21,000 businesses have committed to the 10 principles, demonstrating their dedication through an annual communication on progress.
- The questionnaire assesses sustainability progress in the four areas, along with additional questions pertaining to the SDGs and modern corporate reporting standards. Additionally, companies provide a commitment letter directly to the UN Secretary-General from their highest representative. Apart from approximately 3,800 non-business participants, including civil society members, UN agencies, academia, and other actors, are integral to the Global Compact. This diverse participation creates a local ecosystem where stakeholders collaborate to advance mutual corporate sustainability goals and engage in accelerated programmes and other initiatives at the country, regional, and global levels.
- Mr. Torres further explained that the Global Compact aligns with the sentiments expressed by Deputy Secretary-General Amina Mohammed, emphasizing the necessity for collective action to scale global impact. To achieve this, the Global Compact has diligently expanded its presence to over 160 countries, not only through participant engagement but also by establishing regional coverage with country managers working directly within UN Resident Coordinator offices.
- Moreover, Global Compact has initiated the "Forward Faster for 2030" programme, particularly focusing on advancing work with small and medium enterprises (SMEs). This initiative responds to the stark reality revealed at the SDG Summit, where 85% of SDG indicators were found to be off track. Recognizing the need for clarity and simplicity, the Global Compact aims to streamline its efforts to better support businesses seeking to understand and implement sustainable practices.
- Mr. Torres emphasized the importance of translating UN language into actionable steps for businesses. He highlighted the strong commitments from the private sector, particularly those involved in the Global Compact. Annual surveys conducted by the Global Compact reveal that 96% of business leaders recognize the crucial role of the private sector in achieving the SDGs, with 79% identifying a business case for incorporating at least one SDG into their core practices. Additionally, 78% of participants have already adjusted their products or services to align with the SDGs. Despite these efforts, 48% of respondents believe that the private sector still needs to do more. These findings drive the Global Compact to refine its offerings and support businesses in furthering their sustainability initiatives.

- He highlighted the importance of moving beyond public commitments to setting ambitious targets aligned with societal needs. To address this gap, the Global Compact has established targets for five key categories: gender equality, climate action, living wage, water resilience, and finance and investment. Practical business guides for implementing these targets are available on the Global Compact's website, supported by various programmes and the digital Academy.
- Mr. Torres mentioned that the Digital Academy is accessible to all employees within a UN Global Compact participant company. He emphasized the belief that by committing to specific, ambitious SDG-aligned targets across five key areas, and potentially expanding into other areas in the future, alongside collaboration with UN entities, business partners, and advocacy efforts, they can contribute to creating a responsible policy-linked ecosystem. Such an ecosystem would be conducive for businesses not only to adopt the SDGs but also to implement product and service designs aligned with the SDGs. This approach aims to advance SDG targets comprehensively.
- Ms. Nidhi Ramlogun provided insights into their company, situated in Mauritius in the Indian Ocean and part of the Armala group. Established in 1983 with three employees, they started manufacturing industrial adhesives. Over the years, they have diversified, now also producing laundry detergent.
- Ms. Ramlogun highlighted that their company offers a diverse array of products, encompassing industrial detergent, retail detergent, cosmetic items, and luxurious textiles. Their market spans both local and regional domains within the Indian Ocean. Their product range serves a multitude of sectors including hospitality, manufacturing, and services. Over time, they have committed to a sustainability mission, integrating programmes, policies, standards, and systems to promote environmental responsibility.
- Ms. Ramlogun outlined the company's journey towards sustainability, starting with the implementation of the ISO 9000 quality management system and a health and safety management system aligned with SDGs. They were pioneers in Mauritius by installing a photovoltaic cloud, selling 35% of the energy to the local grid. Their contribution to the Switch Africa Green Page programme in 2017 informed national policies on industrial waste management, promoting the circular economy. Their efforts were recognized with a bronze award in the National Productivity and Quality Control Awards in 2018. As signatories of the UN Water CEO Water Mandate, they acknowledge their responsibility in water management and commit to continuous improvement.
- Ms. Ramlogun also mentioned the company's dedication to reducing single-use plastics through participation in the Global Plastic Economy initiative. They achieved certifications under ISO 45001 for occupational health and safety management and ISO 14001 for environmental management, distinguishing them as leaders in environmental and occupational health and safety standards among chemical companies in Mauritius. Furthermore, they joined EarthCheck as a supply chain partner to support sustainability in the hospitality industry, aligning with their significant involvement in supplying to hospitality businesses and actively working to meet the programme's criteria for further sustainability enhancement.
- Ms. Ramlogun noted that in 2020, the company became a participant member of the UN Global Compact. Subsequently, in 2021, they were recognized as winners at the national level for the National Productivity and Quality Control Awards in the category of large companies. Their winning project centered on producing sanitizers and detergents during the COVID-19 pandemic, meeting WHO standards despite the challenges encountered as a small company in a small island nation. They engaged with stakeholders within and outside Mauritius to promote sanitizer usage in their region.

- Ms. Ramlogun emphasized how integrating the SDGs into their operations facilitated financing to expand production capacity, allowing them to penetrate African markets. This underscores their comprehensive sustainability strategy spanning sectors such as adhesives, detergents, and cosmetics. They prioritize sustainability at every stage, from meticulous ingredient selection during product design to sourcing sustainable materials, ensuring sustainability is ingrained throughout their value chain.
- Ms. Ramlogun emphasized their commitment to sustainability by prioritizing responsible ingredient sourcing to safeguard forests and ecosystems. They implement measures in production facilities to reduce water usage, minimize wastewater emissions, and promote renewable energy and recycling. This includes transitioning to recyclable packaging and offering refill options. Their transportation strategies prioritize emissions reduction and carbon footprint mitigation. They also provide customer training to optimize product usage and minimize water consumption. Additionally, they use biodegradable surfactants and engage in campaigns promoting reuse and recycling. Their sustainability initiatives are communicated through social media channels.
- Ms. Ramlogun highlighted their implementation of reverse logistics, which involves collecting containers from customers, washing, and reusing them. Containers that are no longer usable are sent to recyclers who transform plastic into furniture and pallets for community use, such as providing chairs and tables to schools and gardens. Their operations prioritize responsible consumption and production, with a focus on material usage and water sanitation in line with SDGs 6 and 12. Collaboration with partners, including competitors, academia, and industry, is emphasized for innovative projects and research to enhance sustainability practices, reflecting SDG 17. This collaborative approach extends to suppliers and stakeholders to address issues like carbon footprint and water usage at the national level.
- Ms. Ramlogun highlighted the company's partnerships with Business Mauritius and involvement in the UN Global Compact. Their "Made in Mauritius" label supports the local economy and aligns with SDGs focusing on water, sanitation, innovation, and industrial collaboration. Engaging in the "Industry for Duma" programme as part of the local manufacturer network provides opportunities to address industry challenges and receive training on R&D, sustainability, and supply chain management. Their initiatives encompass employee training and sustainability projects covering water, energy, responsible sourcing, and the circular economy. They are currently participating in a programme to automate Mauritius' industry, emphasizing collaboration among competitors to overcome shared challenges, reflecting the proverb: "If you want to go fast, go alone. If you want to go far, go together."
- She emphasized the company's engagement in innovation and quality circle projects with the National Productivity and Competitiveness Council, with a focus on sustainability criteria such as the circular economy and renewable energy. Their projects have garnered recognition both locally and internationally, winning awards at prestigious events. Their priorities encompass health and safety, social progress, and waste reduction, showcasing their dedication to sustainability. They welcome inquiries and appreciate the attention given to their initiatives.
- Mr. Torres expressed gratitude to Ms. Ramulogan for her valuable insights. He emphasized the significance of the opportunity presented, acknowledging the effort put into establishing targets and collaborating with the business community and the Global Compact network.

### **Lead Discussant**

- Ms. Kelly DeGregory, the third secretary at the Permanent Mission of the Bahamas to the UN in New York, joined us for the open discussion along with Ms. Ramulogan. Ms. DeGregory expressed gratitude to the facilitators, the UNOHRRLLS team, and speakers for organizing the webinar, emphasizing its importance in engaging with the private sector ahead of the SIDS 4 conference. She highlighted the testimonial for Chemics as a great example of how businesses can align with responsible practices such as the UN Global Compact principles and circular economy principles for long-term success and job creation in small island developing states. She emphasized the potential for local Micro, Small, and Medium Enterprises (MSMEs) to drive sustainable development through embracing environmental and social responsibility.
- Ms. DeGregory reflected on the challenges encountered by SIDS, noting their heavy reliance on sectors like tourism, which poses difficulties in attracting sustainable private sector investments and diversifying their economies. The COVID-19 pandemic underscored the risks associated with over-dependence on tourism and emphasized the necessity for diversification efforts. Ms. DeGregory emphasized the importance of focusing on sustainable growth opportunities, particularly in sectors like the blue economy. Achieving this entails implementing proactive policies to bolster local MSMEs and attract foreign direct investment, with conditions such as knowledge transfer, workforce training, and adherence to human rights principles outlined by the Compact. While incentivizing the private sector is crucial.
- Ms. DeGregory stressed the need to strengthen accountability mechanisms to ensure respect for the rule of law. Collaboration with local civil society is deemed essential in achieving this objective.

### **Open Discussion**

- Mr. Torres began by illustrating how their efforts translate into tangible outcomes, particularly in swiftly mobilizing policy action. He recounted an example from a few years ago when they were founding partners of the Science Based Targets initiative. Initially, it was challenging to establish policy connections beyond direct impact measurements (scope one) to comprehending broader societal impacts (scope two and three) of products and services. Through workshops, notably at the country level, they facilitated the establishment of the initiative, which now boasts participation from over 7000 companies setting science-based targets. Furthermore, 2800 companies have committed to achieving net-zero emissions, aligning their actions with scientific recommendations.
- Mr. Torres highlighted their commitment to climate science and sustainability, extending throughout their supply chain and subsidiaries. They utilize their headquarters and global compact local networks to implement scientific practices at the country level. Their Target Gender Equality Accelerator programme tackles gender equality by customizing initiatives to align with each country's specific national laws and contexts. Policymakers contribute insights into the current landscape, while participants craft specific targets for integrating gender into sustainability plans through workshops.
- Ms. Ramlogun discussed the CEO Water Mandate. Despite not establishing net zero targets during the COVID period, they actively participated in the accelerator programme for science-based targets. This year, they conducted a thorough carbon footprint assessment, concentrating on scopes one and two for necessary corrective actions. The insights provided by the CEO Water Mandate

have been particularly valuable, especially in areas within their control like sanitation and access to clean water, which are essential for their operations.

- Ms. Ramlogun emphasized the importance of wash and sanitation as fundamental human rights, particularly given the direct connection of their products, such as detergents and hand soaps, to these areas. They integrate wash programmes into their operations and extend them to customers through training sessions and audits. Adhering to a systematic approach, they conduct quarterly audits to evaluate compliance and implement corrective measures as needed. Collaboration with Business Mauritius has facilitated financing for initiatives aimed at reducing water usage.
- Ms. Ramlogun mentioned that financed by John Francis, they conducted a study to assess their water use and wastewater emissions. Using this data, they are setting targets to decrease water consumption per volume of product manufactured and enhance wastewater emission load. This investment programme is being phased in and demands meticulous implementation, especially in the post-COVID-19 period. Guidance from the Water Mandate aids in providing management with insights on where to focus actions and necessary capital expenditures. Furthermore, the UNC Water Hub facilitates the sharing of best practices among companies, fostering collective improvement efforts.
- Ms. Ramlogun highlighted their commitment to sustainability through various initiatives. They offer extensive employee training on water-saving techniques and sustainable practices. Their formulation prioritizes biodegradable materials, in accordance with standards like ISO 16128 for cosmetics. Detergents are formulated with biodegradable surfactants, and they have replaced persistent chemicals with safer alternatives. While these endeavors require investment, they have enhanced their reputation and attracted prestigious clients like a prominent hotel group in Mauritius. Their sustainability efforts have reinforced their position as a preferred supplier across multiple sectors.
- Mr. Torres expressed anticipation for the upcoming SIDS GBN Forum, where they intend to spotlight these strategies. Their goal is to engage the entire business network affiliated with the Global Compact, offering access to diverse frameworks and nurturing a wider community. Knowledge exchange and expertise transfer are pivotal, and the provided examples illustrate how to translate these principles into practice. They are enthusiastic about showcasing their extensive array of tools and practices at the forum, confident that they will play a role in shaping the action plan for Small Island Developing States (SIDS) in the next decade.
- Ms. DeGregory underscored the urgency of expediting vital processes for businesses in SIDS and expressed their commitment to ramping up efforts accordingly. They acknowledged the collaboration with OHRLLS, which enables them to facilitate participation at local and regional levels. Alongside their existing network in Mauritius and the Indian Ocean, they are launching a Caribbean network ahead of the SIDS Business Network event. This initiative seeks to provide participants from the region with a supportive community for collaboration. Through their global network, they are eager to share resources and provide full support to the SIDS Global Business Network.
- Mr. Torres expressed admiration for Ms. Ramlogun multi-generational approach within families and commended her integration of responsible practices by reusing materials for community benefit. He emphasized the significance of viewing business as a continuous commitment to the broader community, rather than a one-time transaction. Such initiatives are aligned with the principles of the Global Compact and other UN efforts, which prioritize responsible business practices.

- Looking ahead, he believes there are ample opportunities to enhance connections within the global community, particularly as they plan for the next decade.
- Ms. Ramlogun expressed gratitude for the opportunity to share on the platform, emphasizing the importance of collaboration, especially for SIDs, which are heavily reliant on nature. She highlighted the African proverb that underscores the value of working together to achieve common goals, emphasizing the potential for collective efforts to bring about significant progress.
- Ms. DeGregory discussed the importance of charting a path toward resilient prosperity, highlighting the goal of creating a new 10-year programme of action with concrete, measurable targets. She emphasized how dialogues like this help to contextualize the need for such targets. Ms. DeGregory expressed gratitude to the facilitators and expressed her honor in being a part of the network.

### **Closing**

- Mr. Torres expressed gratitude to the participants and wrapped up the final webinar of the series leading to the SIDS GBN Forum to collaborate with the community and anticipate meeting in person in May.