



Regional Support Center  
Latin America and the Caribbean



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CENTRO PARA LA RESPONSABILIDAD  
Y SUSTENTABILIDAD DE LA EMPRESA

**Global Compact Participants in  
Latin America and the Caribbean:  
Contribution to the  
Millennium Development Goals**

The Regional Center is an initiative aimed to strength of the United Nations Global Compact in the region of Latin America and the Caribbean. Its purpose is to support accompany the Global Compact and Local Networks in the implementation of its Principles according to the characteristics of the Latin American region. Its members are: Alpina, Andesco, Andi, Asur, Aviatur, Bavaria, Cerrejon, Argos, Endesa, ISA, Corona, Pacific Rubiales Energy, UNDP, Sociedades Bolivar and Telefonica.

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## FOREWORD

Dear Friends:

In the year 1014 the Archbishop of York stated “the world is in a hurry and its end is near”. In 2010 the world is still in a hurry and we do hope its end is not that near because there is still much to be done, particularly as regards to the Global Compact and the Millennium Development Goals.

We are living a unique moment marked by the velocity of change that invites us to see ourselves in a different way with responsibility on our actions and an ethical commitment and a broad vision of development. A vision that does not solely consider the generation of wealth and the continuous improvement of the capacity for companies to compete in a globalized world.

Fortunately, many companies have changed their concept development. During swifted more than forty years of working in the entrepreneurial sector, I have witnessed how companies have from being generators of employment to become true leaders committed with future of people and the planet. The companies have decided to assume an ethical duty in a world where the capacity to compete successfully determines their permanence and, in the long run, depends on the economic and social development of the countries where they operate.

The long term commitment with human freedom is what we call social responsibility. The participants of the Global Compact in Latin America and the Caribbean know this well and have therefore decided to strengthen their strategies in the implementation of the Global Compact Principles, supporting the Millennium Development Goals and joining their efforts towards the goals foreseen for 2015.

Throughout the next pages, the participating companies share their efforts and assume the opportunity of applying and sharing the results of two instruments: one that measures their contribution to the Millennium Development Goals and another one that evaluates the potential of their partnerships.

The collection of experiences described in this document confirms that the Global Compact and the Millennium Declaration constitute useful platforms to join efforts with the aim of overcoming digressions and reaching integral development in this and other continents.

Although time has gone by since 1014 up to 2010, the hope of a more just and prosperous world continues being a contemporary subject. Let us take advantage of the remaining time.

**Emilio Gilolmo**  
**Chairman of the Board of Directors**  
**Regional Center for the Support of the Global Compact**  
**in Latin America and the Caribbean**

June, 2010



Regional Support Center  
 Latin America and the Caribbean



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To the companies from Paraguay: Aseguradora Tajy, with Carlos Benitez, President, and Carmen Barboza, General Manager.

To the companies in Dominican Republic: Grupo Punta Cana with Frank Rainieri, President and CEO; Punta Cana Resort & Club with Jake Kheel, Environmental Director; Banco Popular Dominicano with Manuel A. Grullon, President.

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## STATEMENT BY THE REGIONAL CENTER AND ANAHUAC UNIVERSITY

The Global Compact is aimed to contribute to the advancement of corporate sustainability and as a complementary objective it works to catalyze actions in support of broader UN goals, including the Millennium Development Goals (MDGs). The Global Compact was launched in July 2000, it is a platform and a framework of action for companies that are committed to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. The Millennium Declaration was launched in September 2000 and 189 committed to promote by the year 2015 a comprehensive and coordinated approach to poverty reduction, eradicating the spread of HIV/AIDS and providing universal primary education.

The Global Compact complements the universe of the Millennium Development Goals, but with no specific time deadline or expiration date and with the certainty of the role their participants play as a powerful force for development and social cohesion.

This project is a first approach to learn how a group of Global Compact participants in seven Latin America and the Caribbean (LAC) countries are working to contribute towards the MDGs. Two assessment tools have been introduced to LAC and for the first time used simultaneously. Therefore, this assessment is a valuable exercise that promotes knowledge and reflects on the importance of advancing the partnership agenda to the next level of performance.

The project also fosters the objective of the Regional Support Center: generate practical knowledge and create a dynamic platform to share practices on the implementation of the Global Compact Principles in Latin America and the Caribbean. This exercise facilitated a true partnership with the local networks and the participating companies.

Since it is the first time that the PAT and the MDG Scan are used in Latin America, one of the main challenges in the preparation of this document was to deploy efforts from the Regional Center itself to the final users of both tools. This required considerable work from the seven local networks that participated and in addition demanded a strong cooperation from the 22 companies that decided to share their experience with other Global Compact participants.

Although a complex agenda is ahead, this exercise confirms that in Latin America, Global Compact participants not only recognize the challenges to achieve and contribute to the MDGs, but they are also willing to assess their contribution and, based on this, improve their business practices to make this region a better place.

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Regional Support Center  
 Latin America and the Caribbean



## INTRODUCTION

In the light of the new century, two initiatives have been particularly relevant so that a variety of public and private actors contribute to development: on one hand, the Global Compact (GC) is a strategic policy initiative for business that are committed to aligning their operation and strategy with Ten universally accepted principles, and on the other hand, “The Millennium Declaration”, a worldwide initiative that derived in the formulation of the Millennium Development Goals (MDG) where nations are committed to make an effort to reduce poverty, its causes and manifestations.

### Global Compact

The Global Compact is a voluntary initiative –not a regulatory instrument- promoted by the Secretary-General of the United Nations. It recognizes the role of markets as promoters of development and the economic actors are invited to adopt Corporate Citizenship as a mainstream to contribute to the solutions of the challenges raised by globalization.

This Compact has Ten Principles focused on four thematic areas: Human Rights, Labour Rights, the Environment and Anti-corruption. The implementation of the GC Principles contributes to the construction of public assets, with application at the local, national and global levels.

#### *The Global Compact Principles*

##### *Human Rights*

1. Businesses should support and respect the protection of internationally proclaimed human rights
2. Make sure that they are not complicit in human rights abuses

##### *Labor Standards*

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
4. The elimination of all forms of forced and compulsory labour
5. The effective abolition of child labour
6. The elimination of discrimination in respect of employment and occupation

##### *Environment*

7. Businesses should support a precautionary approach to environmental challenges
8. Undertake initiatives to promote greater environmental responsibility
9. Encourage the development and diffusion of environmentally friendly technologies

##### *Fight against Corruption*

10. Businesses should work against corruption in all its forms, including extortion and bribery



The Ten Principles are based in international agreements and resolutions, such as: the Universal Declaration of Human Rights of 1948; the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization of 1998; the Rio Declaration on Environment and Development, of the United Nations Conference on Environment and Development of 1992, and the United Nations Convention against Corruption of 2004.

For its application at the local level, the Global Compact relies on local networks, which are groups of companies and organizations located within a specific geographic framework that operate according to the Global Compact and its Principles. The local networks play a strategic role in providing the necessary conditions for the Ten Principles to emerge in the daily practices of the private sector and at the same time generate *multi stakeholder* commitments and collective actions. Each one of the local networks, in addition to strengthening the context of the Global Compact, works to conduct the expansion of the Compact and increases the learning of the participants and contributes to the understanding and local application of the Principles.

## The Millennium Development Goals

In September 2000, the world leaders convened at the Headquarters of the United Nations in New York to adopt the Millennium Declaration. The Declaration, signed by 189 Member States of the United Nations, subsequently translated into a route map setting out objectives to be achieved by 2015.

The eight Millennium Development Goals are based on agreements adopted during conferences and summits of the United Nations during the nineties, and they represent a commitment of all nations to abate poverty and hunger, reduce diseases, inequality among sexes, undertake the lack of education, the lack of access to water and sanitation, and stop environmental degradation.<sup>1</sup>

In order to serve the progress of this commitment, a set of eight objectives and twenty-one goals were defined, quantifiable and measurable by 60 indicators, which we hope to achieve by 2015 and they are based directly on the activities and goals included in the Millennium Declaration.

### *Millennium Development Goals*

-  <sup>1</sup> Eradicate extreme poverty and hunger
-  <sup>2</sup> Achieve universal primary education
-  <sup>3</sup> Promote gender equality and empower women
-  <sup>4</sup> Reduce child mortality
-  <sup>5</sup> Improve maternal health
-  <sup>6</sup> Combat HIV/AIDS, malaria and other diseases
-  <sup>7</sup> Ensure environmental sustainability
-  <sup>8</sup> Develop a Global Partnership for Development

<sup>1</sup> Economic Commission for Latin America and the Caribbean (ECLAC), available at <http://www.eclac.cl/cgi-bin/getprod.asp?xml=/MDG/noticias/paginas/8/38778/P38778.xml&xsl=/MDG/tpl/p18f-st.xsl&base=/MDG/tpl/top-bottom.xsl>

The Millennium Declaration and the eight MDGs derived from the latter represent one of the most relevant documents of the last decades, since it offers an integral vision of the main problems affecting human beings, as well as some possible ways of solving them.

These eight Goals are a commitment for development and a call for action as a way of achieving the Objectives which, due to the magnitude and importance of the areas involved, demand the creation of a strategic alliance in which governments, civil society, multilateral organizations and the private sector participate.

These alliances generated have had positive results, that the Economic Commission for Latin America and the Caribbean (ECLAC) mentions that at the beginning of 2008 the region was able to reduce the proportion of people in situation of poverty (MDG 1) from 48% in 1990 to 35% in 2007, thanks to the sustained economic growth registered in the last decade, together with the proposed strategies of poverty reduction.<sup>2</sup>

Derived from the world crisis of 2009 and the economic impact felt in the region, at the end of 2009, ECLAC estimated that 9 million people could possibly fall into poverty in Latin America and the Caribbean<sup>3</sup>, which represents a threat to the progress achieved. This is why, after five years of the date set for these achievements, an urgent call is made for the participation of everyone, and to the support of strategic partnerships to avoid that the global crisis reverts the positive tendencies that have been reached.



**Pro Niño (Pro-Child) Program of Telefonía Colombia**

<sup>2</sup> Economic Commission for Latin America and the Caribbean (ECLAC), available at [http://www.eclac.org/prensa/noticias/comunicados/4/30304/graficoCPIpanosoc\\_esp.pdf](http://www.eclac.org/prensa/noticias/comunicados/4/30304/graficoCPIpanosoc_esp.pdf)

<sup>3</sup> Economic Commission for Latin America and the Caribbean (ECLAC), *Panorama social de América Latina 2009*, November 2009. Available at <http://www.eclac.cl/cgi-bin/getProd.asp?xml=/publicaciones/xml/9/37839/P37839.xml&xsl=/dds/tpl/p9f.xsl&base=/tpl/top-bottom.xsl>

## **The Macroeconomic Situation for Latin America and the Caribbean and its Social Impact**

In 2009, the economy of the United States experienced its worst economic crisis since the Great Depression of the 30's. Towards the end of 2008, what detonated as the bursting of the housing bubble, located in high risk credits in the U.S.A., expanded as an important financial crisis at the global level and with powerful impacts in the real economic sector, especially in employment.

For the first time since the Second World War, the three poles of development: Europe, Japan and the United States, faced a simultaneous recession; however, there was no region of the world that escaped its effects and Latin America and the Caribbean were no exception, having experienced a fall of 1.8% in their gross domestic product (GDP) in 2009.

Notwithstanding, in general the Latin American region was able to overcome the crisis, faster and better than was expected. This situation was because Latin America, compared to other areas of the world, showed more stable macroeconomic bases, and some economies even presented a fiscal and running account surplus. In addition, cyclic, fiscal and monetary measures implemented by many countries helped to appease the most adverse results, especially in the second and third quarters, which were the most difficult ones of the year.

The effect of the recession in the region was also strongly associated to the commercial integration of each country of the world and to their exposure to the prices of merchandise, as well as to general effects such as the frailty and uncertainty of a global context, which contributed to net capital outflow, and caused an important decrease in Direct Foreign Investment and in remittances; as well as to a decrease in tourism. The crisis also exhibited the structural weaknesses that some countries in the region show and whose results were very adverse. This was particularly the case of Mexico, whose economy had the greatest fall in the Western Hemisphere (-6.5%) in 2009, and was affected by the scant diversification of their exports and their excessive fiscal dependence upon petroleum resources, and their low tax collection.

In the opinion of the Economic Commission for Latin America and the Caribbean (ECLAC), as a region, the Caribbean undoubtedly played the worst part, because, contrary to the rest of the aggregate, these countries have a running tax deficit, no reserves, and have decreased their income derived from tourism. According to this organism, the great debt that reaches 40 million dollars, which is high for the Caribbean, must be aggregated, as well as the effects of the earthquake in Haiti which fiercely affected the results of the area.<sup>1</sup>

In 2010, it is evident that the economies of Latin America and the Caribbean will have recovered from the global financial crisis and some analysts have even described this reactivation as "robust" as they consider it more balanced than that of the rest of the planet, since it is based on internal and external demand, foreseeing a GDP growth rate for the region of more than 4.0% in 2010. The countries that will be at the head of the list will undoubtedly be those exporting raw materials, whose prices have begun to increase, and those that have access to international capital markets; as well as the countries whose exports are destined to the Asian region, especially to China. In this scenario, the countries that will head the economic turnaround will be Brazil, Uruguay and Peru who will surpass the regional growth. In general, the economies of the region will grow again this year, or they will do so robustly, except Venezuela that will show its second consecutive year of recession as a result of energy cuts.

Of course, the risks are still present, such as a weakening of world recovery and, consequently, lower prices of raw materials. For these reasons, it is necessary to maintain prudent monetary and fiscal policies; as well as to undertake—in general—productive and export diversification and to develop economic dynamism, combined with a greater generation of employment.

Likewise, a new scenario for the recovery of “cheap, abundant liquidity” has been observed, which may entail possible risks, like the appearance of bubbles. The appraisal of currency has been a constant factor in the face of a greater influx of external funds, which has lead the countries to accumulate reserves or enforce capital controls.

The achievement of the region in this crisis was better than in previous ones, because fiscal prudence allowed a better management of public finance and a greater discretion in the handling of counter cyclical policies. A more solid monetary policy, on the other hand, resulted in a greater relative stability of prices that, together with flexible exchange rate regimes, permitted the lessening of external shocks.

The perspective for the region is positive and the differences in the speed of recovery of the countries will depend, in great measure, on their macroeconomic management. However, the social impact does not recover like the economic one; this crisis, like any other, also left its impression upon the human factor. In 2010, according to the report of the World Bank on Global Development, there will be 64 million people in extreme poverty, “which has increased the challenge to fulfill the Millennium Development Goals, launched ten years ago”.<sup>1</sup>

Likewise, according to the Food and Agriculture Organization of the United Nations (FAO), the great volatility of the agricultural products derived from the 2008-2009 economic crisis, food security in the region retreated to levels never before seen since 1990-1992, with a figure close to 52 million undernourished people.<sup>1</sup> As previously discussed, the favorable general macroeconomic position and the application of counter cyclical policies in Latin America have allowed the region to respond in a quicker way and have shown a more vigorous recovery than other regions in the world.

Thus, while Sub-Saharan Africa, according to the World Bank, will be the only region that will not be able to reduce extreme poverty by half by 2015; all the countries of Latin America will be able to do so. However, the basic challenge for Latin America and the Caribbean will be, in the end, in the way it articulates the recovery of the crisis with a medium and long term economic development.

**Laura Iturbide Galindo**

**Director of the Anahuac Institute of Entrepreneurial Development  
IDEARSE, Anahuac University**

<sup>1</sup> “CEPAL augura buen año a Latinoamérica, pero advierte que el Caribe no se recuperará fácilmente”, *Infolatam*, Bogotá, 24 marzo 2010; en línea en: <http://www.infolatam.com/entrada.jsp?id=19734>

<sup>2</sup> World Bank (2010). *Development and Climate Change*, Washington D.C., USA.

<sup>3</sup> “FAO: Una mirada hacia América Latina y el Caribe 2010” *Infolatam/FAO*, Panamá, 27 abril 2010; en línea en: <http://www.infolatam.com/entrada.jsp?id=20391>





## The Global Compact and the Millennium Development Goals

The information available on the way in which the Global Compact participants contribute to the advancement of the MDGs is being dynamically constructed, to the extent in which the participants of the Compact intensify and advance in the implementation of the Ten Principles; thus this document seeks to contribute by reinforcing the subject and enhancing the link between both initiatives.

One can assume that the companies that comply with the Principles of the Global Compact, consider that they can and must play a more relevant role in the economic development of the surroundings where they operate; furthermore, it becomes evident that the companies require thriving societies to carry out their operations, with persons whose basic needs have been satisfied making the assets, products and services they produce available.

The Principles of the Global Compact are closely related to the MDGs in the areas of human rights, rights at work and environment, -it is worth to stress that the area of fight against corruption constitutes a mainstream without which the advance in the other thematic areas would not be possible (see **TABLE 1**)-, consequently, when these Principles are incorporated and fulfilled in business management, responsible actions are triggered which may directly or indirectly contribute to the achievement of the MDGs and to strengthen the development and social cohesion.



Global Compact Principles	Global Compact Issue Areas	MDGs related to the GC Issue Areas
Support and respect the protection of human rights	Human Rights	Eradicate extreme poverty and hunger
Make sure that they are not complicit in human rights abuses		Achieve universal primary education
		Promote gender equality and empower women
		Reduce under-five child mortality
		Improve maternal health
Combat HIV/AIDS, malaria and other diseases		
Uphold the freedom of association and the effective recognition of the right to collective bargaining	Labor	Promote gender equality and empower women
Elimination of all forms of forced and compulsory labor		Reduce under-five child mortality
Abolition of any form of child labor		Improve maternal health
Elimination of discrimination in respect of employment and occupation		Combat HIV/AIDS, malaria and other diseases
Support a precautionary approach to environmental challenges	Environment	Ensure environmental sustainability
Promote greater environ-mental responsibility		
Encourage the development and diffusion of environment-tally friendly technologies		
Work against corruption in all its forms, including extortion and bribery	Anti-Corruption	Mainstream: development and competitiveness

*Table 1. Principles of the Global Compact and their relation with the MDGs*

**Source:** Regional Center

Companies contribute directly to the development of the nations where they operate by exercising their internal and external activities responsibly (see **TABLE 2**).



Millennium Development Goals	Impact of the Private Sector in the achievement of the MDGs
Eradicate extreme poverty and hunger	<ul style="list-style-type: none"> <li>•Generates employment</li> <li>•Impacts on the behavior and cost of the value chain</li> <li>•Impacts the income level</li> </ul>
Achieve universal primary education	<ul style="list-style-type: none"> <li>•Impacts the income level</li> </ul>
Promote gender equality and empower women	<ul style="list-style-type: none"> <li>•Defines internal policies that may promote gender equity</li> </ul>
Reduce under-five child mortality	<ul style="list-style-type: none"> <li>•Contributes with the social security of the staff and their families</li> </ul>
Improve maternal health	<ul style="list-style-type: none"> <li>•Contributes with the social security of the staff and their families</li> <li>•Contributes to the strengthening of health as a central basis for development</li> </ul>
Combat HIV/AIDS, malaria and other diseases	<ul style="list-style-type: none"> <li>•Contributes with the social security of the staff and their families</li> </ul>
Ensure environmental sustainability	<ul style="list-style-type: none"> <li>•Contributes to define investment, research and the use of green technologies of their sectors</li> <li>•Determines internal policies that may promote the recycling culture and reasonable exploitation of natural resources</li> </ul>
Develop a Global Partnership for Development	<ul style="list-style-type: none"> <li>•Defines internal policies that may promote the participation of everyone</li> <li>•Collaborates with other actors to face the challenges and achieve common goals</li> </ul>

*Table 2. Possibilities of contribution of the private sector to each MDG*  
*Source: Regional Center*

The participation of the private sector in the MDGs takes place, on one hand in the articulation of integral medium and long term business strategies; and on the other, on a daily basis, in the planning and exercise of a business plan that includes development as a tangible goal. A statement that can be verified in this document thanks to the experiences rendered by the participating companies—, as well as by establishing public-private partnerships, resulting in a more competitive social and business climate.

Based on this, one of the challenges of the companies with operations in Latin America and the Caribbean is to generate sustainable proposals in the long term, in other words, the advanced design of strategies and partnerships, and the analysis that contributes to the construction of public policies that favor social cohesion.

## Relevance

Latin America is already working to enhance the achievement of the MDGs. Based on the use of the two assessment tools, one of the purposes of the work expressed in this document is to identify the contribution to the MDGs that a group of GC participants carry out, either from the core of the business, and/or through its products and services. It is important to point out that the subject of the contribution of the partners of the Global Compact to the MDGs shows relevant challenges relating to the availability of data and information and, therefore, to the generation of knowledge; accordingly, this document represents a first step to foster knowledge in the subject and promote solution suited to the region.

In the framework of the Global Compact, this is also the first exercise carried out simultaneously in seven countries of Latin America and the Caribbean that uses two assessment tools related to the MDGs.

## Objective

The objective of this exercise is to analyze and record the results obtained in the assessment of the contribution made to the Millennium Development Goals by a group of 22 Global Compact participants, with operations in Latin America and the Caribbean, that was carried out using two tools: the *Partnership Assessment Tool* (PAT) and the *MDG Scan*.

## Structure

The document is comprised of five sections: in the first place it describes the origin of the initiative, as well as the coordination of the Regional Center to provide the necessary conditions, with the collaboration of local networks from the participating countries and their companies. Secondly, a list of the participating companies and their general profile, followed by the third section which includes the description of the selected assessment tools.

The fourth section, core of this report, elaborates a detailed statistical analysis of the results obtained by the group of companies. The PAT indicators were added under three general headings: scope, management and impact. Values were analyzed for each case and the corresponding crosscheck was established. In the case of the MDG Scan the beneficiaries for all participating countries were added according to each MDG. A distinction was made between those who were benefited by the commercial activities of the company, and those who were benefited by community investment activities; the results were compiled in matrixes.

The fifth part enumerates a series of points that are considered relevant to appreciate the magnitude of the contributions made by some of the companies from Latin America and the Caribbean, based on the formulation of specific projects, for the achievement of the Millennium Development Goals.

It is worth mentioning that the Regional Center for the Support of the United Nations Global Compact in Latin America and the Caribbean and IDEARSE Center for Corporate Responsibility and Sustainability of the Anahuac University have paid special attention to the homogenous character of the information provided by the participating companies, enabling a systematic analysis of the evidence over the relevance of the partnerships established by the companies, as well as their concourse with the global priorities and their replication.





*Teaching and Training Program of the Rescue Team of Aeropuertos del Sureste, Mexico*

## Background

Never before in history has been a greater need to align the objectives of the international community and the business world. The private sector represents a strong economic force and therefore is to adopt a relevant role in the economic development, in a responsible way. On the other hand, companies require prosperous societies to carry out their operations, and people whose basic needs have been satisfied and are in a position to purchase assets, products and services offered by the firms. In this context, the Millennium Development Goals also seek the articulation of partnerships for development.

Ten years after the Global Compact was launched and five years from the date established to achieve the MDGs, it is appropriate to make a balance that links both initiatives, in order to find the areas of opportunity propose alternatives and continue with the strategies that have proved to be effective.

The first proposal for the elaboration of this document took place during the IV Annual Regional Meeting for Global Compact Local Networks of Latin America and the Caribbean, held on November 3 and 4, 2009 in Santiago, Chile. The meeting was organized by the UN Global Compact Office, the Regional Support Center for Latin America and the Caribbean and the Chile Global Compact Local Network<sup>4</sup>.

The annual meeting brought together 11 local networks -9 established and 2 emerging-, and had, among its objectives, presenting the state of the art held by the networks of the region, and from this, set collective actions among participants. This meeting included agreements that established targets to be met by 2010; among them was the elaboration of a document on the contribution to the MDGs by GC participants, included in this document.

The Regional Center proposed the aim of evaluating this contribution through the use of two assessment tools: the PAT and the MDG Scan; the first was developed by the Global Compact Office and both were previously used in Africa, Asia and Europe.

Based on this, the Regional Center for the Support of the United Nations Global Compact in Latin America and the Caribbean established a partnership and collaboration agreement with IDEARSE Center for Corporate Responsibility and Sustainability of Anahuac University. It also worked closely with local networks to make the call and selection of companies with operations in Latin America.

The call was carried out through local networks, who undertook the task of identifying and selecting up to five companies from their country, regardless of the economic sector to which they belonged. Concerning the selection criteria of the participating companies, they were based on three basic premises: be active members of the Global Compact, have a current Project related to one or several MDGs, and have the willingness use and share the results of the MDG Scan and the PAT.

The participating local networks selected 22 companies from seven countries -Brazil, Colombia, Ecuador, Mexico, Peru, Paraguay and Dominican Republic.

<sup>4</sup> The review and other documents related to the *IV Annual Regional Meeting for Global Compact Local Networks*, are available at: [http://www.unglobalcompact.org/NetworksAroundTheWorld/Regional\\_Meetings\\_2009/Latin\\_America/index.html](http://www.unglobalcompact.org/NetworksAroundTheWorld/Regional_Meetings_2009/Latin_America/index.html)





## THE PAT AND THE MDG SCAN AS ASSESSMENT TOOLS

The PAT and the MDG Scan are two assessment tools that recognize that the private sector is a strategic actor to raise the level of development and reduce the levels of poverty. The first tool is conceived and designed to support the companies in the assessment process of the impact and sustainability of the strategic partnerships of United Nations with the private sector. The second one is designed so that companies can measure their positive contribution to the Millennium Development Goals and evidence the role they play in this global initiative.

### *The Partnership Assessment Tool, PAT*

In recent years, public-private partnerships for development have gained significant ground, and the vision of cross-sector collaboration with win-win potential for both business and society remains strong. But there is no guarantee that a partnership will be a success, and both the UN system and our business partners recognize the potential to improve the impact and consistency of partnerships.

As a result, four UN organizations - United Nations Development Programme (UNDP), United Nations Institute for Training and Research (UNITAR), United Nations Office for Partnerships and the Global Compact Office - have joined forces to develop a simple tool to improve the impact and sustainability of UN-Business partnerships with the private sector.

The result of this process is the *Partnership Assessment Tool* (PAT) - a simple interactive tool made available free-of-charge on a CD-ROM. The tool has been developed through four phases:

1. Initial in-depth interview with ten UN agencies (at HQ and country level), as well as with eight companies with extensive partnering experience (AarhusKarlshamn, the Coca-Cola Company, Ericsson, IKEA, Nexen, Royal Dutch Shell plc, Unilever and Veolia Environment).
2. Three regional multitask holder workshops in Amsterdam, New York and Bangkok.
3. A series of tests of the tool on actual partnership projects in Africa, Asia and Europe.
4. Revision and production of the final version of the tool.

Based on this work, the necessary elements were defined to obtain the analysis of the subjects, objectives and characteristics of the projects or programs in which they have participated, as well as the actors with whom they have established partnerships, among others.



The Partnership Assessment Tool is a web-based interface for evaluating partnerships. It features a navigation bar with tabs for Alignment, External Partnership Management, Internal Partnership Management, Multiple Effect, Governance, and Tools Resources. The tool is divided into several sections, each with a set of questions and a 'Back'/'Next' button at the bottom.

**Objectives**  
The section focuses on the alignment between the UN and business partners, including common objectives, opportunities, and potential advantages.

**Value Added**  
The section focuses on the value added by the partnership, including the definition of value added, the identification of value added, and the identification of value added.

**Details of value added**  
The section focuses on the details of value added, including the identification of value added, the identification of value added, and the identification of value added.



## Benefits of the Tool

The PAT is a way to foster consistently high-quality and effective partnerships between UN and companies, and has been designed to better identify and define in concrete ways the factors of partnership projects that affect the impact and sustainability of projects.




The tool leads the user through a simple step-by-step questionnaire assessing the expected value of a partnership and identifies ways to improve future partnership activities. It can be used to assess preparedness, to identify opportunities for early adjustment, and to position for successful project implementation. In this way the PAT contributes to:

- Provide informed decision-making
- Enabling partners to better capitalize on opportunities to add value to partnership projects
- Increasing return-on-investment
- Aligning and clarifying objectives and responsibilities
- Systematically articulating and communicating the value of partnership projects
- Focusing on the long-term economic, environmental and social impacts of the partnership
- Developing and designing successful partnership projects with positive development effects

It is recommended that the tool be used by project managers and should be used after project planning is complete but before the project is launched.

The assessment takes approximately 45 minutes to complete. After completion, the tool generates a scorecard presenting the results and highlighting areas for improvement.



 A red triangle	A red triangle means that something is definitely not looking good, and you shouldn't go ahead with the partnership
 A green circle	A green circle means that it is all right to proceed – but that assessment value from the partnership may be far from reaching its potential
 A yellow star	A yellow star means that what you intend to do is notable and that it might be best practice

### ***The Millennium Development Goals Scan, MDG Scan***


The MDG Scan was created by NCDO Business in Development –the program from the private sector of the Dutch Commission for International Cooperation and Sustainable Development– in conjunction with Sustainalytics, an independent provider of research and analysis on sustainable subjects for the financial sector. The purpose of the tool is to measure any company's contribution to the Millennium Development Goals and demonstrate their role in the global initiative to fulfill the eight MDGs.


The MDG Scan is available online, at [www.mdgscan.com](http://www.mdgscan.com), where the data, such as the general description regarding the MDG selection, the objectives and the steps carried out in favor of the MDG, the main activities of the business and the investment made by the community is introduced. The generation of results in real time provides information easy-to-understand for the user which can be consulted at a global or national scale or by sector/industry. Each company can download a personalized outcome report, which facilitates internal discussions and in-depth analysis of its impact on the MDGs.

This tool was designed for the following:


- To offer companies insight on the impact of their core business activities and community investments on development/the MDGs in developing countries
- To raise awareness of the MDGs among companies
- To demonstrate how companies can achieve a greater and lasting positive impact on development

[Home](#)
[MDG Scan](#)
[For Companies](#)
[My Scan](#)
[News](#)
[Contact](#)
[Help](#)
[Seminar](#)


**BUSINESS IN DEVELOPMENT**



While business cannot solve poverty, poverty will not be solved without business.



### What is your company's contribution to the MDGs?

Join this initiative to estimate your company's positive impact on the Millennium Development Goals (MDGs) and demonstrate your role in the global initiative to reach the eight MDGs. Based on key company data, the MDG Scan estimates the number of people in developing countries that benefit from your company's activities. Increased insight into your MDG footprint will help to monitor and improve impact over time.

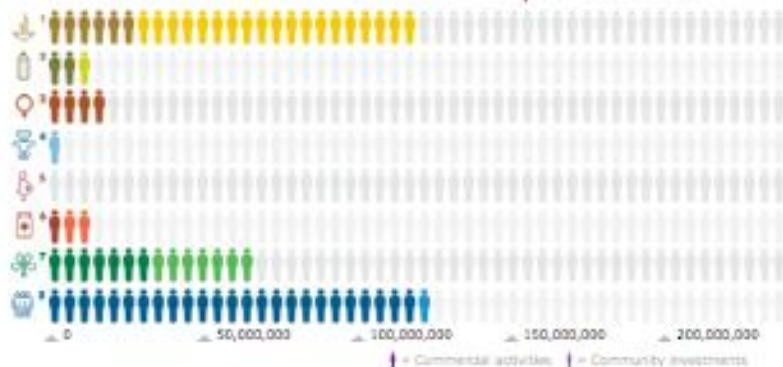
**On April 1, 2010 the MDG Scan methodology was updated. Please refer to the [News](#) section for more information.**

[Login](#)
[Register](#)

Companies who want to gain insight in their MDG impact need to register for access. Click here to login or register on our secure website...

#### Worldwide results for the MDG Scan

Total number of beneficiaries: 1,000,000 beneficiaries



Legend:   
■ Commercial activities   
■ Community investments

#### Latest published results



- Copel - Cia. Paranaense de E20 April
- Fundación Ecologica PUNTA C10 April
- Cooperativa La Cruz Azul, S.C07 April
- Banco Popular Dominicano 06 April
- GRUPO AEROPORTUARIO D29 March
- Telefonica Movistar Ecuador 26 March
- Helados Bon 26 March
- Diners Club 26 March
- Telefonica Colombia 26 March
- Aseguradora Tajy Propiedad 25 March

#### Latest active companies

Vredeselanden	17 May
Test	11 May
DEWEIJSEENDAMbv	11 May
Fry enterprise	04 May
Sequoia	16 April

#### MDG Scan statistics

140	companies registered
217,347,121	beneficiaries published

Website: © 2008 NCDO; Methodology: © 2008 NCDO, Sustainalytics / Disclaimer

## What does the MDG Scan measure?

The MDG Scan is based on the premise that companies can contribute to economic growth and poverty reduction in developing countries. The effect of a company on a developing country's national economy is often a multiple of the money directly spent in that country. The MDG Scan estimates the MDG footprints of a company by measuring the effect of the following factors on a country's economy: value added; employment creation; products & services; and community investments.

- a. Value Added.- By processing raw materials and partially finished products into the final products, adds value, even after the product is finished, by packaging, distributing and retailing. Value added is a direct contributor to a country's GDP. The MDG Scan calculates a company's value added through its operations in developing countries. Based on this number, the MDG Scan estimates:
  - *The indirect effects on poverty reduction (MDG1)*
  - *The enrolment on children in primary education (MDG 2)*
  - *The reduction of child mortality and maternal mortality (MDG4 and MDG 5)*
- b. Employment.- Employment is a significant promoter of economic growth. Companies employ people and, in turn, contribute to household income. In addition to the directly employed workforce, companies further create indirect jobs in the value chain. The MDG Scan estimates:
  - *The amount of jobs created by the company, including indirect jobs*
  - *The amount of people living in a situation of poverty, that is, below the \$1 poverty line, that benefit from these jobs.*
- c. Commercial Products and Services.- The commercial products and services marketed by a company can also contribute to poverty reduction. Regular products or services that fulfill the needs of poor consumers, when offered at a good quality and fair price, can improve the living standards of the poor (e.g. affordable bus transportation). Other specific products or services (medicine, drinking water facilities etc.) directly affect the Millennium Development Goals. The MDG-Scan investigates whether companies offer such specific MDG-related products and/or services and provides an estimate of:
  - *The number of people in developing countries that benefit according to each one of the MDGs.*
- d. Community Investment.- Companies can also contribute to poverty reduction and the achievement of the MDGs through community investment: philanthropic projects and donations or initiatives for employees. The MDG Scan clarifies whether companies offer such specific MDG-related community investments, providing an estimate of:
  - *The number of people in developing countries that benefit from these activities for each MDG.*

Although the MDG Scan quantitatively evaluates the contribution of a company to the MDGs, it is necessary to consider that the results do not simplify reality and are not exact measurements. The MDG Scan is developed as a simple model, dealing with an economic reality that may be complex. Moreover, as all companies are analyzed in the same way, the comparison of results is meaningful and possible inaccuracies affect each company's results equally.



***Rural Electrification Program of EPM, Colombia***



Regional Support Center  
Latin America and the Caribbean



## PARTICIPATING COMPANIES

Companies from seven countries participated in this report: Brazil, Colombia, Ecuador, Mexico, Paraguay, Peru and Dominican Republic.

In **TABLE 3**, the list of the participating companies is presented, with the country in which they operate or else the head office reporting (in the case of corporations with representation in various countries) and the sector of their economic activity. This data is related with the structure of their partnership and the objectives defined for their operation.



**Biotechnology Laboratory Program in the *Colegio Jorge Eliecer Gaitan*  
of the Education Area of Pacific Rubiales Energy, Colombia**

Name of Company	Country/ Headquarters Reporting	Sector	Type of Association	Activity
1. Aeropuertos del Sureste (ASUR)	Mexico	Transportation	Public corporation of variable capital	Engaged in the operation, maintenance, and development of nine airports in Southeastern Mexico.
2. Aseguradora Taja	Paraguay	Insurance services	Cooperative property corporation	Insurance services to the cooperative sector and to the public in general, with operations in Paraguay.
3. Banco Popular Dominicano	Dominican Republic	Banking and financial services	Private capital	Banking services in all the national territory and with 190 offices in the country. Financial institutions from the United States and Europe are part of the correspondent banks.
4. Cerveceria Nacional SN S.A	Ecuador	Food and beverage	Corporation	Production and commercialization of beer, malt and bottled water. It is a subsidiary of Sab Miller. It has two plants in Colombia, one in Guayaquil.
5. Companhia Paranaense de Energia (COPEL)	Brazil	Public services	Corporation of mixed economy, controlled by the Government of Panama	Research, distribution, commercialization and supply of electricity, as well as telecommunication services.
6. Cooperativa La Cruz Azul	Mexico	Construction materials	Cooperative corporation of limited capital	Production and commercialization of hydraulic cement. It has plants in four states of Mexico: Hidalgo, Oaxaca, Aguascalientes and Puebla
7. Diners Club del Ecuador	Ecuador	Financial services	Corporation	Issuing of credit cards. It operates in Ecuador and it is a franchise of Diners Club International.
8. Empresa de Acueducto y Alcantarillado de Bogota E.S.P	Colombia	Residential public services	Industrial and commercial company	Provides essential public services of water and sewage in the jurisdictions of Bogota, Capital District of Bogota, and other adjacent municipalities in Colombia.
9. Endesa Brazil	Brazil	Public services	Fixed capital corporation	Distribution, generation, transmission and commercialization of energy. It is a subsidiary of Endesa Spain, with presence in 15 countries. Its presence in Latin America: Argentina, Colombia, Chile and Peru.
10. EPM	Colombia	Residential and related public services	State industrial and commercial company (public)	Provides public services in 123 municipalities in Colombia, such as water and gas in Medellin and nine other municipalities of Valle de Aburra. It provides energy in 112 municipalities of Colombia, in the Department of Antioquia, and in one of Choco.
11. Grupo Punta Cana	Dominican Republic	Tourism	Private capital corporation	It provides sustainable tourism services. Protects and restores natural resources of the region through the Ecological Foundation.

12. Grupo Telefonica in Peru	Peru	Telecommunications	Private capital	Fixed and mobile telephone services, Wide band services and cable television, and the services and applications of information technologies. It is present in 25 countries of the five continents; 13 of them are in Latin America.
13. Grupo Scotiabank Inverlat	Mexico	Banking and financial services	Corporation	Products and services in finance, banking currency and stock market analysis for individual and commercial customers and enterprises at the national level. In Mexico it has 623 branch offices and it is a subsidiary of Bank of Nova Scotia.
14. Grupo Xcaret	Mexico	Tourism	Variable capital corporation	Parks dedicated to cultural tourism, traditional Mexican entertainment shows, and conservation of regional flora and fauna.
15. O Boticario	Brazil	Cosmetics and specialized retail sales	Private capital corporation	Production and distribution of cosmetics and perfumes, with a network of franchises at the global level. It has 2,800 stores throughout the world.
16. Pacific Rubiales Energy	Colombia	Hydrocarbon industry	Private capital corporation	Canadian company for the exploration and production of oil and gas, with operations in Colombia and Peru.
17. Publik	Colombia	Information technologies	Private capital corporation	Development of multimedia and interactive information systems.
18. Repsol YPF Ecuador	Ecuador	Oil extraction	Private capital corporation	In Ecuador, it is dedicated to the exploration and production of crude oil, working since 2001. Repsol YPF is a company of Repsol Group which has activities in more than 30 countries in the petroleum and gas sectors.
19. Restaurantes Toks	Mexico	Food and beverage	Variable Capital Corporation	Restaurant enterprise with 88 branches and presence in 20 cities of Mexico.
20. Telefonica Colombia	Colombia	Telecommunications	Private capital	Telecommunication services. In Colombia, Grupo Telefonica Group is formed by four companies: Telefonica Telecom, Telefonica Movistar, Terra and Atento. Telefonica is present in 25 countries in the five continents, 13 of them are in Latin America
21. Telefonica Movistar Ecuador	Ecuador	Telecommunications	Private capital	Telecommunication services. It is a subsidiary of Telefonica Group, which is present in 25 countries in the five continents, 13 of them are in Latin America
22. Yanacocha	Peru	Extraction industry	Private capital	Mining company dedicated to the extraction of gold, it is a subsidiary of Newmont, together with the Peruvian group Buenaventura and the IFC. It operates in Cajamarca, in the Andes, in the North of Peru.

*Table 3. Participating Companies by Country, Type of Activity, Type of Association and Operation Objectives*



Companies pertaining to the service sector such as those providing water to the houses, insurance, banking and finance, tourism, communications and food are predominant. On the other hand, companies in the production and commercial sectors have a smaller representation. In general, the majority of the companies are of private capital in addition to a couple of cooperatives.

**TABLE 4** presents a list of project or programs that the companies registered in the PAT, as well as institutions or organizations that they indicated for the development of the projects. According to the MDG Scan, this information is related with the MDGs favored by this effort.

Name of the Company	Project with which they Participated in the PAT	Partnership Established	Contribution to the MDG. Resulting from the Analysis of the MDG Scan
1. Aeropuertos del Sureste (ASUR)	Global Compact Office in Mexico	◦ Global Compact Committee in Mexico	MDG 1 MDG 7
2. Aseguradora Taja	Global Compact	◦ Global Compact in Paraguay	MDG 1 MDG 6
3. Banco Popular Dominicano	Plan Sierra	◦ Sierra Plan	MDG 2 MDG 7 MDG 8
4. Cerveceria Nacional	Inclusive business for small growers of rice	◦ Regional Center	MDG 1
5. Companhia Paranaense de Energia (COPEL)	Copel Millennium Development Goals	◦ Ethos Institute	MDG 1 MDG 4 MDG 7 MDG 8
6. Cooperativa La Cruz Azul	Recycling of alternative energy for the conservation of the RENACE ecosystems	◦ Regional Center	MDG 6 MDG 7
7. Diners Club del Ecuador	Strengthening of the support networks for public education of Ecuador	◦ UNICEF	MDG 2 MDG 3 MDG 8
8. Empresa de Acueducto y Alcantarillado de Bogotá	◦Environmental and community promoters ◦Cooperation agreement <i>Conservation Corridor of Chingaza - Cerros Orientales.Sumapaz.</i> ◦Fund for water ◦Inter-administrative agreement between EAAB and the municipalities of Fomeque, Choachi and Junin	◦ Local Mayor's Offices of Bogota, Capital District ◦ Conservation International Foundation UAESPNN, TNC, Cultural Patrimony and Babaria Foundation ◦ Municipal Mayor's Offices of Fomeque, Choachi and Junin	MDG 1 MDG 4 MDG 7
9. Endesa Brazil	Acolese	Coelce	MDG 7
10. EPM	Inclusive businesses	UNDP	MDG 1 MDG 6 MDG 7
11. Grupo Punta Cana	Descarga Cero	◦ Punta Cana Ecological Foundation	MDG 7 MDG 8
12. Grupo Scotiabank Inverlat	Aflatoun	◦ Aflatoun	MDG 1 MDG 2



			MDG 7
13. Grupo Xcaret	Program for Environmental Education for Public Schools in Quintana Roo	◦ Global Compact	MDG 1 MDG 2 MDG 7
14. O Boticario	◦ Education allows a future ◦ Anneliese Krigsner Education Center ◦ Escencia de Vida ◦ O Boticario Foundation for the protection of nature	◦ O Boticario	MDG 2 MDG 4 MDG 7 MDG 8
15. Pacific Rubiales Energy	Biotechnological Laboratory in the Jorge Eliecer Gaytan School	◦ Biotechnological Institute of the National University	MDG 1 MDG 7 MDG 8
16. Publik	Foster the strengthening of educational management.	◦ Empresarios por la Educación Foundation	MDG 2
17. Repsol YPF Ecuador	Repsol YPF. Local agreement with the United Nations	◦ Regional Center	MDG 1 MDG 2 MDG 7
18. Restaurantes Toks	Santa Rosa de Lima	◦ Regional Center	MDG 1 MDG 3 MDG 7 MDG 8
19. Telefonica Colombia	Pro Niño. Program of the Telefonica Foundation for the Eradication of Child Labor	◦ ILO ◦ Ministry of Education of Bogota	MDG 2 MDG 8
20. Telefonica del Perú	Pro Niño. Program of the Telefonica Foundation for the Eradication of Child Labor	◦ IPECL ◦ ILO	MDG 1 MDG 2 MDG 8
21. Telefonica Movistar- Ecuador	Pro Niño. Program of the Telefonica Foundation for the Eradication of Child Labor in Ecuador	◦ UNICEF	MDG 2 MDG 7 MDG 8
22. Yanacocha	◦ Business link with chains of suppliers to produce in the safest way and prepare for emergencies ◦ Awareness on the fundamental agreements of ILO	◦ UNEP ◦ ILO	MDG 1 MDG 2 MDG 3 MDG 5 MDG 7 MDG 8

**Table 4. Projects / programs, partnerships and contribution to the MDGs by the participating companies\***

**\*Based on the application of the PAT and the MDG Scan**

The projects are of different nature. Subjects such as the construction of networks of efforts and partnerships, the strengthening of educational processes, the advancement towards better life conditions, the promotion of learning for small enterprises, the enhancement of the processes of gender equity and women's empowerment, and environmental sustainability can be seen.





*Boticario Oasis Sítio dos Morros Acervo Fundação Program of O Boticário, Brazil*



Regional Support Center  
Latin America and the Caribbean

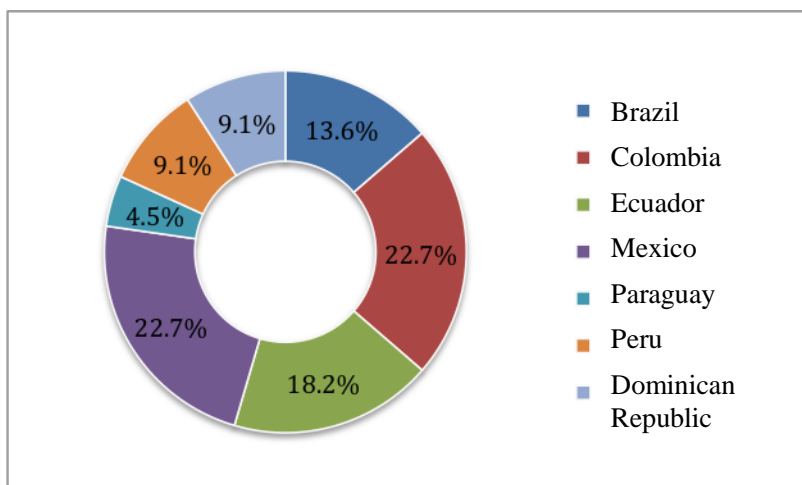
## APPLICATION

### Participating Companies

As has been stated, for the elaboration of this analysis, 22 companies from seven countries of Latin America and the Caribbean participated. **TABLE 3** includes the list of companies and the countries where they are located. Mexico and Colombia were the countries with the highest representation, each with 22.7% of the sample; followed by Ecuador with 18.2% and Brazil with 13.6%, respectively. On the other hand, Peru and the Dominican Republic contributed with 9.1% each; and Paraguay with the remaining 4.5%; as shown in **CHART 1**.

No.	Name of the Company	Country (Head Office Reporting)
1	Aeropuertos del Sureste (Asur)	Mexico
2	Aseguradora Tajy	Paraguay
3	Banco Popular Dominicano	Dominican Republic
4	Cerveceria Nacional	Ecuador
5	Companhia Paranaense de Energia (COPEL)	Brazil
6	Cooperativa La Cruz Azul	Mexico
7	Diners Club del Ecuador	Ecuador
8	Empresa de Acueducto and Alcantarillado de Bogota	Colombia
9	Endesa Brasil	Brazil
10	EPM	Colombia
11	Grupo Punta Cana	Dominican Republic
12	Grupo Scotiabank Inverlat	Mexico
13	Grupo Xcaret	Mexico
14	O Boticario	Brazil
15	Pacific Rubiales Energy	Colombia
16	Publik	Colombia
17	Repsol YPF Ecuador	Ecuador
18	Restaurantes Toks	Mexico
19	Telefonica Colombia	Colombia
20	Telefonica del Peru	Peru
21	Telefonica Movistar Ecuador	Ecuador
22	Yanacocha	Peru

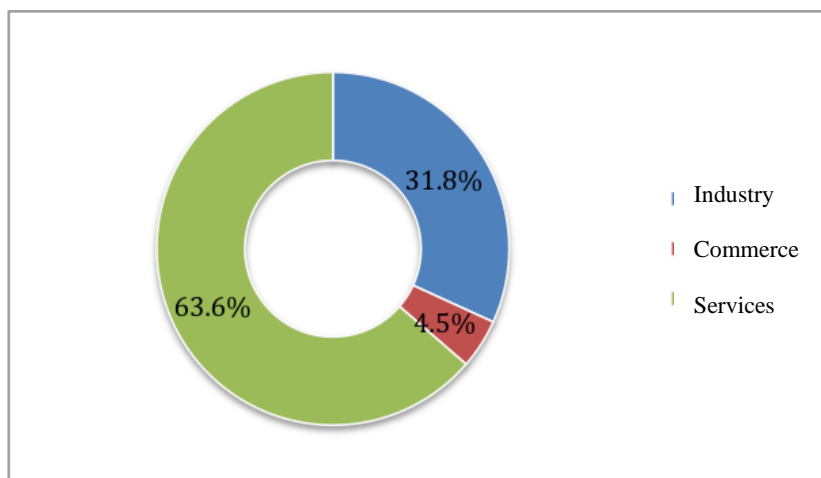
*Table 3. Companies Participating in the Study*



**Chart 1. Participating Companies by Head Office Country**

Source: IDEARSE Center based on the information provided by the companies.

By sector, as may be seen in **CHART 2**, almost 2/3 of the participating companies (63.6%) are classified under the heading of services, while almost 1/3 (31.8%) under industrial, and only 4.5% under commerce.

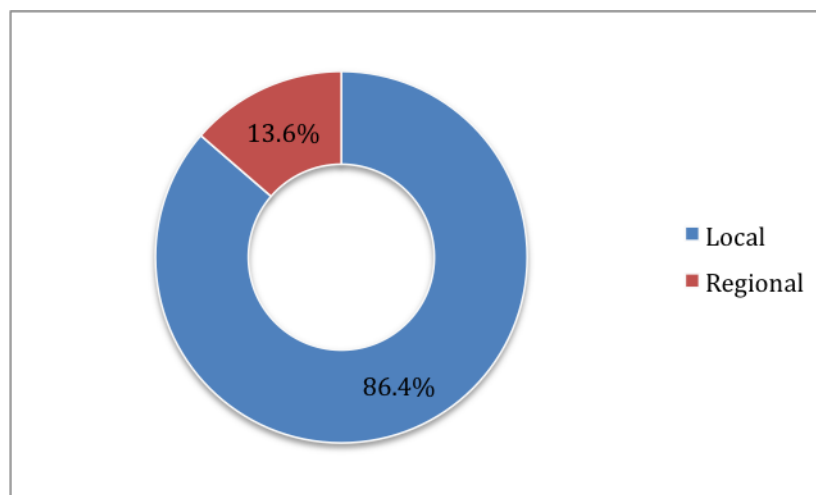


**Chart 2. Participating Companies by Sector**

Source: IDEARSE Center, based on the information provided by the companies.

In general, a considerable percentage of the participating companies (86.4%) reported local operations for this study (see **CHART 3**); in other words, they show activities developed only in the head office countries (irrespective of being a national subsidiary of any foreign corporation, as is the case of Telefonica in several of the participating countries). On the other hand, less than 14% showed operations with a regional impact that goes beyond the head office country.





**Chart 3. Participating Companies by Scope of Activities Reported**  
Source: IDEARSE Center based on the information provided by the companies.

## Analysis of the PAT Results

### Methodology

Each participating company provided a PAT summary table, with the results obtained when assessing one of their partnerships. For the purposes of this analysis, the PAT indicators were grouped under three general headings:

- **Scope**, understanding the *Alignment* and *Multiplier Effect* indicator
- **Management**, including *Internal and External Partnership Management*
- **Impact**, covering the Environmental and Socioeconomic impacts, with their two modalities: *Sustainable Livelihood and Community Development*

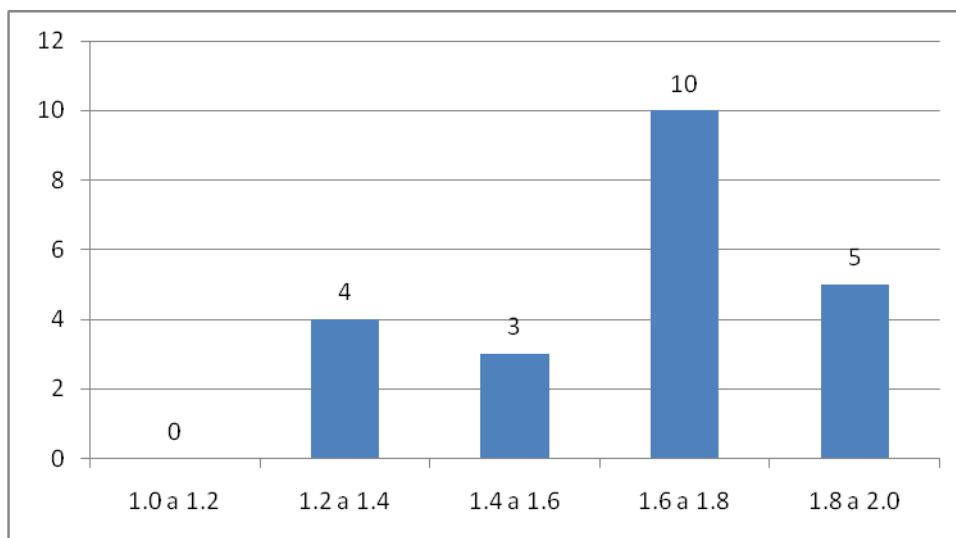
Subsequently, the following actions were carried out:

1. For each company, an average value of the PAT indicators was assigned, obtained from the average<sup>5</sup> of the scores of each one of the aggregates: Scope, Management and Impact.
2. For every aggregate (in each company), a grade was obtained as the average of scores (with similar weighing) of the indicators that comprise the aggregate.
3. For each indicator, its grade was obtained by averaging with equal weight the scores of the headings that comprise this indicator. At the heading level, if this was graded by PAT with a Red Triangle, it was given 0 (zero) value; if it had a Green Circle, it was given the value of 1 (one), and if a Yellow Star was present, it was given the value of 2 (two). Those headings without a grade (NA) were not considered to determine the score of the corresponding indicator.

<sup>5</sup> The average was obtained by using equal weight in each one of the indicators

## Results

The purpose of the analysis of item 1 (previously described) consisted in giving a value to each company, between 0 and 2, in order to obtain a total score and be able to compare the results<sup>6</sup>, whose frequency is demonstrated in **CHART 4**, grouped by intervals.



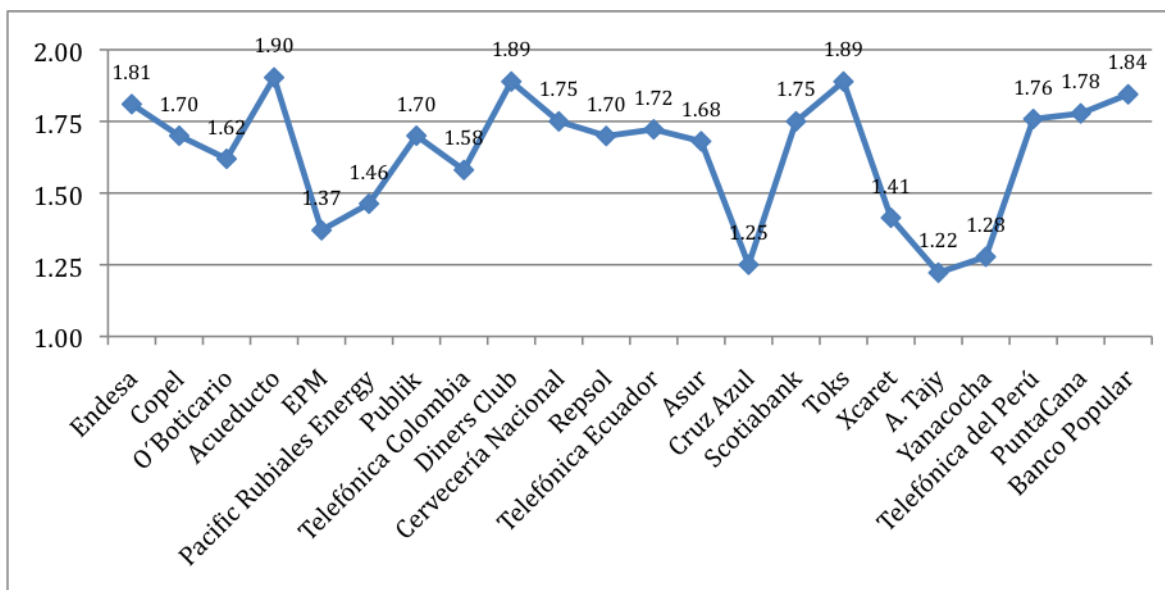
**Chart 4. Frequency of the values obtained for the companies in the PAT**  
(Number of companies by interval)

Source: IDEARSE Center based on the information provided by the companies.

The results of the estimates of the matrixes gathered in **ANNEXES 1, 2, 3 and 4**, indicate that the interval of variation of the value per company fluctuates between 1.22 and 1.90 (see **CHART 5**), which shows a development on average higher than that of the color green, indicating that there are no significant difficulties in the projects; besides the fact that almost 50% of the companies fall under the interval of 1.6 to 1.8 of **CHART 4**.

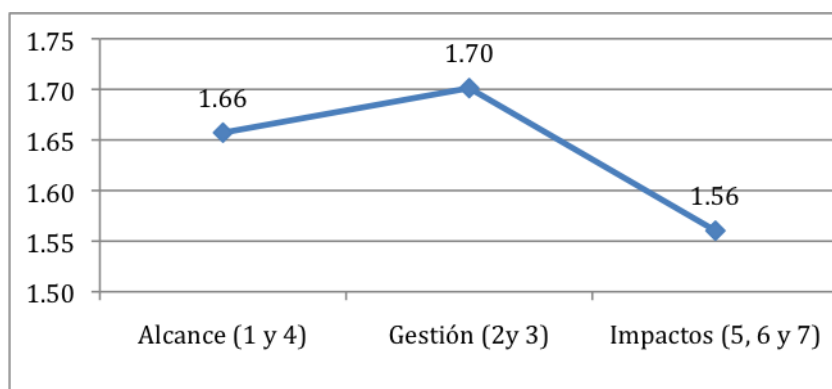
However, there are three companies: Empresa de Acueducto y Alcantarillado de Bogota (Colombia), Diners Club (Ecuador) and Restaurantes Toks (Mexico), with evaluations above 1.85 (falling under the last interval of the same Chart), outlining their partnerships with a high potential of being a practice of reference.

<sup>6</sup> A chart is included in Annex 1 where the disaggregated scores by indicator are shown for all the participating companies.



**Chart 5. Values obtained in the PAT by the companies**  
*(Average of the aggregates: scope, management and impact)*  
 Source: IDEARSE Center based on the information provided by the companies.

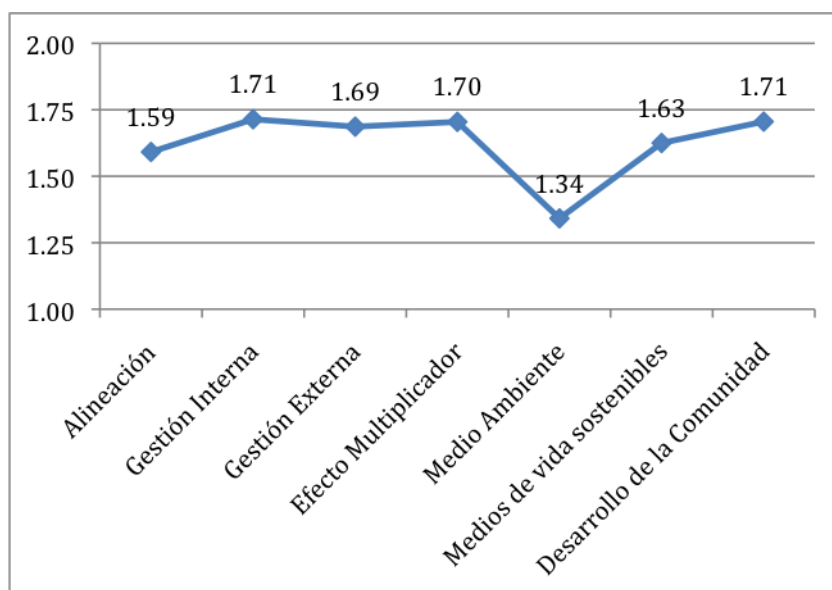
With respect to the aggregates chosen, management is the one that obtained the highest score, with an average of 1.70, followed by scope with 1.66 and, lastly, impact with an average of 1.56; represented in **CHART 6**.



**Chart 6. Average values obtained in the PAT**  
*(Average of the values of the companies in each aggregate)*  
 Source: IDEARSE Center based on the information provided by the companies.

In general, the above shows a relatively efficient management of the partnerships, both internal and external, as well as their replicability (1.70), as may be appreciated in the average scores of **CHART 7**. Nonetheless, areas of opportunity in the alignment of objectives (1.56) and the environmental impacts (1.34) are found, which turn out to be the lowest indicators.

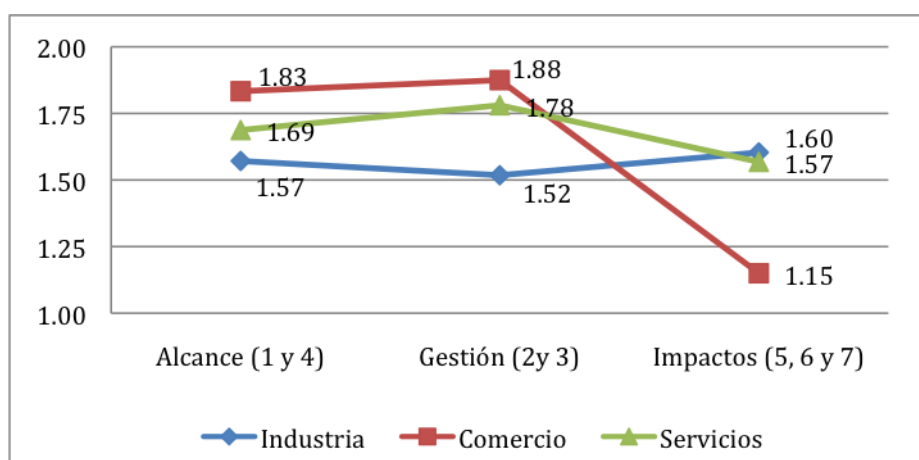




**Chart 7. Average scores obtained in the PAT**  
(Average of the scores of the companies in each indicator)

Source: IDEARSE Center based on the information provided by the companies.

By sector (see **CHART 8**), commerce leads in scope (1.83) and management (1.88) indicators, but falls to a third place in impact (1.15); while the companies in the industrial sector have a greater score as far as impact (1.57), but the lowest ones in scope (1.57) and management (1.52).



**Chart 8. Average values obtained in the PAT by sector**  
(Average of the values of the companies in each aggregate)

Source: IDEARSE Center based on the information provided by the companies.

## Analysis of the Results of the MDG Scan

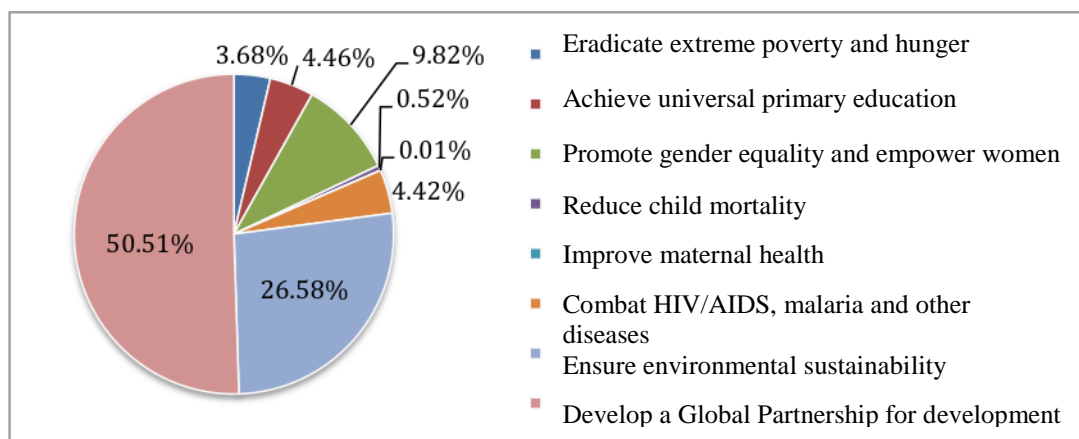
### Methodology

For this analysis, each participating company delivered a report generated on line by the MDG Scan, once they introduced in the system the data requested regarding the most important activities of the businesses and the main investment actions in the community. In this case, the beneficiaries were aggregated for the total of participating countries in Latin America and the Caribbean, for each one of the eight MDGs, making the distinction between those that were benefited by the commercial activities of the company, from those that were benefited by the activities of community investment.

### Results

The results gathered in the matrixes that are shown in Annex 5, disclose the following results:

From the 22 participating companies, the MDG Scan reported a total of 217,566,281 beneficiaries, from which, almost 87% are concentrated in the MDGs 8, 7 and 3 (*“Develop a Global Partnership for Development”*; *“Ensure environmental sustainability”*; and *“Promote gender equality and empower women”*), which cover 50.5%, 26.5% and 9.8% of the total respectively. The first one of them stands out for its individual contribution to half of the beneficiaries, as may be seen on **CHART 9**, while MDGs 5 and 4 (*“Improve maternal health”* and *“Reduce child mortality”*), which are closely linked, have a marginal contribution that, combined, slightly surpasses one half percent (0.01% and 0.52% of the total respectively). Finally, the MDGs 1, 2 and 6 (*“Eradicate extreme poverty and hunger”*; *“Achieve universal primary education”*; and *“Combat HIV/AIDS, malaria and other diseases”*) each contribute to less than 5% of the beneficiaries (3.6%, 4.4% and 4.4% respectively)<sup>7</sup>.

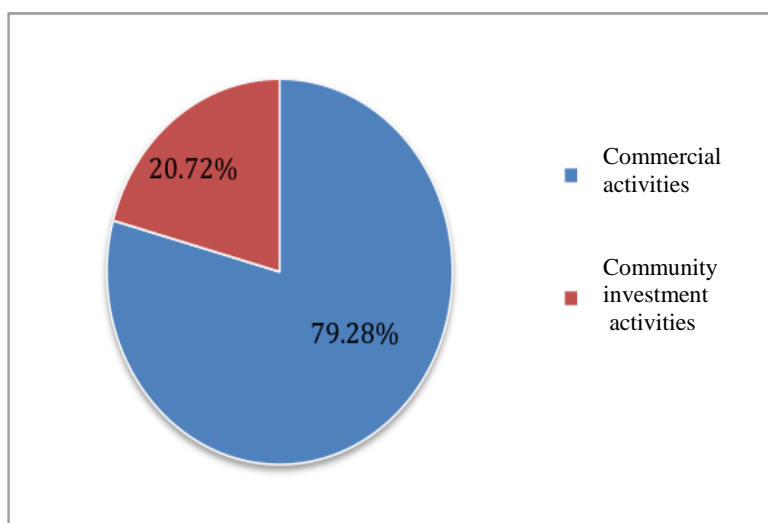


**Chart 9. Total percentage of beneficiaries in each MDG**

Source: IDEARSE Center based on the information provided by the companies..

Overall (see **CHART 10**), the commercial activities of the companies generate 79.2% of the beneficiaries (172.5 million people), while the remaining 20.7% (45 million beneficiaries) is due to the investment activities in the community.

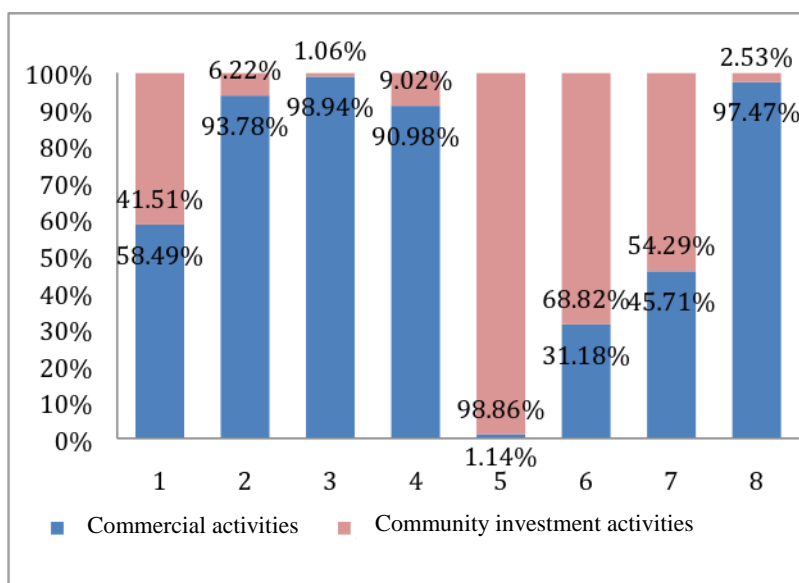
<sup>7</sup> It is important to point out that the graphs shown in this section are calculated based on the total number of beneficiaries reported by the companies themselves in the MDG Scan, and not on the total of the potential population that might have been benefited in the region. Likewise, even though each one of the MDGs is focused on a different target population (i.e. women, children, etc.) these are unknown, and are therefore not considered to establish comparatives.



**Chart 10. Total percentage of beneficiaries by activity**

Source: IDEARSE Center based on the information provided by the companies.

As shown in **CHART 11**, the tendency by MDG of a greater percentage of beneficiaries is maintained as a result of the commercial activities of the companies, rather than their investment practices in the community; except in the case of MDGs 5, 6 and 7 (“Improve maternal health”, “Combat HIV/AIDS, malaria and other diseases” and “Ensure environmental sustainability”), in which the tendency reverses, possibly due to the type of business of the participating companies, where these activities may be part of programs of social and environmental responsibility, even with a welfare approach. It is worth mentioning that the MDG 1 (“Eradicate extreme poverty and hunger”), in which the percentage of beneficiaries due to their investment in the community is at the same level of those in their commercial activities.



**Chart 11. Total percentage of beneficiaries by activity in each MDG**

Source: IDEARSE Center based on the information provided by the companies.



In Annex 6 a Table is presented in which the areas of impact of the participating companies are shown, based on the results they obtained in the PAT and in the MDG Scan, classifying them from highest to the lowest relevance according to the scores assigned to the impacts of their partnerships (in the case of the PAT) and to the amount of beneficiaries (in the case of the MDG Scan).

Thus, according to the PAT, 100% of the partnerships analyzed consider impacts on sustainable livelihood, 90.9% in community development, and 77.3% in environmental aspects. The result of this is that 68.2% of the partnerships have an impact on the three areas, and the rest only in two.

On the other hand, according to the results of the MDG Scan, it can be seen that 81.8% of the companies contribute to MDG 1; 72.7% to MDGs 4 and 7; 68.2% to MDGs 2 and 8; and only 36.4% to MDG 3; 31.8% to MDG 6; and 27.3% to MDG 5. When comparing these amounts against the percentages of beneficiaries in each MDG previously mentioned, it is observed that in some cases (MDG 1, 4 and 2) even though the percentages of participation of the companies are very high, their contributions as far as the number of beneficiaries are relatively the lowest (see **TABLE 4**).

This situation reflects a great challenge for the companies when evaluating the impact (measured by the number of beneficiaries) of those activities in which most of them are focusing, by the extent of the specific MDG and the possible target population it intends to help in the region.

No.	MDG	Percentage (%) of Beneficiaries	Percentage (%) of Companies Contributing to MDG
1	Eradicate extreme poverty and hunger	3.7%	81.8%
2	Achieve universal primary education	4.5%	68.2%
3	Promote gender equality and empower women	9.8%	36.4%
4	Reduce child mortality	0.5%	72.7%
5	Improve maternal health	0.01%	27.3%
6	Combat HIV/AIDS, malaria and other diseases	4.4%	31.8%
7	Ensure environmental sustainability	26.6%	72.7%
8	Develop a global partnership for development	50.5%	68.2%

*Table 4. Contribution of the Participating Companies in the MDGs*

It is worth pointing out that, of the companies analyzed, only two contribute to the eight MDGs: Repsol YPF (Ecuador) and Scotiabank Inverlat Group (Mexico); and that, in average, the companies contribute to five MDGs, to a greater or smaller extent.



## CONCLUSIONS

- In 2010, the macroeconomic perspective for Latin America and the Caribbean looks positive, even though this region was not exempt from the 2008-2009 crisis, which marked the human aspect, forcing a greater number of people into extreme poverty, and generating deterioration in the levels of food security that were not seen since 1990-1992. This situation encourages cautious handling of the recovery, and that it is articulated with medium and long term economic development.
- The companies play a very important role in the contribution to the Millennium Development Goals, mainly due to the competencies they have: human talent, technology, knowhow and financial resources, among others; for their potential as powerful promoters of social networks; and for their position to promote local projects; all of which are conditions that may become transformation factors of the communities that are in a situation of poverty.
- The private sector, having technological tools (in this case the PAT and the MDG Scan) may clearly see the impact that their actions have through quantifiable indicators, with two very clear effects: envisage the social and environmental significance of their economic work; and have an influence on the strengthening of their Corporate Social Responsibility, as elements contributing to sustainable development at a local and/or regional level.
- The companies become an important ally in the socioeconomic development, because of the strength of the synergies they may achieve, and the multiplication of efforts when facing the great challenges that globalization has imposed upon the region. The result is that almost half of the beneficiaries are precisely in MDG 8 “Develop a Global Partnership for Development”, increasing the importance that partnerships have.
- In general, from the data obtained, a level of acceptable efficiency in the present and future management of partnerships is evident, with outstanding cases to be considered as a reference for best practices.
- The achievement of the MDGs in the companies proved to be less conclusive in the improvement of maternal health (MDG 5) and in the reduction of child mortality (MDG 4). Although 72.7% of the participating companies contribute to the latter, their impact is quite low in relation to the total number of beneficiaries (0.5%) thus the opportunity is clearly opened for the execution of greater and better efforts that enable the achievement of the goals set<sup>8</sup>.

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<sup>8</sup> It is important to specify that the conclusion is based on the total beneficiaries reported by the participating companies; it is possible that with these results a significant part of the target population of the specific MDG is covered; however, this is unknown.



- The economic line of business of the companies turned into a relevant factor with respect to scope, management and impact of the analyzed partnerships. Therefore, the commercial sector is the one with the greater impact on the two first aggregates; and the industrial one, on the third.
- In general, the impacts have a lower grade in the face of scope and management of the partnerships. Consequently, even though the goals are clearly defined and aligned among the parts, the companies are more effective in their internal and external management processes, than in their own generation of social and environmental impacts, which suggests that the awareness of their enormous potential should be enriched in order to influence the achievement of universal goals and a broader dissemination on the use of the measuring tools.
- The results also show that the contribution of the company is greater when it is directly related with the activity of the business, than with specific investments in the community. This opens an enormous opportunity for an exercise of generation of social value through complementary business activities which, gradually integrated in the entrepreneur strategy, might maximize the achievement of the results.
- The percentages obtained in the multiplier effect indicator constitute encouragement in the role of the private sector as a motor of change and transformation of the quality of life of millions of people who today live in the threshold of poverty. Likewise, they reveal the sustainability of partnerships that not only give new meaning to the role of the companies in society, but also their interaction with public policies





## ANNEX 1: VALUES OBTAINED IN THE PAT BY COMPANY AND INDICATOR

País	Empresa	Alineación	Gestión Interna	Gestión Externa	Efecto Multiplicador	Medio Ambiente	Medios de vida sostenibles	Desarrollo de la Comunidad	PROMEDIO
Brasil	Endesa Brasil	2.00	1.67	1.75	2.00	2.00	1.67	1.50	1.80
	Companhia Paranaense de Energia (COPEL)	2.00	1.67	1.50	1.50	2.00	1.50	1.80	1.71
	O'Boticario	1.67	2.00	1.75	2.00	1.00	1.25	1.20	1.55
Colombia	Empresa de Acueducto y Alcantarillado de Bogotá	1.75	2.00	1.94	2.00	1.81	1.92	1.88	1.90
	EPM	1.33	1.00	1.00	2.00	1.00	2.00	1.33	1.38
	Pacific Rubiales Energy	0.67	1.67	1.50	1.50	1.67	1.50	2.00	1.50
	Publik	1.67	2.00	1.50	2.00	1.00	1.75	1.80	1.67
	Telefónica Colombia	2.00	1.67	1.75	2.00	0.00	1.50	1.60	1.50
Ecuador	Diners Club del Ecuador	2.00	2.00	2.00	2.00	1.00	2.00	2.00	1.86
	Cervecería Nacional	NA	NA	1.75	2.00	1.00	2.00	1.50	1.65
	Repsol YPF Ecuador	1.67	2.00	1.75	1.00	1.67	2.00	2.00	1.73
	Telefónica Movistar Ecuador	1.33	1.67	2.00	2.00	NA	1.33	2.00	1.72
México	Aeropuertos del Sureste (Asur)	1.67	1.67	2.00	2.00	NA	1.00	1.75	1.68
	Cooperativa La Cruz Azul	1.00	1.00	1.00	1.50	1.67	1.33	NA	1.25
	Grupo Scotiabank Inverlat	1.00	2.00	2.00	2.00	NA	1.75	1.75	1.75
	Restaurantes Toks	2.00	2.00	2.00	2.00	1.00	2.00	2.00	1.86
	Grupo Xcaret	1.33	1.67	1.75	1.00	1.00	1.50	1.60	1.41
Paraguay	Aseguradora Tajy	1.00	1.33	1.50	1.50	1.00	1.00	NA	1.22
Perú	Yanacocha	1.67	1.00	1.25	1.50	NA	1.25	1.00	1.28
	Telefónica del Perú	2.00	2.00	1.75	1.00	NA	2.00	1.80	1.76
República Dominicana	Grupo PuntaCana	1.67	2.00	1.67	1.50	2.00	1.75	2.00	1.80
	Banco Popular Dominicano	2.00	2.00	2.00	1.50	2.00	1.75	1.60	1.84
	PROMEDIO	1.59	1.71	1.69	1.70	1.34	1.63	1.71	1.63

Source: IDEARSE Center based on the information provided by the companies



Regional Support Center  
Latin America and the Caribbean

## ANNEX 2: PAT VALUES

País	Empresa	Alcance	Gestión	Impactos	PROMEDIO
Brasil	Endesa Brasil	2.00	1.71	1.72	1.81
	Companhia Paranaense de Energia (COPEL)	1.75	1.58	1.77	1.70
	O Boticario	1.83	1.88	1.15	1.62
Colombia	Empresa de Acueducto y Alcantarillado de Bogotá	1.88	1.97	1.87	1.90
	EPM	1.67	1.00	1.44	1.37
	Pacific Rubiales Energy	1.08	1.58	1.72	1.46
	Publik	1.83	1.75	1.52	1.70
	Telefónica Colombia	2.00	1.71	1.03	1.58
Ecuador	Diners Club del Ecuador	2.00	2.00	1.67	1.89
	Cervecería Nacional	2.00	1.75	1.50	1.75
	Repsol YPF Ecuador	1.33	1.88	1.89	1.70
	Telefónica Movistar Ecuador	1.67	1.83	1.67	1.72
México	Aeropuertos del Sureste (Asur)	1.83	1.83	1.38	1.68
	Cooperativa La Cruz Azul	1.25	1.00	1.50	1.25
	Grupo Scotiabank Inverlat	1.50	2.00	1.75	1.75
	Restaurantes Toks	2.00	2.00	1.67	1.89
	Grupo Xcaret	1.17	1.71	1.37	1.41
Paraguay	Aseguradora Tajy	1.25	1.42	1.00	1.22
Perú	Yanacocha	1.58	1.13	1.13	1.28
	Telefónica del Perú	1.50	1.88	1.90	1.76
República Dominicana	Grupo PuntaCana	1.58	1.83	1.92	1.78
	Banco Popular Dominicano	1.75	2.00	1.78	1.84
	PROMEDIO	1.66	1.70	1.56	1.64

Source: IDEARSE Center based on the information provided by the companies

**ANNEX 3: VALUES OBTAINED IN THE PAT BY SECTOR**









Sector	Alignment	Internal Partnership Management	External Partnership Management	Multiplier Effect	Environment	Sustainability	Socio Economic	Average
Industria	1.50	1.50	1.50	1.57	1.67	1.61	1.63	<b>1.57</b>
Comercio	1.67	2.00	1.75	2.00	1.00	1.25	1.20	<b>1.55</b>
Servicios	1.63	1.79	1.78	1.75	1.18	1.66	1.78	<b>1.65</b>
<b>PROMEDIO</b>	<b>1.60</b>	<b>1.76</b>	<b>1.68</b>	<b>1.77</b>	<b>1.28</b>	<b>1.51</b>	<b>1.54</b>	<b>1.59</b>

#### ANNEX 4: VALUES OBTAINED IN THE PAT BY SECTOR

Sector	Aligment	Partnership Management	Effect	Average
Industria	1.57	1.52	1.60	1.56
Comercio	1.83	1.88	1.15	1.62
Servicios	1.69	1.78	1.57	1.68
<b>PROMEDIO</b>	<b>1.70</b>	<b>1.72</b>	<b>1.44</b>	<b>1.62</b>



## ANNEX 5: MDG SCAN VALUES

NO.	ODM	Actividades Comerciales		Actividades de Inversión en la Comunidad		TOTAL	
		Número de beneficiados	Porcentaje sobre el total	Número de beneficiados	Porcentaje sobre el total	Número de beneficiados	Porcentaje sobre el total
 <sup>1</sup>	1 Erradicar la pobreza extrema y el hambre	4,678,935	2.71%	3,321,277	7.37%	<b>8,000,212</b>	3.68%
 <sup>2</sup>	2 Alcanzar la educación primaria universal	9,105,226	5.28%	604,025	1.34%	<b>9,709,251</b>	4.46%
 <sup>3</sup>	3 Promover la igualdad de género y la autonomía de la mujer	21,133,521	12.25%	227,030	0.50%	<b>21,360,551</b>	9.82%
 <sup>4</sup>	4 Reducir la mortalidad infantil	1,033,203	0.60%	102,455	0.23%	<b>1,135,658</b>	0.52%
 <sup>5</sup>	5 Mejorar la salud materna	192	0.00%	16,659	0.04%	<b>16,851</b>	0.01%
 <sup>6</sup>	6 Combatir el VIH/SIDA, malaria y otras enfermedades	3,000,000	1.74%	6,620,373	14.69%	<b>9,620,373</b>	4.42%
 <sup>7</sup>	7 Garantizar la sustentabilidad del medio ambiente	26,438,190	15.33%	31,400,083	69.66%	<b>57,838,273</b>	26.58%
 <sup>8</sup>	8 Crear una asociación mundial para el desarrollo	107,100,219	62.09%	2,784,893	6.18%	<b>109,885,112</b>	50.51%
	<b>TOTAL</b>	<b>172,489,486</b>	<b>100%</b>	<b>45,076,795</b>	<b>100%</b>	<b>217,566,281</b>	<b>100%</b>

Source: IDEARSE Center based on the information provided by the companies.



## ANNEX 6: MDG by Sector

País	Empresa	1. De acuerdo al PAT			2. De acuerdo al MDG Scan							
		a) Impacto Ambiental	b) Impacto Socio-Económico		ODM 1	ODM 2	ODM 3	ODM 4	ODM 5	ODM 6	ODM 7	ODM 8
			b.1) Medios de vida sostenibles	b.2) Desarrollo de la Comunidad								
Brasil	Endesa Brasil	1°	2°	3°	2°	---	---	---	---	---	1°	---
	Companhia Paranaense de Energia (COPEL)	1°	3°	2°	4°	---	---	2°	---	---	3°	1°
	O Boticario	3°	1°	2°	4°	3°	---	5°	6°	---	2°	1°
Colombia	Empresa de Acueducto y Alcantarillado de Bogotá	3°	1°	2°	2°	---	---	3°	---	---	1°	---
	EPM	3°	1°	2°	3°	6°	---	4°	7°	1°	1°	5°
	Pacific Rubiales Energy	2°	3°	1°	2°	5°	7°	3°	---	6°	1°	4°
	Publik	3°	2°	1°	---	1°	---	---	---	---	---	---
	Telefónica Colombia	3°	2°	1°	5°	4°	2°	6°	---	---	3°	1°
Ecuador	Diners Club del Ecuador	3°	1°	1°	---	3°	2°	---	---	---	---	1°
	Cervecería Nacional	3°	1°	2°	1°	2°	---	3°	---	---	---	---
	Repsol YPF Ecuador	3°	1°	1°	1°	2°	4°	4°	4°	8°	3°	4°
	Telefónica Movistar Ecuador	---	2°	1°	4°	3°	---	5°	---	---	1°	2°
México	Aeropuertos del Sureste (Asur)	---	2°	1°	1°	---	---	2°	---	---	---	---
	Cooperativa La Cruz Azul	1°	2°	---	3°	4°	---	5°	---	2°	1°	---
	Grupo Scotiabank Inverlat	---	1°	1°	2°	3°	4°	6°	7°	4°	1°	8°
	Restaurantes Toks	3°	1°	1°	1°	---	4°	5°	---	---	2°	2°
	Grupo Xcaret	3°	2°	1°	5°	6°	4°	2°	---	3°	1°	7°
Paraguay	Aseguradora Tajy	1°	1°	---	1°	---	---	---	---	2°	---	---
Perú	Yanacocha	---	1°	2°	3°	4°	5°	---	6°	---	1°	2°
	Telefónica del Perú	---	1°	2°	1°	3°	---	4°	5°	---	---	2°
República Dominicana	Grupo PuntaCana	1°	3°	1°	---	---	---	---	---	---	1°	2°
	Banco Popular Dominicano	1°	2°	3°	---	3°	---	4°	---	---	1°	2°

**Note 1.** From all the PAT indicators, only those that measure the impact of partnerships are used: environmental and socioeconomic (sustainable livelihood and community development). The score of these impacts was classified from the highest value (1°) to the lowest (3°); when the partnership did not contemplate any impact, the score (---) appears.

**Note 2.** Based on the results of the MDG Scan, in this table the impacts of the activities of the companies in each of the eight MDGs are measured, classifying them by the number of beneficiaries. In this case, the scale used goes from the greatest number of MDG beneficiaries of the company (1°) to the lowest number of beneficiaries of that company (8°); when the company does not contribute to a MDG, the score (---) appears.

Source: IDEARSE Center based on the information provided by the companies.

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## **ANNEX 7: PAT AND MDG SCAN: Examples**

The case of two participating companies in this exercise is set forth below, where there is a brief explanation of what the company is. This is accompanied by the PAT results, as a way in which the readers of this document have the information already processed on how the scores are reflected when the company is presenting a viable project.

In other words, the exercise provides a visual image of what is expressed in the previous section. Likewise, this is carried out in the case of the MDG Scan, as the text is also followed by an image of the MDG, which the company in question has contributed to.

### **Restaurantes Toks, Mexico**

TOKS is a Mexican restaurant enterprise dedicated to offer prepared food with operations in 20 cities of Mexico and with 6,600 employees, and generates more than 37,000 indirect opportunities.

### ***Santa Rosa de Lima Program***

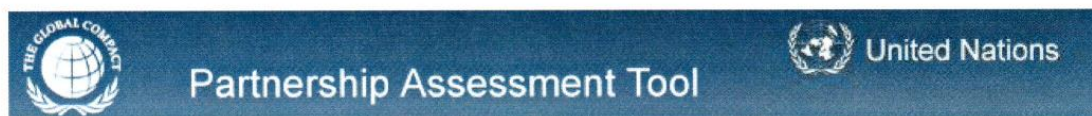
The program entails buying strawberry marmalade made by a group of women from Santa Rosa de Lima in the state of Guanajuato, collaborating with the productive projects of the State, as well as improving the quality of life of the population of the mountain range, preserving their identity and promoting the conservation of the natural and human resources of the region.

In 1998, the community arose from a group of women from the Santa Rosa mountain range, in Guanajuato, who were invited for training on the use of the fruit of the region, through the elaboration of preserves. This gave rise to the organization elaborating preserves of Santa Rosa and, since then, these women have been recognized inside and outside their community as entrepreneurs, mothers and leaders of development. The project's main characteristics are:



Time of application:	Five years. Since 2005 strawberry marmalade was integrated to the value chain of Toks.
Place of application:	The strawberry marmalade is bought from the community of Santa Rosa de Lima in the state of Guanajuato and is distributed to the 88 Toks restaurants in Mexico.
Target group	Customers receive a natural product, without artificial color or flavor, which is handmade. Members of the community where poverty reduction was achieved have integrated to the formal economy and to national development.
Participants:	13 women from Santa Rosa de Lima.
Beneficiaries:	Direct beneficiaries - 13 women and their families, a total of 52 persons. Indirect beneficiaries: 80 people and their families: 320 persons. (Strawberry suppliers, packaging, containers, buckets, sugar, pectin, lids, etc.).
Indicators:	Monthly level of product purchase: development indicators of the participants of the project.
Reason to carry it out:	“Bring prime quality handmade products to the table of our customers, made by small Mexican producers”

In the following image, the results obtained by Toks Restaurants using the PAT tool is shown, where reference is made to this project, establishing a partnership with the Regional Center, and in which a majority of yellow stars are shown. The data registered regarding the program shows a great expectation of the partnership with the community of Santa Rosa regarding the following indicators: *Alignment and Multiplier Effect*, *Internal Management and External Management* of the partnership, and the *Socioeconomic* ones, in their two modalities: *Sustainable Livelihood* and *Community Development*. The only heading that is marked as an area of opportunity for this project is that of *Environment*.



## Summary Scorecard

Project Name:	<b>Proyecto Santa Rosa de Lima</b>	Expected start date:	<b>Feb 2006</b>
UN Partner:	<b>Global Compact Regional Office Colombia</b>	Expected end date:	<b>Feb 2020</b>
UN Partner Manager Name:	<b>Chavez Diana</b>	Country/Region:	<b>Mexico</b>
Business Partner:	<b>Restaurantes Toks</b>	Submitted by:	<b>Business Partner</b>
Business Partner Manager Name:	<b>Perez Gustavo</b>		

You are now being rated according to the levels you have chosen.

▼ A red triangle - implies that something is definitely not looking good, and you shouldn't go ahead with the partnership.

● A green circle - implies that it is all right to proceed - but that added value from the partnership may be far from reaching its potential

★ A yellow star - implies that what you intend to do is notable and that it might be a best practice - a true star quality!

<b>Alignment</b>			
Objectives			★
Value Added			★
Risks			★
<b>Internal Partnership Management</b>			
Governance and Responsibilities			★
Planning, Monitoring and Evaluation			★
Required Resources			★
<b>External Partnership Management</b>			
Transparency			★
Accountability and Stakeholder			★
Self-Sustaining Mechanisms			★
Strengthening Linkages			★
<b>Multiplier Effect</b>			
Scalability			★
Replicability			★
<b>Environment</b>			
Biodiversity		●	
Efficient and responsible use of Natural Resources		●	
Energy		●	
<b>Socio Economic</b>			
Sustainable Livelihoods			
Local Jobs			★
Local Business			★
Local productivity			★
Provision of Accessible Goods			★
Community Development			
Infrastructure			★
Capacity Building			★
Health and Education			★
Cultural Heritage			★
Vulnerable / Marginalized Groups			★

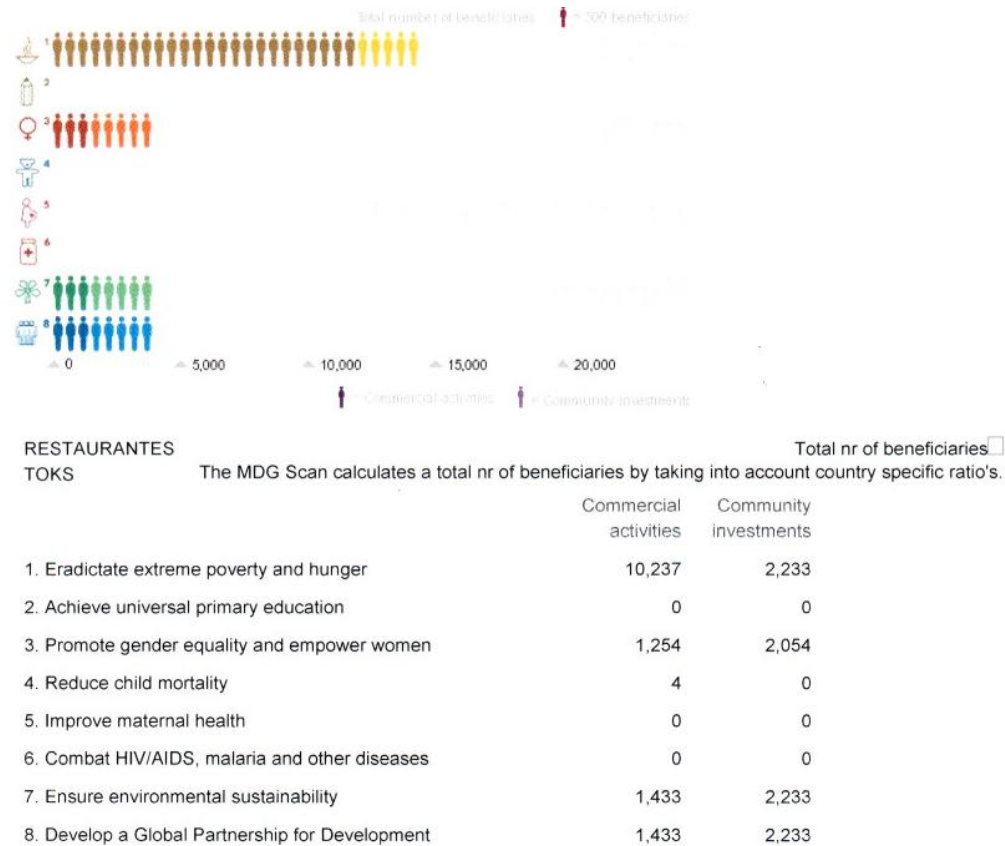
"Excellent. Your partnership seems to be sustainable and will most likely have a high development value. There is a good chance it could be an inspiration for others - Well done!"

Sign



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The following image shows the MDG Scan results, where the contribution to the specific MDG is made evident. One can see that it contributes to the MDG 1: *Eradicate Extreme Poverty and Hunger*; MDG 3: *Promote Gender Equality and Empower Women*; MDG 7: *Ensure Environmental Sustainability* and MDG 8: *Develop a Global Partnership for Development*.



## Endesa Brazil

Endesa is a company of distribution, generation, transmission and commercialization of energy. It is a subsidiary of Endesa Spain, which is the fifth one in its field in Europe and with presence in 15 countries, five of which are in Latin America: Argentina, Brazil, Colombia Chile and Peru. It supports sustainable development.

## Ecoelce Program

Launched in 2007, it envisions the exchange of recyclable garbage for vouchers applicable to the energy bill. Pioneer in Brazil, this program was also put in operation, with the same format, in other companies of the group and, in 2008, it received the World Business and Development Award (WBDA) granted by the United Nations (UN).



The Ecoelce Program gives an incentive to the Cearense population to dispose of the garbage in their households in a selective way, providing, in compensation, an alternative that contributes to the payment of their energy bill using the waste gathered, with the possibility of paying the energy bill up to 100%. The recyclable garbage that is taken to a recollection center is transformed and, according to the amount, the points given are credited to an electronic card, which is used to calculate the discount applicable to the energy bill. Ecoelce has an impact upon:

- *Social Development*: Since the low-income population, in general, can apply the amount saved for the purchase of other basic goods.
- *Environment*: Since there is less garbage deposited in the sanitary dumps and energy is saved to extract raw materials from nature and transform them into products.
- *Economic Aspect*: It reduces the municipal costs for waste treatment.

In 2008, the Ecoelce Program was present in 59 communities with a total of 59 recollection centers (39 in Fortaleza and the metropolitan area and 20 in the cities of the interior), 32 of which are permanent. 4,522 tons of recyclable garbage was gathered, generating R\$ 622 thousand in vouchers for 102 thousand customers.

Residues	Electricity saved by ton of Product (MW-hr / Ton)	Residues Gathered in the Project (Ton)	Total Electricity Saved (MW-hr)
Metal	5.3	1,507.79	7,991.29
Glass	0.64	1,291.20	826.37
Paper	3.51	3,307.54	11,609.45
Plastic	5.06	1,432.78	7,249.86
<b>Total</b>			<b>27,676.97</b>

*Table 5. Data of the Ecoelce Program (Up to May/10)*  
**Source:** Endesa

Its main characteristics are:

Time of application:	Since 2007.
Place of application:	State of Ceara.
Target group	Population of Ceara.
Participants:	Customers of Coelce.
Beneficiaries:	189,000 people, directly and approximately 400,000 indirectly.
Indicators:	Weight of the garbage collected.
Reason to carry it out:	“A survey was carried out in 184 low-income communities belonging to Gran Fortaleza, showing the significant damage to the environment due to the way in which the majority of the garbage generated was treated. On the other hand, this population presented the highest rate of energy theft which implicated loss of energy and its inefficient use”





***Ecoelce Program of Endesa, Brazil***

In the following image, based on the *Ecoelce Project* carried out in partnership with Coelce, the results obtained by Endesa when executing the PAT analysis are shown. The *Alignment* and the *Multiplier Effect* indicators show yellow stars throughout, while those of *Internal Management*, *External Management* of the partnership, as well as the *socioeconomic* indicators show green circles, which implies a need for some improvement.



## Partnership Assessment Tool



United Nations

### Summary ScoreCard

Project Name: Ecoelce  
 UN Partner: Endesa Brasil  
 UN Partner Manager Name: Mouteira Bonanca  
 Business Partner: Coelce  
 Business Partner Manager Name: Almeida Jose

Expected Start Date: Jan 2007  
 Expected End Date: Dec 2010  
 Country/Region: Brazil  
 Submitted By: UN Partner

You are now being rated according to the levels you have chosen.

- ▼ A red triangle - implies that something is definitely not looking good, and you shouldn't go ahead with the partnership.
- A green circle - implies that it is all right to proceed - but that added value from the partnership may be far from reaching its potential.
- ★ A yellow star - implies that what you intend to do is notable and that it might be a best practice - a true star quality!

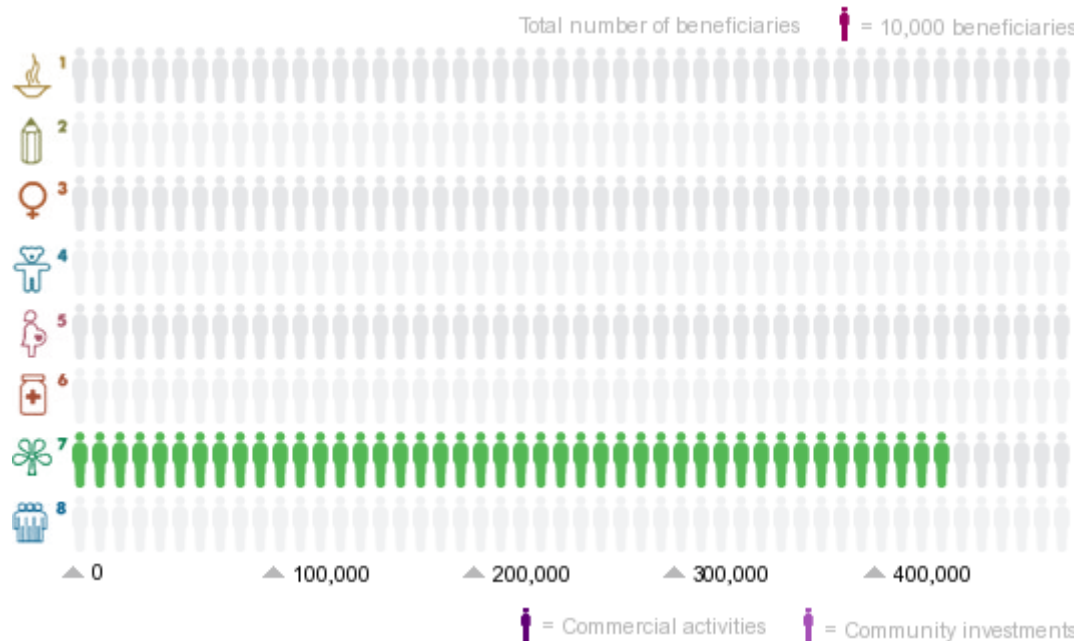
Alignment			
Objectives			★
Value Added			★
Risks			
Internal Partnership Management			
Governance and Responsibilities			★
Planning, Monitoring and Evaluation		●	
Required Resources			★
External Partnership Management			
Transparency		●	
Accountability and Stakeholder			★
Self-Sustaining Mechanisms			★
Strengthening Linkages			★
Multiplier Effect			
Scalability			★
Replicability			★
Environment			
Biodiversity			
Efficient and responsible use of Natural Resources			★
Energy			★
Socio Economic			
Sustainable Livelihoods			
Local Jobs		●	
Local Business			★
Local productivity			
Provision of Accessible Goods			★
Community Development			
Infrastructure			
Capacity Building		●	
Health and Education			
Cultural Heritage			
Vulnerable / Marginalized Groups			★

"Excellent. Your partnership seems to be sustainable and will most likely have a high development value. There is a good chance it could be an inspiration for others - Well done!"



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The figure below shows the results of the company when applying the analysis of the MDG Scan, where their contribution to the MDG 7 is evident (*Ensure Environmental Sustainability*), and MDG 8 (*Develop a Global Partnership for Development*).



Endesa Brasil		Total nr of beneficiaries ?	
		Commercial activities	Community investments
1. Eradicate extreme poverty and hunger	1	0	0
2. Achieve universal primary education	0	0	0
3. Promote gender equality and empower women	0	0	0
4. Reduce child mortality	0	0	0
5. Improve maternal health	0	0	0
6. Combat HIV/AIDS, malaria and other diseases	0	0	0
7. Ensure environmental sustainability	0	378,283	0
8. Develop a Global Partnership for Development	0	0	0

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## ANNEX 8: FEEDBACK ON THE USE OF THE TOOLS

The Regional Center took the opportunity given by the contact through local networks with the participating companies to obtain feedback on both tools. For this, three questions were designed to obtain the general opinions of the users and contribute to the constructions of useful and adequate instruments to strengthen the Global Compact as well as the MDGs in the region.

The three questions posed to the participating companies were:

1. What is your opinion of the MDG Scan and PAT tools?
2. Which were the challenges met when using them?
3. What were the benefits of using the tools?

### What is your opinion of the MDG Scan and PAT tools?

Faced with the first question, the most frequent word appearing in the answers was “interesting” for different reasons such as the reflection and the exercise they imply or because of the way the results were presented; “precise”, “concise” or “concrete” were the second most frequently mentioned adjectives. Likewise, the tools were described as useful, complete, well thought out and valuable.

### Which were the challenges met when using them?

In answer to the second question, several difficulties were mentioned:

Language:	The tools are in English, which makes full understanding of its content difficult.
Implications:	Several companies mentioned the need to have some aspects in order to take the maximum advantage of the tools; among those mentioned were the capacity to identify certain aspects of the business, objectivity, self-criticism and exhaustive and organized information.
Comprehension:	As it is the first time that the tools are applied in Latin America, some participants pointed out the difficulty concerning its specific extent.
Conceptual:	There is the impression that the tools are designed for multi-national companies, which has a repercussion in the availability of adequate information in some fields. Similarly, the existence of “very generic” questions which sometimes do not apply to the reality of some companies was mentioned.



Technical aspects of the MDG Scan: Among them were the difficulties to carry out the process of registration and in the generation of the final report, as well as the null possibility of making corrections. On the other hand, an inter-phase with little flexibility is mentioned, as well as the possible limitations to download applications due to the IT security policy of the companies.

### **What were the benefits of using the tools?**

In spite of the inconvenience mentioned when facing the second question, the answers obtained for the third one were favorable as they were directed towards the main objective: to have the elements allowing the assessment of the contribution of the projects to the MDGs as well as the potential for partnerships.

In this sense, over and above the actions that an assessment implies –such as systematize, compare and, consequently, prioritize and improve the formulation and execution of projects– most of the answers mention exercises of reflection, profound analysis and comprehension of the importance of:

- Having a more integral view of the company's investments.
- Having an idea of results with the vision of an applicable tool at a global level.
- Measuring the impact of the actions.
- Establishing partnerships based on shared values due to the possibility of the multiplication and optimization of efforts.
- Carrying out an efficient structuring of inter-institutional mechanisms of cooperation that enhance our goals in relation to sustainable development.

Regarding the PAT, the valuable support within the implementation of the partnerships guidelines established in the policies of the CSR was pointed out.

Concerning the MDG Scan, its contribution was mentioned as a means to find the relations of regular business operation and the beneficial effects obtained, as well as the contribution to the MDGs from the perspective of business activities and from the point of view of the programs of social investment.

Finally, it is important to mention that the use of tools as a mechanism of management transparency for the groups of interest was recommended and to consider the fact that the data incorporated in the Communication on Progress or in the Corporate Social Responsibility reports be verified by a third party.



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