



Global Compact LEAD Luncheon in Davos

Designing the Post-2015 Architecture: The Leadership Agenda

Discussion Paper

The UN is embarking on an examination of its development agenda, with the purpose of setting a new course following the expiration of most Millennium Development Goals in 2015. Committed business can seize this chance to structure a new, positive engagement between the private & public sectors, and LEAD can help to draw up that architecture.

Corporate sustainability as a transformative force

Corporate sustainability has made enormous progress over the past decade. At the Global Compact-organized private sector forum at Rio+20, committed businesses indicated their willingness to move ahead regardless of what governments decided. They presented over two hundred concrete ideas for meeting sustainability challenges through innovation and through collaboration with government, academia, civil society and other sectors.

Transformative solutions by business exist with the ability to have a profound impact on areas such as climate and energy, water, agriculture and food, corruption, health and women empowerment.

But we have not yet arrived at a tipping point. The great majority of businesses have not embraced sustainability, or elevated corporate responsibility into the core of their strategies and operations.

Moreover, while significant strides have been made in terms of public-private collaboration, there has been a persistent disconnect between strategies set by governments and multilateral organizations and trends within the corporate sustainability community.

A new agenda, a new opportunity for business

For corporate sustainability to go to scale and become a truly transformative force, governments and international organizations need to establish global priorities – and any related goals – in ways that truly resonate with business.

Moreover, governments must establish the right incentives and develop better mechanisms for supporting corporate sustainability and collaborating with the private sector.

The process underway at the UN to determine its post-2015 agenda offers an historic opportunity to make headway in these directions.

The process may deliver a new set of government-endorsed goals to replace the Millennium Development Goals (MDGs). The themes covered by such Sustainable Development Goals (SDG's) would influence global priorities for years to come. Top candidates for priority issues tend to cluster around poverty, health, education and women empowerment (core MDG themes); growth and jobs; and climate change and the synergistic resource trio of water, energy and food/agriculture.

Along with a possible new set of goals, the process will produce a set of mechanisms for implementation at the national and international level. This provides an historic opportunity to place corporate sustainability and private sector-led solutions at the center of the new global sustainable development architecture.

Through the Global Compact, LEAD companies have an unprecedented opportunity to help shape the Secretary General's recommendations to Member States. The objective of the LEAD Luncheon in Davos is to determine the high-level priorities for what these recommendations should contain.

Discussion questions

The Post-2015 Agenda discussion in Davos will evolve around two broad questions:

1. What should be the key building blocks of a new global architecture that adequately reflects the role of business in delivering sustainable development?

In particular, executives can consider the following:

- The most important issues to be covered by a new set of goals, considering also the multiplier effect they may have on other areas
- Steps that public institutions could take to more systematically and effectively collaborate with the private sector in realizing such goals
- Incentive structures, including financing and risk-sharing mechanisms, needed to bring corporate sustainability to scale
- Measures to scale up business-led issue platforms and strengthen national networks

2. How can chief executives of LEAD companies play a decisive role as sustainable development champions?

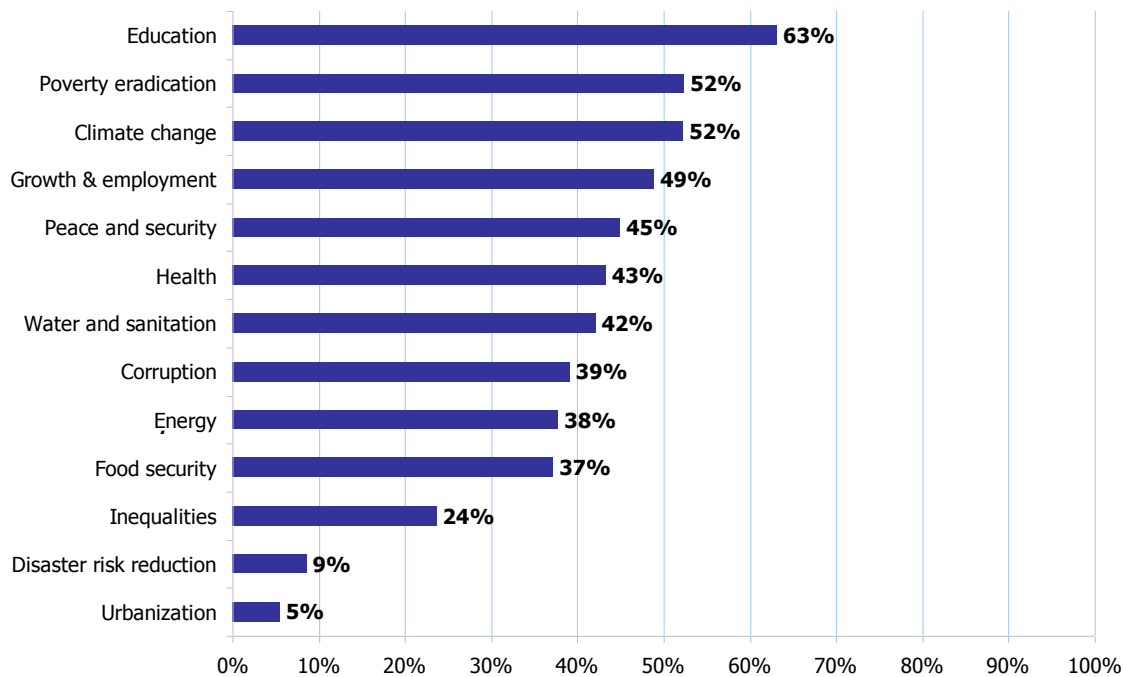
Such a position could take on many aspects, including as an advocate for sustainable development and long-term thinking vis-à-vis governments and multilateral leaders, by mobilizing business partners and peer executives and by setting long-term sustainability targets for one's own organizations.

Annex I – Priority Issues

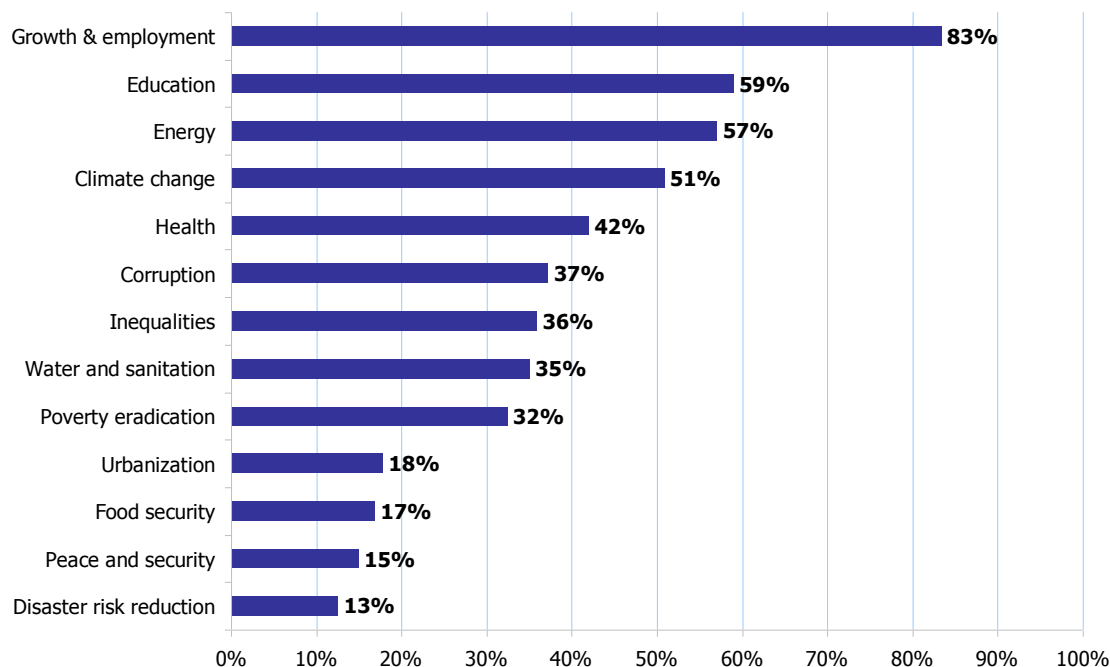
The following results from the 2012 UN Global Compact Annual Review, to be released Spring 2013, illustrates what business leaders believe are the most urgent sustainability challenges and where their company can have the greatest impact.

Results are based on data received from 1,712 respondents to the 2012 Global Compact Annual Implementation Survey.

As an experienced business executive, what do you personally see as the 5 most urgent global sustainability challenges?



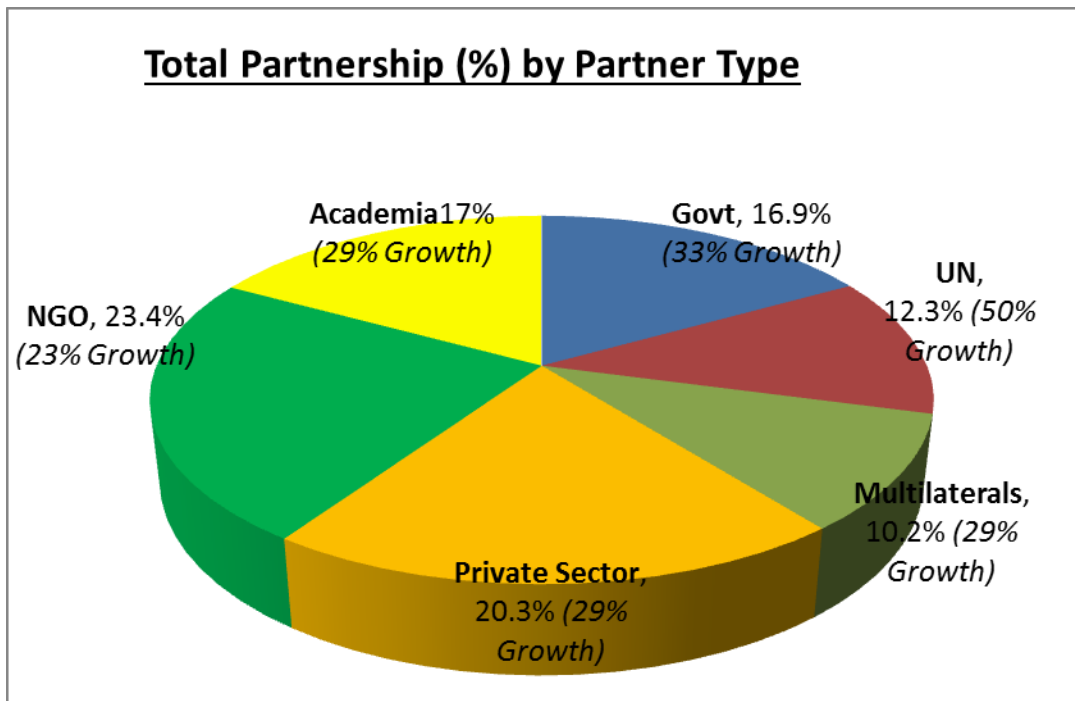
What are the 5 areas on which your company's actions can have the greatest impact in the future?



Annex II – Partnerships

The following results from the 2012 UN Global Compact Annual Review illustrates what types of partnerships business leaders are most likely to engage in related to corporate sustainability and the growth in these types of partnerships from 2011 to 2012.

Results are based on data received from 1,712 respondents to the 2012 Global Compact Annual Implementation Survey.



Annex III - Post 2015 Process Overview

A full-scale review of the UN's priority agenda, now underway, took its cue from a 2010 General Assembly meeting on the Millennium Development Goals.

With most of the time-bound MDG objectives expiring in 2015, Governments asked the Secretary-General to make recommendations on advancing the development agenda beyond that year. He will report to the General Assembly in detail in time for its 2013 plenary.

A second track opened in Rio de Janeiro in 2012.

Governments at the Rio+20 Summit wrote the idea of sustainable development goals into their outcome document, The Future We Want. These goals are to be “consistent with and integrated into the United Nations development agenda beyond 2015”. An open-ended working group is to be chosen by the General Assembly to discuss the possibility of SDGs, what they should cover and how they should be structured, and report back to the upcoming plenary in September.

So the two tracks converge in New York in September. The 2013 General Assembly session is likely to be a pivot point in deciding UN priorities for years and probably decades ahead.

The post-2015 process offers an unprecedented opportunity for business leaders to speak to shape decision making. Two major avenues are open to them.

The UN Global Compact is fully invested in the post-2015 process and has been asked to support the Secretary-General as he works up options for the consideration of Member States. LEAD companies have taken a formative role in shaping these recommendations.

The Secretary-General has named a High-level Panel of Eminent Persons on the post-2015 Development Agenda. Chaired by three Heads of State, 27 expert members include two business leaders --Unilever CEO Paul Polman and Betty Maina, whose Kenya Association of Manufacturers hosts the Global Compact Local Network -- who are leading private sector consultations for the Panel.