



**Private Sector Leaders Roundtable  
Post-2015 Development Agenda  
Bali, 24-25 March 2013**

**Outcome Report**

Business has an enormous stake in contributing to sustainable development - healthy societies and healthy markets go hand-in-hand. Markets are essential for creating and diffusing solutions that will drive the changes our world needs. But, this will not happen through business as usual. Investment and business activity must be sustainable – delivering value not just financially, but also in social, environmental and ethical terms.

Delivering a better future for all requires collective action and partnerships uniting Governments, corporations, citizens, consumers, workers, investors and educators. Undoubtedly, the private sector has a central role to play. As the world's main source of economic activity, business is at the heart of virtually any widespread improvements in living standards.

With this understanding the Indonesia National Committee of the Post-2015 Development Agenda requested the Indonesia Global Compact Network to organize an event to gather private sector perspectives on the sidelines of the 4<sup>th</sup> meeting of the High-Level Panel of Eminent Persons. The Private Sector Leaders Roundtable, co-convened with the United Nations Global Compact Office gathered over 100 business leaders representing 14 countries in Bali on 24-25 March; representatives from 5 Global Compact Local Networks also participated.

The event served as a platform for the Global Compact and its country-level Local Networks to share the results of their post-2015 consultations and to engage a set of business leaders from the region to participate in another such consultation. Over two days, participants were charged with determining what pressing global issues should be incorporated in a future set of development goals. Additionally, the delegates were asked to identify which mechanisms the private sector was willing to leverage to make impactful contributions to these issues.

**Keynote Speaker**

Professor Jeffrey Sachs, The Earth Institute, Columbia University, in his keynote address, provided an overview of the process that led to the post-2015 development review. He outlined the distinction between the Millennium Development Goals and the proposed Sustainable Development Goals, which emerged from the Rio+20 negotiations. Prof. Sachs indicated that in his view future goals would address the three pillars of a healthy society: economic prosperity, social inclusion, environmental sustainability as well as good governance and partnerships. He underscored that responsible business will be a part of the solution, one where companies move beyond traditional notions of corporate social responsibility and integrate core business activities that are compatible with sustainable development.

**The Most Pressing Global Issues**

Participants received additional context on the post 2015 development agenda from Erna Witoelar, Former UN Special Ambassador for the MDGs in the Asia Pacific, who provided an overview of the status of the MDGs in the region. She indicated through a series of data points that the region is still behind in the achievement of the MDGs. The main reasons for this is that most countries were late to integrate the MDGs into planning and budgets and that many countries do not have sufficient data mechanisms to measure progress. She did indicate that more large companies have embraced the sustainability approach in their business strategies and along their value chains.



To provide additional context, particularly to companies attending the event with interest, but little experience in this space, representatives from country-level Global Compact Local Networks shared the results of post-2015 consultations that they conducted with companies from their nations. These inputs are a part of a broader consultation being conducted by the Global Compact Office; results were shared by Global Compact Local Network Representatives from Australia, China, India and Indonesia.

Following the briefing from Local Networks, participants were asked to discuss the following items, in roundtable format:

1. Prioritize the 5 development issues that are the **most important for your businesses** to be successful.
2. Prioritize the 5 development issues that **business can contribute to** most strongly.

Issue prioritization was derived based on 13 roundtable discussions, where the results from each were tallied across all participants. The results of these discussions are reflected in the following word cloud, which represents the development issues that business can contribute to most strongly (where a larger font corresponds to a high prioritization):



The issue that was given the highest priority by business was Governance and rule of law. Participants indicated that without good governance it will be nearly impossible to make meaningful progress in implementing programmes and activities to contribute to a future set of development goals. Further, corporate sustainability efforts can similarly be undermined when operating in a system where corruption exists. There were calls from participants to work collectively as a means to counteract a system that requires bribery as a means of doing business.

The other issues that were highly prioritized were Education, Social Integration and Inclusion, Sustainable Consumption and Production and Poverty Eradication.



### Summary of Selected Speakers' Remarks

Betty Maina, Chief Executive, Kenya's Association of Manufacturers, High-Level Panel of Eminent Persons on the Post 2015 Development Agenda provided an overview of the High-Level Panel process. She indicated that while the work of the panel will culminate in 2013, with a report to the UN Secretary-General, that business and other stakeholders need to remain vigilant about the process – to assure that their input is duly incorporated. The objective of the HLP is to establish a universal framework so that all can find a manner to engage in the process. She envisioned an important role for business in the process, as an emphasis on job creation is emerging.

Paul Polman, CEO, Unilever, High-Level Panel of Eminent Persons on the Post 2015 Development Agenda, began by stating that it is likely one of the most exciting and energizing chapters of the Global Compact. This is because business, in critical mass, recognizes that they need to be involved in the process to set the framework for future development priorities. He indicated that it is enlightening to see how many companies are willing to be a part of it and indicated that the next challenge will be to translate the consultation processes into concrete action. He emphasized the importance of trust and said that business should be sure that it creates a positive climate of opportunity not a negative climate of limitations. He also spoke to the power of partnerships as a critical mechanism for implementation of the agenda.

George Soros, Chairman, Soros Fund Management, underscored the importance of social justice as a central theme for future development goals. He called on the business community to assure that social justice features among the priority issues that they identify. He indicated that where extreme poverty remains you find that the lack of justice is somehow responsible for people being excluded from the process. In his definition, access to justice includes property rights, citizen rights, rights of the stateless, excluded communities, migrants and disabled. He emphasized that if this is excluded then we will simply not be able to eliminate poverty.

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### Means of Implementation

Using the list of 5 priorities identified (Governance and Rule of Law, Education, Social Integration and Inclusion, Sustainable Consumption and Production and Poverty Eradication), participants explored how they as a company could best contribute to each issue. For each, participants were asked to identify how business could have the greatest impact, and which potential partners existed that could support their efforts.

Themes that arose across priority issues included the following:

- Business can provide technical expertise and training on a variety of skill sets relevant to their functions. These opportunities, applied to the communities where they operate and throughout their value chain, can serve to establish mechanisms for sustainable job creation, additionally it can assure greater inclusivity for traditionally disadvantaged groups (e.g. indigenous peoples).
  - Using such a mechanism can empower greater entrepreneurship and support SMEs, which, if fostered, are seen as holding great job creation potential.
- Companies believe that social inclusion is critical. Assuring inclusivity throughout operations will allow for more sustainable growth by creating positive impact within the communities where the company exists. A business can only thrive in markets with stable socio-economic activity.
- Innovative business solutions are having an impact on issues such as sustainable production as well as energy access, water security and carbon emissions (such as online action hubs and business incubators). But to have a truly transformative effect, a quantum leap is needed. With the right incentives and enabling environments, the private sector can make significant and lasting contributions to address global challenges.



- Partnerships with a variety of stakeholders (NGOs, Academia, Government, other Business, etc.) will be important to make significant ground on all issues, as the impact of a single organization can only go so far. In order to implement effective partnerships, clarity of roles and expectations between partners is needed at the outset. This will help to assure that all partnering entities enter into the arrangement with an aligned understanding, helping to reduce potential roadblocks to success.
  - Business also recognizes the influence that other institutions have on their ability to scale up their impact. Academia can offer innovative approaches to systems approaches that may be engrained and outdated. NGOs can advocate strongly for issues where change is urgently needed, creating the space for business to make positive impacts. Responsible media and reporting can help create accurate public perception on the activities of business and other partners.

Beyond these issue specific actions, companies also identified the following mechanisms of implementation as important for them to make a meaningful contribution to the post-2015 agenda, regardless of the specific goals identified in the end.

- Business commitment to corporate sustainability through initiatives such as the Global Compact needs to be further scaled up. While the initiative has grown considerably, with today over 7,000 participants in over 140 countries, to reach a true level of transformative impact more companies need to commit to the initiative.
- Expansion and deepening of business engagement in initiatives that contribute to key global challenges: Anti-Corruption, Caring for Climate, CEO Water Mandate, Conflict and Fragility, Every Woman Every Child, Global Education First, Human Rights, Sustainable Energy for All and Women's Empowerment Principles.
- Global impact can only be achieved through local action that is driven by and attuned to the unique history and economic, social and political environment within a given country. The system of over 100 Global Compact Local Networks provides a valuable resource for companies to engage on specific, local priorities that advance the post-2015 agenda.
- Partnership is a key mechanism for advancing the post-2015 agenda. Additional efforts are needed to support the development of more transformational partnerships which have greater potential for scale and impact.
- Clear accountability to evaluate progress. Wider corporate sustainability disclosure as well as new accounting frameworks that value financial, social and natural capital are needed.
- Understanding the importance of ODA, private investors will also be a critical driver in contributing to sustainable development. New models of private finance – encompassing portfolio investors; banking-project-finance; insurance; corporate FDI; and foundations – are emerging and building frameworks for the incorporation of environmental, social and other sustainability considerations (e.g. Principles for Responsible Investment – with \$35 trillion under management, Equator Principles and UNEP-FI).

In addition to the above means of implementation, participants also discussed a number of public policy recommendations. These recommendations include:

- Re-align markets by appropriately pricing negative externalities, and include these factors in measurement of economic growth and societal well-being.
- Pursue national strategies that create incentives for greater corporate sustainability through enhanced public-private partnerships and other collaborative arrangements.
- Promote more widespread and comprehensive corporate sustainability disclosure.
- Reformulate procurement and investment policies to align with corporate sustainability practices, while requiring that contracts and arrangements between government and business be transparent.



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### **Delivery of Consultation Results**

The results from the two-day consultation were immediately shared with representatives of the High-Level Panel at a Town Hall session. The High-Level Panel received the feedback from the private sector positively. While Panel members recognized the important role that business will play in the post 2015 development agenda, they did acknowledge that for business to make a positive contribution it can only be through responsible practices. This aligns well with the messages that emerged from the Private Sector Leaders Roundtable that corporate sustainability and responsibility will be a core contribution of business to the post-2015 agenda.

Bali, 25 March 2013

A handwritten signature in black ink, appearing to read "Junardy", with a long horizontal stroke extending to the right.

Y.W. Junardy  
President  
Indonesia Global Compact Network