

CATALYZING TRANSFORMATIONAL PARTNERSHIPS BETWEEN THE UNITED NATIONS AND BUSINESS

Executive Summary



Global Compact
LEAD

**The Global Compact LEAD Task Force on UN-Business Partnerships
is co-chaired by the UN Global Compact Office and Unilever**



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Executive Summary

A fundamental and unprecedented shift is underway in international development and security

The world is changing rapidly. Technology is connecting societies in new ways, empowering and mobilizing new actors to seek change, both positive and negative. Threats to peace, security, the environment, and social and economic development are complex and these issues are becoming increasingly linked. At the same time, the scope and impact of Business has become more global in recent decades, reaching more broadly across the developing world to serve new markets. With this broader reach has come a more profound understanding that many of the underlying drivers of long-term profitability and success in the private sector—such as access to energy, good governance, sustainable economic development—overlap with UN priorities underpinning peace, security, and poverty reduction. These deepening ties between public and private interests create new opportunities for collaboration. Additionally, with its reach and unique capabilities, Business can be a powerful source of innovation and implementation power, working alongside the UN to develop better and more integrated solutions to important global challenges.

The need for effective collaboration between Business and the UN is paramount

UN-Business collaboration is not new, but the models of partnership have been evolving. New patterns of development involve partnerships and alliances shaped by common interests and shared purpose, and bounded by clear principles that encourage autonomy and synergy. Over the past two decades, a vanguard of UN entities and business leaders has been leading the way, with important progress made in areas such as anti-corruption, HIV/AIDS, clean water, food security, and the environment. Partnerships originally grounded in dialogue and learning have matured, leading to concrete action and progress. Much more needs to be done, however. The UN has set ambitious targets in the Millennium Development Goals, and significant obstacles remain in terms of achieving the scale and systemic impact necessary to hit these targets. In particular, new and more effective partnership models for the UN and Business are needed.

High-level working group with UN and Business leaders has been mobilized

In response to this need, a working group was formed to review the recent history of such partnerships, and to make recommendations for enhancing their effectiveness and scale. Under the leadership of Unilever and the UN Global Compact office, a Global Compact LEAD Task Force was mobilized with the support of leading CEOs. The Task Force reviewed dozens of partnerships representing a variety of geographies and sectors, and interviewed key stakeholders to better understand the challenges and solutions needed to enhance partnership impact and to facilitate increased engagement of businesses with the UN. New approaches and partnership models were discussed and debated with business and UN leaders at global forums in Davos and Paris. The outcome of these efforts is summarized in this report.

A call for more transformational partnerships to drive systemic change

A range of partnership and social mobilization models are addressed in the report, from philanthropic and strategic partnerships to broader issue-based networks and social movements. In particular, the report highlights the value of partnerships that have the capacity to transform the ways in which the UN, civil society, governments, and other stakeholders work with business to secure sustained and rapid realization of development goals. Problems are addressed holistically, often across multiple sectors. Additionally, transformational partnerships leverage core competencies of participants, and are designed for scale and sustained impact. As a result, these partnerships can deliver transformative impact across sectors and geographies, addressing both public and private objectives through changes in policy, market structure, and/or social norms.

REQUIRED CHARACTERISTICS OF TRANSFORMATIONAL PARTNERSHIPS

✔ **Does the partnership address a systemic issue?**

✔ **Does the partnership involve the appropriate set of stakeholders?**

✔ **Does the partnership leverage core competencies of all partners?**

✔ **Does the partnership have an in-built capacity to reach scale and lasting impact?**

In practice, designing and implementing effective partnerships of any kind is fraught with difficulties. The following four challenges in particular are addressed in more detail, with solutions provided in Sections 4 and 5 of the report:

1. The UN and Business continue to mistrust each other's motives for entering into partnerships
2. Differences in organizational culture and limited capacity on both sides have tended to result in mismatched and unfulfilled expectations
3. Lack of coherence at both the global and country level within the UN prevents Business from partnering effectively with UN entities
4. Insufficient commitment to a concrete partnership governance structure, with a clear framework for measuring outcome-based results

While these challenges must be addressed for all partnerships, transformational partnerships can be more complex to develop and implement, necessitating a more effective platform to catalyze such endeavors.

Primary Recommendations

The Task Force calls on UN and business leaders to take joint action to create an enabling environment where transformational partnerships can flourish. Specifically, the Task Force proposes the following three recommendations to be taken together, corresponding to the stages of partnership development from exploration, to design, to implementation and evaluation:

1. **Co-creation of solutions focused on joint priorities**, with Business-led solutions responding to clearly articulated UN priorities. We envision a model where Business competes and collaborates with other private sector players to respond to partnership requests from the UN. To be effective, this model requires:
 - Greater coherence on the part of the UN in liaising with business partners, with centralized points of contact around specific thematic priorities (e.g., access to energy, food security). To be effective at country level, this needs to translate to a centralized approach on the ground as well, which the centralized points of contact can help facilitate (potentially in collaboration with UN Resident Coordinators in high priority geographies).
 - Involvement of the private sector at an earlier stage of ideation and development of solutions, allowing Business to leverage its unique competencies and expertise more fully. Such involvement can take place, for example, with the UN formally soliciting proposals from Business not only for implementation of projects, but also for the primary design and development of partnerships to deliver such projects. In addition to formal solicitations, the centralized thematic leads can work with other interested business partners to ensure all good ideas are considered.
 - A renewed emphasis by business partners to embrace UN and universal values as embodied in the Global Compact. An explicit adherence to a common agenda ensures long term alignment to shared objectives. Additionally, Business would ideally demonstrate long-term commitment independent from economic cycles.



2. Focus on accountability for outcomes to foster a results-oriented culture, increase transparency, and disseminate learnings. For example, an Accountability Scorecard with metrics highlighting partnership outcomes (i.e., going beyond input metrics) should be used for all partnerships. Such a scorecard can build on existing best practices for monitoring partnership impact, while tailoring to suit the needs of UN-Business partnerships. In particular, the accountability and monitoring scorecard will be used to spotlight effective partnership practices and correct or terminate ineffective ones.

3. Partnership Accelerator Facility providing financial and advisory resources to catalyze partnerships with transformational potential. For maximum impact, such a Facility should be led by a senior level “CEO caliber” professional – a “Special Envoy to Business”, perhaps - with significant experience in the private sector, who also has deep understanding of and respect within the UN system. The Facility will support the development of sound operating guidelines, including governance, legal clearance, roles and responsibilities of partners, evaluation of impact, and brand management. Through this process, the Facility would help build the skills and capacity necessary for effective partnership management, both within UN entities and businesses. No such system-wide entity exists today. Existing “challenge” or “innovation” funds can be used as potential models to consider in fully developing such a Facility. To avoid additional bureaucracy, the Special Envoy would facilitate the involvement of key UN substantive leads focused on the priority themes.

While some components of this proposed environment will result in new structures and processes (and hopefully leverage existing ones), the resulting system is expected to provide simplicity and improved coordination. Overall, we see these recommendations as having the potential to deliver significant impact in a feasible and realistic manner.

The time to act is now

The international community must act. The Secretary General has made clear his faith in the transformational power of the UN partnering with Business to address shared priorities for sustainable development. At the same time, business leaders have come together to offer recommendations for how the UN and Business can work together more effectively. The potential for impact is tremendous. The time to act is now. The UN and Business must take seriously their commitment to forging this path to a shared future together.

The Ten Principles of the United Nations Global Compact

HUMAN RIGHTS

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

LABOUR

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

ENVIRONMENT

- Principle 7 Businesses should support a precautionary approach to environmental challenges;
- Principle 8 undertake initiatives to promote greater environmental responsibility; and
- Principle 9 encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

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

