



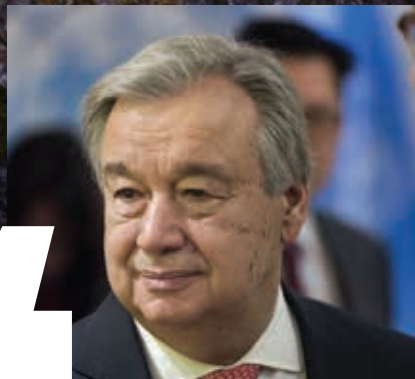
United Nations
Global Compact

UN GLOBAL COMPACT **AFRICA STRATEGY**

2024–2025

Johannesburg, South Africa





The United Nations Global Compact is uniquely positioned to support companies on their journey to align their practices to a sustainable and inclusive future. The Ten Principles on human rights, labour, the environment and anti-corruption offer a blueprint for businesses seeking to be part of the collective effort to build back stronger from the COVID-19 pandemic.

Now is the time to scale up the global business community's contributions to the 2030 Agenda and the implementation of the Paris Agreement on climate change. That is the overarching goal of the Global Compact strategic plan for 2021 through 2023.

António Guterres
UN Secretary-General and
Board Chair of the UN Global Compact



More must be done by businesses globally to accelerate corporate sustainability and responsible business practice. Our strategy and ambition are to grow and take our participants on a journey of demonstrated continuous improvement in the impact that they create.

Our goal is to raise expectations of how businesses will embed all Ten Principles. These are intrinsic to a company and serve as the enabler for contributions towards achieving the 2030 Agenda for Sustainable Development. This strategy articulates how we will work collaboratively to grow this impact, leverage our global mandate and localize our programmatic response to ensure it is fit for purpose to meet the priorities on the African Continent.

Together, we will be One Global Compact uniting business for a better world.

Sanda Ojiambo
CEO & Executive Director
UN Global Compact

ACKNOWLEDGEMENTS

At the close of 2023, the United Nations Global Compact launched an assessment of the Africa Strategy, involving extensive collaboration and consultation with key stakeholders. The original strategy, spanning 2021-2023, aimed to advance corporate sustainability and ethical business practices across the continent. The Africa Strategy Extension for 2024-2025 has been developed to evaluate progress and identify areas for future attention.

This updated strategy emphasizes aligning global and regional approaches, recognizing the interconnected nature of international and African-specific goals. By addressing outstanding priorities from the previous strategy, this reinvigorated approach seeks clarity and comprehensiveness, steering the direction towards 2025 and beyond. Furthermore, this strategy takes into account the priorities that are top of mind for African businesses, such as the cost of capital, energy and ease of doing business.

Our gratitude goes to the Board Members of both the UN Global Compact and the Foundation for the Global Compact, UN Global Compact participants, UN Global Compact Local Networks and the dedicated staff of the UN Global Compact for their invaluable insights and support in the Africa Strategy. A special acknowledgement is extended to the Government Relations and Africa team for leading the Africa Strategy Extension.

Additionally, our sincere appreciation extends to Boston Consulting Group (BCG) for their expert support during this work.

Strategy Development

The UN Global Compact Global Strategy for 2024-2025 sets forth an ongoing ambition to mobilize business efforts to accelerate progress adopting the Ten Principles, in support of achieving the Sustainable Development Goals (SDGs) and in line with the Africa Union's (AU) Agenda 2063. The UN Global Compact Africa Strategy Extension reflects the consensus that economic success and environmental stewardship must be integrated to secure a sustainable and prosperous future for Africa.

This strategy is informed by comprehensive stakeholder engagements including UN Global Compact regional network meetings, workshops, interviews with key private sector stakeholders, inputs from the UN Global Compact Headquarters, Local Networks and Expansion Countries, Global and Local Network Board Members and regional organizations as well as perspectives from UN partners, donors and other key stakeholders.

EXECUTIVE SUMMARY

The African continent is set to outperform much of the rest of the world in economic growth over the next two years, with several traditionally strong industries slated to be some of the fastest-growing – construction, mineral resources, telecommunications and agriculture – as well as fast growth from emerging industries in sports and the creative arts. The real GDP growth on the continent is expected to reach 3.2 per cent in 2024, up from 2.6 per cent in 2023. This growth trajectory is supported by a population surge, projected to hit 1.7 billion by 2030, thereby bolstering the continent's appeal as an investment destination with some of the world's fastest-growing economies.

However, Africa faces challenges such as climate and humanitarian crises, underdeveloped infrastructure, limited access to technology and finance, market fragmentation, foreign currency volatility, inability to earn a living wage and the need for resilient business strategies amongst others. While these challenges are not unique to Africa, they present investment and partnership opportunities for regional and global engagement. Achieving regional alignment and overcoming financial constraints for investments in infrastructure and macro development initiatives are critical hurdles. Nevertheless, Africa is at a pivotal moment within the global sphere as the international community looks to the continent for its diverse markets and solutions for addressing the world's most pressing challenges and critical transitions.

Africa's rising significance on the global stage, marked by its youthful population, abundance of resources and immense trade opportunities, is drawing attention from across the world. The continent's proactive and solution-oriented stance on global issues such as climate change is amplifying this interest, with Africa becoming a crucial global player. African companies are uniting around key themes such as financing, energy, climate and infrastructure, acknowledging that profitability is no longer the sole focus; there is a tangible economic and social cost to inaction which is driving collective advocacy and action.

Sustainability, the ability to provide for present needs without compromising the needs of the future, is a blueprint for companies to conduct their businesses responsibly, environmentally, socially and economically for the long term. It is an imperative element for the long-term success of companies in Africa.

The Ten Principles of the Global Compact also help companies sustain and develop their competitive advantages, meet consumer demands, increase efficiency, de-risk investments and attract talent towards a more sustainable and inclusive global economy.

In this environment, the UN Global Compact is uniquely positioned to support businesses to seize the opportunities on the continent of Africa and, ultimately, raise the ambition on sustainable actions to accelerate the 2030 Agenda for Sustainable Development and the African Union Agenda 2063. The strategy identifies opportunities to streamline existing strategic objectives, build on the growth of the UN Global Compact and value proposition in Africa and ensure the right resources are mobilized to achieve its objectives.

AMBITION OF THE UN GLOBAL COMPACT IN AFRICA

In line with the UN Global Compact Global Strategy, our renewed ambition is to **accelerate and scale the impact of African businesses by upholding the Ten Principles and delivering the SDGs and the AU Agenda 2063 through ambitious, accountable companies and environments that enable change.**

Two objectives and three key pillars support this ambition: the two objectives are **growing impact through action** and **driving inclusive impact**, supported by the pillars of value proposition, growth and operating model. In addition, two enabling initiatives are instituted through this strategy: the Africa Business Leaders Coalition (ABLC) and the Global Africa Business Initiative (GABI).

SUMMARY OF PROGRESS FROM 2021-2023:

- **Increased relevance in value proposition to the private sector in Africa:** The introduction of localized and regionalized business programs provides a wider range of offerings for large businesses and SMEs. Successes of programs in Africa, such as the ABLC, GABI and the Supply Chain Impact program as well as the UN Global Compact convenings at international and regional forums such as the Africa CEO Forum, Africa Climate Summit (ACS) and the Conference of Parties to the Convention on Climate Change (COP), highlight opportunities to further dedicated resources aimed at creating programs for SMEs in Africa.
- **Positive growth trends:** Overall UN Global Compact business participant base growth in Africa is 42 per cent since 2021. In particular, SMEs' growth is outperforming the



UN Photo: Isaac Billy

original 50 per cent growth target set in 2021 with 66 per cent growth over the last two years. For large companies, the ABLC has made progress in engaging with ~64 large companies on advancing their sustainability commitments. While overall growth has been steady, the UN Global Compact will continue to engage with large companies by reaching and engaging the 10 largest companies in each country with UN Global Compact presence.

■ **Strengthened operational footprint in Africa:**

The Africa Hub was established to support and regionalize the implementation of the Global Strategy and build strong regional relationships with key business entities and partners as well as support growth and business programming on the continent. The Africa Regional Hub also currently supports and engages the 10 Local Networks and four new Expansion Countries on the continent.

■ **The Africa Business Leaders Coalition (ABLC)**

was launched in 2022 as a pioneering coalition of Chief Executive Officers and Board Chairs of the most prominent companies in Africa (based on company size, geography and presence across the continent, sector representation, gender diversity and leadership, sustainability focus and UN Global Compact participation). The coalition of 64 companies collectively represent USD 150 billion in revenue and nearly one million employees and covers 50 of the 54 countries on the continent. As a unified voice of the African private sector, the coalition advocates on pressing pan-continental issues – initially focusing on climate action and expanding its thematic focus to advancing gender equality in 2024.

■ **Global Africa Business Initiative (GABI)** is a platform

that puts the private sector at the center of the discussions and the solutions to accelerate Africa's business, trade and investment opportunities. GABI's mission is to convene, connect and catalyze business and global leaders to advance policy, financial and business solutions on the continent. Under the mandate of the UN Global Compact, and convening on behalf of the entire UN system, GABI aims to reshape Africa's narrative as the premiere investment destination in the world and to reposition Africa's narrative on the global stage.

PRIORITIES FOR 2024-2025

The 2024-2025 UN Global Compact Africa Strategy marks an important moment in our ongoing commitment to drive sustainable business and promote trade and investment in Africa. Core to this strategy is enhancing our value proposition to UN Global Compact members in Africa, mobilizing ambitious and actionable businesses and investing in an operating model that is fit for purpose.

1. Enhanced Value Proposition to Drive Action and Progress

The Africa Strategy presents a unique value proposition for all business participants by emphasizing **localization and regionalization across diverse delivery mechanisms**.

It aims to address Africa's unique challenges through global initiatives like the Forward Faster, policy advocacy, Think Labs and more. We leverage the **UN convening power** to establish **dynamic multi-stakeholder platforms**, connecting businesses, governments and various actors to foster partnerships. The strategy narrows in on a set of **priority programmatic issue areas**, aligned with the AU Agenda 2063 and the Global Strategy, to pinpoint key areas where the private sector can lead the drive for positive action and impact across interconnected Sustainable Development Goals (SDGs). Initiatives like the ABLC and GABI contribute to advancing progress in these priority areas, unify the voice of the African private sector, reposition Africa's narrative on the global stage and communicate the collective power of private sector action in the aforementioned areas.

Our distinctive value proposition serves both large companies and SMEs. Large companies benefit from networking opportunities, a seat at the policy table and supply chain transformation. SMEs, on the other hand, leverage the UN Global Compact brand, tailored programs and regionalized support to become leaders in their fields. In line with the Global Compact SME Engagement Strategy, the Africa Strategy aims to empower Africa's SMEs and enhance their impact on African economies through targeted outreach, programs and advocacy efforts.

We recognize that sustainable economic growth in Africa requires collaboration between the private sector and Government. Therefore, the strategy seeks to convene business leaders and Government at various levels to engage in policy dialogue to identify enablers for better business, trade and stronger progress towards national development plans, the SDGs and the AU Agenda 2063. Policy advocacy further aims to coordinate initiatives that specifically address the needs and challenges of the African private sector.

2. Mobilize ambitious and actionable businesses

Over the next two years, the UN Global Compact is poised to amplify its efforts and broaden its reach among African businesses, including large businesses (more than \$50 million in revenues) and SMEs (less than \$50 million in revenues with an employee count threshold). While notable double-digit growth has already been realized among both large businesses and SMEs, the strategic emphasis will shift towards connecting with large companies in Africa to accelerate progress on the SDGs.

The strategy involves dedicated and concerted efforts to mobilize large and influential companies in each country in Africa. Leveraging their extensive supply chains, this approach aims to create a broader impact while simultaneously offering an enhanced value proposition tailored to meet the needs of these businesses.

Ambitious targets are set in place to guide the mobilization of high-revenue and influential large companies as well as SMEs to join as UN Global Compact participants. We aim to **identify and establish connections** with 10 key companies in every country in Africa where the Global Compact is present in order to reach **the target of 120** new large African companies joining the Global Compact over the next two years. The approach to expand our reach to large and influential companies aligns with the ABLC's ambition for a gender- and youth-inclusive participant base across AU member countries. For SMEs, after surpassing the original growth target from 2021-2023, a new 50 per cent growth target is set for the 2024-2025 period, reflecting the sector's increasing recognition and active engagement in sustainable practices.

3. Invest in an operational model that is fit for purpose

The operating model is a crucial element for implementing the strategy, emphasizing integration across the One Global Compact framework at three levels: Headquarters in New York City, the Africa Hub in Abuja, Nigeria and Local Networks and Expansion Countries in 14 countries across the continent. **The Headquarters** will lead strategic direction, global program content and collaborative targets, overseeing operations for the ABLC and GABI initiatives. The **Africa Hub**, as the operational connection between Headquarters and country offices, will align **Local Networks and Expansion Countries** with global priorities, manage regional programmatic efforts and build relationships with governments and other UN entities on the continent. Local Networks and Expansion Countries, acting as the driving force, will implement initiatives locally, adapt global strategies to regional contexts, and foster key relationships nationally. **Centres** (strong Local Networks with top business activity) will play a significant role in targeting growth among top companies. Finally, coordination with the UN system is vital for successful implementation, aiming for stronger engagement with other UN entities, Resident Coordinators and country teams. The proposed operating model is designed to enhance operational efficiency and local engagement progressively, focusing initially on consolidating resources to support countries with a current UN Global Compact presence.

DEFINING AND MEASURING SUCCESS

The measures of success in this strategy now link with the Monitoring and Evaluation framework of the UN Global Compact to convert our programming successes into measured progress in prioritised issue areas. The continued successful execution of the Africa Strategy hinges on the sustained generous financial support of its partners.



INTRODUCTION AND CONTEXT

THE ROLE OF THE UN GLOBAL COMPACT

For more than two decades, the UN Global Compact has mobilized companies to adopt the Ten Principles focused on human rights, fair labour, environmental protection and anti-corruption into their business operations. The 2024-2025 UN Global Compact Africa Strategy will help shape Africa's business, trade and investment narrative and support African businesses in advancing the Ten Principles while serving the broader Sustainable Development Agenda.

With the increased focus on the continent and its role in global growth as well as the key role of business, the UN Global Compact is evolving to support Governments to achieve their national and regional development priorities and for businesses to seize investment and financial opportunities to accelerate the delivery of the SDGs and AU Agenda 2063.

Significant shifts are shaping priorities for the continent, highlighting the need for the strategy to address key trends.

There are several opportunities on the continent which the Africa Strategy can leverage to achieve its aims. With a projected median age of 19 by 2050 and the world's largest youth population, Africa should apply its youth bulge as a strength to spur economic growth and social development, particularly through SMEs. Furthermore, the African diaspora has vested interest in leveraging their human and financial capital to support the continent from abroad, which has already been witnessed in platforms such as GABI.

Additionally, the African Union's admission to the G20 in 2023, an intergovernmental group representing 85 per cent of the global GDP and 75 per cent of global trade, offers an invaluable opportunity to provide input on key global policies that are affecting the continent. This is further amplified by more African countries such as Ethiopia and Egypt joining BRICS, a group of major emerging economies that includes Brazil, Russia, India, China and South Africa, providing the continent with a larger platform to attract global investments and drive growth in various African countries. Digital technology also plays a role in driving innovation and economic growth in Africa. Harnessing the power of digitalization means that Africa has the potential to accelerate social and economic progress through access to information and innovative solutions. If leveraged effectively, these elements can transform Africa into a significant economic and political force.



However, there are challenging realities faced on the continent that require concerted efforts from the business sector to drive economic growth. The continent is disproportionately affected by climate and humanitarian crises, underscoring the need for businesses to enhance their climate resilience to face these challenges. In particular, food security is a mounting crisis, worsened by other international crises and conflicts, which is highlighting the need for more resilient and adaptive food production systems. In addition, the climate crisis should be addressed concurrently with the energy crisis, with environmentally friendly solutions that also provide access and affordability to those currently off the grid. Financial architecture also remains an obstacle on the continent, partly due to a misperception of the continent's risk profile, with the lack of accessible funding, especially for sustainability initiatives, posing a significant challenge for African companies and economies more broadly. Taken together, this 'triple paradox' of solving the food, energy and financing crises is where the private sector and UN Global Compact are well positioned to take a role in building multi-stakeholder solutions.

The recent European Union's Carbon Border Adjustment Mechanism, effective from October 2023, brings new compliance challenges for African businesses that export products to the EU. This creates additional administrative burdens within the continent's trade landscape, which is currently being shaped by the African Continental Free Trade Area (AfCFTA). The AfCFTA has recently introduced new protocols and initiatives aimed at boosting intra-African trade and streamlining cross-border economic activities. The trade and investment environment is also affected by regional alignments, involving bodies like the Southern African Development Community (SADC), Least Developed Countries (LDCs), Small Island Developing States (SIDS), Landlocked Developing countries (LLDCs) and Middle-Income Countries (MICs), which are critical for effective knowledge sharing and resource mobilization. The challenges related to the climate and oceans on the continent demand attention, especially in light of the increasing temperatures that are adversely affecting Africa's marine environments.

Lastly, promoting and providing a living wage as an essential aspect of decent work as a key corporate priority in many countries highlights the importance of the strategy. Earning a living wage in decent work enables workers, families and communities to live in dignity.

Despite challenges such as climate change, access to financing and humanitarian crises, shared amongst Africa and other regions, Africa is positioned to be a hub for innovative solutions towards trade and investment.

REFLECTIONS ON THE 2021-2023 AFRICA STRATEGY

In 2021, the UN Global Compact launched the current phase of its Africa Strategy, focused on articulating a shared vision for the continent. We look at the next two years as an opportunity to reflect new developments on the continent, accelerate areas for improvement and determine key priorities to drive the agenda forward. On the current strategy, progress was demonstrated across the strategic objectives of growing impact through action and driving inclusive impact through an assessment of the strategic pillars.

Value proposition: 2021-2023 progress assessment

The global mandate of the UN Global Compact has continued to grow its relevance in the African context, with Local Networks and Expansion Countries applying the strategy to guide participant engagement, new initiatives and programming.



Cape Town, South Africa





Since 2021, two critical enabling initiatives have been launched by the UN Global Compact to focus and elevate African presence, on the continent and globally. The Africa Strategy aims to institutionalize the mandates of these initiatives, ensuring the continued success of their operations in serving African business interests.

Significant strides have been made since 2022 in optimizing value chains and influencing policy formation through programmatic engagements such as the ABLC and GABI. Local Networks on the ground play a crucial role in facilitating engagement with local businesses, Governments and the UN.

Africa Business Leaders Coalition (ABLC)

Founded in May 2022, the ABLC is a first-of-its-kind private sector pan-African coalition of member CEOs. It represents a significant presence of ~64 private sector companies across Africa, accounting for more than 900,000 employees with operations covering 93 per cent of countries in the continent. The creation of the ABLC was driven by the necessity to fill a critical gap: the absence of a unified voice representing the African private sector, aiming to consolidate diverse business perspectives across the continent into a cohesive and impactful force. Central to the ABLC's mission is mobilizing Africa's private sector leaders to address Africa's most pressing challenges, consistently monitoring progress, urging businesses to elevate their sustainability goals and providing capacity-building support. By offering members a seat at major continental and global events, such as the UN General Assembly, B20 Summit and COP, the ABLC elevates the voice of the African private sector to the world.

In the Africa Strategy, the ABLC's mandate is multifaceted. It focuses on enhancing outreach and engagement with large African companies, facilitating dialogue between the private and public sectors and playing a formative role in pan-African policy advocacy. The strategy emphasizes the offering of high-quality programs and training tailored to current topics, such as gender equality and climate for 2024, and provides opportunities for hosting flagship events. A significant outcome has been elevating the profile of the UN Global Compact in Africa and furthering the Ten Principles.

Global Africa Business Initiative (GABI)

GABI is a private sector-led global platform that convenes private and public sectors to promote business, trade and investment opportunities for the African private sector and for the world. GABI aims to reshape Africa's narrative as the world's most important driver of global business and a solution-house to many of the current challenges. On behalf of the United Nations, GABI brings together business, Government, investors, philanthropy and the creative and sporting industries.

GABI showcases its efforts and achievements annually during its flagship event "Unstoppable Africa" in New York on the sidelines of the UN General Assembly, and plans are in place to take GABI to the African continent through the GABI Bridges, which are short but high impact convenings that further amplify the GABI mandate. Starting from 2024, GABI Bridges will expand its footprint to the African continent and beyond.

Aligned with the Africa Strategy, GABI focuses on providing access to networks, building partnerships and facilitating discussions around Africa's role in the key transitions. In 2023, GABI focused on energy, trade and digital transformations.

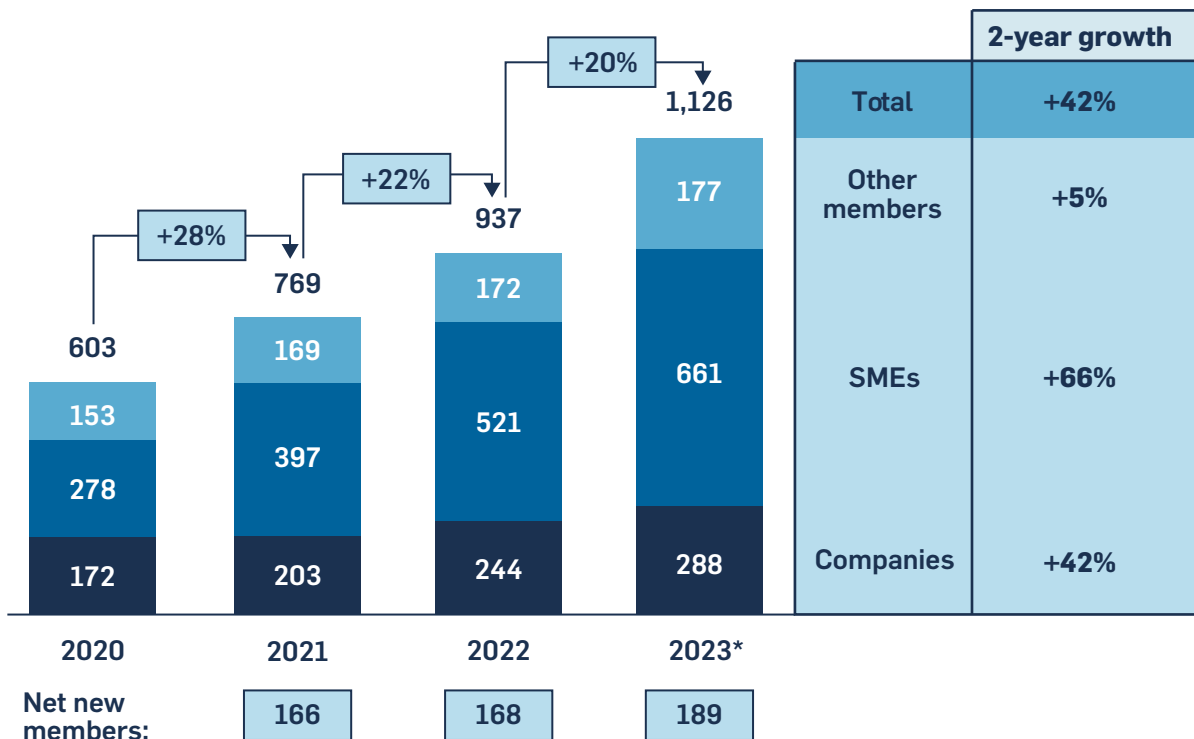
Growth: 2021-2023 progress assessment

Approximately 50 of 100 of Africa's largest companies, with high revenues and influence across value chains and political spheres, have joined as participants of the UN Global Compact.

In addition, overall growth on the continent was strong at 42 per cent since 2021, with the SME business segment leading growth at a rate of 66 per cent, surpassing the 50 per cent target over two years. In line with these trends, growth across all regions of the continent will continue to support local realities, such as the role of smaller nations in supply chains, areas most vulnerable to climate change (e.g., SIDs and LMICs), and more.

Operating model: 2021-2023 progress assessment

In 2022, the Africa Hub was established in Abuja, Nigeria, functioning as the link between UN Global Compact Headquarters and Local Networks and Expansion Countries. The Africa Hub takes an important role of coordinating the Local Networks and providing support to Expansion Countries. Centres are Local Networks based in the largest economies of the continent. Centres are building presence in the region, demonstrating growing participant bases and thought leadership. They also promote localization of the programmatic activities of the Global Compact while progressively supporting other Local Networks on operations and programming within their geographic and/or linguistic proximity. Another area of progress is with Expansion Countries paving the way for inclusive growth; since 2021, four target countries have been established in Angola, Botswana, Côte D'Ivoire and Rwanda, with Angola and Cote D'Ivoire well positioned to service the Lusophone and Francophone regions of Africa.



MACRO TRENDS INFORMING THE STRATEGY

In shaping our strategic focus for 2024-2025, we have distilled key insights from our extensive multi-stakeholder consultation and research. These considerations form the bedrock of our actionable approach:

Supporting Africa's emerging global role: Africa's rising significance on the global stage, marked by its youthful population, abundance of resources and immense trade opportunities, is drawing attention from across the world. The continent is increasingly seen as an essential player in global affairs, particularly in addressing climate change. African companies are uniting around key themes such as financing, energy, climate and infrastructure, acknowledging that profitability is no longer the sole focus; there is a tangible economic and social cost to inaction which is driving collective advocacy and action. The role of the UN Global Compact is to guide businesses in aligning profitability with sustainable business practices.

Strengthening Global South-South cooperation: Enhanced South-South cooperation holds the promise of cultivating collective resilience among countries of the global south, providing them with more effective means to address shared challenges and advocate for a balanced global economic growth narrative. South-South cooperation presents a unique platform for knowledge exchange and economic development, especially through the promotion of business and trade. The UN Global Compact is uniquely positioned to facilitate partnerships between Governments, the private sector and the UN system so that businesses can capitalize on shared experiences and challenges to formulate innovative solutions, thereby fostering sustainable business practices and mutual prosperity.

Enhancing private sector involvement in multi-sector collaboration: Across the continent, there is growing demand for private sector inclusion in discussions with the public sector, international organizations and academics. The UN Global Compact is strategically positioned to bridge these conversations, leveraging private sector innovation and expertise to fast-track progress towards advancing the SDGs and the AU Agenda 2063. Central to this effort are initiatives like the ABLC and GABI, acting as platforms for multi-sector collaboration.

Fostering African business-led solutions: The private sector has immense potential to be at the forefront of solutions and thought leadership on the continent, in partnership with Governments, investors, academics and civil society. Successful business-driven approaches that highlight African-led solutions can demonstrate the feasibility of local actions and build a compelling case for funding. The mandate of the UN Global Compact includes amplifying African-led initiatives to gain broader-based support and recognition.

Promoting intra-African trade in alignment with the Ten Principles: The AfCFTA aims to create a single market for goods and services across 54 African countries, intending to spur economic growth, technological development and trade across the continent. By doing so, it can indirectly support and reinforce the goals of the Ten Principles of the UN Global Compact, particularly in fostering a more equitable, sustainable and responsible economic landscape in Africa, and the Africa Strategy must take the opportunity to influence it as such.



Mangroves, Gambia

OUR RENEWED AMBITION AND STRATEGIC FRAMEWORK

The strategic ambition of the Global Compact, as articulated in the Global Strategy, informs the ambition of the Africa Strategy: **To accelerate and scale the impact of African businesses by upholding the Ten Principles and delivering the SDGs and the AU Agenda 2063 through ambitious, accountable companies and environments that enable change.**

Guided by the ambition of the Global Compact 2024-2025, the Africa Strategy's renewed strategic vision is to scale the collective impact of business to drive transformational change for people and the planet.

This vision underscores the importance of cultivating Africa's immense opportunities and building economic resilience by promoting partnerships within the African business environment and amongst regional and global stakeholders.

Two streamlined objectives underpin the ambition of the Africa Strategy: Growing impact through action and driving inclusive impact.

■ **Growing impact through action** involves enabling large African companies and their value chains on their sustainability journeys. Top and Influential companies are positioned to raise ambition and drive widespread change in Africa.

■ **Driving inclusive impact** involves all geographies, languages, sectors, business sizes and regional and local contexts. The Global Compact will support not only the involvement of large businesses but also the integration of small and medium-sized enterprises (SMEs), youth and local voices into the sustainability dialogue. This inclusive approach aims to build capacities at all levels, ensuring that the benefits of sustainable development are equitably shared.

Since 2021, the Global Compact has engaged a broad environment including business associations, end-to-end supply chains and investors and providers of capital to accelerate growth on the continent. To drive outsized impact, fundraising remains integral to the implementation of the objectives.

Newly introduced to the Africa Strategy are the enabling initiatives of the ABLC and GABI, which support the objectives and ambition of the strategy. The formal integration of these initiatives signifies the ongoing efforts of the UN Global Compact to expand its presence in the African region.

The final component of the strategy is the formalization of metrics and targets, established to monitor and report on progress. These metrics have been set in alignment with the Global Strategy Extension.

2024-2025 UNGC Africa Strategy update will enable sustainable African businesses on the continent and beyond



KEY PRIORITIES IN AFRICA FOR 2024-2025

1. ENHANCED VALUE PROPOSITION TO DRIVE ACTION AND PROGRESS

The Africa Strategy seeks to crystalize the value proposition for all business participants and stakeholders in Africa through leadership engagement and policy advocacy. The Global Compact value proposition for African businesses recognizes the varied needs of companies along their sustainability and business trajectories. As such, our offerings are tailored for large companies and SMEs.

For All Business Participants

The Africa Strategy provides all business participants with a unique value proposition.

Localization and Regionalization Across Diverse

Delivery Mechanisms: Emphasising the adaptation of select high-value program content to regional contexts, the strategy aims to increase programs aimed at addressing Africa's unique challenges and opportunities. Diverse delivery mechanisms will scale ambitious action in companies and enhance cooperation: Think Labs for incubating future-oriented programs and developing country-specific responses, the Academy for trainings and masterclasses on fundamental business practices, Accelerators for goal-

specific company guidance per their operating contexts, Peer Learning Groups for regional and local knowledge exchange, Policy and Advocacy Campaigns to support specific and actionable governmental advocacy platforms and Events to build the business ecosystem among participants through topic-specific engagement.

Dynamic Multi-Stakeholder Platform and UN Convening Power:

The Africa Strategy harnesses the UN convening power to establish a dynamic multi-stakeholder platform. This platform unites stakeholders from business, Governments and various sectors, focusing on high-relevance program topics for Africa and sharing impactful stories. Through the UN Global Compact, businesses collectively advance corporate sustainability. The convening power puts Africa at the table and at the centre stage of discussions and provides powerful platforms to advance Africa's private sector agenda and to build regional and global partnerships. The strategic positioning of the UN Global Compact brings together the right stakeholders to initiate and advance meaningful policy dialogues on the continent.

Ouarzazate, Morocco



Priority Programmes: A targeted approach to hone in on priority issue areas where African business has the highest potential for impact and which can serve as multipliers advancing progress across all of the interconnected SDGs. Initiatives like the ABLC and GABI, aligned with the AU Agenda 2063, address key areas where the private sector can be a driving force for positive action.

For Large Companies

Within the African context, connecting with the UN Global Compact offers several advantages to large companies. Firstly, the UN Global Compact provides a recognized regional and global platform and an accompanying opportunity to network and foster partnerships. Secondly, this platform allows these companies to shape policy and national development planning through their seat at the table with national governments and the UN. Lastly, the UN Global Compact enhances and supports the ability of large companies to transform their supply chain by adhering to the Ten Principles.

Large companies access opportunities to engage with peers on the continent primarily through the ABLC and beyond their immediate business ecosystems through GABI. As enabling initiatives, the ABLC and GABI have provided specific value for large businesses and should continue being resourced to expand their reach and impact.

- The ABLC value proposition for large businesses lies in leveraging the UN Global Compact's diverse sectoral environment. It offers a chance at strategic policy advocacy on the national and international stage, facilitates networking opportunities with other large companies and fosters partnerships at key continental and global events.

- GABI provides value to companies and the broader business environment through the UN's extensive network and convening power. It connects African businesses with global counterparts, policymakers and the African diaspora, catalyzing inclusive solutions that bridge the gap between large companies and SMEs.

For SMEs

SMEs hold potential to scale up impact for the SDGs and often present innovative or niche solutions that hold transformative impact. The UN Global Compact equips companies with tools required to support their sustainability reporting, build coalitions and facilitate direct engagement with governments for policy advocacy. SMEs benefit from programs centred on sustainability topics, with specific streams tailored to their needs. The Africa Strategy supports a future where SMEs on the continent are enabled with opportunities to advance as leaders and innovators in their respective fields. Regionalized programming, presented through a range of delivery channels, is designed to cater specifically to SMEs.

With SMEs comprising ~60 per cent of the participant base in Africa in 2023, they hold immense potential in shaping African economies. The Africa Strategy, in alignment with the Global Compact SME Strategy, aims to better support SMEs. This includes enhanced outreach and onboarding tailored to SME needs in Africa, targeted programs such as baseline reporting, scaling up the Supply Chain Impact pilots, advocating for SME-focused policies and regulations, aiming to build strong coalitions of SMEs and building partnerships with relevant business and trade entities.



2. MOBILIZE AMBITIOUS AND ACTIONABLE BUSINESSES

Over the next two years, the UN Global Compact will build on existing momentum to continue growing the African participant base. Strong double-digit growth has been achieved across SMEs (less than \$50 million in revenues with an employee count threshold) and large businesses (more than \$50 million in revenues). Yet, there remains work to be done in connecting with the large companies in Africa, which can lead progress on the SDGs through positions across the value chain and in political spheres.

Recruit large companies and influence their supply chains

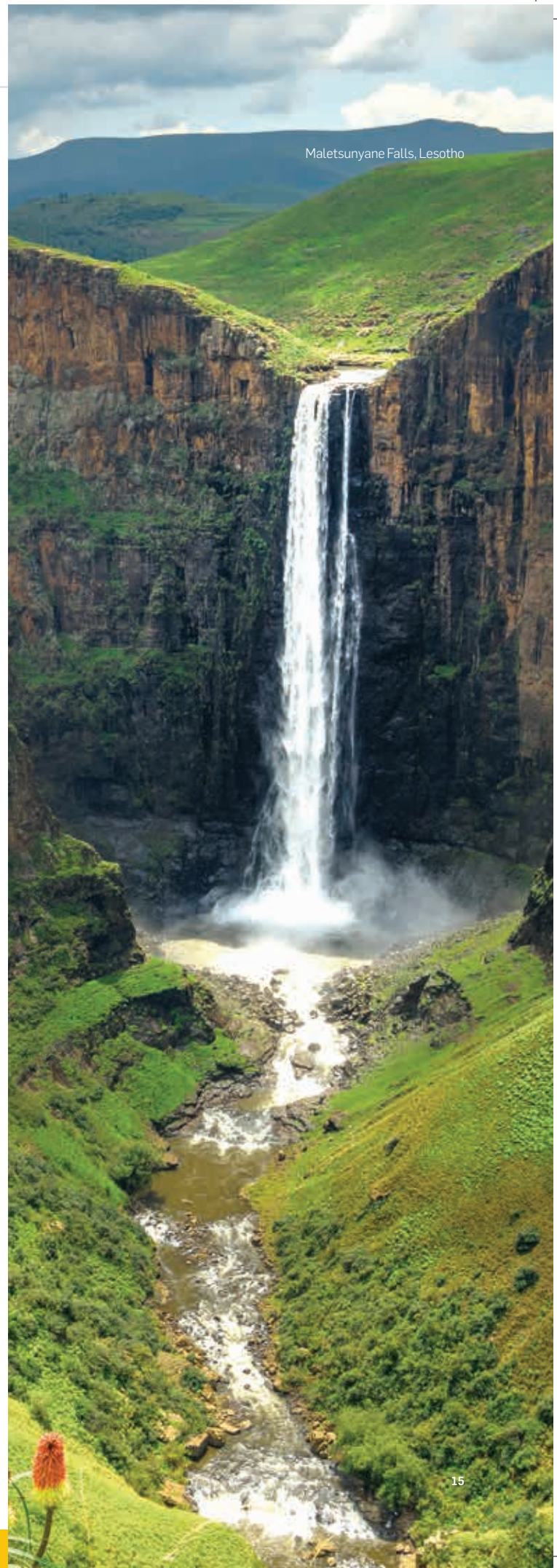
For large companies, there is a need to execute a defined recruitment strategy to encourage high-revenue and influential companies to join the UN Global Compact, contributing to the continent's private sector progress on sustainability. Specific targets will be defined in collaboration with Local Networks, with the baseline target to identify and connect with 10 of the largest companies in every country where the UN Global Compact has a presence and reach 120 of those companies to join Global Compact and/or to participate in its programmatic offerings and initiatives by the end of 2025. Achieving this would align with the ambition set forth by the ABLC, which is to build a gender- and youth-inclusive participant base with coverage across countries of the AU membership.

Grow SMEs participant base

From 2021-2023, 66 per cent growth in SMEs was achieved, outperforming the original 50 per cent growth target. For the coming 2024-2025 period, another 50 per cent growth target in SMEs has been set to build on the current growth momentum.

High growth in this segment demonstrates SMEs are not only recognizing the benefits of alignment with sustainable practices but are actively engaging in initiatives that contribute to their growth.

Maletsunyane Falls, Lesotho



3. INVEST IN AN OPERATIONAL MODEL THAT IS FIT FOR PURPOSE

The operating model is an essential pillar for executing the strategy, emphasizing integration across the One Global Compact framework spanning three levels: Headquarters in New York City, the Africa Hub in Abuja, Nigeria and the Local Networks and Expansion Countries in 14 countries across the continent at present.

Headquarters

The UN Global Compact Headquarters teams will continue to support African operations, including the Africa Hub, Local Networks and Expansion Countries. Headquarters will set and lead the strategic direction for priority topics, lead global program content and delivery, coordinate policy positions and set collaborative targets to drive growth. Importantly, Headquarters will lead operations for the ABLC and GABI initiatives, working in close collaboration with the Africa Hub, Local Networks and Expansion Countries.

Africa Hub

The Africa Hub is the representative of the UN Global Compact on the continent, helping to coordinate operations of Local Networks and Expansion Countries. The Hub will align Local Networks and Expansion Countries with central global priorities and help achieve strategic goals while maintaining quality standards.

The Africa Hub will also work closely with other regional hubs, following best practices, and manage regional programmatic efforts – including localizing global programs and developing sub-regional initiatives. While doing so, the Hub will build government relationships and partnerships and collaborate with other UN entities.

Local Networks and Expansion Countries

Local Networks and Expansion Countries are the driving force of the organization's operations in Africa. The 10 current Local Networks and four Expansion Countries play a crucial role in implementing the initiatives of the Global Compact at the local level, adapting the global strategies to local realities. Their responsibilities include delivering local and global programs, leading outreach efforts, fostering relationships with key policy stakeholders and reporting on progress.



Supporting role of Centres

Strong Local Networks with top business activity such as Kenya, South Africa, Nigeria, Egypt and Morocco are known as Centres. From 2024-2025, Local Networks that are centres will assume a significant role by targeting growth among top companies. Local Network Centres will be able to support regionalization efforts, working closely with other local networks and expansion countries, Africa Hub and Headquarters.

South-South and North-South cooperation opportunities

South-South cooperation stands as a potent business and geopolitical force encompassing business, trade, finance and investment opportunities. It offers a unique platform for the Global South, including Africa, to deepen private sector business and trade collaboration, showcase and share solutions and knowledge. Likewise, with North-South collaboration whereby there is an opportunity to align with French and Portuguese Local Networks, capitalizing on shared language and cultural programmatic elements to effectively connect with Francophone and Lusophone regions in Africa. The Africa Hub, along with Local Networks, can meet frequently with other regional stakeholders to share insights and programming across shared topics.

Coordination with the UN system

For successful implementation of the strategy, it is important that the work of the UN Global Compact in Africa be integrated with the UN system. The strategy will work to achieve stronger engagement with other UN entities, UN Resident Coordinators and United Nations country teams who oversee all UN country programs. A direct connection between these entities, such as the Resident Coordinator being a Local Network Board Member, can ensure information symmetry for access to opportunities between Governments and the private sector. To streamline access and opportunities with the UN system, Resident Coordinators and Local Networks can refer to the country-level analyses that are conducted, to identify areas for program priorities, policy dialogues and other issues of importance.

Evolution of the operating model in Africa

The proposed operating model for Africa is designed to progressively enhance operational efficiency and local engagement. Initially, there will be a focus on consolidating resources to support countries with a current UN Global Compact presence, including Expansion Countries. The Africa Hub will spearhead this effort, ensuring effectiveness in continent-wide operations from a central node.



DEFINING AND MEASURING SUCCESS

Implementation and outcomes of the Africa Strategy will be tracked within the Monitoring and Evaluation (M&E) framework of the UN Global Compact. Central to this framework are the components of Build, Reach, Engage, Progress and Achieve.

'Build' tracks how the UN Global Compact continues to strengthen its operating model and the operational effectiveness of Local Networks. 'Reach' assesses the growth of the participant pool by tracking the number of companies in Africa, including both large companies and SMEs across different regions. 'Engage' emphasizes meaningful engagement with companies and stakeholders through key metrics such as event participation and levels of involvement in policy dialogues.

Strategic growth targets have been set as detailed in the sections above. These targets will support Reach metrics to grow the African participant base. For Build and Engage metrics linking to the operating model and value proposition, a baseline of data from all Local Networks and Expansion Countries will be established in 2024. From 2024 onward, metrics will be tracked with the intention to demonstrate progress across the baseline metrics.

Efforts to advance across the components of 'Build', 'Reach' and 'Engage' aim to ultimately accelerate and scale the collective impact of African businesses towards prioritised issue areas. Through Progress and Achieve metrics, the

Global Compact will measure the aggregated impact of African companies aiming to advance their sustainability efforts and increase their accountability and ambition. We will also measure when African companies showcase transformation, leverage our platforms and highlight successful impact stories. Expanding the reach for effective scale to drive sustainable economic growth by meaningful engagement with companies and stakeholders in Africa.

The metrics for these sections within the Africa Strategy will be aligned in accordance with the priority programmatic areas.

In addition to the overarching M&E framework of the UN Global Compact, specific metrics to track the success and impact of ABLC and GABI will also be tracked over time.

ABLC: Measure the impact of the ABLC's membership growth and diversification as well as the outcomes of its collective actions to achieve the coalition's business and sustainability commitments.

GABI: Tracking progress on commitments made at GABI's annual forum in September and GABI bridges during the year and stakeholders participating in GABI events. Diversification of GABI convenings to the African continent and different regions of the world, sustained growth and expansion of the GABI platform to include more stakeholders, breakthrough initiatives and partnerships formed.





CONCLUSION

The UN Global Compact Africa Strategy for 2024-2025 is a clear, actionable roadmap for sustainable business growth in Africa. Informed by extensive consultation, it focuses on driving economic prosperity through sustainable and ethical business practices, aligning with global goals and Africa's unique development agenda.

Businesses will play a pivotal role in driving impact towards the African Union's Agenda 2063 and the 2030 Agenda for Sustainable Development. Aligning with the Ten Principles of the UN Global Compact and the SDGs offers a pathway for companies to foster resilience, tap into new markets and drive sustainable growth.

Key to this strategy is investment. We seek strong engagement from global partners, recognizing the vast opportunities within African markets. This is an investment in a sustainable future where economic growth, social responsibility and environmental care are interconnected.

The UN Global Compact Africa Strategy goes beyond ambition. It is a practical approach to transforming Africa's business landscape, requiring commitment from global partners and investors. The next two years will be instrumental in translating aspirations into tangible outcomes. Securing the necessary resources and capacities to deliver this strategy help chart a course for sustainable business leadership in Africa.

THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



HUMAN RIGHTS

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



LABOUR

- 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; and
- 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; and
- 9 encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

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

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

ABOUT THE UN GLOBAL COMPACT

As a special initiative of the United Nations Secretary-General, the **UN Global Compact** is a call to companies worldwide to align their operations and strategies with Ten Principles in the areas of human rights, labour, environment and anti-corruption. Our ambition is to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the Sustainable Development Goals through accountable companies and ecosystems that enable change.

With more than 20,000 participating companies, 5 Regional Hubs, 61 Global Compact Networks covering 66 countries and 15 Country Managers establishing Networks in 34 other countries, the UN Global Compact is the world's largest corporate sustainability initiative — one Global Compact uniting business for a better world.

For more information, follow [@globalcompact](#) on social media and visit our website at [unglobalcompact.org](#).



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