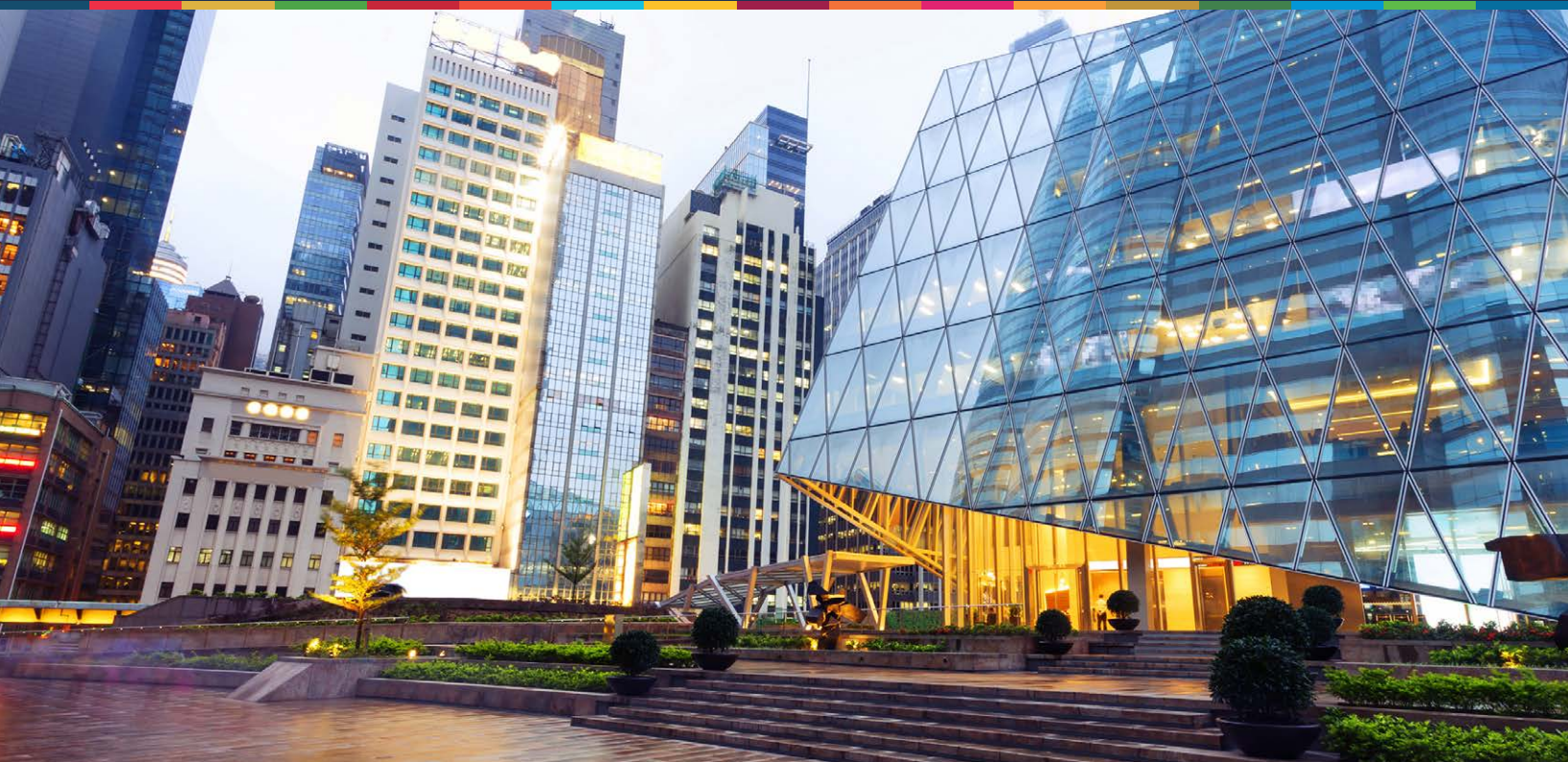# United Nations Global Compact

ADVANCING BUSINESS UNDERSTANDING OF PEACE, JUSTICE AND STRONG INSTITUTIONS

COUNTRY CONSULTATION GLOBAL SYNTHESIS REPORT

THE ROAD TO TRANSFORMATIONAL GOVERNANCE

Sustainable Development Goal 16: Peace, Justice and Strong Institutions is essential to the enabling environment — to foster responsible and sustainable business, build inclusive and stable societies and achieve all 17 United Nations Sustainable Development Goals (SDGs) more broadly. Peace, justice and strong institutions, the tenets that underpin SDG 16, are fundamental conditions that are not only essential to the viability of business but bring together Government, civil society and the private sector in common interest.

While the themes under SDG 16 are inherently the duty of Government, there is also a responsibility and opportunity for business to advance this goal internally, through its own values, board and management oversight, strategies, policies, operations and relationships, and externally, through policy and partnerships to strengthen institutions, laws and systems.

The United Nation Global Compact Action Platform for Peace, Justice and Strong Institutions promotes business engagement on SDG 16, including through the SDG 16 Business Framework I Inspiring Transformational Governance. In order to inform the Framework and to explore the themes of peace, justice and strong institutions within a national and regional context, a series of country consultations were held with representatives from business, Global Compact Local Networks, civil society, Government and academia in attendance.

From September 2020 to March 2021, 14 consultations were held in Brazil, Colombia, France, Germany, Italy, Malaysia, Mexico, the Netherlands, Nigeria, South Africa, Switzerland, the United Arab Emirates, the United Kingdom and the United States of America. Each of the multi-faceted targets of SDG 16 was discussed in the consultations, allowing participants to contribute diverse interpretations of their meaning for business. Importantly, participants were tasked with interpreting each target through ambition and spirit, rather than the literal meaning. Despite discussing the same targets, the unique country contexts generated diverse conversation and ideas. This report outlines key themes that emerged across these consultations, the targets that participants discussed the most and felt were most relevant to business and the targets that participants discussed the least and felt were of limited relevance.

TRANSFORMATIONAL GOVERNANCE

The SDG 16 Business Framework demonstrates why businesses should support SDG 16 and how they can do so through three interrelated elements of transformational governance:

- **Conventional governance**: broadening the traditional notion of corporate governance to include board and management oversight, values and culture, strategies, policies, operations and relationships.

- **Sustainable governance:** strengthening governance with respect to managing environmental and social risks and opportunities.

- **Global governance:** inspiring business to contribute responsibly to public institutions, laws and systems at the international, national and municipal levels.

Businesses are called upon to embrace transformational governance to strengthen performance and partnerships — as a complement to, not substitute for, Government action.

SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

TARGETS:

16.1 Significantly reduce all forms of violence and related death rates everywhere

16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children

16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all

16.4 By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

16.5 Substantially reduce corruption and bribery in all their forms

16.6 Develop effective, accountable and transparent institutions at all levels

16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels

16.8 Broaden and strengthen the participation of developing countries in the institutions of global governance

16.9 By 2030, provide legal identity for all, including birth registration

16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

16.A Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime

16.B Promote and enforce non-discriminatory laws and policies for sustainable development

KEY THEMES THAT EMERGED ACROSS THE CONSULTATIONS

AWARENESS AND EDUCATION

The need for education as a tool to advance certain targets of SDG 16 was discussed across the consultation groups. For example, Malaysia and South Africa advocated for education as a means to ending violence (Target 16.1), abuse against children (Target 16.2), corruption (Target 16.4) and gender imbalances (Goal 5). Brazil proposed education as a solution to issues throughout their consultation, calling for education to protect the most susceptible to violence in society, to identify instances of child exploitation and corruption (Target 16.2) and to encourage victims or otherwise adversely affected parties to access justice (Target 16.3). The Netherlands advocated for educating employees and the public in combating corruption (Target 16.5).

MULTI-STAKEHOLDER APPROACH

Connected to the calls for education as an underlying tool to achieve impact, participants discussed the need for a multi-stakeholder approach in order to meet the targets of SDG 16. Malaysia recommended a wide scope of multi-stakeholder collaboration to stop illicit financial flows and organized crime (Target 16.4). Italy and South Africa echoed this recommendation, calling for an approach from business, Government, civil society and the legislature in order to combat organized crime and substantially reduce corruption and bribery (Target 16.5). The United States expressed similar views, advocating for multi-stakeholder collaboration that includes all actors, including vulnerable populations in society (Target 16.7). Germany discussed the benefits of developing powerful alliances that would combat corruption and level the playing field.

DIVERSITY AND INCLUSION

An additional theme that emerged throughout the consultations was the importance of a culture that fostered diversity and inclusion. This theme was discussed largely in relation to gender equality (Goal 5) and to responsive, inclusive, participatory and representative decision-making at all levels (Target 16.7). France, Mexico, Nigeria and South Africa discussed the need for diversity and inclusion measures to promote and strengthen gender representation. The Netherlands and the United Kingdom recommended that this could include allowing more individuals to have a say in board-level decisions, while Brazil suggested that businesses should incorporate diversity and inclusion into leadership succession planning.

INVESTMENT IN TECHNOLOGY SOLUTIONS

The investment in digital technologies was discussed widely as a solution to address several targets of SDG 16. South Africa called for innovation in telecommunications that provides lower income households access to legal resources via mobile devices, and the United Kingdom called for the use of blockchain technology as a means to helping achieve legal identity. Participants in the Nigeria consultation highlighted the link between the role of digitization in addressing corruption (Target 16.5) in the country and in developing transparent institutions at all levels (Target 16.6). Brazil advocated for the use of technology to allow global teams to participate in discussion groups that would encourage inclusive decision-making in organizations (Target 16.7).

SUSTAINABLE SUPPLY CHAINS

The importance of monitoring the supply chain was raised throughout the consultations. Consistent with SDG 16 and the UN Guiding Principles on Business and Human Rights, businesses have a responsibility to respect and support human rights, the environment and ethical business and labour practices, including throughout their supply chains. Participants described the immense potential for human rights violations within supply chains, specifically through child abuse, exploitation and trafficking (Target 16.2). This point was made the most strongly in Brazil, France, Germany, Mexico, the Netherlands, Nigeria, Switzerland and UAE consultations. The need for robust human rights due diligence and anti-corruption due diligence were seen as key to significantly reducing illicit financial flows and combatting all forms of organized crime (Target 16.4). This was noted by participants in Brazil, Colombia and Mexico. Participants in the Switzerland consultation agreed, stating that the threat of these practices affects industries such as real estate, hotel, airline and agriculture, in particular.

INDUSTRY FOCUS

During many of the discussions, specific industries were mentioned in relation to different targets. Across several industries, one important consideration that emerged throughout discussions was the informal sector prevalent in each country. For example, Nigeria discussed the great danger of child abuse, exploitation and trafficking in relation to the domestic services and transportation industries.

Malaysia discussed how the abuse and exploitation of children is prevalent in the agriculture sector, as farm workers often bring their families to work to assist in the plantations in East Malaysia. The Netherlands echoed this concern, describing the difficulty in policing child labour despite the fact that it is common for children to be used in farm labour. It is often unknown whether children are working on their family's farm in their spare time outside of school or if farming is their full-time job (Target 16.2).

In relation to Target 16.1, South Africa discussed the violent threats that farm workers face in the workplace and the unsafe conditions getting to and from work. France echoed the threat to agricultural workers who face human rights violations in multi-tiered supply chains that are difficult to audit and control. Both France and the United Kingdom noted that Target 16.1 was also relevant to security issues in the mining sector.

While discussing the target of reducing violence in the South Africa consultation (Target 16.1), participants reflected on the success story of the wine industry. This industry has put in standards and procedures to ensure that companies and retailers are not violating ethical principles and has enforced these throughout the production process.

Certain targets received more traction than others across the various consultations. These were either the targets that were discussed the most in the consultations, were selected as being the most relevant and impactful to business or were selected as the targets that participants most frequently felt they could contribute to.

TARGETS VIEWED AS MOST RELEVANT TO BUSINESS

TARGET 16.1 – REDUCTION OF VIOLENCE AND RELATED DEATH RATES EVERYWHERE

Target 16.1 was either the most discussed or identified as the most relevant in several consultations, including those in Colombia, France, Mexico, Nigeria, South Africa and the United States. Many countries discussed how violence affects businesses and will often determine where businesses choose to invest or operate. Participants also described how violence can now take many forms, such as online hate speech, gender discrimination and mental abuse. Noticeably, Target 16.1 was seen as the least relevant in Germany and the United Kingdom. Participants in the Germany consultation did not believe this target impacted business and stated that there seemed to be very few opportunities for businesses to contribute to achieving it. While the participants in the United Kingdom consultation acknowledged that the target is relevant in certain sectors such as mining, Target 16.1 did not seem to be entirely relevant overall to business. The Netherlands also found that this target was one that businesses could contribute the least to.

TARGET 16.3 – RULE OF LAW AND EQUAL ACCESS TO JUSTICE FOR ALL

Brazil, France, the Netherlands, Switzerland, the United Arab Emirates, the United Kingdom and the United States selected this target as the one that impacts businesses the most or that businesses could contribute to the most. While the United Kingdom agreed that the rule of law and access to justice most frequently impacts business, participants felt that the role of businesses in addressing the aims of this target is difficult to define. Overall, the target was one that was discussed in more detail across the consultations compared to other targets.

TARGET 16.5 – REDUCTION OF CORRUP-TION AND BRIBERY IN ALL FORMS

Target 16.5 was said to impact business the most in Germany, Italy, Malaysia, Mexico, Nigeria and Switzerland and was discussed most frequently in France. Germany, Malaysia, Mexico and the Netherlands demonstrated optimism and selected the target as the one that businesses can contribute the most to. This is distinct from the perception expressed by the United Arab Emirates participants: that this target was one that businesses had the least to say about and contribute to. They explained that this is largely the case because companies in the United Arab Emirates are already actively working with the Government to address these issues.

TARGETS VIEWED AS THE LEAST RELEVANT TO BUSINESS

TARGET 16.9 – LEGAL IDENTITY

In certain consultations, some of the targets of SDG 16 were perceived as difficult for business to contribute to and/or to report on. Participants expressed that some targets seemed to be the sole purview and responsibility of Government as opposed to business. Target 16.9 was described by participants in the Switzerland consultation as difficult for businesses to get involved in, as it is the responsibility of local government agencies to address. Participants expressed that if companies were responsible for registering all births of employees, for example, this would be extremely difficult to implement. Whether it was for these reasons or others, this target was one that was not discussed in detail by the participants in almost all consultations. However, the one exception to this is Malaysia, where the provision of legal identity was discussed the most, with a focus on the identification of unregistered immigrant workers who are employed by businesses relying on cheap labour. Participants discussed that while the country is on the right path to providing legal identity and the Government is amending laws that would assist this, there are still many individuals who are unregistered and therefore, do not have access to basic rights like education and health.

OTHER TARGETS OF LIMITED RELEVANCE

Across the consultations, Targets 16.A and 16.B also generated very little discussion, providing more generic dialogue and limited solutions in achieving these targets. These targets respectively encompass strengthening relevant national institutions and promoting and enforcing non-discriminatory laws and policies for sustainable development. Additionally, Target 16.6 — developing effective, accountable and transparent institutions at all levels — was discussed the least by participants of the Colombia, France and Switzerland consultations. Colombia expressed that the target is broad and posed a measurement challenge as it was associated more with Government action as opposed to business action. Switzerland also echoed this target as challenging. Lastly, Target 16.8 — to broaden and strengthen developing country participation in global governance — was perceived as having limited relevance across many consultations. Participants in France, Italy, Malaysia and Mexico generated the least commentary on this target.

BRAZIL

In Brazil, the importance of education was presented throughout the discussion.

EDUCATION AS A MEANS TO END VIOLENCE

Participants observed that it is essential for businesses to both educate and be educated on how to stop violence in the workplace and in communities (Target 16.1). They suggested businesses seek to engage in public and private partnerships that can assist with public education and community outreach. For example, projects that aim to protect and monitor physical spaces in the country that are prone to violence, such as soccer fields and public squares. It was also recommended that businesses hold workshops to educate vulnerable communities on how to mitigate or reduce instances of violence.

EDUCATION AS A MEANS TO PROTECT CHILDREN FROM EXPLOITATION AND TRAFFICKING

Participants highlighted the problem of sexual exploitation of women and children (Target 16.2) on public highways, which is most prevalently tied to the construction and hotel industries. They suggested

raising awareness through education and training to help identify and mitigate such abuses. Additionally, it was suggested that businesses seek to educate their employees and the community on the need to protect children from exploitation and sexual harassment. This education should include training on how to identify signs in children who may be experiencing abuse, as well as how to create and promote incentives to invest in social initiatives that combat this conduct.

EDUCATION AS THE KEY TO RESPECTING THE RULE OF LAW

Participants noted that businesses could and should support efforts to educate employees and society on seeking access to justice and remedy with respect to instances of violence and other wrongdoings. Businesses should be educated on alternative conflict resolution (ACR) mechanisms to avoid overloading the judicial system. For example, participants spoke about an initiative of the São Paulo Court of Justice that aims to encourage ACR between companies and their clients to foster a culture of social "pacification" and avoid excessive litigation.

COLOMBIA

CONFLICT-AFFECTED TERRITORIES

The significant impact of violence and organized crime (Target 16.1 and 16.4) in many territories, and businesses, in Colombia was discussed at length. For example, participants spoke about the difficulty in accessing and working within certain territories of the country due to the presence of criminal groups. As a result, many businesses have absorbed the trade-off of refraining from conducting operations in these areas at the cost of not having access to certain resources.

ACCOUNTABILITY AND OVERSIGHT

Accountability and oversight (Targets 16.5 and 16.6) emerged as another key theme. To substantially reduce corruption and bribery, participants suggested that all businesses, especially those with operations in a range of jurisdictions, apply the same code of conduct to ensure certainty, clarity and consistency.

Additionally, participants highlighted the importance of having strong corporate culture and corporate governance and the necessary training of all employees in promoting ethical business conduct. Participants identified that appropriate commercial oversight and control mechanisms are needed to achieve these targets.

COMMUNITY ENGAGEMENT

An additional key theme was the benefit of engaging communities and/or community members, alongside business, to achieve the targets of SDG 16. Dialogue between businesses and communities will bring greater transparency to what businesses are doing and how they are doing it, ultimately generating community trust.

FRANCE

SUPPLY CHAIN CONTRACTS

Participants reflected on the difficulty of reducing violence everywhere (Target 16.1), particularly in relation to supplier contracts that lack provisions for human rights violations, including the exploitation of children for labour (Target 16.2). A common challenge is a lack of control by businesses to ensure suppliers comply with accepted standards and codes of conduct. While acknowledging issues with respect to privacy, some participants noted that the use of video cameras has proven to be effective in reducing violence in the workplace.

Participants also stated that the challenge of protecting children from abuse, exploitation and trafficking was most prevalent in the mining and agriculture sectors, particularly with respect to identification and mitigation. Suggested actions to address this issue included conducting audits and requiring suppliers to adopt universally accepted standards.

CORPORATE CULTURE, DIVERSITY AND INCLUSION

In discussing the importance of diversity, participants noted that deeply embedded notions of respect for organizational hierarchy within French business culture create barriers to inclusive decision-making and participation. One initiative discussed included ensuring strong and frequent organization-wide consultation and the implementation of diversity policies in businesses, to ensure equal representation.

GERMANY

COMBATING CORRUPTION AND BRIBERY

When discussing Target 16.5, a participant shared an example of a managing director of a business changing the corporate culture by making corruption an issue for management to confront. The director purchased a phone so that all employees, independent of their level of seniority, could reach him if they wanted to report an issue anonymously. While helping to uncover instances of corruption and bribery, this also demonstrated to all employees that the issue was being taken seriously by management. Participants suggested that it is in everyone's best interest to create a level playing field between all stakeholders. Another anti-corruption tool discussed was an open-access app, "The Integrity App", that allows users to self-evaluate integrity programs and produces a transparency score based on the input provided.

GENDER DIMENSIONS OF CORRUPTION

There is heightened awareness of the fact that corruption affects women and men differently, e.g. sextortion (Targets 16.1 and 16.5). This has garnered the attention of both the compliance and diversity, equity & inclusion functions within organizations, creating an unusual but powerful alliance.

CHILD LABOUR PRACTICES

Participants provided an example of how a German-based business with interests in the Philippines launched a project to address child labour (Target 16.2) as a result of having received word that many families with children had been working in mines that were part of the company's supply chain. A team of compliance and occupational, health and safety experts within the business worked with local civil society organizations, visiting hundreds of sites to check for practices of child labour and speaking with the families affected. This resulted in guidelines being developed to eliminate child labour from the supply chain, which were shared and applied across other jurisdictions as well.

ITALY

CHILD ABUSE, EXPLOITATION AND TRAFFICKING
Participants called on multinational companies with offices in developing countries to take action on eliminating abuse, exploitation and trafficking of children (Target 16.2). For example, they discussed how multinational companies in the cocoa industry are bound by certain legislation related to this conduct. Certain companies are parties to a protocol that is aimed at ending child labour by 2025. Participants expressed concerns over the lack of standards, accountability or consequences for companies that do not comply with the protocol. They stated that self-regulation is insufficient and instead called for mandatory laws with strict enforcement to be in place.

SUBSTANTIALLY REDUCE CORRUPTION AND BRIBERY
Participants advocated for education beginning in primary school to educate children on the benefits of ethical behaviour and the pitfalls of corruption and bribery (Target 16.5). They also expressed the need to create multi-stakeholder dialogue and collective action between different actors to combat corruption and bribery. They stressed the need to conduct due diligence on subcontractors and suppliers to identify any ethical risks before entering into business agreements. Moreover, participants noted the need for more information being publicly available with respect to codes of conduct and contractual dealings to promote business integrity.

MALAYSIA

LEGAL IDENTITY
Participants expressed that the country is on the right path to providing legal identity (Target 16.9); however, there are still individuals that are unregistered, including members of indigenous tribes and immigrant workers. Both groups have faced restrictions on access to several basic rights, such as education and health. Participants reflected on how the COVID-19 pandemic has further highlighted the plight of unregistered individuals who cannot access healthcare for fear of being arrested or abused.

Many of the unregistered immigrants are employed by businesses who rely on cheap labour to survive. The Ministry of Labour recently raided several factories, detaining undocumented workers. Participants noted that this created problems also linked to Target 16.1 (reduction of violence) as immigrant workers are affected physically and mentally by being pulled out of their workplaces and sent back to their countries of birth. Participants felt that businesses must be more responsible in assisting these workers, but recognized that the solution is not simple and that Government cooperation is required.

COMBATING CORRUPTION AND BRIBERY
Participants discussed how the Malaysian Anti-Corruption Commission (MACC) now requires busi-nesses to put specific policies and systems in place to combat corruption and bribery (Target 16.5). Despite this effort, participants discussed the imbalance of power between large and small businesses. It was explained how larger companies with political clout are often not held to the same standards as smaller businesses. They reflected on how large businesses feel they are above the law, which further creates a gap between the rich and poor in society. As such, small and medium businesses are more vulnerable and require assistance in implementing and enforcing such standards. Participants also highlighted the need to prohibit politicians from issuing support letters for larger businesses in bidding processes as there should be no political influence in these areas.

REDUCING ILLICIT FINANCIAL AND ARMS FLOWS
Participants shared some successes in reducing illicit financial and arms flows (Target 16.4). Financial institutions and the Government have collaborated to put governance systems in place to prevent illicit financial flows, trafficking and other organized crime. Participants also noted that the Central Bank in Malaysia is committed to addressing these challenges. While there is still an unwillingness for information-sharing, participants stated that a high level of commitment and a wider scope of collaboration could help to achieve this target.

MEXICO

ELIMINATING VIOLENCE AND CHILD ABUSE, EXPLOITATION AND TRAFFICKING

Participants explained how businesses should focus on structural violence, which stems from economic or political systems that favour "cultural" corruption and gender disparities fueled by toxic masculinity (Target 16.1). It was proposed that businesses promote a workplace culture that identifies and acknowledges various types of violence and implement policies and processes to eliminate them. Participants also encouraged alliances between businesses and vulnerable groups such as indigenous peoples, disabled people, women and youth.

Participants also suggested that more schools be established in rural fields to provide opportunities for children of agriculture workers (Target 16.2). This could be supported through an alliance with the Government which would include providing jobs to parents whose children attend these schools, with the hopes that children are not exposed to potential abuse, exploitation or trafficking. Participants also observed that training of airport officials should be strengthened to take action when actual or potential instances of human trafficking are detected.

REDUCING CORRUPTION AND BRIBERY

Participants urged businesses to adopt strong standards in identifying and fighting bribery and corruption. For example, a recommendation was to avoid participating in biddings processes that lack transparency. The adoption of zero-tolerance policies on the giving and receiving of gifts, developing a code of ethics and imposing "rest breaks" for suppliers were also suggested. The latter was explained as a break in long-term supplier contracts to prevent conflicts of interest from arising. Where a supplier's provision of services must continue, due diligence should be carried out for any actual or potential conflicts.

NETHERLANDS

CONSUMER ADVOCACY

Participants underscored the influence that consumers have in drawing attention to issues of child abuse, exploitation and trafficking (Target 16.2). Consumers have increasing power, through social media and other means, in drawing attention to the ethical and unethical behaviour of business. Additionally, participants spoke about how multinational corporations are becoming more aware of their responsibility over the supply chain, including the ability to implement wide-reaching policies. Overall, participants discussed the need for awareness and education on where goods come from, how they are produced and how to spot and remedy child labour if discovered.

REDUCING CORRUPTION AND BRIBERY

Participants reflected on how ethical behaviour at home does not necessarily mean ethical behaviour abroad, particularly with respect to corruption and bribery (Target 16.5). They discussed the following issues: lack of awareness and training, self-regulation and domestic and cross-jurisdictional enforcement. Participants also reflected on the lack of political will to enact and enforce anti-bribery legislation, pointing to the Bribery Act in the United Kingdom as an example of legislation to regulate and enforce anti-corruption. As such, businesses end up relying on other countries' legislations to provide guidance on this issue.

One participant stated that the less visible corruption is, the more sophisticated it is — a failure to notice corruption does not equate to it being non-existent. Participants suggested that when businesses are interacting with the Government while bidding for contracts or when the Government is investing in projects, it is critical to ensure that there is clear and obvious accountability. Governments should be open and transparent and businesses should know exactly where the money has gone and what it has been spent on — in essence, public procurement should be made public.

DIVERSITY AND INCLUSION

Participants observed the need for more inclusive decision-making at all levels (Target 16.7). For instance, they spoke about the demand from law firm clients to engage with more diverse legal teams. They also described how clients are showing more interest in scrutinizing the culture and behaviours of the firm. That said, participants stated that there is still a great need for greater diversity and inclusion on boards and in leadership positions that adequately reflect Dutch society. They also cited the disproportionate impact of the COVID-19 pandemic on the careers of women and other marginalized groups.

NIGERIA

YOUTH AND VIOLENCE PREVENTION

Participants reflected on how the presence of violence not only affects businesses but the country as a whole (Target 16.1). This is because violence deters direct foreign investment into the country and reduces individuals' economic confidence in the country. It was also stated that one large contributing factor to violence in Nigeria is the youth unemployment rate. As a solution, participants felt that businesses could ensure that Nigerian youth are and remain employed by creating more jobs and opportunities. This would allow youth to remain off the streets and reduce their tendency to resort to violence. The common notion held amongst participants was "the more jobs available, the less violence that would occur".

Participants also spoke about the high frequency of abuse, trafficking, exploitation and violence against children (Target 16.2) resulting from the economic challenges faced by the country. They noted that child labour was most prevalant in the domestic services and transportation sectors and highlighted the urgent need for greater regulation and enforcement, particularly with respect to the exploitation and trafficking of children.

REDUCING CORRUPTION AND BRIBERY

Participants stated that the best way to reduce corruption and bribery (Target 16.5) is through strict legislation, enforcement and penalties. Additionally, given that corruption is considered the norm, there is a critical need for a cultural shift. They stated that it is crucial for businesses to advocate for better business practices and blacklist or suspend vendors who engage in corrupt or other illegal practices.

PARTICIPATION IN LEGISLATIVE PROCESSES

Participants expressed the desire for businesses to be involved in law-making processes (Target 16.7). For example, they suggested that businesses could be invited to consult in legislative processes by commenting on draft bills before they are passed into laws. They also commented on the need to foster fair decision-making through civic participation and the civic duty to vote. This includes allowing employees to take time off from work to vote.

SWITZERLAND

GOVERNMENT RESPONSIBILITY

Participants highlighted that the responsibility for SDG 16 rests with Governments and that it is challenging for businesses to understand how to contribute. For example, providing universal legal identity (Target 16.9) is up to Government agencies. That said, they recognized the value in receiving practical guidance in order to contribute to SDG 16.

SUPPLY CHAIN AND CHILDREN'S RIGHTS

It was highlighted that children's rights were most at risk throughout supply chains (Target 16.2). Participants noted the importance of auditing suppliers as a means of monitoring child labour. They also recommended promoting good working conditions by providing child support services for employees, including daycare facilities at the workplace.

CYBER SECURITY

With respect to Target 16.1, participants reflected on the fact that violence is not merely physical but is increasingly being presented in the form of online hate speech and that businesses should not directly or indirectly contribute to such activities. They discussed the threat of cybercrime as a new form of organized crime (Target 16.4) and the need for businesses to work across various industries, including insurance and finance, and with law enforcement agencies to address it. Another point raised was the need to invest in digital technologies including blockchain to trace the quality of goods and delivery of packages.

SOUTH AFRICA

THE PREVALENCE OF VIOLENCE

Participants highlighted South Africa's high rates of violence (Target 16.1). As such, the country suffers from a phenomenon participants called "violent news fatigue", which refers to the rampant media coverage of the most sensational stories of violence. They observed that far too often the victims are from the most vulnerable sections of society. Moreover, participants discussed the organized killings of farm workers and the unsafe conditions they face traveling to and from and during work.

Participants also stated that South Africa has one of the highest incidences of gender-based violence in the world. One idea to support survivors discussed was to put in place specific workplace policies that enforce sanctions on perpetrators and offer holistic support to victims. This support can take the form of granting additional days off from work, offering alternative working arrangements and providing emotional and financial support.

Separately — but notably — participants also high-lighted the issue of the trafficking and killing of wildlife, for instance rhinoceroses, for the illegal wildlife trade (Target 16.4). Overall, the public consensus is that the Government and law enforcement have not effectively responded to these crises.

THE VULNERABILITY OF CHILDREN

It was also noted that there is a high risk of human trafficking of children due to the geographical nature of the country (Target 16.2). For example, participants spoke about the city of Durban, one of the largest cities in the country that rests on the coast of South Africa. With one of the largest harbours in the Southern Hemisphere, Durban has become a hub for child trafficking.

Participants reflected on the importance of communi-cation and education to raise awareness of this rampant issue. Additionally, such efforts can prompt businesses and individuals to demand that the Government takes urgent measures to protect actual and potential victims of trafficking.

COMBATING ORGANIZED CRIME

Participants suggested a practical and necessary first step — to determine a universally accepted definition of "organized crime" (Target 16.4). Nevertheless, it was agreed that South Africa is plagued by organized crime and that a multidisciplinary approach involving businesses, Government and other relevant stakehold-ers is essential in combating it. For example, financial institutions are working with security intelligence, telecommunications and courier services to help identify and prevent illicit financial flows and recover assets or other proceeds of organized crime.

UNITED ARAB EMIRATES

PARTICIPATORY DECISION-MAKING

Participants felt parts of the region were behind in ensuring responsive, inclusive, participatory and representative decision-making at all levels (Target 16.7) and lacked awareness of diversity targets. As such, there has been a push for businesses to start being proactive and put action plans into place to help strengthen diversity.

They also noted that while technology has successfully brought workers together from far and wide, dialogue is now less personal with employees suffering due to a lack of interaction and voice. Participants reflected on how now, more than ever, it is crucial to ensure that the voices of all individuals — especially the more vulner-able in the workplace — are being heard and considered.

ACCESS TO INFORMATION

Participants stated that more progress is needed to address barriers to access to information and to protect fundamental freedoms (Target 16.10). In Oman, for example, the country refuses to allow its data to leave the country, which is known as data localization. This prevents information derived in this country from being freely shared and accessed in other nations. Additionally, participants spoke about laws in the Gulf Cooperation Council — an international organization of six Middle Eastern countries — that prohibit the sharing of medical records outside of a given state. While such laws generate business internally, they also limit business expansion and access to information beyond national borders.

UNITED KINGDOM

RULE OF LAW AS THE FOUNDATION

Similar to other consultations, the promotion of the rule of law (Target 16.3) was one of the targets that participants mutually agreed affected businesses significantly. Participants stated that "rule of law is the bedrock for everything". It was discussed how an unreliable system of law would deter investment and trade, while simultaneously allowing more unscrupulous businesses to prosper. In acknowledging the significance of this target, participants nonetheless felt that the role of business in addressing it is difficult to define.

DUTY TO "FACT CHECK"?

Participants raised unique points relating to ensuring public access to information and protecting fundamental freedoms (Target 16.10). They observed that these issues have become increasingly important in an era of "fake news" and considered whether there is a role for businesses to "fact check", notwithstanding the risk of being involved in political debate or in issues where opinion is likely to be divided. The group noted that while data protection is a key concept to consider, it should not be automatically used as an excuse to limit the transparency obligations of businesses.

ZERO TOLERANCE OF BRIBERY AND CORRUPTION

Another unique discussion amongst participants was around the target to substantially reduce corruption and bribery (Target 16.5). They stated that unethical behaviour exhibited by political leaders makes achieving this target more challenging, especially when such behaviour might be seen as "mainstreamed". For this reason, it is important to define what is acceptable behavior and the role of corporate leaders in prioritizing "doing the right thing". Participants also discussed adopting a zero-tolerance approach to unethical practices, particularly bribery and corruption. This must be reinforced by a robust code of conduct and supported by training and monitoring. They discussed the growing scrutiny of unethical organizations in recent times, causing greater reputational harm than ever before. This should be used as an incentive to collaborate with all parties to reduce such business practices.

UNITED STATES

BUSINESSES SUPPORTING THE REDUCTION OF VIOLENCE

Participants described how there are an increasing number of businesses in Chicago supporting efforts to reduce gun violence (Target 16.1) through multistakeholder partnerships. The Chicago Gun Violence Coalition, comprising of the city, law enforcement, non-governmental organizations and over 100 businesses, is partnering to make reducing gun violence a priority for the city and for businesses. Participants discussed the need to collaborate with various actors to create a material impact, undertake major research and recognize that reducing violence is everyone's business, especially in urban areas.

COMBATING ILLICIT FINANCIAL FLOWS

Participants identified that innovation and digitization are key to preventing illicit financial flows (IFF) and organized crime (Target 16.4). Businesses in the financial services and real estate sectors must observe regulations to identify and prevent IFF and respect the rule of law by working with law enforcement agencies to combat illegal activities. Participants also described the example of a Transparency International program that provides businesses with a safe channel to funnel information regarding IFF to the Government.

Participants also discussed Target 16.4 with respect to the overwhelming challenge of ultimate beneficial ownership (UBO), which includes the use of shell corporations to facilitate IFF and other criminal activities. They noted that corporate formation laws in the United States make the country a haven for multilayered, opaque corporate ownership that make tracing the source of trafficking and other criminal activity almost impossible. Participants were hopeful that greater transparency with respect to IFF and UBO will be the focus of legislative reform.

GREATER COLLABORATION ON BENCHMARKING

Participants also discussed the role of developing countries in global governance (Target 16.8) and the lack of consistent benchmarking across various countries, limiting the ability to accurately and meaningfully measure business impact across different reporting standards. Participants suggested that Government and business leaders collaborate to increase mutual cooperation to improve benchmarking so that businesses can understand their impact on governance.

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 UNITED NATIONS GLOBAL COMPACT

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere 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 12,000 companies and 3,000 non-business signatories based in over 160 countries, and 69 Local Networks, 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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