

Business as a Partner in Agenda 2030

Use: To identify where and how business can engage as a partner in development

Partnering phase: Scoping and building phase

Business role	Impact on Agenda 2030	Which companies and why?	Role of development partnerships
<p>1. Business doing business</p> <p>Business doing business responsibly, inclusively and sustainably</p>	<p>Creates and sustains livelihoods; reduces poverty; generates taxes; delivers essential products and services efficiently and affordably; catalyses technological innovation; reduces reliance on imports and/or brings in essential foreign currency through exports;</p>	<p>All that are operating responsibly, inclusively and sustainably.</p> <p>Why: To deliver long term business value.</p>	<p>Donors, development banks and governments working with business to improve competitiveness and the business environment, support economic growth / private sector development, and run responsible business initiatives.</p> <p>Government can additionally regulate to level the playing field and drive out irresponsible / unsustainable business.</p> <p>Partnerships to support the development of the circular economy.</p>
<p>2. Innovative finance</p> <p>Financing mechanisms to mobilize private sector capital in tackling social problems</p> <p>E.g. impact bonds to reduce Malaria in Mozambique</p>	<p>Provides funding for development programmes, potentially with the cost borne by government / donors only where there is proven impact</p>	<p>Investors and financial institutions.</p> <p>Why: To deliver (ethical) financial returns.</p>	<p>Investors provide investment capital, with NGOs often delivering the social programmes, and governments / donors providing a return on investment where the social programmes are successful.</p>
<p>3. Investor/operator in essential public infrastructure / services</p> <p>Companies make an upfront investment to deliver public infrastructure or services, to be repaid with profit over time by government or user fees.</p> <p>E.g. High speed <i>Gautrain</i> between Jo'burg and Pretoria, South Africa</p>	<p>Delivering essential public infrastructure / services</p>	<p>Limited business sectors: e.g. construction, energy, water supply, health services.</p> <p>Why: Commercial core business.</p>	<p>Regulated PPPs are a specific, regulated financial core business arrangement. Increasingly they are including civil society partners to advise the projects and try to maximize the development benefit</p>
<p>4. International commercial investment</p> <p>Companies investing in building / developing new manufacturing / agriculture / extractive industry infrastructure.</p>	<p>Economic growth leading to improved livelihoods and poverty reduction (where done responsibly and sustainably – as above)</p>	<p>Any company developing their manufacturing or other supply base or extraction business.</p> <p>Why: Delivering core business.</p>	<p>De-risking of investment through blended finance with donors providing loan guarantees or underwriting risk; governments creating supportive tax incentives; development banks and donors supporting complementary infrastructure development</p>

Business role	Impact on Agenda 2030	Which companies and why?	Role of development partnerships
<p>5. Inclusive business 1: People</p> <p>Companies deliberately targeting the underprivileged as suppliers / employees / distributors</p> <p>E.g. Coca-Cola's engagement of underprivileged people as distributors through the village entrepreneur model</p>	<p>Improved human opportunities and livelihoods for the underprivileged</p>	<p>Companies with operations or suppliers in a country.</p> <p>Why: Delivering core business in a shared value approach.</p>	<p>Donors providing funding or technical support to new inclusive business opportunities; NGOs, UN providing technical support and capacity building; government supporting through tax breaks, capacity building etc.</p>
<p>6. Inclusive business 2: Products</p> <p>Companies / social entrepreneurs providing pro-poor or pro-environment products and services</p> <p>E.g. micro-banking, low-cost access to water, solar powered lights</p>	<p>Technological innovation and market-based approaches that can contribute to any development goal</p>	<p>Companies with existing markets or those wishing to create new markets.</p> <p>Why: Building new products / markets.</p>	<p>NGOs providing technical advice, access to communities, support; donors providing funding through challenge funds etc.</p>
<p>7. Value chain sustainability / market transformation</p> <p>Companies investing in making markets efficient or their value chains to be more environmental and/or socially sustainable.</p> <p>E.g. SABMiller investing in the sustainability of its value chain to produce beer with locally-sourced sorghum in Uganda</p>	<p>Improved human, economic and environmental prosperity</p>	<p>Companies involved in the specific value chain / market.</p> <p>Why: Develop new or make existing markets more efficient; ensure sustainability of value chain.</p>	<p>Requires a range of partners acting collectively, e.g. capacity building from NGOs, technical support from government / development agencies, government tax and regulation, loans from development banks, other companies up and down the supply chain; donors supporting the platform required for implementation.</p>
<p>8. Strategic social / infrastructure / environmental investment</p> <p>Business supporting business competitiveness and the fabric of the society in which it operates to ensure its own long term sustainability / opportunity</p> <p>E.g. Partnerships to build skills in the manufacturing industry in Zambia</p>	<p>Any development or environmental issue which also affects business, from availability of skills to anti-corruption, from access to energy to equitable use of natural resources.</p>	<p>Companies that operate in or source from a particular country and have a long term interest.</p> <p>Why: Ensure long term business viability / prosperity.</p>	<p>Most interventions of this kind require partnering with NGOs, communities or government, and often with other companies for collective action on issues affecting multiple businesses.</p>
<p>9. Philanthropy</p> <p>Building reputation as a good corporate citizen / license to operate</p> <p>E.g. Companies giving money or in-kind contribution to the arts, schools or humanitarian disaster appeals</p>	<p>Any development issue. Potentially local giving with direct benefits to local communities or global giving distributed more widely.</p>	<p>Any.</p> <p>Why: Reputation, employee motivation / skilling, good corporative citizenship.</p>	<p>Philanthropy usually delivered through NGO / UN / community partners</p>