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Business can and is making positive development impacts, and also creating new business opportunities.
The Millennium Development Goals (MDGs) represent a huge challenge. The progress that has been made over the last ten years however has shown that change is possible. Achievement is within our grasp but to meet the MDGs it is vital that everyone – business, government, NGOs, individuals – plays their part. With over a quarter of a century working with business leaders on the issues facing communities across the globe, Business in the Community’s experience has demonstrated that mobilising business for good can achieve great results.

Business in the Community is a not for profit business membership organisation. With over 850 members across size, sector and continents and working with a Global Partner Network of more than 110 similar not for profit organisations in over 60 countries around the world, we are committed to encouraging and supporting responsible business and addressing the challenges that face the most vulnerable in our global society. Our responsibilities to people and planet are at the heart of what we do and the MDGs provide a focus for our work on the international stage.

The need to galvanise resources to address the MDGs is evident. Whilst much has been achieved there is still so much more to do, and time is running out.

Business is at the core of the solution and it is Business in the Community’s intention to continue to inspire, engage, support and challenge business to take action on the MDGs and accelerate the pace of change.

Achieving the MDGs will benefit business, communities around the world and society as a whole. The examples illustrated in this publication highlight just some of what has been achieved by companies so far. Business can and is making positive development impacts, and also creating new business opportunities.

Now is the time for business to start to build sustainable programmes to meet these goals. Success against the targets set out in the MDGs is vital for global development and will open up a wealth of new opportunities for business growth. The cost of inaction is too high, the challenge has never been more real and failure isn’t an option. I urge business to take action.
The sheer economic power, political influence, social reach and the central role business plays in the successful development of communities mean that business is a significant actor in achieving the MDGs.
The Millennium Declaration in 2000 was a milestone in international cooperation, inspiring development efforts that have improved the lives of hundreds of millions of people around the world...It is clear that improvements in the lives of the poor have been unacceptably slow, and some hard-won gains are being eroded by the climate, food and economic crises. The world possesses the resources and knowledge...to achieve the MDGs. Meeting the goals is everyone’s business. Falling short would multiply the dangers of our world from instability to epidemic diseases to environmental degradation.

(Ban Ki-moon, Secretary General, United Nations)

Over the last few decades a great many gains have been achieved and momentum has gathered. The international community has made significant strides and commitments in areas of aid, trade and debt. The figures speak for themselves: 40 million more children are in school than a decade ago; the number of people with access to treatment for AIDS has increased from just 100,000 to over four million; the proportion of the world’s population living in poverty has fallen from a third to a quarter. Whilst much has been achieved however, there is still a long way to go. Achieving the Millennium Development Goals (MDGs) provides benefits for all and business has a central role to play and benefits to gain.

The mutual impact of success or failure in achieving the MDGs has never been more stark, the challenge never more real and the rewards never more important. With peace and security there is the basis for economic prosperity for communities, business and society. The lack of peace and security represents a serious business risk. The business case for investment in the MDGs is in some ways complex, in other ways straightforward. It is about the subtle blend of business interests and social benefits which together provide the opportunity for mutual benefit, security and prosperity. Enlightened businesses have identified and acted on this opportunity and reaped business benefits whilst at the same time addressing the needs of the poorest in our global society. This publication highlights just some of these examples; there are many more.

Every stakeholder has a critical role to play in addressing the MDGs, and none more so than business. The sheer economic power, political influence, social reach and the central role business plays in the successful development of communities mean that business is a significant actor in achieving the MDGs, working in partnership with NGOs, governments and other businesses. Whilst impossible to achieve in isolation, business can make a positive impact on the MDGs in many ways. Simply doing business responsibly and paying taxes in key geographies makes a significant contribution. Poverty is reduced as responsible job opportunities, productivity, income and competition increase. Business, through the way it does business can also address issues such as climate change, access to health and education as well as access to resources amongst other things.

The most sustainable way to positively impact the MDGs is to develop strategies, programmes, partnerships and models that are intrinsically linked to the core business functions, models, skills and expertise of the business and that are inclusive of the most vulnerable in society.

Business has a central role to play in addressing the MDGs. Done well, business benefits, communities benefit and together society benefits. Addressing the MDGs therefore makes business sense; it makes social sense; it is about enlightened self interest.

With five years to go however, it is vital to mobilise business for good and transform the pace of change to achieve the goals, developing collaborative solutions to our mutual challenges, for our mutual benefit. The time for action is now.
The Millennium Development Goals (MDGs) are the most broadly supported, comprehensive and specific development goals the world has ever agreed upon. These eight time-bound goals provide concrete, numerical benchmarks for tackling extreme poverty in its many dimensions. They include goals and targets on income poverty, hunger, maternal and child mortality, disease, inadequate shelter, gender inequality, environmental degradation and creating a global partnership for development.

Adopted by world leaders in the year 2000 and set to be achieved by 2015, the MDGs are both global and local, tailored by each country to suit specific development needs. They provide a framework for the entire international community to work together towards a common end and making sure that human development reaches everyone, everywhere. If these goals are achieved, world poverty will be cut by half, tens of millions of lives will be saved, and billions more people will have the opportunity to benefit from the global economy.

The MDGs break down into eight goals of 21 quantifiable targets that are measured by 60 indicators.

Achieving the MDGs is possible. There are a range of tried and tested policies, which ensure progress. If they are backed by strong global partnerships, the MDGs can be achieved by 2015.

**Introduction to the Millennium Development Goals**

Eradicate extreme poverty and hunger

Achieve universal primary education

Promote gender equality and empower women

Reduce child mortality

Improve maternal health

Combat HIV/AIDS, malaria and other diseases

Ensure environmental sustainability

Develop a global partnership for development
This is a crucial time: a time for reflection and assessment. At this point, a simple question should be asked: are the contributions made through companies’ core business sufficient? Or, putting it differently: is there something else that companies can do to positively impact the Millennium Development Goals (MDGs)? The answer to this question is definitely yes, companies can do something else to contribute towards the achievement of the MDGs.

Today, more than ever, the commitment to building the global partnership established by the Millennium Declaration must guide our actions. Every stakeholder is a crucial piece of the puzzle. Governments, civil society, businesses and individuals have a common objective to eradicate extreme poverty by 2015. No matter what, all efforts must be directed towards this objective.

Over the last decade, companies have become more important and influential actors in many developing countries as a result of privatisation and market liberalisation and they have a growing stake in the future progress of these countries.

At the same time there are growing international demands for companies to be more transparent and more accountable for their economic, social and environmental impacts everywhere they operate.

What can the private sector do more specifically to help reduce poverty, create wealth and support the goals? In the poorest countries, agriculture forms much of the private sector so rural productivity investments will have a direct and sizable effect in kick-starting the private sector’s contributions to economic growth and rural household incomes.

In agriculture and in other sectors, much private sector activity in developing countries lies outside the formal economy. Within the informal sector, women are estimated to make up about two-thirds of self-employed entrepreneurs. For these informal sector entrepreneurs, significant support is often needed to climb out of poverty.

At a broader level of poverty reduction private enterprises are vital to supporting overall technological advancement, a long-term driver of economic growth. Technological advances in manufacturing industries tend, by raising the productivity of workers, to increase growth and then increase the demand for jobs.

Financial enterprises also have a special role to play in enterprise creation. Although financial markets are extremely limited in the poorest countries, they have expanded in recent years to support business development in middle-income countries, the emerging markets.

Those companies that are not positively acting towards achieving the MDGs but still have corporate social responsibility (CSR) programmes may want to start doing something more specific in this field. However, the question that commonly arises is how can companies better address the MDGs with their CSR programmes? This publication aims to show best practice examples to inspire all stakeholders to take positive steps towards achieving the Millennium Development Goals.
The deals undertaken by the Global Microfinance Group present us with an ideal opportunity to work with relationship law firms (best friends) and with key global clients (crown jewels) in emerging markets. One of our key strategic aims is to increase the percentage of our work that relates to emerging markets from 8% to 20% within the next five years. We need ‘seed corn’ deals that help us to build up experience and credibility in these markets. Microfinance ticks all those boxes.

**Stephen Denyer / Global Markets Partner, Allen & Overy**

Innovative, passionate and committed: these are the hallmarks of the microfinance practice established by Allen & Overy. In serving a broad range of microfinance institutions, Allen & Overy marshals its extraordinary legal talent, creativity and enthusiasm to address the challenges presented by poverty and to ensure the firm’s efforts lift others beyond that poverty.

**Kimberly Summe / Founder, Paladin Connect**
Summary
Microfinance has the potential to make a huge difference to the economic wellbeing of millions of micro-entrepreneurs in developing countries because people who depend on their small businesses for their livelihoods can make the transformation from subsistence living to planning for their future.

Microfinance is the provision of loans (known as microcredit), savings, pensions, insurance, remittance and other financial services to the poor. The poor are often denied access to mainstream banking services, either because the loans they are seeking are too small and therefore too expensive to administer for these banks, or because they are simply not regarded as creditworthy.

Allen & Overy’s microfinance practice encompasses more than 250 lawyers located in over 20 offices across Europe, the Middle East, the Americas and Asia. The group advises on numerous microfinance-related transactions and prides itself on being able to provide real and much-needed solutions helping to transform businesses in developing economies.

Business Benefits
• An opportunity to develop microfinance as a sustainable business area by combining pro bono with fee-paying work and by strengthening the firm’s experience and reputation in this area
• Conferences, seminars and training events are held to raise the Group’s profile internally and externally as well as to develop lawyers’ skills and knowledge
• Commitment to social investment is important for staff recruitment, retention and motivation

Society Benefits
• The rapid growth of membership and work undertaken means that Allen & Overy is helping more NGOs and microfinance institutions to access the legal advice they require to secure sustainable funding streams, and meet regulatory and stakeholder requirements
• Over 8,500 hours of pro bono advice provided since August 2008, equivalent to £2.8 million if billed at full charge-out rates
• Awareness-raising of the role of microfinance in combating poverty with client-targeted bulletins, promotion in the legal press and encouraging other lawyers’ involvement in the sector

Lessons Learned
• Embed the strategy: Aligning it with the overall vision and strategy for the business is key. This helps it endure changes in management
• Role of service provision: Identify how services provided can help those delivering development programmes to maximise their impact
• Evaluation: There is always a challenge in measuring how much of the development impact on the ground can be attributed to the Group’s assistance. The value of lawyers’ time as a cost-saving as well as considering the value of the funds secured, and the number of individuals who benefit from the micro-loans from capital markets transactions are used for evaluation
Barclays in partnership with The Guardian Media Group and AMREF / The Katine Partnership

Barclays is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services. The Katine Partnership with The Guardian and The African Medical Research Foundation (AMREF) seeks to improve education, health, livelihoods, sanitation and community empowerment for 25,000 people in Katine, Uganda.

Summary

Barclays is partnering with The Guardian and the NGO AMREF to improve education, health, livelihoods, sanitation and community empowerment for 25,000 people in the community of Katine, Uganda. Katine is a post-conflict area, composed of 66 villages, and has some of the worst indicators for poverty and under development in Uganda. 77% of the population lives on less than 70p a day.

The Katine Partnership uses four approaches to achieve positive changes in Katine: integrated community development by addressing the underlying causes of poverty; cross sector partnership at local and international levels; communicating development through the media; and innovative fundraising and skills transfers to the project from all partners.

The partnership offers Barclays an opportunity to learn from a previously inaccessible community and understand how they can benefit from financial services before developing products that meet their needs. Such products and services can in turn be adapted for emerging markets around the world. The partnership reflects how Barclays’ commercial and community investment strategies complement each other.

The Katine Partnership allows Barclays employees in Uganda to become involved through volunteering and skills sharing.

Business Benefits

- Catalysing linkages between Barclays community and emerging market commercial teams
- The partnership has enabled Barclays to access communities to gain the detailed understanding necessary to develop financial products
- Employees benefit from volunteering, sharing skills and improving their understanding about inclusive banking
- Media coverage of more than 700 articles in print or online through the partnership with The Guardian

Society Benefits

- Improved health through the reduction of preventable childhood diseases with immunisation coverage for children against eight killer diseases exceeding the government target of 90%
- Tackling common infectious diseases through improved health services for malaria, TB and HIV with 1,740 children under five and 1,000 pregnant mothers receiving insecticide treated bed nets
- Improved education with a 21% increase in enrolment at school and improved attendance, particularly for girls and children with disabilities
- Improved livelihoods and income generation with more than 150 Village Savings and Loans Associations established, enabling more than 3,200 Katine residents to benefit from loans and savings

Lessons Learned

- Partnership: Developing a close partnership with a partner NGO is vital in order to understand each other’s business and ways of working
- Governance: To manage expectations and resolve conflicts, develop a partnership agreement with a joint vision for the partnership and a strong governance framework
- Appropriate support: Ensure any non-financial support provided is appropriate to the local setting and needs
- Integrated approach: Consider how a company’s support fits into national and international development policies
In 2007, Barclays entered into a project partnership with The Guardian newspaper and AMREF. The project is aimed at helping the population of Katine, a province in Uganda, attack the primary sources of poverty and illness, and create a sustainable commercial model for rural banking. It is a hugely ambitious undertaking but my heart lifts as I see the impact that we’re having.

John Varley / Group Chief Executive, Barclays

The Katine project is a great example of how cross-sector local, national and international partnerships can produce impressive and sustainable results in addressing the complex challenges of development and both the symptoms and underlying causes of poverty. Katine shows that with concerted effort, the health MDGs can be achieved. But an enormous amount needs to be done.

Grace Mukasa / CEO, AMREF UK
I firmly believe that with Patrimonio Hoy, consistency and commitment, dreams do come true. It fills me with pride as I have been able to show my children that consistency pays off. With Patrimonio Hoy I have built this bedroom together with its firm floor.

Maria de Jesús Pérez / Mexico

CEMEX has demonstrated a long-term commitment to sustainable development and corporate responsibility by collaborating with others to make the greatest possible impact. Helping to provide access to housing is one of our priorities and through Patrimonio Hoy we have contributed to improving the living conditions of over 260,000 families across Latin America.

Lorenzo H Zambrano / Chairman of the Board and CEO, CEMEX

MDGs addressed:
CEMEX is a worldwide producer of cement, ready-mix concrete and aggregates. Patrimonio Hoy is its groundbreaking corporate programme providing a market-based solution to address the housing needs of low-income families.

**Summary**

Patrimonio Hoy allows low-income families to access services and building materials through a savings and credit scheme.

The main objective is to improve the quality of life of low-income families by empowering them through a market-based solution to address their housing needs. Patrimonio Hoy creates a collaborative local network through being present in communities by hiring community-based promoters, working with local retailers and collaborating with schools. Patrimonio Hoy operates both nationally in Mexico and internationally throughout Latin America.

Through improved living conditions, Patrimonio Hoy contributes directly to the reduction of the multidimensional poverty of its participants and their families, impacting more than 1.25 million Mexicans as well as allowing CEMEX to increase its market share.

**Business Benefits**

- Reinforces brand loyalty and an excellent reputation within low-income communities and stakeholders
- Patrimonio Hoy has gained several awards that have helped to establish credibility for long-term relationships and partnerships and impact on retention, recruitment, retention and motivation of staff
- New markets arising from innovation or enhanced corporate reputation
- CEMEX’s local material retailers increase their business volume and benefit without having to invest in advertising
- The initiative has enhanced cross-national collaboration and communication with Patrimonio Hoy being directly involved in providing its experience and expertise to expand the programme globally

**Society Benefits**

- Family members have more space and privacy, benefiting children in particular leading to improved social development
- Gives access to finance and gives families the possibility of building their home using their own skills and resources, resulting in higher self-esteem and changed attitudes
- 95% of the community-based promoters are women and 51% of them had no previous working experience; these women are empowered through training, employment and greater status within the community
- Allows families to build homes three times faster at one third of the average cost
- 55% of the participants hire local builders, creating local jobs
- 29% of the participants use the newly built space to start or develop their own business

**Lessons Learned**

- **Patient approach:** It took 18 months of work to adapt and formalise the main features of the programme, making patience essential while knowledge is developed and the initial return on investment is low
- **Profitable business:** Social business is profitable and CEMEX’s experience has revealed that it is feasible to create a viable business with the bottom of the pyramid
- **Partnership:** It is important to be open to establishing partnerships and bringing together know-how and experience from different institutions. Partnerships are also important in consolidating or enriching indirect impacts
- **Impact assessment:** It is essential to show evidence on impacting the Millennium Development Goals as well as revealing opportunities for development
Cisco is the worldwide leader in internet networking that transforms how people connect, communicate and collaborate. The Cisco Networking Academy is a comprehensive e-learning programme that gives students information and communication technologies (ICT) skills.

Summary
Cisco Networking Academy is a global public-private education ecosystem that advances the Millennium Development Goals by equipping students with the ICT skills and knowledge needed to access jobs in the internet economy. This improves their quality of life and that of their communities.

Cisco ensures students benefit from unique curricula, including instructor-led, web-based course content, online skills assessments, hands-on laboratories and cutting-edge simulations. The high quality and global consistency of the courses are sustained through the latest networking technologies and by significant investments in instructor training and continuing professional development for teachers.

Courses have been translated from English into the five other UN languages and 11 additional languages, with more translations ongoing.

Business Benefits
- Cisco Networking Academy is developing a global workforce that enlarges the overall market for networking products and services, resulting in sales growth. Skills gaps in the networking sector have a big impact on businesses and Cisco Networking Academy has a career site to help its business partners tap into the Networking Academy talent
- Fortifying brand identity and building a Cisco-focused community, encouraging students and graduates to interact through competitions and social networking websites, creating a community of interest tied to Cisco
- Cultivating strong partnerships with educational institutions, government entities, NGOs and private companies
- Gender equality and a diverse workforce benefits Cisco by enabling the company to better anticipate global market demand, generate innovative ideas and respond to a wide range of customers

Society Benefits
- Providing a business-oriented ICT education, based on industry standards, proven business processes and employer requirements
- Offering learning opportunities to and creating supportive online communities for students who would not ordinarily be able to afford or have access to such an education
- Scaling instruction for global impact and giving teachers an opportunity to strengthen their professional capabilities while responding to the needs of local communities and government entities
- Students have increased employment and educational opportunities. A survey of Networking Academy students shows that: 88% of students routinely use the skills they have learned; 73% pursue more education in IT; and 43% of students say it makes a significant contribution to their career outcomes

Lessons Learned
- Communication: It is very important that key information is communicated to all stakeholders in order to maintain quality and value
- Integration: Ensure that the programme supports the company’s overall mission, vision, and business goals because sustainability depends on relevance
- Scalability: Build scalability into the programme so that it can be grown quickly and easily
- Continued improvement: Conduct research continually to find out where improvements can be made
Cisco has a unique opportunity to really make a difference. I’ve always believed the most successful companies should be the best at corporate social responsibility. It’s not only the right thing to do ethically, but it’s also just plain good business.

John Chambers / Chairman and CEO, Cisco

Networking can change your life forever. It can take you places. Networking allows you to interact with people with no boundaries. With a career in networking, you have landed somewhere.

Thomas Mle Seton / Information Resource Clerk and Office Technology Coordinator, UNFAO, Liberia
We can make a big difference by doing what we do best. By harnessing the legal and business skills found in the firm and working with the world’s leading NGOs and charities, we have created a strong pro bono programme that has a tangible impact on the MDGs.

**Clarissa O’Callaghan / Global Head of Pro Bono, Freshfields Bruckhaus Deringer**

Freshfields’ involvement in FLOWE(RED) was pivotal in helping us reach a sound agreement with our joint venture partner, and incorporating good operational principles to help put the business on the right footing to achieve ambitious growth.

**Joanna Baldwin / Chief Operating Officer, (RED) International**
Summary
It is clear that a law firm’s pro bono programme can play a key role in helping to achieve the Millennium Development Goals (MDGs). Through acting for NGOs and charities like Save the Children, Oxfam, the Clinton Health Access Initiative, (RED) and the Global Fund to Fight AIDS, TB and Malaria, all of which are on the frontline delivering key services, Freshfields can harness its legal skills and innovation to help them achieve major advancements on child mortality, poverty and health.

Through partnering with some of the world’s leading NGOs, Freshfields has identified two key areas where it can use its legal expertise, which in turn will have direct and indirect impacts on achieving the MDGs: institutional advice in a range of areas such as governance, restructuring and contracts; and thematic advice on specific projects such as child survival for Save the Children.

Business Benefits
• Lawyers are able to work on fascinating and complex matters that can enhance and develop their skill sets
• Demonstrating to clients Freshfields’ core values
• Encouraging lawyers to work inter-departmentally and with colleagues in other offices
• The Global Pro Bono Programme is an important factor in recruitment, retention and motivation
• The programme provides global exposure for Freshfields, which helps develop its network of relationship firms

Society Benefits
• Providing pro bono advice on a contract valued at £150 million for the Clinton Health Access Initiative and UNITAID, because of which 390,000 people with HIV/AIDS were supported by low cost drugs
• Advising Oxfam UK and helping different member Oxfams from many of its international offices
• Advising the Global Fund to Fight AIDS, Tuberculosis and Malaria in relation to the Affordable Medicines Facility – malaria
• Working on a pro bono project with Deutsche Bank helped support 21 microfinance institutions to make at least 120,000 loans to micro businesses in 15 developing and emerging market countries
• Helping the International Save the Children Alliance on its single management project to become a more integrated global federation with a single delivery mechanism for all its international programmes

Lessons Learned
• Clear strategy: It is vital to have a clear strategy but recognise that many opportunities come from different sources and unexpected opportunities
• Secondments: Secondments are one of the best ways to learn what makes a client tick and how they like to work, while the lawyers benefit enormously
Lymphatic Filariasis (LF, often called elephantiasis) is recognised by the World Health Organisation (WHO) as one of the most disabling diseases. It is caused by a parasitic worm infection spread by mosquitoes that can lead to massive swelling of limbs, breasts and genitals. The disease is found in more than 80 countries throughout the global tropics. 120 million people are affected with over one billion people at risk of acquiring the infection.

GlaxoSmithKline (GSK) has pledged to donate the anti-parasitic medicine, albendazole, to all endemic countries until LF is eliminated as a public health problem. Albendazole, when co-administered with another medicine, can help break the cycle of transmission between mosquitoes and humans. In 2009, the global programme reached 496 million people in 51 countries. GSK is a founder member of the Global Alliance to Eliminate LF, a coalition that includes the World Health Organisation, the Ministries of Health of countries with LF, and over 40 partner organisations.

GSK has a long history and presence in many developing countries. The LF programme is one of a series of initiatives targeted at transforming the company’s approach to diseases that affect the poorest people.

**Business Benefits**

- GSK’s focus on health and education supports the company’s reputation and stakeholders recognise that GSK is a committed partner
- For employees the programme creates an understanding and awareness of GSK’s commitment
- For customers, GSK’s partnership with the LF programme reinforces its ability to respond to customer needs
- Involvement with LF elimination is an important source of motivation for GSK employees, helping with the recruitment and retention of talented people who seek to work for a company that demonstrates social responsibility

**Society Benefits**

- The LF programme will leave a permanent benefit for the world: the elimination of one of the world’s most disabling tropical diseases
- Every year $842 million is lost to the Indian economy through LF patients and households, primarily in poor communities, being unable to go out to work, exacerbating their situation; the fight against LF is also a fight against poverty
- LF elimination will increase the capacity of poor families to access education through increased income, reduced caring for parents by children, and increased school attendance and performance due to the impact on intestinal worms

**Lessons Learned**

- **Mutual benefit**: The most sustainable programmes are those where there is mutual benefit for donor and recipient
- **Partnership**: Partnership is essential for implementation, resource mobilisation, planning, education, patient care and community mobilisation
- **Core skills**: Companies should use their core skills to play an active role in partnerships from core products and services through to management expertise for strategic planning, logistics and communications
- **Measurement**: The importance of collecting baseline data and measuring impact year on year

GlaxoSmithKline is a leading healthcare company that helps people to do more, feel better and live longer. GlaxoSmithKline is an active partner in the World Health Organisation-led effort to rid the world of the disfiguring and disabling tropical disease lymphatic filariasis.
The establishment of the Global Programme to Eliminate LF was truly visionary; and its success and scale demonstrate the power a willing coalition can bring to a tremendous healthcare challenge.

Andrew Witty / CEO, GSK

Last year China and Egypt announced the elimination of lymphatic filariasis, a disease that currently disables some 40 million people. Other countries are on the verge of similar achievements. These are victories, not just for health, but also in our struggle to free people to live productive lives.

Dr Margaret Chan / Director-General, World Health Organisation
For our business customers, we bring our best technology and talent to bear on their business problems. We do the same thing in the community, addressing educational, social and humanitarian concerns. World Community Grid applies the smarter planet strategy to global humanitarian issues.

**Stanley Litow / Vice President, Corporate Citizenship and Corporate Affairs & President, IBM International Foundation**

World Community Grid has enabled my lab at Scripps to engage in critical computational research to design new anti-HIV drugs based on molecular structure. This is work that we would not have attempted in the absence of this powerful public computing grid. World Community Grid has allowed us to complete very complex research studies in six months that would have taken five years.

**Professor Arthur Olson / Department of Molecular Biology, The Scripps Research Institute**
IBM is a global leader in business consulting and technology, operating in over 170 countries around the world. World Community Grid is IBM’s pioneering grid computing system which harnesses the power of idle computers to perform critical humanitarian research around complex biological, environmental and health-related issues.

**Summary**
Launched in 2004, World Community Grid is built on the belief that technical innovation combined with visionary scientific research and large-scale volunteerism can help address societal challenges.

Accelerating progress towards the Millennium Development Goals requires access to innovative scientific research. The programme uses grid computing to harness the spare computing capacity of a global community of 500,000 computer users and 1.5 million computer devices – surpassing the computational power of several supercomputers – and making it available at no cost to scientists engaged in not for profit, humanitarian research.

World Community Grid has helped to significantly reduce the research time needed for critical humanitarian projects such as finding alternative sources of clean energy and fighting diseases such as HIV/AIDS, cancer and influenza.

**Business Benefits**
- Demonstrates leadership in technology and epitomises IBM’s vision for a smarter planet, changing the way the world works through infusing analysis in both natural and man-made systems
- Emphasises IBM’s reputation for excellence in science; a company that invests more than $6 billion annually in research is expected to collaborate and enable scientific research around the world
- Stakeholders see a strong commitment to citizenship through engagement in humanitarian issues
- Complements growth and investment strategy by making a contribution to social issues that matter to people in emerging markets

**Society Benefits**
- Scientists engaged in research have gained more than 370,000 years of computer run-time provided at no cost, which has delivered over 480 million research results since 2004
- Over 40 potential new drug candidates have been identified as part of the Fight AIDS programme in partnership with the Scripps Research Institute
- Potential new compounds to combat dengue fever, hepatitis, West Nile and yellow fever viruses have been identified in partnership with the University of Texas Medical Branch and the University of Chicago
- Rice strains with potential for higher yields, greater disease and pest resistance and resilience to climate change have been identified as part of the Nutritious Rice programme in partnership with the University of Washington
- More accurate cancer identification techniques have been verified as part of the Help Defeat Cancer project in partnership with the United Health Network and Cancer Institute of Ontario

**Lessons Learned**
- **Partnerships:** Volunteers donate their computer power, researchers provide challenging humanitarian projects and IBM provides infrastructure, support and direction. All areas require constant attention to ensure that they contribute to a successful and effective programme
- **Communication:** Constant communication with volunteer members is essential in order to maintain their interest levels and ensure that their computers and other devices remain connected to the World Community Grid
- **Product Confidence:** Reassuring potential volunteers about the security of the World Community Grid is an essential element in continuing to grow membership
KPMG is a global network of professional services firms providing audit, tax and advisory services. Its Global Development Initiative is an innovative programme taking its commitment to corporate citizenship to a new level, bringing together KPMG people from around the world to tackle global issues.

Summary
To support its focus on international development, KPMG International established the Global Development Initiative. This programme takes its commitment to corporate citizenship to a new level, bringing together KPMG people from around the world so they can tackle global issues.

KPMG believes that companies are stakeholders in addressing poverty issues, alongside governments and society. Citizenship is embedded in KPMG’s values and its firms have the scale, influence, professional skills and business knowledge to make a significant contribution to the issues affecting its communities.

KPMG firms have partnered with numerous international development agencies and NGOs to pioneer a model of professional collaboration. Some of the organisations include The Millennium Promise, Oxfam, Save the Children, UNICEF and World Vision. The aim is to apply KPMG’s people’s skills, knowledge and resources to sustainable enterprises in pursuit of the Millennium Development Goals (MDGs).

In KPMG’s opinion, business must move beyond good internal governance, compliance and ethical behaviour, to be committed actors collaborating with other organisations to tackle global social and environmental issues.

Business Benefits
- Provides opportunities for KPMG people to develop cross-border and cross-functional working skills to work in international multi-disciplinary teams
- KPMG’s Global People Survey found that KPMG staff value what KPMG is doing to live out its core value ‘we are committed to our communities’
- Clients are increasingly requesting information on KPMG’s corporate responsibility and citizenship programmes

Society Benefits
- KPMG has contributed to the MDGs by collaborating with NGOs and United Nations agencies as well as directly assisting those in need
- KPMG publishes regular reports with investment opportunities in three key cities in Africa
- KPMG supported a staff member to register his charity, Familia Moja Children’s Centre, in Kenya, while KPMG also supports with budget preparation, financial controls, preparing financial accounts for audit and managing and purchasing land

Lessons Learned
- Applying core skills: Applying business reputation for thought leadership and innovation to work for systemic change, tackling the root causes of poverty and overcoming the key challenges organisations encounter in addressing them
- Collaboration and partnership: Collaboration with other businesses, UN agencies, NGOs and/or government bodies to develop creative solutions that come to be successfully implemented, replicated and scaled
- The extra mile: It is easier to continue ameliorating the symptoms of poverty with familiar projects, but by going a step further KPMG can be transformative and make a larger contribution to sustainable poverty reduction
- Use skills at home: Promote local volunteering opportunities in the home country at international NGOs’ offices to work on organisational efficiency to maximise aid effectiveness
Many of the big issues facing the world today – poverty alleviation; population growth; climate change; globalisation; technological change; food, water and energy security; the spread of infectious disease – affect business. They certainly affect KPMG and its people, who live and work in more than 140 territories around the globe. I see firsthand how good citizenship helps define the KPMG culture around the world.

Timothy P Flynn / Chairman, KPMG International

People working at KPMG have skills and talent that we, as Save the Children, are really looking for when we try to find new solutions to old problems.

Jasmine Whitbread / Chief Executive, Save the Children
Cocoa is vital to the livelihoods of nearly 50 million people worldwide, including nearly five million farmers. The most effective way for cocoa farmers to increase their income is by increasing the quality and productivity of their harvests. By combining farmer training and education schemes with a tree plantlet programme our Cocoa Plan aims to give farmers the best and most effective means to better their livelihoods.

Petraea Heynike / Executive Vice President, Marketing and Sales, Nestlé S.A.

We farmers working in cooperation with Nestlé have been made aware of how important quality is and how it increases our yield. Furthermore, we have learned the importance of sending our children to school rather than taking them along to our fields.

Behi Bro Loukou Alfred / Cocoa Farmer, Côte d’Ivoire
Nestlé is the largest nutrition and foods company in the world. The Cocoa Plan is Nestlé’s way of helping cocoa farmers, their families and communities secure a better future.

**Summary**

Four and a half million small farmers grow cocoa with West Africa contributing almost 70% of total supply. However, supply is becoming critical. Low prices have led to underinvestment in the sector, declining cocoa quality, worldwide supply deficits and farms with ageing trees vulnerable to disease.

Nestlé believes that to enhance and protect its business, it must safeguard the wellbeing and future of the people who farm and supply its raw materials, work in the company’s offices and factories and sell its products.

In 2009 Nestlé purchased 350,000 tonnes of cocoa, 11% of the world’s supply. The Cocoa Plan is Nestlé’s way of helping tackle issues facing cocoa farming communities, creating a better future for cocoa farming. The aim is to help cocoa farmers improve incomes by increasing the quality and productivity of their harvests through funding training and education schemes combined with an extensive tree-planting programme.

The Cocoa Plan is aligned with Nestlé’s Creating Shared Value approach and has the endorsement of the board of directors. Nestlé UK was the first of the markets to announce plans to use The Cocoa Plan through a partnership with Fairtrade. Since January 2010, all four-finger Kit Kats sold in the UK and Ireland have been Fairtrade certified.

**Business Benefits**

- Opportunities to ensure that greater numbers of farmers grow cocoa sustainably and produce better quality cocoa
- Positive response from consumers and stakeholders. More than half of UK consumers said they would be more inclined to buy a Fairtrade four-finger Kit Kat

**Society Benefits**

- Helps address the economic, environmental and social challenges facing cocoa-farming communities
- Nestlé uses its agricultural and scientific know-how to help farmers improve the quality and yield of cocoa plants
- Farmer field schools teach farmers about good farm management, environmental stewardship and provide forums to tackle issues like child labour, schooling, and HIV/AIDS and malaria prevention
- By providing better quality trees to replace diseased trees, farmers produce greater amounts of cocoa from the same or a smaller area of land, preventing deforestation

**Lessons Learned**

- **Partnership:** Partnerships are important to meet targets and address issues in the supply chain
- **Research and development:** Investing in research and development in plant science has been important to foster environmental stewardship and sustainability
- **Challenges on the ground:** Being aware of the reality on the ground, which can make programme delivery and progress visits difficult
- **Reporting:** Annual reporting against key performance indicators is vital
Pachacuti / Sustainable Fair Trade Management System

Pachacuti is the UK’s Panama hat specialist and purveyor of certified Fair Trade clothing and fashion accessories. It is the world’s first company to be certified against the Sustainable Fair Trade Management System, a new worldwide standard for the independent certification of organisations that demonstrate Fair Trade business practice.

Summary
Pachacuti is the first company in the world certified by the World Fair Trade Organisation (WFTO) against the Sustainable Fair Trade Management System (SFTMS) certification, which guarantees social, economic and environmental standards throughout the entire supply chain.

The company had heard for several years that the WFTO would be bringing out a certification for handmade products. This represents important progress within the fashion industry where added value is not determined by raw materials but by all the processes involved in the creation of the finished article.

Currently, a cotton top with a Fairtrade mark only has to use Fairtrade cotton but the cutting, sewing and embellishment of the garment do not have to adhere to fair standards. Pachacuti was selected for the pilot and became the first company to receive the certification label in December 2009.

Business Benefits
- Since becoming the first company in the world to be certified against the SFTMS, Pachacuti has experienced increased demand for its products from other retailers, private labels, distributors and wholesalers.
- The company has growing brand awareness, being given a space in Liberty, a world-renowned high-end department store in London, to create a Pachacuti styled area selling its Panama hats.
- Export sales have increased with the distributor Marubeni purchasing its Panama hats and alpaca accessories for distribution to Japanese stores.
- Securing contracts from major retailers such as leading British fashion designer Paul Smith.

Society Benefits
- All of Pachacuti’s producers receive a living wage, which enables them to purchase the cañasta familiar: monthly food, accommodation, utilities, transport, medical supplies, access to education, communication and recreational activities.
- Through funds ring-fenced by Pachacuti, healthcare, weavers have benefited from eye tests, glasses and cataract operations.
- By combining contemporary design with traditional creative techniques, Pachacuti helps to affirm the women’s indigenous identity, preserve local culture, increase self-esteem and contribute to the preservation of these skills for future generations.
- Local producers in developing countries are linked to EU consumers through increased transparency and traceability of the supply chain.

Lessons Learned
- Inclusive methods: For producers who are illiterate, develop analytical tools and methodologies to obtain feedback in simple, visual forms.
- Understand the supply chain: Analytical methodologies increase understanding of the entire supply chain while areas needing improvement can be identified and put into an action plan.
- Assessment at all levels: Assess upwards through the supply chain to cover home country offices, shipping, packaging, staff/management relationships, green utilities, energy use and recycling.
- Structured framework: Put in place procedures that provide a framework for assessing impact on poverty alleviation and on producers’ personal and community development.
Since starting work on the SFTMS, the processes and procedures that we have implemented throughout the entire supply chain have led to a quantifiable impact on the wellbeing of our producer groups and their communities. Certification is already leading to a dramatic increase in sales, bringing further benefit to our producers.

Carry Somers / Founder, Pachacuti

Everything that Pachacuti has undertaken in our Association has been based on a plan with the aim of obtaining positive results in different fields: helping the elderly, health programmes and, most importantly, buying our products at a higher price than the middlemen.

Marlene Castro / President,
Asociación de Toquilleras Maria Auxiliar, a women’s Panama hat weaving association in Sigsig, Ecuador
Consumer businesses such as SABMiller are the engines of economic growth. They drive prosperity through a multiplier effect. For every one person we employ directly at SABMiller, we create many more jobs in our supply and distribution chains. A recent survey by Insead in our Ugandan business showed that while our direct employees numbered 430, the indirect employees we supported either fully, or in part, totalled some 40,000.

Graham Mackay / Chief Executive, SABMiller

In the beginning, people didn’t plant sorghum as they didn’t think there were any buyers. As time went on we saw that there was a market. Farmers who planted sorghum last year are now really happy. Now, people are earning more money – some earning three times more! This means that we are able to buy bulls, plough more land and make more money, which means we can buy presents at Christmas time!

Hellen Ikwap / Sorghum Farmer, north-eastern Uganda
SABMiller is one of the world’s largest brewers with brewing interests and distribution agreements across six continents. SABMiller’s approach to sustainable development is based on Ten Priorities. One of these priorities is to encourage enterprise development in its value chains.

Summary
SABMiller’s enterprise development has three components: supporting smallholder farmers; investing in its value chain; and developing entrepreneurs. These share a common theme of working in partnership with local suppliers and other businesses, building their capacity to deliver quality goods and services and enhancing their ability to grow.

Multinational companies tend to rely on global supply chains, which offer economies of scale through a small number of high-volume suppliers. SABMiller manages its supply chains with a view to the long-term benefits. These include the availability of key brewing ingredients, such as malted barley, and the stimulus such purchasing gives to local economic growth. SABMiller has invested in small scale supplier relationships, particularly with smallholder farmers in Africa, India and increasingly Latin America to build local agricultural capacity and secure supplies of raw materials.

In Africa, for example, for every person SABMiller employs directly it creates up to 40 jobs in its supply and distribution chains. Last year SABMiller spent $10 billion on suppliers around the world.

SABMiller continually adapts what it does to meet the needs of consumers, communities and its business. When SABMiller is aligned with governments development priorities and its consumers needs, it can make a difference.

Business Benefits
• Smallholder sourcing is a central pillar and has helped it secure the supply of barley and other crops needed

• In Uganda and Zambia, sourcing sorghum qualifies SABMiller for low excise rates. This allows SABMiller to sell the product at a third less than lagers using imported barley, generating a sales revenue for Eagle Lager of approximately $43 million a year in Uganda
• Smallholder sourcing has helped build a market share of over 35% in India
• In South Africa, establishing a sustainable local source of barley has helped to reduce import duties and foreign exchange rates

Society Benefits
• Smallholder programmes have created employment and raised income levels among disadvantaged farmers in Africa and India
• It provides financial and technical assistance to farmers, provides fertilisers and seeds, gives advice, offers business and finance training and supports smallholders through the farming process to ensure they build capacity and sustainability
• Many farmers have been able to move from subsistence based agriculture to a small scale agribusiness model and have more disposable income

Lessons Learned
• **Commercial viability:** Value chain programmes must be commercially viable and sustainable
• **Infrastructure:** For local suppliers to flourish, an effective business environment is needed
• **Mentoring:** From the outset SABMiller needs to act as a mentor to its suppliers to ensure they share the same expectations and to secure consistency and quality
• **Partnerships:** By building equitable partnerships they can create more value for its businesses and make a difference in markets
Summary
India is a vast country with a range of living standards. 65% of the population lives in rural India where over 80 million households, with an average of five to six people in each, depend on farming for their livelihood.

Tata Consultancy Services (TCS) developed mKRISHI (m = mobile; krishi = agriculture) to offer personalised services to farmers. Farmers send queries from anywhere, anytime in their own language through a mobile phone and receive personal responses. Literacy challenged farmers access the service by means of voice activated SMS.

The mKRISHI platform combines multiple technologies such as cellular networks, mid-range mobile handsets and weather and soil sensor technologies, to bring information regarding local weather, fertiliser requirement based on soil conditions, pest control, and current grain prices in local markets in a rich content format to farmers’ low-end mobile handsets. Farmers also send crop images to experts for analysis.

Business Benefits
• The ability to enter new markets, namely India’s agriculture sector
• Being recognised as a pioneer company, with recognition through awards for the application of innovation to grassroots level problems, which reasserts its pioneering spirit
• Enhanced company reputation, acknowledged by national and international organisations
• Additional revenue streams as the model is transferable to initiatives such as Primary Health Care, which provides personalised healthcare and advice
• Through the success of the model, TCS is being consulted by the Indian government as it invests in creating IT infrastructure to connect village and district level organisations that support farmers and provide e-governance

Society Benefits
• Farmers’ increased confidence through training and capacity building
• Increased knowledge as 21st century technologies are employed by farmers still using 19th century agricultural practices
• Emotional wellbeing: many farmers suffer from mental and emotional stress leading to, in extreme cases, suicide. Knowing they can access experts with their problems provides emotional security
• Better bargaining power for farmers through access to prices from various markets
• Reduced damage to the environment through improved farming practices
• Economic benefits to farmers increase because of identifying the right fertiliser and reductions in travel costs and time to visit agri-experts for consultancy

Lessons Learned
• Analysis: Analyse the causes of poverty and identify those that can be addressed with the company’s core strengths
• Partnership: A company may not have the whole solution so consider a partnership approach to create an end-to-end solution
• Leadership and collaboration: Do not be afraid to take a leadership role even if the domain is unfamiliar; collaboration around core strengths binds partners together in a position of greater strength
• Microenterprise: Consider creating microenterprises or producer companies as a means of generating wealth and employment to reduce poverty
• Demonstrate the benefits: Unless people perceive benefits they will not pay
mKRISHI is a groundbreaking innovation around which we are trying to build a breakthrough business model. Empowering a large rural population, on technology it can afford, is an exciting proposition.

K Ananth Krishnan / CTO, Tata Consultancy Services

When there is fog in the morning, grape farmers get anxious and want to know if there will be a pest attack and which pesticide to apply. Depending on the weather predictions and other conditions, experts gave us advice, removed our anxiety and we saved on pesticide expenses.

Subhash Arve / Grape Farmer, India
The Co-operative has been a leading supporter of fair and ethical trade for over 160 years. Today, we continue to spearhead the business community with a broad range of activity to help tackle global poverty across the family of businesses, from our pioneering support for Fairtrade, our bank’s $50 million microfinance fund and our community investment projects supporting overseas co-operative development and access to water, sanitation and renewable energy. Over half a million people in the developing world benefited from our international development activity in 2009 alone.

Paul Monaghan / Head of Social Goals and Sustainability, The Co-operative Group

The results have been fantastic! With three small sticks, I am able to cook nsima (from maize flour) and boil water for bathing. Previously, similar sticks were not even enough to cook just nsima.

Ziwere Kayipa / Bauleni village, a sugar community benefiting from a three-year project to provide low-cost fuel efficient cooking stoves, as well as improved access to water and sanitation in Malawi
The Co-operative Group /
International Development at The Co-operative Group

The Co-operative Group is a unique family of businesses owned by its members including: Food, Travel, Banking, Insurance and Pharmacy. Its commitment to international development is broad and aligns with the core values and principles of the organisation.

Summary
The Co-operative aims to be amongst the most progressive of businesses on international development and the longevity of its support demonstrates a deep commitment.

At a time when UK companies may be cutting back support for international development, The Co-operative has actively stepped up its commitment. ‘Tackling global poverty’ was confirmed in 2009 as one of the priority areas for community investment funding. The Co-operative endorsed £1 million for new initiatives tackling global poverty e.g. Fairtrade premiums. This money is financing initiatives focused on community development projects providing clean water, sanitation and low cost fuel-efficient energy and overseas co-operative development projects.

The Co-operative knows that international development issues are important to its members and customers. A consultation was undertaken in 2008 and over 100,000 customers and members voted ethical trading (including Fairtrade, human rights and sound sourcing) as the most important issue to them. The Co-operative also has a history of engaging its members on development issues, via campaigns such as The Wave, and through using innovative communication channels, including theatre and film.

Business Benefits
- Sales of Fairtrade products totalled £62 million in 2009, an increase of 25% on the previous year
- The first and only retailer to sell own-brand ethical water with donations from the sales of Fairbourne Springs funding Playpump™ water systems in southern Africa. In 2009, sales increased 45%
- It is the brand most heavily associated with the term fair trade
- Product innovation and new market opportunities have been created by growing Fairtrade market share and delivering various UK ‘Fairtrade firsts’. These include introducing the first supermarket own-brand Fairtrade product, being the first retailer to switch all own-brand hot drinks to Fairtrade and the first supermarket to sell Fairtrade Palestinian olive oil

Society Benefits
- Over 500,000 people in developing countries are estimated to have benefited from The Co-operative’s activity in 2009
- Almost £750,000 was raised in 2009 through The Co-operative Bank’s charity credit cards for development and human rights charities
- A $1 million microfinance fund was identified in 2009 for microfinance institutions in countries including Congo, Tajikistan and Mexico
- Community investment money for tackling global poverty was committed to six new projects in 2009: three projects providing clean water, sanitation and low cost fuel-efficient energy to communities in Malawi, Mozambique and Panama, and three co-operative development projects in Kenya, Turkey and South Africa

Lessons Learned
- **Partnership:** It is important to work with strong and trusted partners based in-country
- **Measurement:** The gathering of initial baseline information from the outset is vitally important to impact measurement
- **External Funding:** There are benefits to being aware of external funds that can help extend the impact e.g. Department for International Development Food Retail Industry Challenge Fund
Thomson Reuters is the world’s leading source of intelligent information for businesses and professionals. Its mobile technology product, Reuters Market Light, offers a personalised professional information service to the Indian farming community.

Summary
Reuters Market Light (RML) offers a personalised professional information service to the Indian farming community via mobile phones, allowing farmers to access a choice of content in a local language. Each individual chooses the data they want to receive on a daily basis and content is sent to their mobile phone. It enables farmers to make informed decisions, helping reduce their production and marketing risks, directly enhancing their livelihood. In little over two years, RML has sold subscriptions to over 250,000 farmers in more than 15,000 villages, primarily across the Indian states of Maharashtra, Punjab and Haryana. RML is estimated to have been used by one million plus farmers and is now available in 12 states in India.

Previously, farmers did not have access to data and were largely dependent on middlemen for information. RML allows them to negotiate better, decide when and at which market to sell, take precautions based on localised forecasts, improve sowing and cultivation practices and access timely support offered through various government schemes. Farmers regularly report achieving 2,500 rupees (£35) of additional profits on their crop transactions by following RML’s services, paying £3.25 per quarter for the subscription. Customer feedback has also provided case studies identifying savings of 200 to 40,000 rupees (£3 to £555).

Society Benefits
- Empowers rural farmers and gives direct financial benefit
- Farmers are able to increase their margins due to more informed decision making
- Works with over 15 Indian-based agriculture research institutes and agricultural universities to have their content processed, aggregated and then delivered to farmers in a personalised manner in the local language at the right time of the crop cycle
- Job creation through RML employing several hundred villagers, with the majority from the same rural localities as the agricultural markets
- Multiplier impact in creating this industry. Now others have copied the model, which will expand the benefits to more farmers

Business Benefits
- A huge potential market base of 250 million people working in Indian agriculture with 50 million working as cultivators with marketable surplus
- Potential for expanding the model to other markets
- A range of tools are used to gather feedback from farmers
- Customer satisfaction levels ranging consistently from 70% to 80%

Lessons Learned
- Community education: Important to the success of the business and to make a difference in farmer livelihood and to underpin the work being done
- Unique selling point: Create unique differentiators essential to the product: the same idea was launched by at least five companies in parts of Africa and India (e.g. MCX, Airtel, NCDEX), but it has been in the way the idea has been executed as a business, specifically through the award-winning business model innovation, that has made RML so successful
I am very proud that Reuters Market Light has created a positive financial and emotional impact on the farming community through its pioneering service. We have created a new category of personalised decision-making service for farmers that did not earlier exist. We are looking forward to accelerating the expansion of our business pan-India and to other emerging markets.

Amit Mehra / Managing Director, Reuters Market Light

My life is dependent on the field. I used to work from morning till evening in the field but did not get enough benefits from my hard work. This was happening due to the missing link of accurate knowledge regarding weather forecasting, crop advisory services, current market prices and the various government guidelines and schemes, which I get now. I realise how each piece of information is important for me.

Vinayak Ahar / A Young Farmer & Reuters Market Light Subscriber
What I am most proud of is the fact that this little idea which started with 17 women in one state is today over 45,000 women touching more than 135,000 villages across India.

Nitin Paranjpe / CEO, Hindustan Unilever

When my husband left me I had nothing. Today everyone knows me. I am someone now.

Rojamma / Shakti Entrepreneur, India
Unilever is a major, global manufacturer of food, home care, and personal products. On any given day, two billion people use a Unilever product. Its Shakti programme equips women with business skills and a way out of poverty as well as creating a crucial new distribution channel for Unilever products.

Summary
Over 70% of India’s one billion people live in rural areas. The average GDP per capita in India was $3,100 in 2009 and the per capita consumption in rural areas is still 33% of urban levels, even though it is growing rapidly.

For many years, Hindustan Unilever had reached some of these rural populations through initiatives such as van road shows but a large share of the population remained outside its reach. Problems included poor transportation networks, small, scattered settlements, high illiteracy rates and poor media penetration that made conventional advertising methods ineffective.

Hindustan Unilever sought to increase its reach in rural areas by building a distribution system through creating low-risk, profitable microenterprise opportunities for women to become direct-to-home distributors of its products in remote villages. By selling directly to consumers, the women take on the role of influencers, strengthening their position in the local community. The company focused on women because of the belief that giving additional income to women would result in greater benefits for the household as a whole.

The initiative is known as Shakti, meaning strength, and responds to the needs of the rural poor.

Business Benefits
• The programme has brought competitive advantage and increased profits for the company while positively impacting local communities by increasing women’s incomes
• It contributes to 10% of the company’s rural business and has accounted for 40% of its growth in some rural markets

• In Shakti areas, the company’s market share is estimated to be about 10% better than in non-Shakti markets
• In addition to the immediate financial benefits, the work of Shakti entrepreneurs as brand ambassadors has been crucial for building long-term brand loyalty for Hindustan Unilever

Society Benefits
• By the end of 2009, 45,000 women were selling Hindustan Unilever products in over 100,000 villages, leading to increased income for women and improved community wellbeing
• In 2010, the initiative is expected to generate an annual combined income of over $25 million for Shakti entrepreneurs
• Through Shakti, women acquire education, improved standing in their communities and greater self-esteem
• By packaging products into very small amounts and selling them at prices that are affordable to the rural poor, the company is helping improve hygiene and wellbeing in rural India

Lessons Learned
• Commitment: Requires commitment and patience, where financial rewards may not be immediate but long-term business benefits could be large
• Partnerships: Multi-sector partnerships can strengthen the distribution model
• Staff commitment: Aligning business goals with people’s personal commitment creates a strong business model
• Consolidation: The temptation to quickly scale up would be counterproductive and may not be manageable or sustainable. Instead, it is focusing on consolidating the network

With thanks to the Private Sector Leaders Forum
<table>
<thead>
<tr>
<th>Supporting Organisations / Millennium Development Goals*</th>
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<tbody>
<tr>
<td><strong>Business Action for Africa</strong></td>
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<td><strong>Business Call to Action</strong></td>
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<td><strong>Business for Millennium Development</strong></td>
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<td><strong>Department for International Development</strong></td>
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<td><strong>International Business Leaders Forum</strong></td>
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<td><strong>United Nations – Growing Inclusive Markets</strong></td>
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<td><strong>The World Business Council for Sustainable Development</strong></td>
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### Aspirational Principles and Codes of Conduct*

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<tr>
<th>Organisation</th>
<th>Description</th>
<th>Website</th>
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<tbody>
<tr>
<td><strong>Ceres Principles</strong></td>
<td>A network of investors, environmental organisations and other public interest groups working with companies and investors to address sustainability challenges</td>
<td><a href="http://www.ceres.org">www.ceres.org</a></td>
</tr>
<tr>
<td><strong>The Equator Principles</strong></td>
<td>The Equator Principles are a framework for banks to manage environmental and social issues in project financing, especially in emerging markets</td>
<td><a href="http://www.equator-principles.com">www.equator-principles.com</a></td>
</tr>
<tr>
<td><strong>Ethical Trading Initiative (ETI) Base Code</strong></td>
<td>A cooperative alliance of companies, NGOs and trade union organisations, the ETI promotes and improves the implementation of corporate codes of practice which cover supply chain working conditions</td>
<td><a href="http://www.ethicaltrade.org">www.ethicaltrade.org</a></td>
</tr>
<tr>
<td><strong>Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (MNEs)</strong></td>
<td>The guidelines outline what OECD member governments agree are the basic components of responsible corporate conduct. They are recommendations to MNEs covering a range of issues, including labour and human rights, bribery and corruption, the environment and information disclosure</td>
<td><a href="http://www.oecd.org">www.oecd.org</a></td>
</tr>
<tr>
<td><strong>Principles for Global Corporate Responsibility: Benchmarks for Measuring Business Performance</strong></td>
<td>100 principles, 129 criteria and 118 benchmarks to assist companies that are genuine about responsible corporate behaviour. The principles outline philosophies meant to ensure companies actions are responsible</td>
<td><a href="http://www.bench-marks.org">www.bench-marks.org</a></td>
</tr>
<tr>
<td><strong>UN Global Compact</strong></td>
<td>The United Nations Global Compact is a policy guide intended to advance ten universal principles in the areas of human rights, labour, the environment and anti-corruption</td>
<td><a href="http://www.unglobalcompact.org">www.unglobalcompact.org</a></td>
</tr>
<tr>
<td><strong>UN Principles for Responsible Investment</strong></td>
<td>The Principles for Responsible Investment provide a framework for achieving a positive framework relative to environmental, social and corporate governance issues, which can affect the performance of investment portfolios</td>
<td><a href="http://www.unpri.org">www.unpri.org</a></td>
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*This is not an exhaustive list. For further information visit www.bitc.org.uk/international
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td>BoP</td>
<td>Bottom or Base of the Pyramid In economics, the bottom of the pyramid is the largest but poorest socio-economic group. In global terms this is the 2.5 billion people who live on less than $2.50 per day</td>
</tr>
<tr>
<td>DFID</td>
<td>Department for International Development The UK government department responsible for promoting international development and the reduction of global poverty</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product A term used to describe the total monetary value of all goods and services produced domestically by a country within a given time period, usually one year</td>
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<tr>
<td>Microfinance</td>
<td>Microfinance is the provision of loans (known as microcredit), savings, pensions, insurance, remittance and other financial services to the poor</td>
</tr>
<tr>
<td>MFI</td>
<td>Microfinance Institution A microfinance institution is an organisation that provides financial services to the poor. They provide financial services to clients who are poorer and more vulnerable than traditional bank clients</td>
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<tr>
<td>Multidimensional Poverty</td>
<td>This term recognises that the lives of people living in poverty are affected by more than just their income. A multidimensional view of poverty includes other deprivations that a poor person faces all at once with respect to education, health and living standard</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organisation Independent from government, an NGO is a private organisation of a charitable, research or educational nature. Well known NGOs include Save the Children and Oxfam</td>
</tr>
<tr>
<td>Pro Bono</td>
<td>A term short for the Latin phrase, pro bono publico, which means, for the public good. It refers to legal work performed without compensation for the good of society</td>
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<tr>
<td>UN</td>
<td>United Nations With 192 member countries, the purpose of the UN is to bring all nations of the world together to work for peace and development, based on the principles of justice, human dignity and the well-being of all people</td>
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<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund UNICEF helps build a world where the rights of every child are realised</td>
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<tr>
<td>WFTO</td>
<td>World Fair Trade Organisation The WFTO is a membership organisation whose members demonstrate a 100% Fair Trade commitment and apply its 10 Principles of Fair Trade</td>
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<tr>
<td>WHO</td>
<td>World Health Organisation WHO is the directing and coordinating authority for health within the United Nations system</td>
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Business in the Community – mobilising business for good
We work with business to build a sustainable future for people and planet. Our approach to responsible business provides a framework to support and challenge business to improve its performance and benefit society through our four areas of expertise – community, environment, workplace and marketplace.

www.bitc.org.uk/international