



A proposal for a service to Businesses which recognises the importance of a Company's core business in delivering development gains and encourages their pragmatic involvement in UN Development foci.

A 'Good for Development' Mark will be used to recognise those who are playing their part—enhancing their image, giving market advantage, providing incentives for Business led development and improving the Business case for development involvement.

**DRAFT – in preliminary form for discussion and critical comment**

Co-authored by Geoff Knott and Karen Ellis  
Programme Leader  
Business & Development Programme  
International Economic Development Group  
Overseas Development Institute  
111 Westminster Bridge Road  
London  
SE1 7JD

**May 2009**

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## 1. Executive Summary

“History demonstrates that a flourishing, responsible private sector, built on a broad base of enterprise, including small and medium sized enterprises (SMEs) and well-regulated foreign direct investment (FDI), has been key to delivering the sort of economic growth in developing countries that we know pulls poor people out of poverty.....

“Most importantly, the growth of enterprise offers poor people the hope that there’s an economic ladder to personal betterment they can climb by dint of honest effort. If this hope does not exist, there is a danger they stop looking up and forward and resign themselves to poverty – permanently.”

**Enterprise solutions to poverty.** Opportunities and Challenges for the International Development Community and Big Business. A Report by Shell Foundation March 2005

There is widespread recognition that companies within their core business are delivering development gains. Businesses create jobs, bring investment capital, facilitate positive spillovers (e.g. through training, technological innovation, management best practice etc.), use local inputs which creates multiplier effects, invest in local infrastructure, provide access to finance for suppliers, earn foreign exchange, and of course provide goods and services that are useful and accessible to the local population, and help facilitate development or welfare improvements.

In addition, many businesses are or could be involved in corporate social responsibility (CSR) initiatives. The UN have identified a number of key development needs/areas e.g. reducing child mortality which are currently the subject of the UN Millennium Development Goals. It is recognised that the current UN Millennium Goals have a limited life (2015 currently), however the eight development needs/areas are in themselves vital. If CSR activities of businesses could focus on these areas, then there would be a synergy with current foci of Civil Society. When the UN Development Goals are recast in the years to come, the proposed model is flexible enough to be adapted to new foci.

**How do we get Businesses in their thousands, both multinational and local, to not only continue to leverage their core business initiatives to be pro-poor but also align CSR actions to UN Development foci within the scope of their operations?**

It is suggested that the brand or mark ‘Good for Development’ (GfD) could provide a means to provide commercial advantage specifically for Businesses being pro-poor in their core business and also committing to actions within UN Development foci. They will use the Mark under license. It will show they care, are active and by buying their products, the customer is helping the world's poor.



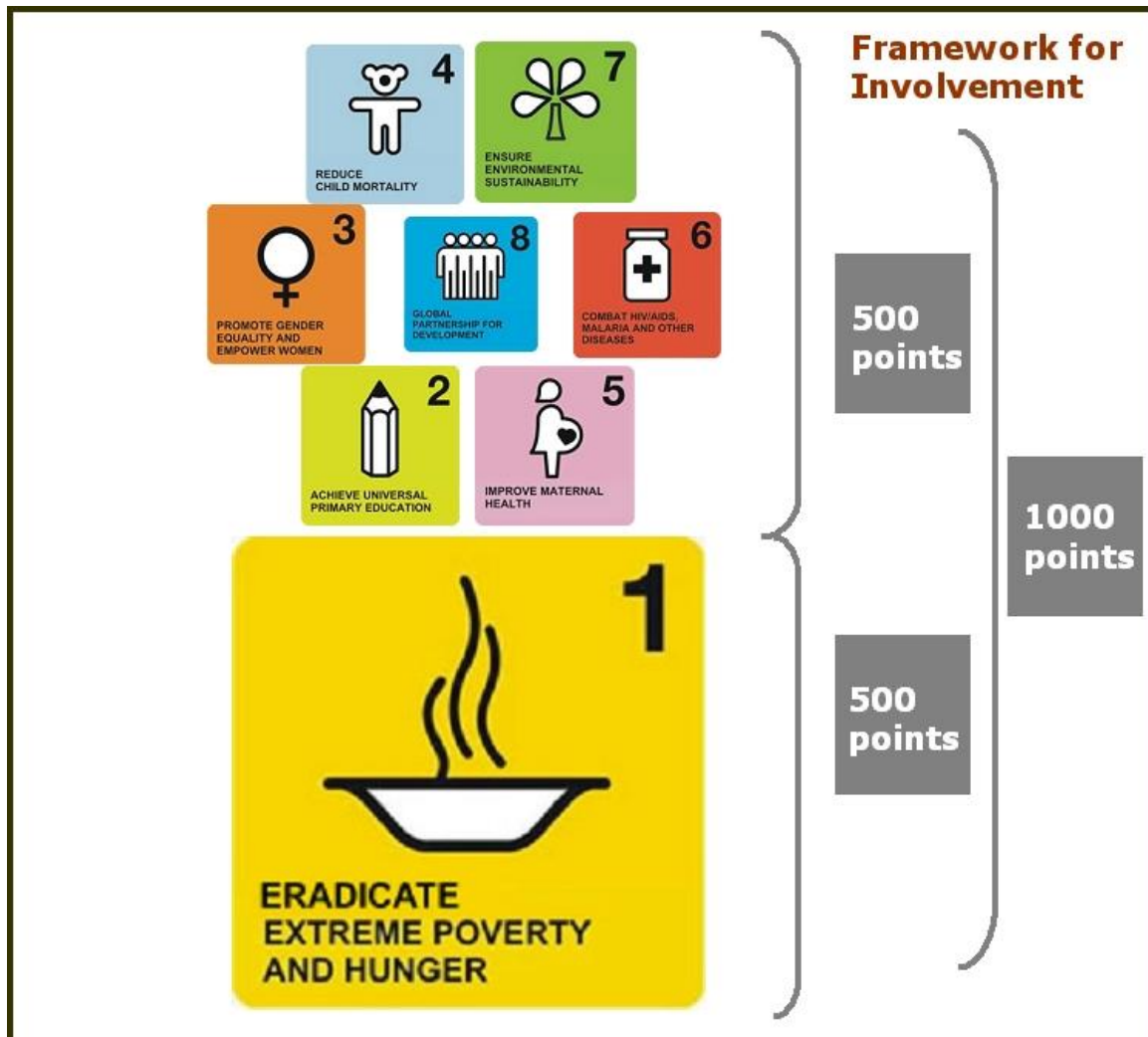
The brand needs to be applicable to all business sectors e.g. clothing manufacturers, cosmetics, oil and mining companies, etc. If a company gained certification, they could use the mark on their public sites, materials, advertising, etc.

The Good for Development mark would be different to other schemes such as the Global Reporting Initiative, as it would focus attention specifically on business actions that contribute to development, in a way that no other scheme currently does.

Adherence to defined minimum operating standards could be a basic requirement for applying for the GFD mark.

A set of criteria is defined for Businesses to select from according to their context in order to get involved in Development actions. Suggested Scoring for each criteria is also defined for self assessment and Certification needs.

The Framework for Scoring is organised into the eight UN Development foci which currently are the object of the UN Millennium Development Goals. It recognises that Business is uniquely able to contribute more to some of the 8 Development foci than others due to the benefits arising out of core operations and therefore weights Scoring to recognise this. From this, Businesses could score up to 1000 points depending on their activities.



It is suggested that businesses scoring 600 points or more and at least 50% of possible score in at least 5 of the Development foci should gain Certification.

Other activities are also discussed:

- facilitation of sharing of experiences, knowledge and partnership
- raising public awareness by PR, monitoring, reporting and recognition actions

For those that like to visualise concepts, a possible graphic treatment of the mark is included.

Next steps are feeding back on this draft proposal so it can be improved and registering interest in taking it forward.

## 2. Background

Economic growth has a great effect on poverty reduction - think of the emerging markets of China and Asia over the past decade. It therefore needs to be recognised that Business does and has a huge part to play in poverty reduction. Many businesses also do a great deal of good in the community through CSR activities, Civil Society is currently deeply involved in the achievement of the UN Millennium Development Goals (MDGs) which were published in 2000 (see [www.undp.org/mdg](http://www.undp.org/mdg)).

Gordon Brown and the UN issued a Call to Action to Businesses in May 2008 to be involved in UN MDGs. 62 multinational businesses signed up to the initiative. In September 2008, governments, foundations, businesses and civil society groups reaffirmed their commitment to meeting the Millennium Development Goals at an event at United Nations Headquarters.

The MDGs set targets for 8 key Development needs/areas:

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

As you can see, these broad Development areas are global and basic foci e.g. poverty, health, environment, etc

**How do we get Businesses in their thousands, both multinational and local, to not only continue to leverage their core business initiatives to be pro-poor but also align CSR actions to UN Development foci within the scope of their operations?**

In order to do this, it is suggested that the following factors need to be in place or put in place:

### 1. A sense of social responsibility

This has grown enormously over the past decade and has been reinforced by institutional ethical investment policies. Many Businesses have active corporate social responsibility budgets which cover, say, environmental impact, but this does not mean they will take on actions in the UN Development foci.

The Fairtrade label has been an example of encouraging companies to go further and today, more and more companies have a Fairtrade product or products in their mix. However, these are assigned to a product and mainly limited to food, flowers and materials.

Another example is the Carbon Trust which has and is helping companies and institutions reduce their carbon footprint. It is also helping create new business opportunities through research and innovation.

## **2. Commercial advantage**

If a Business is involved in Development actions above and beyond the development gains from their presence, then it needs to be made very apparent to customers. This will enhance the image of the Business. It will say that the company is doing something great for world development, they care, they are active. By buying their products, the customer is helping the world's poor. They can gain commercial advantage through this.

It is suggested that the brand or mark 'Good for Development' could provide a means to provide commercial advantage specifically for Businesses who are demonstrating development gains from their core business and also are focusing CSR activities on UN Development foci.

Let's look at commercial advantage gained by use of an existing Mark which focuses on a product within a company's range. Market research surveys conducted over the last few years show that there is growing awareness of, and demand for, Fairtrade certified products. The mark is recognised by 57% of adults. 63% of adults agreed that buying Fairtrade products is the most manageable and effective way of helping tackle poverty (ranked higher than giving money to charity at 58%). Significant market share has been obtained in the Banana and Coffee segments and the market for Fairtrade products is growing rapidly – average of 50% pa since 1997.

It is hoped that Good for Development will take this awareness to another level and that Companies can benefit from the obvious positive goodwill consumers have to Businesses that are involved in poverty eradication and more.

## **3. Inclusiveness**

The brand needs to be applicable to all business sectors e.g. clothing manufacturers, cosmetics, oil and mining companies, etc. if they gain certification. They could use it on their public sites, materials, advertising, etc.

## **4. Simple framework for a Business to use regarding measuring actions**

Businesses are not sophisticated development actors. It would be good for a set of simple criteria and methodologies to be laid out for Businesses to plan and monitor actions in order to progress towards certification. Let's keep it simple.

## **5. Certification**

The framework should define a menu of possible actions for businesses to choose from according to their context. Possible actions can be added over time as discoveries are made. Each action will carry a number of 'development' points and points build to a point where certification can be awarded.

Checking on actions needs to be via self-reporting which would be subject to checking and light touch audits by the GfD secretariat. These checks need to be helpful to Businesses rather than litigious. In addition, there is scope here to provide a paid-for service in assessment training and delivery.

## **6. Facilitation**

Businesses need to be mobilised to embed development into their operations. Awareness of 'Good for Development' needs to be built and recruitment of Businesses into the initiative undertaken. Networking to share experiences and availability of help to overcome hurdles needs to be facilitated.

Businesses don't have expertise in many development issues. Civil Society partners do. Information needs to be accessed. Partnerships need to be facilitated. Partners need to bring their own funds into the mix as well. However, it needs to be recognised that the Business needs to be the driver of action in order to pursue its objectives.

The Overseas Development Institute has a vital role to play in these processes.

## **7. Reporting and recognition**

Beyond labelling and certification, progress needs to be measured and reported to consumers, government and media. Companies need to be recognised for actions achieved.

Investors and investment funds with an Ethical/Social Responsibility focus need to be updated regarding Businesses that have committed to this initiative.

## **3. Management and Implementation**

If there is sufficient support for this initiative from business, it is proposed that the Overseas Development Institute establish a unit or secretariat with the simple mission, "To recognise and encourage development gains that businesses make". The vision is the eradication of poverty through collective action but focusing on the vital part that Business can play in development and in particular, UN Development foci.

The unit will license use of a 'Good for Development' mark to Companies in accordance with the framework of indicators that has been proposed to assess contributions to the Millennium Development Goals arising from core business operations as well as CSR actions.

The medium term goal will be to build a unit which will be kept small and efficient and will draw on people seconded from business and civil society. Possible sources of income are seen as; reasonable licence fees, consultancy, conferences, donations, grants etc. But the initiative would need some seed funding to get started.

Although started in UK, it is expected over time that similar organisations will adopt GfD in other countries across the world and these will licence locally.

Key strategies to be employed are seen as:

- Certifying and licensing the 'Good for Development' mark so that customers, consumers and investors can be assured that the Business is committed to Development actions including UN Development foci.
- Establishing an assessment model so that Businesses can score their efforts and apply for the mark.
- Raising public awareness by PR, monitoring, reporting and recognition actions.

In concert with others, the unit may also be:

- Mobilising Businesses to embed development actions into their operations.
- Establishing a framework and methodology that can easily be adopted by Businesses to achieve the development gains.
- Showing business benefit through case studies and grant opportunities
- Facilitating partnerships with other Businesses and Civil Society in order to achieve the actions
- Advising on plans and actions and helping to create practical solutions
- Campaigning for change where needed with Governments and regulatory bodies.
- Operating 'Challenge Funds' to channel matching grants to worthwhile projects.

Businesses could look at the proposed actions and just see them as an increased cost to the business. Businesses could be achieving considerable development gains through their core operations. It might not take that much more to be able to gain certification for Good for Development.

It also needs to be stressed that businesses can be very creative in pursuing the actions. **This should not be seen as just a Corporate Social Responsibility (CSR) expenditure budget but should be envisioned as initiatives to use in marketing to increase sales and income.**

For example:

- 'x cents per purchase will be given to water projects'
- opportunities to give a donation on a e-purchase
- coupons for purchasers to give to their local school to be put towards new equipment
- matching donations in some way
- arranging competitions to encourage action
- etc..

There are many more tactics businesses could take and this needs creative thought by staff. Something to look forward to and enjoy! **Doing good can be fun!**

#### 4. Framework for Development gain in core operations and involvement in UN Development foci

Please note that the following criteria are draft and indicative. They are to be the subject of consultation and further definition along with checking feasibility.

^ Actions which could involve NGO partners who bring some of their own funding. +Development gain in core operations.

UN Development foci	UN Development Targets	Criteria for Businesses to select and aim for	Rationale
1. Eradicate extreme poverty and hunger	<ul style="list-style-type: none"> <li>• Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day.</li> <li>• Achieve full and productive employment and decent work for all, including women and young people.</li> <li>• Halve, between 1990 and 2015, the proportion of people who suffer from hunger.</li> </ul>	<ul style="list-style-type: none"> <li>• +Pay well.</li> <li>• +For key suppliers, use local ones who pay well.</li> <li>• +Provide loans or access to loans to key suppliers</li> <li>• ^In proportion to size of operation, provide loans for local microfinance schemes.</li> <li>• +Pay taxes – avoid avoidance schemes.</li> <li>• +Earn foreign exchange.</li> <li>• +Move processing in country</li> </ul>	<ul style="list-style-type: none"> <li>• Gets money circulating in the local economy. Consumer demand leads to small/medium business creation and jobs.</li> <li>• Stimulates small/medium businesses in-country. Fosters entrepreneurship. Cuts down on transport miles.</li> <li>• Stimulates small/medium businesses in-country. Fosters entrepreneurship.</li> <li>• Stimulates small/medium businesses in-country. Fosters entrepreneurship.</li> <li>• Helps capacity of government in country to improve infrastructure and welfare. Creates jobs.</li> <li>• Helps stabilise the economy thru reducing trading deficits.</li> <li>• Creates jobs. Encourages investment. Increases capacity.</li> </ul>



		<p>where possible.</p> <ul style="list-style-type: none"> <li>• +Investment in new plant/machinery.</li> <li>• +^Investment in local infrastructure.</li> <li>• +Equal opportunity employment.</li> <li>• +Workers are highly trained and lifelong learning supported.</li> <li>• +Establish youth work experience/apprenticeship scheme.</li> <li>• Help train entrepreneurs</li> <li>• Encourage workers to personally support local charitable causes</li> <li>• ^In area of operations, organise or sponsor daily feeding programmes for orphans and widows in proportion to size of operation.</li> <li>• +Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical</li> </ul>	<p>Transfers technology.</p> <ul style="list-style-type: none"> <li>• Increases capacity. Transfers technology.</li> <li>• Increases ease of doing business and opens up markets for SMEs.</li> <li>• No discrimination based on gender, etc.</li> <li>• Develops skills, knowledge and attitudes of workforce.</li> <li>• Bridges training gap between school and work. Enables Businesses evaluate candidates for long-term employment.</li> <li>• Stimulates small/medium businesses in-country. Helps people get mentoring.</li> <li>• Promotes community and self-sufficiency.</li> <li>• Meeting immediate hunger need for the most vulnerable.</li> <li>• Increase access to goods and services that improve quality of life.</li> </ul>
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		<p>products, etc.</p> <ul style="list-style-type: none"> <li>• ^Work with government to improve ease of doing business.</li> </ul>	<ul style="list-style-type: none"> <li>• Improved business climate</li> </ul>
2. Achieve universal primary education	<ul style="list-style-type: none"> <li>• Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.</li> </ul>	<ul style="list-style-type: none"> <li>• +Avoid child labour in direct employment or in suppliers.</li> <li>• +Facilitate education of employees' children.</li> <li>• ^In area of operations, sponsor education for orphans in proportion to size of operation.</li> <li>• Encourage involvement by employees in schools.</li> <li>• ^In area of operations, in proportion to size of operation, help make technology available especially to schools and poor.</li> </ul>	<ul style="list-style-type: none"> <li>• Opens up possibility or keeps children in education.</li> <li>• Creates possibility of schooling in the community.</li> <li>• Meeting need for the most vulnerable.</li> <li>• Promotes community and self-sufficiency.</li> <li>• Connect people to knowledge.</li> </ul>
3. Promote gender equality and empower women	<ul style="list-style-type: none"> <li>• Eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels of education no later than 2015</li> </ul>	<ul style="list-style-type: none"> <li>• +Gender diversity in employee/work experience intakes.</li> <li>• ^In area of operations, sponsor adult literacy programmes especially with women in proportion to size of operation.</li> <li>• Encourage and support women employees to take up positions of influence externally e.g. Government Task Forces.</li> </ul>	<ul style="list-style-type: none"> <li>• Create demand for educated women.</li> <li>• If women read, then they teach their children to read.</li> <li>• Raises profile of women in leadership and enriches their experience for working in the company.</li> </ul>
4. Reduce child mortality	<ul style="list-style-type: none"> <li>• Reduce by two thirds, between 1990</li> </ul>	<ul style="list-style-type: none"> <li>• +Where applicable, make versions of own products and</li> </ul>	<ul style="list-style-type: none"> <li>• Increase access to goods and services that improve quality of</li> </ul>

	<p>and 2015, the under-five mortality rate</p>	<p>services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical products, etc.</p> <ul style="list-style-type: none"> <li>• ^In area of operations, sponsor adult literacy programmes especially with women in proportion to size of operation.</li> <li>• ^In area of operations, sponsor vaccination and malaria prevention programmes in proportion to size of operation.</li> <li>• ^In area of operations, provide clean water and sanitation in proportion to size of operation.</li> <li>• ^In area of operations, sponsor health checks/ education especially for women and children in proportion to size of operation.</li> </ul>	<p>life.</p> <ul style="list-style-type: none"> <li>• If women read, then they can understand health books.</li> <li>• Reduce deaths from preventable diseases.</li> <li>• Reduce deaths from preventable diseases.</li> <li>• Improve health by treatment and advice (prevention).</li> </ul>
<p>5. Improve maternal health</p>	<ul style="list-style-type: none"> <li>• Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio</li> <li>• Achieve, by 2015, universal access to reproductive health</li> </ul>	<ul style="list-style-type: none"> <li>• +Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical products, etc.</li> <li>• ^In area of operations, sponsor adult literacy programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Increase access to goods and services that improve quality of life.</li> <li>• If women read, then they can understand health books.</li> </ul>

		<p>especially with women in proportion to size of operation.</p> <ul style="list-style-type: none"> <li>• ^In area of operations, sponsor vaccination and malaria prevention programmes in proportion to size of operation.</li> <li>• ^In area of operations, provide clean water and sanitation in proportion to size of operation.</li> <li>• ^In area of operations, sponsor health checks/ education especially for women and children in proportion to size of operation.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce deaths from preventable diseases.</li> <li>• Reduce deaths from preventable diseases.</li> <li>• Improve health by treatment and advice (prevention).</li> </ul>
<p>6. Combat HIV/AIDS, malaria and other diseases</p>	<ul style="list-style-type: none"> <li>• Have halted by 2015 and begun to reverse the spread of HIV/AIDS</li> <li>• Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it</li> <li>• Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases</li> </ul>	<ul style="list-style-type: none"> <li>• +Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical products, etc.</li> <li>• ^In area of operations, sponsor adult literacy programmes especially with women in proportion to size of operation.</li> <li>• ^In area of operations, sponsor vaccination and malaria prevention programmes in proportion to size of operation.</li> <li>• ^In area of operations, provide clean water and sanitation in</li> </ul>	<ul style="list-style-type: none"> <li>• Increase access to goods and services that improve quality of life.</li> <li>• If women read, then they can understand health and AIDS literature.</li> <li>• Reduce deaths from preventable diseases.</li> <li>• Reduce deaths from preventable diseases.</li> </ul>

		<p>proportion to size of operation.</p> <ul style="list-style-type: none"> <li>• ^In area of operations, sponsor health checks/ education especially for women and children in proportion to size of operation.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve health by treatment and advice (prevention).</li> </ul>
7. Ensure environmental sustainability	<ul style="list-style-type: none"> <li>• Integrate the principles of sustainable development into country policies and program and reverse the loss of environmental resources</li> <li>• Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss</li> <li>• Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation</li> <li>• By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers</li> </ul>	<ul style="list-style-type: none"> <li>• +Assess and manage direct environmental impact. Align with national targets and international standards. Reduce over time.</li> <li>• +Understand and achieve reduction in environmental impact of suppliers over time.</li> <li>• ^In proportion to size of operation, sponsor environmental sustainability and education programmes.</li> <li>• ^In area of operations, provide clean water and sanitation in proportion to size of operation.</li> </ul>	<ul style="list-style-type: none"> <li>• Clean up your act.</li> <li>• Part of your environmental footprint is outside of your organisation.</li> <li>• Improve environment through education and attitude change.</li> <li>• Reduce deaths from preventable diseases.</li> </ul>
8. Develop a global partnership for development	<ul style="list-style-type: none"> <li>• Develop further an open, rule-based, predictable, nondiscriminatory trading and financial system (includes a commitment to good governance, development, and poverty reduction—both nationally and internationally)</li> <li>• Address the special needs of the least</li> </ul>	<ul style="list-style-type: none"> <li>• +Don't pay bribes or other forms of corruption. Don't use suppliers who do.</li> <li>• +Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs,</li> </ul>	<ul style="list-style-type: none"> <li>• Encourages good governance.</li> <li>• Increase access to goods and services that improve quality of life.</li> </ul>

	<p>developed countries (includes tariff-and quota-free access for exports enhanced program of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt, and more generous ODA for countries committed to poverty reduction)</p> <ul style="list-style-type: none"> <li>• Address the special needs of landlocked developing countries and small island developing states (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the 22nd special session of the General Assembly)</li> <li>• Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term</li> <li>• In cooperation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries</li> <li>• In cooperation with the private sector, make available the benefits of new technologies, especially information and communications</li> </ul>	<p>utilities, pharmaceutical products, etc.</p> <ul style="list-style-type: none"> <li>• ^In area of operations, in proportion to size of operation, help make technology available especially to schools and poor.</li> <li>• ^In area of operations, sponsor health checks especially for women and children in proportion to size of operation.</li> <li>• ^Work with government to improve ease of doing business.</li> </ul>	<ul style="list-style-type: none"> <li>• Connect people to agencies and to knowledge.</li> <li>• Access to drugs.</li> <li>• Improved business climate</li> </ul>
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## 5. Framework for scoring for Certification

Having listed a menu of possible actions that Businesses can adopt depending on their circumstances, we need to establish a scoring system so that actions are given appropriate weights. There are useful self assessment methodologies outside of development which also have a scoring system e.g. European Foundation for Quality Management and their European Quality Award (see [www.efqm.org](http://www.efqm.org)). These could also be adapted. Then, given assessment criteria, a businesses and/or GfD can measure how they are doing, regardless of sector, size, structure or maturity.

A draft framework for assessing organisations is defined below. Within it, criteria and scores are suggested against each action within a UN Development foci. It is a practical tool that can be used in a number of different ways:

- as a tool for Self-Assessment and external audit
- as a way to Benchmark with other organisations
- as a guide to identify areas for Improvement
- as the basis for a common Vocabulary and a way of thinking

The Framework for scoring is organised into the 8 UN Development foci. It recognises that Business is uniquely able to contribute more to some of the 8 areas than others through core operations and therefore weights scoring to recognise this. From this, Businesses could score up to 1000 points depending on their activities.

**It is suggested that businesses scoring 600 points or more and at least 50% of possible score in 5 of the UN Development foci should gain Certification.**

Possible actions for each UN Development foci add up to more than the maximum points that can be scored for each area (2225 points available - 1000 can be scored). This means Business can choose from a range of actions appropriate to their circumstances and not be disadvantaged by only having a few to choose from. Also some development actions are applicable to several of the foci. It will therefore score several times. This is deliberate as it weights actions that have a big effect. Over time this model means more actions can be added to the menu of possibilities to cater for discoveries in business situations.

**5.1. Summary:**

<b>UN Development foci</b>	<b>Max points</b>	<b>%</b>
1. Eradicate extreme poverty and hunger	500	50
2. Achieve universal primary education	75	7.5
3. Promote gender equality and empower women	75	7.5
4. Reduce child mortality	75	7.5
5. Improve maternal health	75	7.5
6. Combat HIV/AIDS, malaria and other diseases	75	7.5
7. Ensure environmental sustainability	75	7.5
8. Develop a global partnership for development	50	5
Total	1000	100



**5.2. Detail:**

Please note that the following criteria are draft and indicative. They are to be the subject of consultation and further definition along with checking feasibility.

^ Actions which could involve NGO partners who bring some of their own funding. +Development gain in core operations.

UN Development foci	Criteria for Businesses to select and aim for	Max. Points	Criteria for local operation and points
<p>1. Eradicate extreme poverty and hunger</p> <p>50%</p> <p>500 points max out of 850 possible</p>	<ul style="list-style-type: none"> <li data-bbox="510 472 1041 502">• +Pay well</li> <li data-bbox="510 667 1041 754">• +For key suppliers, use local ones who pay well. Don't award business on price alone.</li> <li data-bbox="510 868 1041 922">• +Provide loans or access to loans to key suppliers</li> <li data-bbox="510 986 1041 1074">• ^In proportion to size of operation, provide loans for local microfinance schemes.</li> <li data-bbox="510 1091 1041 1121">• +Pay taxes – avoid avoidance schemes.</li> <li data-bbox="510 1169 1041 1200">• +Earn foreign exchange.</li> <li data-bbox="510 1217 1041 1305">• +Move processing in-country where possible. Investment in new plant/machinery.</li> </ul>	<p>100</p> <p>100</p> <p>50</p> <p>25</p> <p>50</p> <p>50</p> <p>100</p>	<p>100 – Pay above national average income per capita to each worker or average income for all workers (excluding Directors) is at least 1.5 times national average.</p> <p>50 – Average income for all workers (excluding Directors) is at least 1.25 national average.</p> <p>At least 75% of all purchase ledger is with local (in-country) suppliers.</p> <p>100 – Use local suppliers who pay above national average income to each worker or average income for all workers (excluding Directors) is 1.5 times national average.</p> <p>50 – Use local suppliers where average income for all workers (excluding Directors) is at least 1.25 national average.</p> <p>50 – Prepay 25% of contract amounts prior to start of contract as a loan.</p> <p>50 – Work with suppliers and financial institutions to get necessary finance for the suppliers.</p> <p>25 – Provide \$50 in loans into a scheme per FTE worker (way of proportioning). (Investment by the organization so still an asset).</p> <p>50 – Pay all taxes due. Confirm with auditors that taxes paid are fair and do not avoid responsibilities.</p> <p>50 – At least 25% of income is in Forex.</p> <p>10 points for every \$50,000 pa invested in capital equipment up to a maximum of 100 points</p>

	<ul style="list-style-type: none"> <li>• +^Investment in local infrastructure.</li> <li>• +Equal opportunity employment.</li> <li>• +Workers are highly trained and lifelong learning supported.</li> <li>• +Establish youth work experience/apprenticeship scheme.</li> <li>• Help train entrepreneurs</li> <li>• Encourage workers to personally support local charitable causes</li> <li>• ^In area of operations, organise or sponsor daily feeding programmes for orphans and widows in proportion to size of operation.</li> <li>• +Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical products, etc.</li> <li>• ^Work with government to improve ease of doing business.</li> </ul>	<p>100</p> <p>-</p> <p>50</p> <p>25</p> <p>25</p> <p>25</p> <p>50</p> <p>50</p> <p>50</p>	<p>10 points for every \$50,000 pa invested in local infrastructure up to a maximum of 100 points</p> <p>Part of generic Standard</p> <p>25 – Formal workplace training schemes in place. Average training days per worker at least 3 pa. 25 – Professional training outside of workplace sponsored.</p> <p>25 – Have a work experience/apprenticeship scheme of at least 1 year for school leavers. 1 place for every 25 FTE workers.</p> <p>25 – Sponsor training of a young business person who is starting up own business. 1 person for every 100 FTE. Or train outgrowers/outworkers to increase productivity. 1 person for every 10 FTE.</p> <p>25 – Have a nominated local charity for workers to contribute time and money to. Organise events with the charity. Match contributions given by workers by at least 20%.</p> <p>50 – Pay for daily meal for orphans and other vulnerable people. 1 daily meal for every 10 FTE. This could also be added to by workers and satisfy previous action of worker involvement in local charity.</p> <p>+25 – Make small packages of product for poor - at same price as bulk buy. For Financial institutions, offer free accounts to poor. +25 – Distribute products to charities to give to poor. Equivalent to 1% of local sales.</p> <p>+25 – Senior management are active members of government/regional task forces on economic matters. +25 – Senior management are active members of business groups who meet with government/city re regulations and policy.</p>
<p>2. Achieve universal</p>	<ul style="list-style-type: none"> <li>• +Avoid child labour in direct employment</li> </ul>	<p>-</p>	<p>Part of generic Standard</p>

<p>primary education 7.5% 75 points max out of 150 possible</p>	<p>or in suppliers.</p> <ul style="list-style-type: none"> <li>+Facilitate education of employees' children.</li> <li>^In area of operations, sponsor education for orphans in proportion to size of operation.</li> <li>Encourage involvement by employees in schools.</li> <li>^In area of operations, in proportion to size of operation, help make technology available especially to schools and poor.</li> </ul>	<p>25 50 25 50</p>	<p>25 –ensure access to primary education for the children of all workers and helps secure their secondary education.</p> <p>50 – pay state school fees for orphans. 1 set of fees for every 20 FTE. This could also be added to by workers and satisfy previous action of worker involvement in local charity.</p> <p>25 – agree programmes with local schools for employees to be involved in with materials provided by the company e.g. painting classrooms, sports tournaments. 1 school for every 250 FTE.</p> <p>+25 – run a coupon scheme with sales of product. Equivalent to 0.5% price. Coupons can be collected by consumers or organisations and given to schools or charities. Schools/charities can redeem coupons against a catalog of items.</p> <p>+25 – recycle equipment to schools and charities free of charge.</p>
<p>3. Promote gender equality and empower women 7.5% 75 points max out of 125 possible</p>	<ul style="list-style-type: none"> <li>+Gender diversity in employee/ work experience intakes.</li> <li>^In area of operations, sponsor adult literacy programmes especially with women in proportion to size of operation.</li> <li>Encourage and support women employees to take up positions of influence externally e.g. Government Task Forces.</li> </ul>	<p>50 50 25</p>	<p>+25 – if proportion of women in workforce less than 50%, intake of new workers in a year shows increase in proportion of women compared to existing workforce.</p> <p>+25 – proportion of women in management shows an increase in a year.</p> <p>50 – sponsor community adult literacy programmes. Ensure women are key target. 1% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in local charity.</p> <p>25 – women are active members of governing groups in civil society and business. 1 woman for every 20 women FTE employed.</p>
<p>4. Reduce child mortality 7.5% 75 points max out of 250 possible</p>	<ul style="list-style-type: none"> <li>+Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical products, etc.</li> </ul>	<p>50</p>	<p>+25 – Make small packages of product for poor - at same price as bulk buy. For Financial institutions, offer free accounts to poor.</p> <p>+25 – Distribute products to charities to give to poor. Equivalent to 1% of sales.</p>

	<ul style="list-style-type: none"> <li>• ^In area of operations, sponsor adult literacy programmes especially with women in proportion to size of operation.</li> <li>• ^In area of operations, sponsor vaccination and malaria prevention programmes in proportion to size of operation.</li> <li>• ^In area of operations, provide clean water and sanitation in proportion to size of operation.</li> <li>• ^In area of operations, sponsor health checks/ education especially for women and children in proportion to size of operation.</li> </ul>	<p>50</p> <p>50</p> <p>50</p> <p>50</p>	<p>50 – sponsor community adult literacy programmes. Ensure women are key target. 1% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in local charity.</p> <p>+25 – run vaccination and malaria prevention programmes for workers and their families. Eradicate cases of malaria in the workforce. +25 – sponsor community vaccination and malaria prevention programmes. 0.5% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in charity.</p> <p>50 – sponsor community water and sanitation programmes. 1% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in local charity.</p> <p>+25 – provide free health checks and health education programmes (especially re AIDS) for workers and their families. +25 – sponsor community health checks and health education programmes. 0.5% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in charity.</p>
<p>5. Improve maternal health</p> <p>7.5%</p> <p>75 points max out of 250 possible</p>	<ul style="list-style-type: none"> <li>• +Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical products, etc.</li> <li>• ^In area of operations, sponsor adult literacy programmes especially with women in proportion to size of operation.</li> <li>• ^In area of operations, sponsor vaccination and malaria prevention programmes in proportion to size of operation.</li> <li>• ^In area of operations, provide clean water and sanitation in proportion to size</li> </ul>	<p>50</p> <p>50</p> <p>50</p> <p>50</p>	<p>+25 – Make small packages of product for poor - at same price as bulk buy. For Financial institutions, offer free accounts to poor. +25 – Distribute products to charities to give to poor. Equivalent to 1% of local sales.</p> <p>50 – sponsor community adult literacy programmes. Ensure women are key target. 1% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in local charity.</p> <p>+25 – run vaccination and malaria prevention programmes for workers and their families. Eradicate cases of malaria in the workforce. +25 – sponsor community vaccination and malaria prevention programmes. 0.5% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in charity.</p> <p>50 – sponsor community water and sanitation programmes. 1% of payroll total pa. This could also be added to by workers and satisfy</p>

	<p>of operation.</p> <ul style="list-style-type: none"> <li>• ^In area of operations, sponsor health checks/ education especially for women and children in proportion to size of operation.</li> </ul>	50	<p>previous action of worker involvement in local charity.</p> <p>+25 – provide free health checks and health education programmes (especially re AIDS) for workers and their families. +25 – sponsor community health checks and health education programmes. 0.5% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in charity.</p>
<p>6. Combat HIV/AIDS, malaria and other diseases</p> <p>7.5%</p> <p>75 points max out of 250 possible</p>	<ul style="list-style-type: none"> <li>• +Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical products, etc.</li> <li>• ^In area of operations, sponsor adult literacy programmes especially with women in proportion to size of operation.</li> <li>• ^In area of operations, sponsor vaccination and malaria prevention programmes in proportion to size of operation.</li> <li>• ^In area of operations, provide clean water and sanitation in proportion to size of operation.</li> <li>• ^In area of operations, sponsor health checks/ education especially for women and children in proportion to size of operation.</li> </ul>	<p>50</p> <p>50</p> <p>50</p> <p>50</p> <p>50</p>	<p>+25 – Make small packages of product for poor - at same price as bulk buy. For Financial institutions, offer free accounts to poor. +25 – Distribute products to charities to give to poor. Equivalent to 1% of local sales.</p> <p>50 – sponsor community adult literacy programmes. Ensure women are key target. 1% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in local charity.</p> <p>+25 – run vaccination and malaria prevention programmes for workers and their families. Eradicate cases of malaria in the workforce. +25 – sponsor community vaccination and malaria prevention programmes. 0.5% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in charity.</p> <p>50 – sponsor community water and sanitation programmes. 1% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in local charity.</p> <p>+25 – provide free health checks and health education programmes (especially re AIDS) for workers and their families. +25 – sponsor community health checks and health education programmes. 0.5% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in charity.</p>
<p>7. Ensure environmental sustainability</p>	<ul style="list-style-type: none"> <li>• +Assess and manage direct environmental impact. Align with national targets and international</li> </ul>	-	<p>Part of generic Standard</p>

<p>7.5%</p> <p>75 points max out of 150 possible</p>	<p>standards. Reduce over time.</p> <ul style="list-style-type: none"> <li>+Understand and achieve reduction in environmental impact of suppliers over time.</li> <li>^In proportion to size of operation, sponsor environmental sustainability and education programmes.</li> <li>^In area of operations, provide clean water and sanitation in proportion to size of operation.</li> </ul>	<p>50</p> <p>50</p> <p>50</p>	<p>+25 – business’ major supplier reaches generic standard. +25 – all key suppliers reach generic Standard</p> <p>+25 – help poor buy solar energy stoves and lighting. 0.25% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in charity. +25 – sponsor education on environmental issues. 0.25% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in charity.</p> <p>50 – sponsor community water and sanitation programmes. 1% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in local charity.</p>
<p>8. Develop a global partnership for development</p> <p>5.0%</p> <p>50 points max out of 200 possible</p>	<ul style="list-style-type: none"> <li>+Don’t pay bribes or other forms of corruption. Don’t use suppliers who do.</li> <li>+Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical products, etc.</li> <li>^In area of operations, in proportion to size of operation, help make technology available especially to schools and poor.</li> <li>^In area of operations, sponsor health checks especially for women and children in proportion to size of operation.</li> </ul>	<p>-</p> <p>50</p> <p>50</p> <p>50</p>	<p>Part of generic Standard</p> <p>+25 – Make small packages of product for poor - at same price as bulk buy. For Financial institutions, offer free accounts to poor. +25 – Distribute products to charities to give to poor. Equivalent to 0.5% of national sales.</p> <p>+25 – run a coupon scheme with sales of product. Equivalent to 0.5% price. Coupons can be collected by consumers or organisations and given to schools or charities. Schools/charities can redeem coupons against a catalog of items. +25 – recycle equipment to schools and charities free of charge.</p> <p>+25 – provide free health checks and health education programmes (especially re AIDS) for workers and their families. +25 – sponsor community health checks and health education programmes. 0.5% of payroll total pa. This could also be added to by workers and satisfy previous action of worker involvement in charity.</p>

	<ul style="list-style-type: none"><li>• <sup>^</sup>Work with government to improve ease of doing business.</li></ul>	50	+25 – Senior management are active members of government task forces on economic matters. +25 – Senior management are active members of business groups who meet with government re regulations and policy.
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### 5.3. Multiple effect development actions

Here is a summary list of development actions applicable to several of the UN Development foci and therefore have a higher weighting:

Action	UN Development foci	Total Points
+Where applicable, make versions of own products and services available to the poor at accessible rates e.g. foodstuffs, utilities, pharmaceutical products, etc.	<ol style="list-style-type: none"> <li>1. Eradicate extreme poverty and hunger</li> <li>4. Reduce child mortality</li> <li>5. Improve maternal health</li> <li>6. Combat HIV/AIDS, malaria and other diseases</li> <li>8. Develop a global partnership for development</li> </ol>	250
^In area of operations, sponsor adult literacy programmes especially with women in proportion to size of operation.	<ol style="list-style-type: none"> <li>3. Promote gender equality and empower women</li> <li>4. Reduce child mortality</li> <li>5. Improve maternal health</li> <li>6. Combat HIV/AIDS, malaria and other diseases</li> </ol>	200
^In area of operations, provide clean water and sanitation in proportion to size of operation.	<ol style="list-style-type: none"> <li>4. Reduce child mortality</li> <li>5. Improve maternal health</li> <li>6. Combat HIV/AIDS, malaria and other diseases</li> <li>7. Ensure environmental sustainability</li> </ol>	200
^In area of operations, sponsor health checks/ education especially for women and children in proportion to size of operation.	<ol style="list-style-type: none"> <li>4. Reduce child mortality</li> <li>5. Improve maternal health</li> <li>6. Combat HIV/AIDS, malaria and other diseases</li> <li>8. Develop a global partnership for development</li> </ol>	200
^In area of operations, sponsor vaccination and malaria prevention programmes in proportion to size of operation.	<ol style="list-style-type: none"> <li>4. Reduce child mortality</li> <li>5. Improve maternal health</li> <li>6. Combat HIV/AIDS, malaria and other diseases</li> </ol>	150
^In area of operations, in proportion to size of operation, help make technology available especially to schools and poor.	<ol style="list-style-type: none"> <li>2. Achieve universal primary education</li> <li>8. Develop a global partnership for development</li> </ol>	100
^Work with government to improve ease of doing business.	<ol style="list-style-type: none"> <li>1. Eradicate extreme poverty and hunger</li> <li>8. Develop a global partnership for development</li> </ol>	100





## **6. Facilitation**

### **Awareness raising**

From less than 100 companies who answered the Business Call to Action, we need to see 'Good for Development' become a movement. Businesses, both multinational and local, leveraging their core business initiatives to be pro-poor and also aligning CSR actions to UN Development foci within the scope of their operations.

It is envisioned that various stakeholders will be involved in 'Good for Development' in order to leverage their influence and networks. For example:

- Business Call to Action leaders
- Government
- Key NGOs
- Campaigning organisations

It is also envisioned that consumers, investment managers, public services and businesses will be encouraged to become advocates for products and services from 'Good for Development' Businesses. These campaigning advocates will need promotional resources.

### **Networking**

Networking needs to be facilitated to share experiences and locate availability of help to overcome hurdles. This is envisaged mostly through conferences, seminars, web social networking, etc.

A searchable set of resources needs to be set up and maintained.

### **Partnership**

As can be seen by the framework, there are many actions which could involve Civil Society partners. Partnerships need to be facilitated. Businesses need to access knowledge of partners in a region and the skills they have. Partners need to bring their own funds into the mix as well.

### **Business services**

Advice for Businesses needs to be made available for:

- Making the Business case
- Use of the framework and self assessment
- How to get licensed and certified
- Use of the Good for Development Mark
- Promotional materials
- Finding suppliers who are 'Good for Development'
- Finding practical solutions and potential partners
- Finding finance or grants for development projects
- Investment managers

Some of these services will be chargeable. Some will be free.

## 7. A Possible Mark

So that readers of this paper can visualise what a Mark might look like along with various treatments, an example Mark has been created:

An eight petal flower – signifying growth and life in each of 8 UN Development areas including some overlap:



Option for expandability – rosette can be used for more specific labelling/award:



Treatment as a label and on materials:



Alternative treatments as a label (introductory labels):



Use of petal device:

## Petal used as a graphic device

Lorem ipsum dolor sit amet, consectetur cum sociis natoque penatibus et magnis dis parturient montes, nascetur ridiculus mus. Praesent porttitor, libero sit amet porttitor tristique, mi quam ornare magna, quis gravida augue leo gravida lectus. Maecenas dapibus rhoncus mi. Phasellus convallis, mauris in bibendum faucibus, justo orci congue elit, vitae tincidunt erat est ac est. Quisque dignissim porttitor elit. Vivamus metus. Ist ent vivamus mattis. Vivamus malesuada, nunc sit amet nulla.

## 8. Next steps

### 1. Reaction

We would like to get reaction to this draft proposal so that it can be refined and improved. We would especially like to hear from Business leaders as they are key to the scheme's operation. To this end some consultation meetings are planned over the coming weeks. These will be administered by ODI.

Comments please to Geoff Knott [geoff.knott@dsl.pipex.com](mailto:geoff.knott@dsl.pipex.com) and Karen Ellis [K.Ellis@odi.org.uk](mailto:K.Ellis@odi.org.uk)

[Geoff is acting on a volunteer basis as a clearing house for comments.]

### 2. Involvement

If you feel you want to be involved in getting this from a concept to reality, especially in matters of governance or initial resourcing, we would also like to hear from you as well. Again, please email Geoff Knott [geoff.knott@dsl.pipex.com](mailto:geoff.knott@dsl.pipex.com) and Karen Ellis [K.Ellis@odi.org.uk](mailto:K.Ellis@odi.org.uk)