



ACCELERATING PROGRESS TOWARDS THE MILLENNIUM DEVELOPMENT GOALS THROUGH INCLUSIVE BUSINESS



DELIVERING RESULTS: MOVING TOWARDS SCALE

REPORT ON AN INCLUSIVE BUSINESS
DIALOGUE, HELD ON SEPTEMBER 21ST
2010, DURING THE UN SUMMIT ON THE
MILLENNIUM DEVELOPMENT GOALS

OCTOBER 2010



Event Sponsors:



Associate Partners: CII-ITC Centre of Excellence for Sustainable Development | Southern Africa Trust | IMS Entreprendre pour la Cité | Business Civic Leadership Centre/US Chamber of Commerce | Corporate Council on Africa

» HEADLINE MESSAGES FROM THE INCLUSIVE BUSINESS DIALOGUE

» As the Secretary General of the United Nations (UN) made clear at the UN Summit on the Millennium Development Goals (New York, September 2010), energy and effort is needed to accelerate progress to achieve these goals. A Dialogue held in New York on September 21st, highlighted that accelerating the development and scaling up of inclusive business is a significant opportunity to do just that.

“We need strong partnerships to speed up MDG progress.... We must make use of what works. I congratulate and thank those who ask ‘how could the way I run my business really make a difference on a large scale?’”

**Helen Clark, Administrator,
United Nations Development Program**

“The amount that we spend each year in procurement from emerging market economies is comparable to the aid budgets of the UK, France or Germany. It’s a huge sum of money, and a massive development opportunity.”

**Cynthia Carroll, CEO,
Anglo American**



THE POTENTIAL OF INCLUSIVE BUSINESS

- » There is potential to accelerate progress towards the Millennium Development Goals (MDGs) by harnessing the power of business more creatively: by spreading the practice of 'inclusive business'.
- » Inclusive business is about companies seizing market opportunities that work for the poor, and for their business. Discussions at the event showed indisputably how new business models are taking off, and delivering win-wins: new opportunities for low-income people and commercial returns for companies.
- » Inclusive business is exciting for the development community, because of the potential to reach low-income people at scale, whether as consumers, producers, or workers.
- » Inclusive business is exciting for the private sector because it is good for business. A variety of commercial returns—market entry, market share, secure supply chains, product line innovation, competitive advantage—all help to build market value.
- » Speaker after speaker demonstrated that inclusive business is happening, is delivering, and is evolving. Businesses are 'walking the talk'.



THE PRACTICE OF INCLUSIVE BUSINESS

- » The practice of inclusive business is diverse, cutting across multi-national corporations, large and small domestic companies, and social enterprise.
- » Inclusive business is not easy, but the barriers can be overcome. Participants concurred it is an exciting—if complex—process. This is a time of innovation and experimentation, with the prospect of further substantial results.
- » Businesses and their partners are discovering how to encourage innovation, build new forms of collaboration, tap into financing, efficiently reach 'base of the pyramid' consumers, and combine gradual starts with ambitions at scale.
- » This is not a matter for businesses alone. Donors, governments and civil society also need to innovate. They can help mainstream inclusive business through, for example, supportive policy, sharing risk with the private sector, using their convening power, and investing in building markets and the capacity of the poor to participate in them.
- » Inclusive business holds enormous promise but is still limited and there is an urgent need to find ways to replicate, scale, and encourage other companies to take action.

» CONTEXT: THE STORY SO FAR

This report highlights themes and messages from an Inclusive Business Dialogue, held on the occasion of the UN Summit on the MDGs in New York, in September 2010. The event was a collaborative effort of leading business organisations, attended by over 200 senior representatives from the private sector, government and donor community, intended to rally business energy and expertise to accelerate the contribution of inclusive business to the MDGs.

Current Context: the Private Sector and the MDGs

When the 2015 targets for the MDGs were set in 2000, the private sector's contribution to meeting these targets was less well understood and embraced. Today, the role of the private sector as

an engine of growth and development is widely recognised, as are the host of benefits that business can bring: creating jobs, building skills, developing technologies and innovations that improve the quality of people's lives.

This specific event looked beyond the overall value of business, to the question of how to get even better results—for growth and for development—through innovative business models that are increasingly known as 'inclusive business'.

» What is inclusive business all about?

Inclusive business models are sustainable business solutions that expand access to goods, services, and livelihood opportunities for low-income communities.

They involve doing business with low-income populations anywhere within a company's value chain, incorporating them in the supply, production, distribution and/or marketing of goods and services. This generates new jobs, incomes, technical skills and local capacity. Likewise, poorer consumers can benefit from products and services that meet their needs in affordable and appropriate ways.

By focusing on commercial viability, these models have demonstrated inherent capacity to be scaled to engage thousands, and increasingly millions, of poor people. The emphasis is on 'core business' rather than on philanthropy.



A SNAPSHOT IN 2010: A TIPPING POINT FOR INCLUSIVE BUSINESS?

We are at a milestone in the development of inclusive business. Over several years, businesses have gone beyond philanthropic, risk-mitigating investments in community development, to new ways to do core business differently. There are now multiple examples, some already delivering for the poor, many more underway.

Energy, creativity, and learning-by-doing are currently high. With the addition of evidence and inspiration to encourage others, inclusive business can deliver even more.

The trajectory of the inclusive business concept internationally is analogous to uptake of any new business idea. Companies go through a process from

concept development, to design, experimentation, piloting, revision, embedding, and finally scaling up. The Dialogue suggests inclusive business is in the middle of this journey: experimentation and piloting are being done with great energy. Business models are being revised and improved. While they are being embedded and scaled within some individual companies, they are not yet embedded and spreading in the wider business community. This challenge remains.

The five years left to achieve the 2015 targets is a time to inspire others, share lessons, and achieve further impact.



Photo Credit: LifeSpring

“There are enormous things happening...maybe more than 3,000 examples now of social enterprises, of large companies, of private equity funds in the private sector that are building these models. And yet the UN estimates there are something like 82,000 multi-national companies, let alone the hundreds of thousands of medium domestic companies and social enterprises. So we are just, just, scratching the surface of what is possible and what we need to do if we are going to achieve the MDGs through business and through inclusive business models.”

Jane Nelson, Senior Fellow and Director of Corporate Social Responsibility Initiative, Harvard University

» INCLUSIVE BUSINESS IS HAPPENING AND DELIVERING

Inclusive business offers a balanced proposition: opportunities for low-income communities and commercial returns for business. Multiple diverse examples were discussed at the event.

MINING

Anglo Zimele

Providing loans to small businesses around mining. Supporting 700 entrepreneurs and close to 14,000 jobs in South Africa, with plans to extend activities to Brazil and Chile. Securing the supply chain and improved competitiveness for Anglo American.

ENERGY

GDF SUEZ

Working to supply one million people with hydropower in Brazil and bringing electricity to a dozen shanty towns in Morocco. Operating as a mainstream international energy company, while working with governments to align energy services with national poverty programmes, with communities for local level management and technical support, and with local workers and residents on responsible business practice.

HEALTH CARE

LifeSpring Hospitals

Providing affordable, high-quality maternal health care to more than 100,000 low-income customers in India's urban slums since 2005. Addressing challenges around maternal and child mortality through a commercial approach.

Nuru Energy

Providing a new off-grid lighting system that is affordable to the poorest, sustainable and commercially replicable, through a social enterprise. On the way to providing light to half a million people in Rwanda, Kenya and India, while creating opportunities for entrepreneurs providing peddle-recharging services.

FORESTRY & WOOD

Masisa

Investing in carpenters across Latin America. In Argentina, for example, between 2007 and late 2009, 68 training courses were delivered to 1,267 carpenters. Securing its future customer base, while building capacity and livelihoods of a neglected group.

WATER

Grundfos LIFELINK

Delivering sustainable water systems and associated infrastructure to base of the pyramid markets. Combining existing water service technologies with innovation in business models and systems of payment and provision.

CONSUMER GOODS

Unilever

Contributing its business competence to a global alliance to eliminate malnutrition for 100 million people in Africa by 2015.

The Coca-Cola Company

Developing new distribution channels for Coke in Africa via its micro-distribution network, employing 13,500 people so far in 15 African countries. Reaching target markets effectively while supporting jobs, entrepreneurship and women's participation in business.

Diageo

Maximising the use of locally grown sorghum used in the brewing process. Creating new market access for more than 1,190 farmers in northern Cameroon, while securing a sustainable and affordable source of local grains for production.



Photo Credit: Giacomo Pirozzi, Panos Pictures

» THE PRACTICE OF INCLUSIVE BUSINESS: THERE ARE BARRIERS BUT THEY CAN BE OVERCOME

By sharing experience, participants highlighted factors that pose challenges, enable success, or are currently shaping how inclusive business develops. Challenges identified include:

- » **Fear of failure:** companies need to be willing to take risks, but also to put a stop to something if it isn't working.
- » **Constraints on staff:** developing inclusive business takes a lot of effort, different ways of working, and tangible returns may be low at first. Staff will need support, incentives and space to innovate.
- » **Profit pressure:** there is often a need to balance short-term shareholder pressure for profits with long-term value creation via inclusive business.
- » **Practical challenges:** when working with new partners, different clients, or smallholder farmers, a host of new issues may need attention, such as payment systems, use of language, time horizons, and managing risk.
- » **Financing:** companies need finance to invest in inclusive business models, which can sometimes be a challenge. Equally other players—consumers, small entrepreneurs, and other partners—may need finance for their own investments.
- » **Attitudes:** inclusive business is about doing things differently, so success requires 'buy-in'. Many people are simply unfamiliar with it, some misunderstand it, and some may be sceptical or suspicious of the possibility of combining social and commercial return.

Many solutions were identified: strong leadership, experimentation, new forms of partnership and finance, supportive policy and donors, balancing short and long-term needs. While there is great diversity in how opportunities and challenges are addressed, eight topics emerged on which progress has been made, further attention is needed, and shared insights proved useful.

» NAVIGATING THE JOURNEY OF INCLUSIVE BUSINESS DEVELOPMENT: EIGHT TOPICS FOR MOVING FORWARD

- » 1. Experimentation and space to innovate
- » 2. Listening and innovating to reach low-income customers
- » 3. New forms of collaboration
- » 4. Government policy, regulation, investment and influence
- » 5. Access to practitioner tools and lessons of others
- » 6. Harnessing inclusive business models for basic service provision
- » 7. The critical role of leadership
- » 8. Managing shareholder expectations for short and long-term returns

These are all issues on which practitioners have been making progress, have learnt lessons and flagged as needing further attention.



MOVING THE AGENDA FORWARD

1. Experimentation and space to innovate are crucial

Businesses are being creative in how they adapt their products, distribution channels, production techniques, financing, partnerships, or overall business model to engage with low-income communities. Several examples showed the importance of testing out models first, and only then moving to scale up to bold ambitions.

Innovation in financing is also proving important. New models for financing small businesses, consumers, suppliers, and capacity building are emerging and needed, with a growing emphasis on more complex structures, with co-investment by multiple partners, and hybrid financing that uses a mixture of debt, equity and other financial instruments. This is an area ripe for further development.



Generating and testing ideas for serving the base of the pyramid...

... in maternity care

The concept for LifeSpring Hospitals was tested at one site, before adding an additional eight and setting targets for 200 hospitals by 2015.

“It sounded too ridiculous at that point of time, being a condom company thinking of setting up maternity hospitals but ... we realized that there is a market that we can possibly tap into. But being a big corporate and getting into a new business, it was ‘let’s do a proof of concept, let’s try to set

up one hospital and see whether it makes sense, let’s have some assumptions about the business volume, revenues, customers.’ We did that, we set up one hospital in 2005 with these assumptions in mind. And it worked. We realized that most of the assumptions we made about this business, about trying to target low-income women were working.”
Anant Kumar, CEO, LifeSpring Hospitals

... in forestry and furniture production

A contest was held in the wood and forestry company, Masisa, in response to a challenge laid down by the CEO to engage at the base of the pyramid. This generated 250 ideas in 3 months,

then 50 projects in 3 months, and after 6 months, 20 businesses. After 9 months there were 6 projects with very high potential to create value for the company.

2. Companies are listening and innovating to reach low-income customers

Developing a business based on low-income customers does not simply mean cutting corners to save costs and provide the same goods or services more cheaply. It requires innovation in what is provided and how. Companies are investing in understanding low-income clients, redesigning products to fit their cash flow, offering service models rather than ownership models, and leveraging distribution and payment platforms that are already in place.

Several companies highlighted how they have listened to clients and adapted to their needs through thousands of interviews, spending days or months with communities, and carefully studying their product use. Some term it 'co-creation', in which low-income users actively shape design. Understanding consumer behaviour of different market segments replaces assumptions with a more 'granular understanding' of the clients.

» Understanding energy needs of low-income clients

When Nuru was developing lighting solutions to replace kerosene, their team lived in Rwanda for a month observing people's energy habits. Any substitute would need to match kerosene as a light that is durable, portable, reliable, and can be purchased in increments. The team discovered that lighting is needed for tasks, not whole rooms. Thus they developed a portable, durable task light. As it is modular, it can be bought in increments

and the parts connected. Thus smaller packages of light became affordable for the poor. Nuru also developed the world's first commercially available peddling recharger, building on the recharging culture which already exists in rural Africa. They now find customers are demanding a charging service for mobile phones, so are designing a battery pack to do this.

3. New forms of collaboration are needed

Effective collaboration and partnerships are now recognised as a critical success factor in the development and implementation of inclusive business models. But the clear message from participants is that the days are long gone when partnership simply meant either a company working with a non-governmental organisation at community level, or a public-private partnership for investment in large projects.

The changing role of donors in inclusive business partnerships was recognised as an important theme during discussion in two 'Insight Labs,' and additionally was reflected in a Bilateral Donors' Statement in Support of Private Sector Partnership for Development. Donors need to invest in work with the private sector, build a common language, and develop emerging roles such as:

- » Leveraging their convening power to bring different types of stakeholders together to facilitate and catalyse coalitions around development challenges. For example, going well beyond their traditional grant-making role, donors could bring together insurance companies, investors, academics, and non-governmental organizations to get health investment services to the poor.

- » Sharing investment risks with private sector partners.
- » One-time, catalytic investments that help low-income people to get into markets and provide the basis for sustainable inclusive business. This could be achieved through capacity building, or funding upfront costs of equipment such as solar lights.
- » Donor to donor collaboration; including one space which brings together the diverse information around networks, platforms, and partnerships for inclusive business.

Business-to-business partnerships are a means for companies to share resources to address more systemic constraints in an integrated way. For example, Diageo worked with development partners and a competitor, Heineken, to support smallholder farmers in Ghana and Sierra Leone to grow sorghum as an alternative to barley, and then to integrate these farmers into their local supply chains. Another example is the LifeLink project, where Grundfos worked with Vodafone to establish a payment process for water utilising an existing mobile phone banking system.

» Insight Lab 2: On partnerships and collaboration

This break-out discussion looked at new models of collaboration that are emerging with potential to transform the scale and quality of existing partnering approaches. These include business to business collaboration, business-to-donor partnerships, and systemic change coalitions. For example, Coca-Cola is piloting a project which involves contributing its core expertise in product distribution to improve efficiency in the delivery of treatments and medicines in Tanzania, in partnership with the Government of Tanzania, the Global Fund and Accenture Development Partners.

Although a great deal of progress has been made in understanding partnerships and how they can help in securing objectives, participants identified more to

be done to facilitate effective partnering approaches: more investment in building capacity to partner, in sharing insights between partners, and developing new forms of collaboration.

A warning was heard against 'mission creep'. As inclusive business evolves in scope and complexity, individual sectors are constantly redefining their roles. Care needs to be taken by partners to focus on their strengths and core competencies, to recognise the value and values of each partner and to play to strengths. Diageo emphasised the importance of scoping all the assets that each partner can potentially contribute to ensure opportunities can be leveraged fully and creatively.

» Joint Statement on the crucial role of the private sector in ensuring progress toward the Millennium Development Goals (MDGs)

The Joint Statement (submitted by the organisers of this Dialogue) emphasises the crucial role of the private sector in ensuring progress toward the MDGs and the paramount importance of harnessing synergies between the public and private sector:

“Business cannot develop these sustainable, market-based solutions to poverty challenges alone. If new market-based solutions—including inclusive business opportunities—are to be scaled, it requires the support of governments and a sound enabling framework. This should include collaborative action on issues such as:

- » Promoting a fair and competitive global market that is non-discriminatory;

- » Establishing regulatory frameworks that uphold property rights, accelerate entry to the formal economy and root out corruption;
- » Providing capacity building and general education;
- » Facilitating access to finance and investment risk mitigation instruments, in particular for SMEs; and
- » Securing the necessary investments into core infrastructure, such as roads, energy systems, telecommunications and ports.”

For the full statement, visit www.inclusive.businessfightspoverty.org

4. Government policy, regulation, investment and approach matter

Governments and donors need to recognise the enormous contribution that the private sector can play, but also that government has a big influence on the capacity of the private sector to invest, and to roll out inclusive business. This theme was reflected in the Joint Statement from this event to the UN High Level Private Sector Forum.

An example from Cameroon demonstrates the impact of public infrastructure on inclusive business. Diageo has invested in sourcing sorghum from local

farmers in order to brew low-cost beer. But the roads from northern Cameroon are so bad, and thus transport costs so high, that at present trucking the grain down is more expensive than importing grain from Europe. Along a similar vein, Unilever pointed out that government relations are important, and they have found it preferable to work in an environment in which the government has a health programme that complements Unilever’s hygiene initiatives.

5. Practitioners need access to tools and lessons of others

Given this is a time of creativity in inclusive business, there is an increasing supply of lessons learnt, written and multi-media resources, tools and toolkits, and supportive initiatives to help practitioners. There is also increasing demand, as interest spreads. However, more work needs

to be done to link supply and demand, ensuring practitioners can actually access the wealth of resources, and that the providers are investing in what is most useful.



Insight Lab 1: what is useful and what is needed for practitioners?

In an Insight Lab on tools and resources for inclusive business, participants shared ideas on what they have found useful, and what they would like. Three broad types of resources had proved useful: (i) practical approaches—such as sharing performance monitoring frameworks with another company, local partnership development, and needs analysis at community level; (ii) inputs from an organisation or initiative, such as finance from the International Finance Corporation, or a launch at the World Economic Forum; and (iii) documents, toolkits and case studies. Key resources are listed in a Mapping Document presented during the discussion (available on: www.inclusive.businessfightspoverty.org).

Participants' suggestions for what is needed included:

- » Resources for building internal company commitment;
- » Business model case studies; easy to find benchmarks (by sector), learning case studies, identifying challenges and how they can be overcome, preferably written by business practitioners in low-income countries;
- » Innovative financing, including for the base of the pyramid;
- » Global hub or website for inclusive business;
- » Tools with specific applications and users: SMEs, women, land ownership, local actor maps, and sector specific material on opportunities and risks;
- » And a host of suggestions on measuring results: harmonized impact evaluation, an independent means of comparing results across sectors, a gold standard for measuring qualitative impact on top and bottom line, work on both metrics and intangibles, and tools for mapping results

6. Inclusive business models can be harnessed for basic service provision

Lack of access to water, health care and energy for millions of low-income communities is a fundamental development challenge, and one that was conventionally seen as one for governments

to tackle on their own. Insight Lab discussions highlighted that inclusive business innovation is now helping to contribute to solutions.

» Insight Lab 3: developing inclusive business models for energy, health and water

Discussions made clear that inclusive business is not only about supply chain innovation, and not only about 'selling to the poor'. It is also about designing products and services that markedly improve the quality of life by increasing access to basic services (also known as 'development enablers') at affordable rates. For example, Nuru Energy is rolling out new affordable lighting technology in Africa, Grundfos LIFELINK is developing, selling and offering services for automatic water systems, primarily aimed at rural areas in developing countries. GDF SUEZ is developing business solutions to address access to energy, water and sanitation in Brazil and Morocco.

Adapting to the local context is important. Corruption often affects the utility sector. Grundfos LIFELINK has reduced risk by developing a direct payment system

with Vodafone, that enables the user to pay Grundfos direct. To boost transparency, Grundfos also publish data on water usage on its website.

Public and private roles in this space are evolving. Traditional suspicions still play a role: suspicion of the profit motive in essential service provision on the one hand, and weariness at governments' failings in providing effectively for public needs, on the other. But opportunities for synergy between public and private partners are no doubt increasing. For example, the Amsterdam Initiative Against Malnutrition is an ambitious multi-stakeholder partnership aiming to eliminate malnutrition for 100 million Africans by 2015, starting in Ghana, Kenya, South Africa, Ethiopia, Mozambique, and Tanzania.

7. Leadership: It makes all the difference

The message may not be new, but it was loud and clear. Strong leadership is what can make inclusive business work. Leaders need to take risks, set an ambitious vision, and give space and motivation to staff.

It is visionary leadership that can enable a company to both experiment at a small scale and scale up to ambitious targets. In several examples, corporate leaders are now setting stretch targets, to double their employment impact, to reach hundreds of

thousands of base of the pyramid consumers or service users. In the case of Masisa, the previous CEO surprised staff some years ago by setting a target that 10 percent of revenue should come from low-income customers by 2010, and inviting ideas on how to achieve this. The current CEO followed tradition one recent Monday morning by challenging employees to build a community of furniture makers by 2015. These goals have shaped staff innovation.

8. Balancing short-term and long-term returns

Some of the inclusive business examples discussed generate a typical profit margin. LifeSpring Hospitals in India generate a rate of return comparable to that expected by conventional private hospitals. In some other cases, participants demonstrated how their inclusive business is building long-term market value of their business, even though it may not be a strong profit generator in the short-term.

A panel of CEOs was asked whether shareholders put pressure to deliver short-term at the expense of longer-term inclusive business, and whether a low rate of return could be tolerated. The clear message was the need for a balanced approach, protecting the bottom line while articulating the strong, sometimes unquantifiable, long-term value creation due to inclusive business.

“When I asked our graduates: ‘why did you join Diageo?’ half said that they had heard about our good corporate governance and the work we do in CSR, in particular our Water of Life programme. The reputation we have with governments is also strong as a result of the work we do in these areas, and therefore we find that they are happy to engage with us on public policy matters. How do you put a value on that?”

Nick Blazquez, President, Diageo Africa



Cynthia Carroll, Anglo American. Photo Credit: BCTA

“In creating new suppliers, located close to our mines, and by bringing existing suppliers closer to our sites there are significant cost efficiencies. We can reduce delivery times and logistics costs, we can localise warehousing and so enable just in time procurement. Through training and support to our suppliers, we can also ensure enhanced service, quality control, and an operating ethos that is aligned with our own.”

Cynthia Carroll, CEO, Anglo American

“Fear to fail is a barrier. Innovative processes have to create trust: “Hey boss, I’ve not got it the right way, and want to try a different way.” And you have to be prepared to stop something that isn’t working.”

Roberto Salas, President, GrupoNueva and CEO, Masisa



Roberto Salas, GrupoNueva and Masisa. Photo Credit: BCTA

“At the end of the day, this comes down to leadership. Because it’s always easier, isn’t it, to go into the more mature markets, the ones where your business model has been established, where the uncertainties are well managed and well known. To take the risk to go into markets and to supply chains and distribution chains which favour low-income groups and to see that as a business opportunity [not just] an act of doing good, that represents a real act of leadership and courage.”

Graham Baxter, Acting CEO, IBLF



Graham Baxter, IBLF, and Nick Blazquez, Diageo Africa. Photo Credit: BCTA



FURTHER RESOURCES ON INCLUSIVE BUSINESS AND THE DIALOGUE

All materials related to the Inclusive Business Dialogue can be found at:

<http://inclusive.businessfightspoverty.org>

including:

- » [Joint Statement on Inclusive Business](#)
- » [Bilateral Donors' Statement in Support of Private Sector Partnerships for Development](#)
- » Inclusive Business: [Mapping of Tools and Resources](#)
- » [Video](#) and [audio](#) of Dialogue sessions
- » [Presentations](#)
- » [Agenda](#)



SPEAKERS, PRESENTERS AND MODERATORS AT THE INCLUSIVE BUSINESS DIALOGUE

presented in chronological order

Setting the Stage

Robin Bidwell, Group President, Environmental Resources Management. See www.erm.com.

Euan Wilmshurst, International Government Relations Manager, The Coca-Cola Company. See [The Coca-Cola Company: Enabling Jobs and Opportunity](#).

The Business of Development

Cynthia Carroll, CEO, Anglo American. See Anglo American: [Promoting Sustainable Entrepreneurship](#).

The Millennium Development Goals

Helen Clark, Administrator, United Nations Development Programme. See [MDG Summit website](#).

CEO Panel:

Inclusive business: how are companies walking the talk?

Nick Blasquez, Managing Director, Diageo Africa. See Diageo: [Enabling Supply Chain Linkages in Cameroon](#).

Anant Kumar, CEO, LifeSpring Hospitals. See [LifeSpring Hospitals: Providing Low-Income Women with Quality Health Care](#).

Roberto Salas, President, GrupoNueva and CEO, Masisa. See [Masisa Argentina and the Evolution of its Strategy at the Base of the Pyramid: An Alternative to the BoP Protocol Process?](#)

Graham Baxter, Acting CEO, International Business Leaders' Forum. See www.iblf.org

Insight Labs

Insight Lab #1: Learning by Sharing

Matthew Lynch, Development Focus Program Manager, World Business Council for Sustainable Development. See www.wbcsd.org

Monica Opoku, Global Grants Program, KMPG and developer of the WBCSD Challenge. See [Inclusive Business Challenge](http://Inclusive_Business_Challenge).

Andrew Smith, PriceWaterhouseCoopers and Deputy Director, Business Innovation Facility. See [Practitioner Hub](http://Practitioner_Hub)

Elizabeth Boggs Davidsen, Principal Investment Officer, Inter-American Development Bank, Opportunities for the Majority. See www.iadb.org

Tomas Sales, General Manager, Growing Sustainable Business Initiative, UNDP. See www.undp.org

Insight Lab #2: Collaboration: innovative strategies and platforms

Richard Gilbert, Deputy Director for the Business Action for Africa. See www.businessactionforafrica.org

Gib Bulloch, co-Founder and Executive Director, Accenture Development Partners. See www.accenture.com

Amanda Bowman, Director of Corporate Partner Relations, International Business Leaders' Forum. See www.iblf.org

Euan Wilmshurst, International Government Relations Manager, The Coca-Cola Company. See www.thecoca-colacompany.com

Anne McCormick, Corporate Responsibility Director, Diageo Africa. See [Diageo: Enabling Supply Chain Linkages in Cameroon](http://Diageo:Enabling_Supply_Chain_Linkages_in_Cameroon).

Christiaan Rebergen, Special Ambassador for the Millennium Development Goals, Ministry of Foreign Affairs of the Netherlands. See www.minbuza.nl

Lena Blomstrand, Head of Partnerships, Swedish International Development Cooperation Agency (Sida). See www.sida.se.

Jonas Ahlén, Programme Manager, Swedish International Development Cooperation Agency (Sida). See www.sida.se.

Insight Lab #3: Innovative business models to provide access to key development enablers: energy, health, and water

Denis Simonneau, Senior VP for International Relations, GDF SUEZ. See [Business Solutions to Energy Poverty: GDF Suez](http://Business_Solutions_to_Energy_Poverty:_GDF_Suez)

Peter Todbjerg Hansen, Managing Director, Grundfos LIFELINK. See [Grundfos Lifelink: When Water Becomes Sustainable Business](http://Grundfos_Lifelink:_When_Water_Becomes_Sustainable_Business)

Paulus Verschuren, Senior Director of Global Health Partnerships, Unilever. See [Global Alliance for Improved Nutrition](http://Global_Alliance_for_Improved_Nutrition)

Sameer Hajee, CEO, Nuru Energy. See www.nurulight.com.

Michael Kubzansky, Global Account Manager, Monitor Group. See www.monitor.com

Wrap Up:

Jane Nelson, Senior Fellow and Director of Corporate Social Responsibility Initiative, Harvard University See www.hks.harvard.edu

Organisers of the event

[Business Action for Africa \(BAA\)](#)

BAA is an international network of over 200 businesses, business organisations and development partners, working collectively to accelerate growth and poverty reduction in Africa.

[Business Call to Action \(BCtA\)](#)

BCtA is a global membership network of companies, governments, and development organisations working to identify and promote business models that contribute to long-term commercial and development goals.

[The CSR Initiative, Harvard Kennedy School](#)

The CSR Initiative at Harvard's Kennedy School is a multi-disciplinary and multi-stakeholder programme that seeks to study and enhance the public contributions of private enterprise.

[International Business Leaders Forum \(IBLF\)](#)

An independent, not-for-profit organisation working with business leaders and their companies globally to deliver innovative responsible business solutions to sustainable development challenges worldwide.

[International Chamber of Commerce \(ICC\)](#)

ICC is the voice of world business championing the global economy as a force for economic growth, job creation and prosperity.

[United Nations Development Programme \(UNDP\)](#)

UNDP is the UN's global development network, an organisation advocating for change and connecting countries to knowledge, experience and resources to help people build a better life.

[UN Global Compact](#)

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally

accepted principles in the areas of human rights, labour, environment and anti-corruption.

[United Nations Office for Partnerships \(UNOP\)](#)

UNOP promotes new collaborations and alliances in furtherance of the Millennium Development Goals and provides support to new initiatives of the Secretary-General.

[World Business Council for Sustainable Development \(WBCSD\)](#)

WBCSD is a unique, CEO-led, global association of some 200 companies dealing exclusively with business and sustainable development.

Event Sponsors

[UK Department for International Development \(DFID\):](#)

DFID is the UK Government's department that manages Britain's aid to developing countries and works to get rid of extreme poverty.

[US Agency for International Development \(USAID\):](#)

USAID is the principal US agency to extend assistance to countries recovering from disaster, trying to escape poverty, and engaging in democratic reforms.

[Swedish International Development Agency \(Sida\):](#)

Sida is the Swedish Government agency interested in promoting the idea of 'international development cooperation' and supports over 2,000 projects in over 100 countries.

[The Coca-Cola Company \(TCCC\):](#)

TCCC is the world's largest beverage company with more than 500 brands.

[Diageo:](#)

Diageo is the world's leading premium drinks business trading in approximately 180 markets and with offices in 80 countries.

This report

This report was written by **Caroline Ashley** on behalf of the event organisers and sponsors. It can be downloaded from <http://inclusive.businessfightspoverty.org>

Lorin Kavanaugh-Ulku provided support with editing and finalisation. **Michael Salmon** designed the report.

Special thanks to **Avneet Batra, Fareeda Ehtesham, Carina Kjestad, Shauna Sheehy, and Leona Verdadero** for their research support in developing this document. We would also like to acknowledge the valuable inputs of **Natalie Africa, Amanda Bowman, Marcel Engel, Amanda Gardiner, Richard Gilbert, Beth Jenkins, Matthew Lynch, Jane Nelson, Zahid Torres-Rahman, and Filippo Veglio** for their careful review of the report.

You are encouraged to share the report and use it to encourage the adoption and implementation of inclusive business. Copyright rests with the event organisers, and we request recognition of this, and welcome feedback from those who use the report.

Please send feedback to the Business Call to Action Secretariat at BCtA.Secretariat@undp.org.

Citation:

Ashley, Caroline. "Accelerating Progress Towards the Millennium Development Goals through Inclusive Business: Achieving Impact, Moving Towards Scale." New York, NY: Oct. 2010.

"In the last decades, the private sector has year on year got closer to the development community."

Graham Baxter, Acting CEO, IBLF

"We want to do good and do well and in fact, the internal rate of return or the rate that we calculate is similar to what traditional hospital in India would generate and expect, so we work with keeping that in mind."

Anant Kumar, CEO, LifeSpring Hospitals

"Innovation in this area, as in any other aspect of our business, requires ingenuity, commitment and a willingness to take risks and learn from mistakes. It needs commitment at all levels of the organisation, clear leadership and consistent endorsement both inside and outside the organisation."

Cynthia Carroll, CEO, Anglo American

"As a result of commitments made [by companies to Business Call to Action], over 10 million people will be given access to affordable IT, finance, health and agricultural goods and services. Nearly 40,000 sustainable jobs are being created and hundreds of thousands of farmers across Africa and India are benefitting from enhanced productivity and increased incomes."

Helen Clark, Administrator, UN Development Programme

"No one sector can solve the problem of malnutrition alone... Partnership is not the ultimate goal, it is the starting point."

Paulus Verschuren, Senior Director of Global Health Partnerships, Unilever

"Donors have learned in recent years that we cannot work alone but need to work with the private sector."

Christiaan Rebergen, Special Ambassador for the Millennium Development Goals, Ministry of Foreign Affairs of the Netherlands

"Companies can complement each other to drive sustainability in the developing world."

Peter Todbjerg Hansen, Managing Director, Grundfos LIFELINK

"We believe the leading companies of the future will be those that do business in a way that addresses the major development challenges. Sustainably addressing the needs of the developing world represents a huge opportunity for business, given the long-term demand for investment, infrastructure, products and services it will trigger."

Event Organisers, Joint Statement on Inclusive Business

"Business needs a certain degree of leadership to take higher risk decisions, and they also need people on the ground, General Managers, also involved in the right way."

Participant in the Inclusive Business Dialogue

"Short term results? You have to have some short term impact strategy also, but this is not your competitive advantage because a lot of people can do the same. It is the long-term, sustainable, competitive advantage that makes the real difference in five or seven years from now.... The first phase of long-term results is tomorrow... So we have to feed the pipeline with new ideas every day. "

Roberto Salas, President, GrupoNueva and CEO, Masisa

"This project is not so much about financial investment but more about focused creativity and effort."

Nick Blazquez, President, Diageo Africa

"From Sida's perspective, one role we now play is to invest in markets that are risky, by identifying the funding gaps and tailoring the investment to fit local needs."

Jonas Ahlén, Programme Manager, Swedish International Development Cooperation Agency (Sida)