



Enhancing MDG1 through a new Dutch initiative aimed at connecting the private sector, NGOs and government:

# Partnering for Prosperity



Paper Number 1

**“If a free society cannot help the many who are poor,  
it cannot save the few who are rich.”**

John F. Kennedy inaugural speech 1961.

## Colofon

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**Authors:** Eric Bouwmeester, *Global Compact Network Netherlands*

Stefanie Beninger, *BoP Innovation Center*

Myrtille Danse, *BoP Innovation Center*

Shakti Kapoerchan, *BoP Innovation Center*

Marieke de Ruijter de Wildt, *Agricultural Economics Research Institute/Wageningen UR*

**Editors:** Eric Bouwmeester & Myrtille Danse

**Design:** Roquefort Ontwerpers

**Dit is een uitgave van:** BoP Innovation Center

## Executive Summary

In 2000, the Millennium Declaration of the United Nations was signed by 147 heads of state. One of the goals, Millennium Development Goal 1 (MDG1) was agreed upon: “to eradicate extreme hunger and poverty.” If we want to reach MDG1 by 2015 extraordinary measures and extraordinary solutions are required. To that end, in the fall of 2009, *Partnering for Prosperity* was initiated after a strong appeal of three leading CEO’s, Paul Polman of Unilever, Feike Sijbesma from DSM and Peter Bakker of TNT, calling upon the private sector, government, public institutions and NGOs to make a significant stronger contribution to realizing MDG1. The execution was handed over to Global Compact Network Netherlands, and later joined by the Dutch BoP Innovation Center.

*Partnering for Prosperity* aims to give a significant impulse to reaching MDG1 by sharing knowledge, formulating and executing ideas that promote prosperity, developing new business strategies, engaging private companies and creating synergetic combinations between the Dutch private sector, public institutions, government and NGOs.

The first target of MDG1 (1.A; to halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day) is not yet realized. 1.4 billion people still live on less than \$1.25 a day and 900 million people around the world go to sleep hungry each night. The second target of MDG1 (1.B: to achieve full and productive employment and decent work for all, including women and young people) has also



Woman cleaning manioc, North Brazil

not been realized; in fact the economic crisis is reversing progress in certain areas. The third target of MDG1 (1.C: halve, between 1990 and 2015, the proportion of people who suffer from hunger) requires a lot of progress: it is estimated that 1 in 4 children under 5 years old in the developing world are underweight. In a response, a number of recommendations were formulated by the UN including productive and decent employment, war against hunger, addressing maternal mortality, improved sanitation and improving urban living condition.

The link between economic growth and strong private investment is clear. The private sector alleviates poverty by not only contributing to overall economic growth, but also through providing poor people with employment, services and products, increasing choice and reduced prices. In return, this portion of the market becomes valuable consumers, as well as employees, suppliers and distributors for the organization. Further, the company develops or enters a market that it previously did not have access to.

Acknowledging the private sectors importance, *Partnering for Prosperity* focuses on actions that go beyond philanthropy: it focuses on making low-income community members long-term partners in development and encouraging private sector actors to become involved in global public policy. As *Partnering for Prosperity* aims to foster partnerships that increase innovation and mobilize capabilities and resources in the private sector, initiatives that are completely or partially private sector driven are a key focus. Indeed, there are a variety of different initiatives currently, both at the international level and from the Dutch private sector. However, a quick scan show that many international initiatives are

generic in their scope and that the Dutch private sector does not seek to influence public sector policies with MDG1 initiatives, rather focus solely on the private sector.

Enthusiasm on the topic from various actors is evident. However, there is still more to be gained by focusing the combined efforts of those involved towards value chains and certain sectors, strengthening local capacities and leveraging the synergistic competencies of the public sector, the private sector and NGOs. Specifically, *Partnering for Prosperity* is focused on strengthening sustainable food systems with a primary focus on Sub-Saharan Africa and South Asia.

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## 1. Introducing *Partnering for Prosperity*

In 2000, 189 countries accepted the Millennium Declaration of the United Nations, signed by 147 heads of state and prime ministers. Nine years later, the number of people suffering from chronic hunger passed a record high of one billion and still every six seconds a child dies of hunger.

The Millennium Development Goal 1 (MDG1) is to “eradicate extreme hunger and poverty.” Current worldwide efforts to realize MDG1 are clearly insufficient. If we want to reach MDG1 by 2015 extraordinary measures and extraordinary solutions are required.

In 2009, *Partnering for Prosperity* was initiated with the aim to stimulate the private sector to generate a significant impact to the realization of MDG1. *Partnering for Prosperity* is an initiative of three leading Dutch CEO’s: Paul Polman of Unilever, Feike Sijbesma of DSM and Peter Bakker of TNT. With the active support and in presence of the former Dutch prime minister Balkenende, they organized a kick off meeting in the fall of 2009 bringing together a broad range of companies, public institutions, NGOs and government officials. Their appeal was to dramatically improve and enhance the efforts of the private sector in partnership with other societal actors to help realizing MDG 1. The execution was subsequently delegated to Global Compact Network Netherlands and the Dutch BoP Innovation Center.

*Partnering for Prosperity* is based on the conviction that the most effective and durable way towards reducing poverty is to create opportunities that allow people to take care of their own needs among others by stimulating local entrepreneurship. This initiative aims to make a significant contribution by sharing knowledge,

formulating and executing ideas that promote prosperity, developing new business strategies, engaging private companies and creating synergetic combinations between the Dutch private sector, public institutions and NGOs. Private sector and entrepreneurial capacities are central to this. *Partnering for Prosperity* has the ambition to contribute to the compliance of MDG1 by also working towards realizing MDG7 (ensuring environmental sustainability) and MDG8 (developing a global partnership for development).

Overall, *Partnering for Prosperity* stimulates the effectiveness of cross-sectoral co-operation towards the pursuit of MDG1, taking locally formulated needs as its starting point. Local production, hygiene and nutrition are essential building blocks to realizing MDG1. As such, *Partnering for Prosperity* will specifically contribute to local food production, hygiene and nutrition.

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**“If we want to reach MDG1 by 2015 extraordinary measures and extraordinary solutions are required.”**

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### Mission

*Partnering for Prosperity* seeks to achieve breakthroughs in the effectiveness of cross-sectoral co-operation in pursuit of Millennium Development Goal 1, taking locally formulated needs as its starting point.

### Goal

By bringing together the private sector, government and NGOs, we work towards a significant,



Millenium Development Goals. Source: UNDP

measurable enhancement of the sustainability of local food systems in developing countries.

### Strategy

S1. Provide overview and insight into existing private sector driven initiatives in the area of food security.

S2. Create synergy and new combinations between internationally active companies and the local private sector, public institutions and NGOs in emerging markets within the framework of the *Partnering for Prosperity* mission.

S3. Learn new lessons with regard to conditions that ensure:

- The viability of project upscaling
- The success of cross-sectoral co-operation
- The development of local entrepreneurship

This document provides an overview of state of the art insights on the current status of MDG1, the different roles of the private sectors in com-

bating poverty and an overview of current international and Dutch private sector driven MDG1 initiatives, and elaborates on the committed role of *Partnering for Prosperity*.

## 2. Millennium Development Goal 1

### 2.1 Targets and indicators

During the Millennium Summit in September 2000, a bold commitment was made on a global level to reduce extreme poverty and to address a series of time-bound health and development targets.

Originally, MDG1 was comprised of only two targets, 1.A and 1.C. Target 1.A is to halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day. Target 1.C is to halve, between 1990 and 2015, the proportion of people who suffer from hunger. Following a UN effort to promote full, productive and decent employment for all, another target (Target 1.B) was added in 2008. Target 1.B is to achieve full and productive employment and decent work for all, including women and young people.

Each target, 1A, 1B and 1C, has its own indicators for monitoring progress towards the end goal of realizing MDG1. These indicators are as follows:

#### Target 1.A indicators

- a. Proportion of population below \$1 (PPP) per day
- b. Poverty gap ratio
- c. Share of poorest quintile in national consumption

#### Target 1.B indicators

- a. Growth rate of GDP per person employed
- b. Employment-to-population ratio
- c. Proportion of employed people living below \$1 (PPP) per day
- d. Proportion of own-account and contributing family workers in total employment

#### Target 1.C indicators

- a. Prevalence of underweight children under-five years of age
- b. Proportion of population below minimum level of dietary energy consumption

The details on the calculations of the indicators for the three targets can be found in Appendix 1 of this document.

### 2.2 Current status of MDG1 Targets

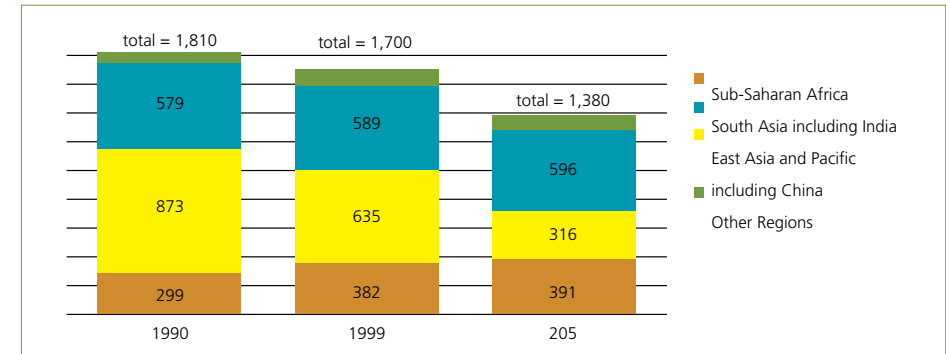
It is essential to understand the current status of the MDG1 targets: only then can individuals and organizations realize how urgent the situation is. Changes are needed if we are to realize MDG1 by 2015, as is discussed below per target area.

2.2.1. Target 1A: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day.

**“Promote full, productive and decent employment for all.”**



Woman working the field, India



Graph 1: Number of people living below \$1.25 a day (millions). Source: World Bank, 2008

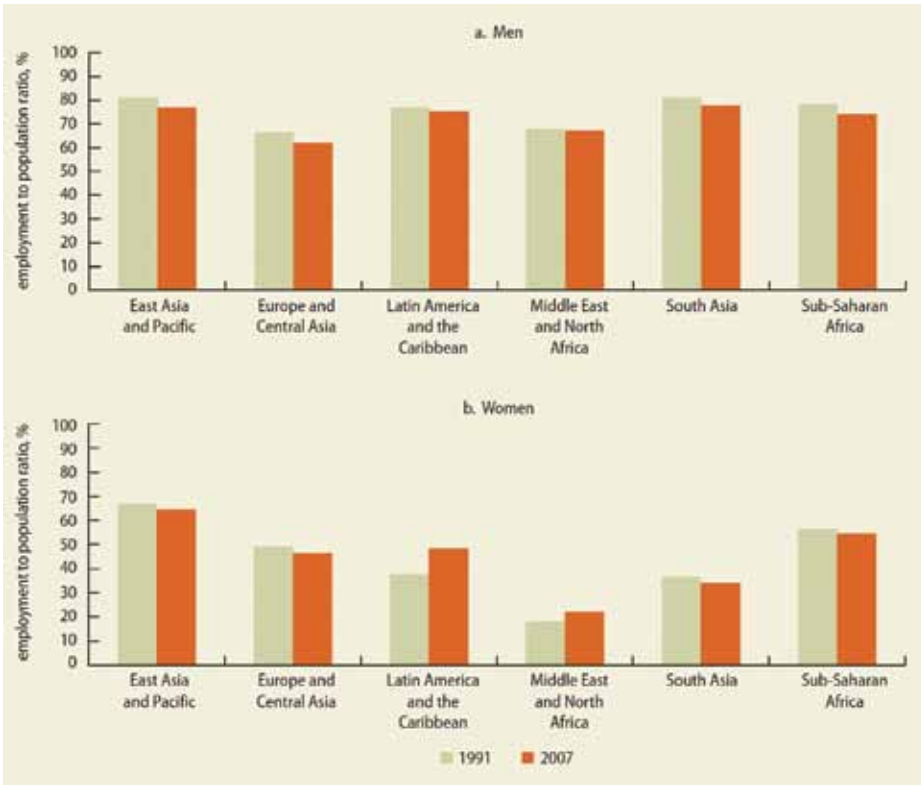
The “number of poor people living on less than \$1.25 a day in developing countries fell from about 1.8 billion in 1990 to 1.4 billion in 2005—from 42% of the population to 25 percent.”<sup>i</sup> High levels of economic growth and a sharp decline in poverty in East Asia, including Southeast Asia, are cited as the prime contributing reason to this worldwide decrease. Between

Overall, 1.4 billion people still live on less than \$1.25 a day – more than two-thirds of them are women and girls. 900 million people around the world go to sleep hungry each night, while some 25,000 children die today from easily preventable and treatable diseases.<sup>ii</sup> The breakdown of the location and development of people living under \$1.25 a day is illustrated in graph 1.<sup>iv</sup>

**“1.4 billion people still live on less than \$1.25 a day”**

1990 and 2005, extreme poverty in the East Asian region fell from 55% to 17%. Poverty levels also decreased in Sub-Saharan Africa from 58% to 51%. Percentages are improving. However, this has not yet resulted in an absolute decline in the number of people living below the poverty threshold: the absolute number of people under the poverty level in Sub-Saharan Africa and South Asia (including India) rose between 1990 and 2005, mainly due to rapid ongoing population growth.<sup>ii</sup>

The economic crisis adds an increased level of risk. Overall poverty rates in the developing world have fallen during 2009, but at a much slower pace than before the economic downturn.<sup>v</sup> The effects of the financial crisis hamper the battle against poverty, as large amounts of capital are being withdrawn from developing countries. The crisis has led to a decline in exports and a reduction in the backwards flow of immigrants’ remittances to their countries of origin. This has resulted in rising unemployment and national budget shortfalls, which, in turn, results in spending cuts in poverty reducing programs. Further, private capital flows to the developing world have seen the sharpest drop ever, with net flows likely turning negative in 2009: this is more than a \$700 billion drop from



Graph 2: Employment to population ratio in %. Source: World Bank, 2008

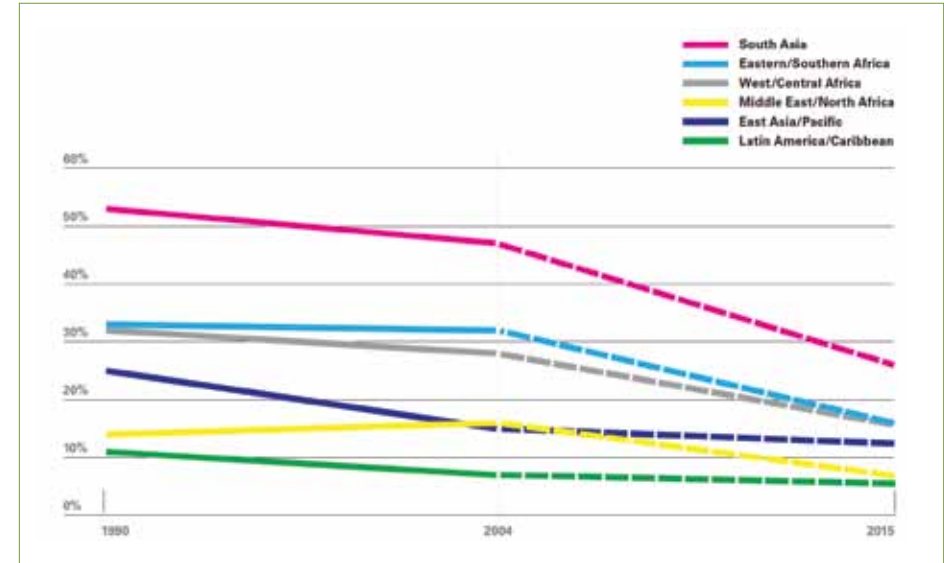
the peak in 2007.<sup>vi</sup> The World Bank recently estimated that the global recession can result in 50 million more people falling below the poverty threshold.<sup>vii</sup>

**“The global recession can result in 50 million more people falling below the poverty threshold”**

Despite the gains in some areas, there is still much improvement needed in order to realize Target 1.A, the goal of eradicating extreme hunger and poverty, as is visible in the trends indicated above.

2.2.2. Target 1B: Achieve full and productive employment and decent work for all, including women and young people<sup>1</sup>

The progress of the employment-to-population ratio is generally lacking for both men and women throughout the world. This is evident from graph 2 that shows the development of



Graph 3: Percentage of under-five children who are underweight (moderate and severe) Source: UNICEF<sup>2</sup>

employment to population between 1991 and 2007.

Again, the crisis has an impact: high prices for energy and commodities in early 2008, exacerbated by a severe economic downturn in the second half of 2008, have negatively impacted the level of employment as well as its quality.<sup>viii</sup>

**“Every six seconds a child dies of hunger.”**

The proportion of the working-age population that is employed is a good indicator of the ability of an economy to generate jobs. In most countries, that proportion is in the range of 55-75%. However, employment-to-population ratios and poverty indicators can both be high as people must work to survive, regardless of the quality of their job. This also has an impact on labor productivity. A case in point is in Sub-Saharan Africa, which has the second highest adult employment-to-population ratio among all regions (about 74%), but the lowest levels of labor productivity. More than half of those employed in this region were among the extreme working poor, and more than three quarters of workers were engaged in vulnerable employment, which,

<sup>1</sup> As Target 1.B is relatively new, only limited results are available on its progress.

<sup>2</sup> Trend analysis is based on data for a subset of 73 countries with data available for the period 1990–2004. CEE/CIS is not shown in the chart because data were insufficient to measure progress.

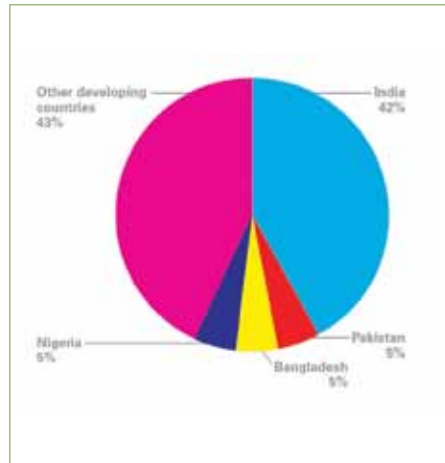
in turn, impacts the number of people in poverty.<sup>ix</sup> Vulnerable employment, as defined by the ILO, is largely comprised of “own-account workers and contributing family workers” and is often characterized by “inadequate earnings, low productivity and difficult conditions of work that undermine workers’ fundamental rights.”<sup>x</sup>

**2.2.3. Target 1C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger** In the developing world, an estimated 129 million children under 5 years old are underweight: this is nearly one in four. 10% of the children in the developing world are severely underweight. This is illustrated to in Graph 3.

The prevalence of underweight children is higher in Asia than in Africa, with rates of 27% and 21%, respectively.<sup>xi</sup> Progress towards the reduction of underweight prevalence has been limited in Africa, with 28% of children younger than 5 years old being underweight around 1990, compared to 25% in 2008. Progress has been slightly better in Asia, where it dropped to 37% from 31% over the same period.<sup>xii</sup> However, there is obviously still room for improvement.

Worldwide, India has by far the largest number of children under five who are moderately or severely underweight, followed by Pakistan, Bangladesh and Nigeria. Another 43% live in other developing countries. This is illustrated in Graph 4.<sup>3</sup>

Rapidly rising food prices caused an increase in the proportion of people going hungry in Sub-Saharan Africa.<sup>4</sup> When China is excluded,



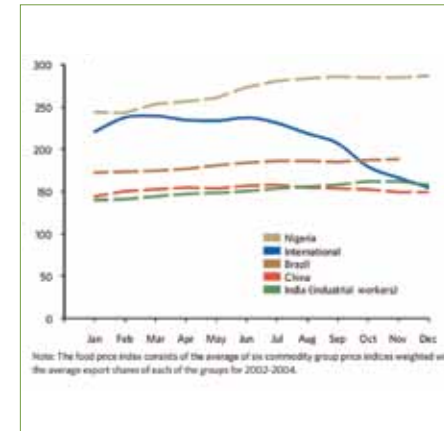
Graph 4: Countries with the target number under five who are moderately or severely underweight, as a proportion of the developing world total (129 million children)

the prevalence of hunger also rose in Eastern Asia. In most of the other regions, the effect was to arrest any improvement.<sup>xiii</sup> This movement is illustrated to the right.<sup>xiv</sup>

A decrease in international food prices in the second half of 2008 was expected to lower prices in local markets in a relatively short period of time. However, due to the crisis, this did not happen. Failure to implement strong actions in the fight against hunger could give way to a long-lasting food crisis. Consumer access to food in many developing countries, such as Brazil, India, Nigeria, and to a lesser extent China, did not improve as expected. It is clear that sustainable solutions are needed.

<sup>3</sup> Please note that for other developing countries listed, the available data might not be accurate or up-to-date, as such, they have been added up to one total.

<sup>4</sup> 2008 figures



Graph 5: International food price index and consumer food price index in selected countries, 2008 (Year 2000=100)

### 2.3 Recommendations for accelerated progress

The United Nations<sup>xv</sup> formulated a number of recommendations were formulated by the United Nations, based on the first evaluation of the MDGs. For MDG1, the most important ones are listed as follows:

1. Productive and decent employment: efforts to provide productive and decent employment for all, including women and young people, must be implemented. The share of women in paid employment outside the agricultural sector has increased only marginally over the years. And in Southern Asia, Northern Africa and Western Asia, employment opportunities for women remain extremely low.
2. War against hunger: the war against hunger must be embraced with renewed vigor, especially for the benefit of the world’s youngest citizens. In the countries hardest hit by the

**“The war against hunger must be embraced with renewed vigor.”**

recent rise in food prices, measures must be implemented to increase the availability of food and strengthen social policies that address the negative impact on the poor.

3. Addressing maternal mortality: greater political will must be mustered to reduce maternal mortality, especially in Sub-Saharan Africa and Southern Asia, where negligible progress has been made so far.



A child in Liberia

4. Improved sanitation: rapid acceleration of progress is needed to bring improved sanitation to the 1.4 billion people who were doing without in 2006, with all its attendant consequences for the health of communities and the local environment. At the present rate of progress the 2015 sanitation target will not be reached.
5. Improving urban living conditions: efforts to improve the living conditions of the urban poor must pick up speed and extend even further. Although every region except one has made progress in this area, slum improvements are barely keeping pace with the rapid growth of developing country cities.
6. Natural resource protection: greater priority must be given to preserving our natural resource base, on which we all depend. Increased force and unity is needed: the impacts of climate change are being felt; our fisheries are imperiled; our forests, especially old-growth forests, are receding; and water scarcity has become a reality in a number of arid regions.

The two objectives of *Partnering for Prosperity* are to enhance local sustainable food systems in Sub-Saharan Africa and South Asia, while enforcing the role of women in these systems and to strengthen local systems in regards to hygiene and nutrition. These objectives fit well with within the UN recommendations listed above.



*Men packing hot pepper, Ethiopia*

### 3. The role of business in development

#### 3.1 The private sector is central to the lives of the poor

Although the private sector only gets a brief mention in the Millennium Development Goals, “economic growth and wealth creation that is essential for (MDG’s) achievement will come predominantly from the private enterprise, whether through large multinational corporations, national businesses, small and medium firms, or entrepreneurs in developing countries.”<sup>xvi</sup>

The private sector is central to the lives of the poor. Conversely, all poor are consumers.<sup>xvii</sup> Across the world the story is the same: poor consumers pay more than rich consumers for basic services. In many instances, it is often an

informal private sector that provides goods and services, usually at higher prices and at varying quality. The advantages of economies of scale are missing from the lives of people at the base of the pyramid. The link between economic growth and strong private investment is clear: a study between 1970 and 1998 has demonstrated that countries with higher growth featured high private investment.<sup>xviii</sup>

The private sector alleviates poverty by not only contributing to overall economic growth, but also through providing poor people with employment, services and products, increasing choice and reduced prices.<sup>xix</sup> In return, this portion of the market becomes valuable consumers to the

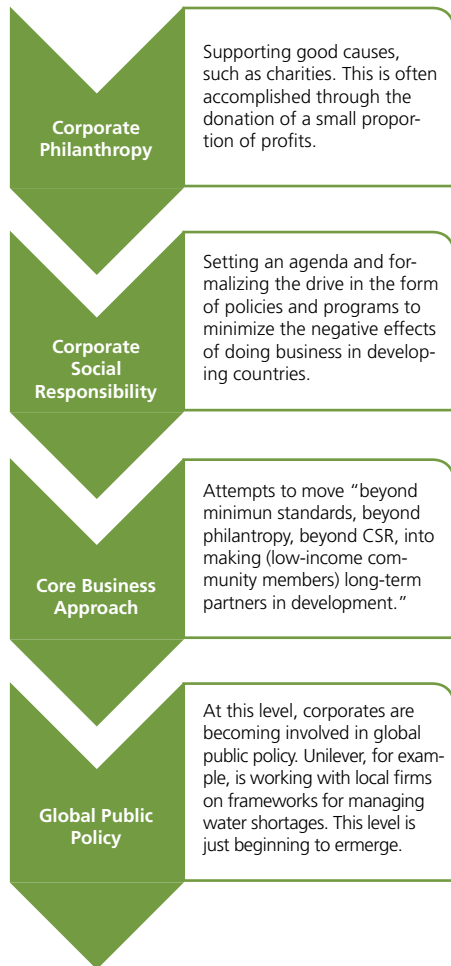


*Workers packing green beans for export, Ethiopia*

company, as well as employees, suppliers and distributors for the organization. Further, the company develops or enters a market that it previously did not have access to. This mutually-reinforcing relationship is illustrated in Graph 6.

**3.2 Business engagement in development**

The role of business engagement in development can be conceptualized as a ladder of four rungs:

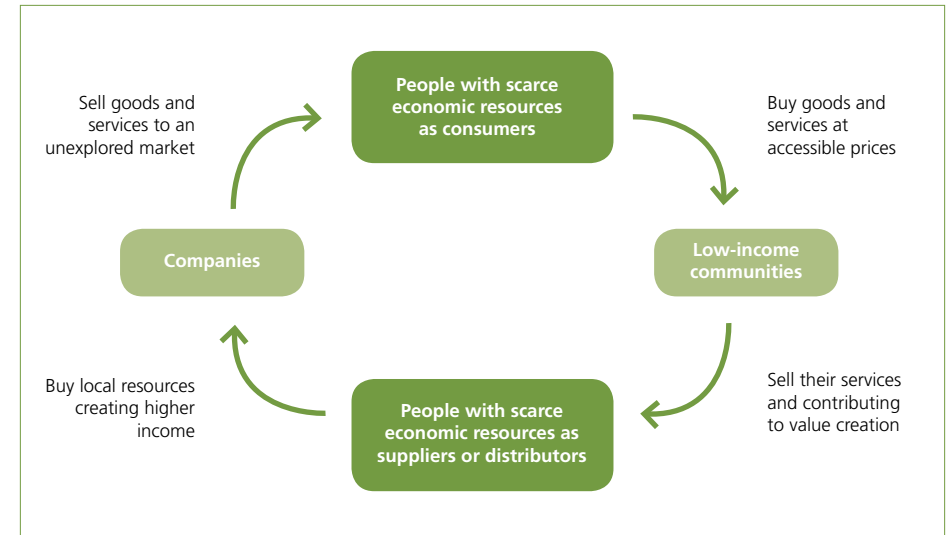


*Partnering for Prosperity* focuses on actions beyond philanthropy and CSR: it focuses on the 3<sup>rd</sup> and 4<sup>th</sup> rungs, namely Core Business Approach and Global Public Policy.

Regarding the Core Business Approach (3<sup>rd</sup> rung): many large companies are beginning to develop ways in which they could do business differently in order to have maximum impact in developing countries through reworking supply chains, forging different partnerships, introducing new products, sourcing more fairly, reconfiguring distributions networks; however, everything is still, crucially, on commercial terms. One of the concepts used by the World Business Council for Sustainable Development is that of ‘Inclusive Business’. It refers to business models that engage low-income communities across the value chain through direct



Street vendor fresh vegetables, Vietnam



Graph 6: Inclusive business opportunities Source: SNV-WBCSD, 2008

employment, expansion of supply, distribution and service opportunities for low-income communities, or through the innovative provision of affordable goods and services directed to meet the needs of low-income communities.<sup>xx</sup> These new business models allow private businesses to find sustainable ways to engage the lowest portion of the world’s economy in a profitable way, while allowing those in the low-income bracket to have access to affordable goods and services. It is a win-win situation for both. *Partnering for Prosperity* aims for this to become a norm.

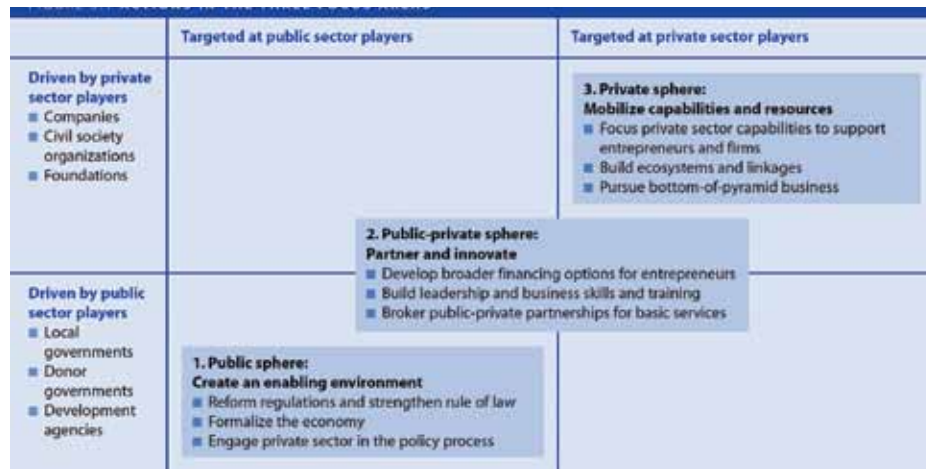
**3.3 A framework for MDG1 initiatives**

The way business is done and the characteristics of the private sector in developing countries are an influential factor for the success of partnerships. Strengthening the private sector is a priority for many governments<sup>xxi</sup>, as the private

sector has a strong influence on the growth of an economy, as described above.

Private sector action must be in conjunction with domestic private sector development in order to realize sustained effects related to poverty reduction. Moreover, the private sector, domestic and foreign, all have a stake in a strong private sector and economy. These actors can foster, for example, entrepreneurial activities through investments, linkages and mentorships.

To distinguish between the different initiatives, the UN Commission on the Private Sector and Development introduced a way to categorize the initiatives. It is comprised of quadrants that separate initiatives based on whether they are driven by public and private players and whether they are directed at public or private players. This graph is illustrated and described on the next page.



Graph 7: Framework for MDG1 initiatives. Source: UNDP, 2004

*Partnering for Prosperity* aims to foster partnerships that increase innovation and mobilize capabilities and resources in the private sector. To be able to do so, initiatives in the public sphere and a combined public-private sphere are as relevant to create successful private partnerships aiming at the BoP market.

### 3.4 Actions in the public-private sphere

As mentioned above, the public-private sphere (second sphere) is an area of focus for *Partnering for Prosperity*. All stakeholders need to make concerted efforts to bring about the delivery of basic and supportive services; governments and private actors need to develop viable partnership models, including NGOs that leverage their respective strengths. Activities in the second sphere best be focused on the following areas:

(1) *Development of domestic financial markets*: continuing development of domestic

financial markets coupled with skill-building for regulators and private financial institutions. (2) *Skill development*: these activities include programs for top public and private leaders, training for micro-entrepreneurs, joint-efforts with public authorities and unions, improvement of workforce skills, and alliances that leverage the skills and knowledge of peers. (3) *Basic services delivery*: the sustainable delivery of basic services (including energy and water) relies on effective partnerships and other forms of public-private cooperation, which has historically proven to be difficult. There is a clear need to create additional capacity to overcome market dysfunctions and information asymmetries, provide hands-on operational support, fill knowledge gaps and conceive a neutral intermediary between competing interests.

As such, the secondary objective of *Partnering for Prosperity* aims specifically to contribute



Production line local tomato sauce company, Ethiopia

to basic services delivery (3). Financial services development (1) and skill development (2) could be integral themes of *Partnering for Prosperity* to reach the overall aim of creating Local Sustainable Food Systems.

### 3.5 Actions in the private sphere

The private sphere is also relevant for *Partnering for Prosperity*. For actions in the private sphere (third sphere), which are actions initiated by and directed at private players, it is recommended to aim at:

(1) *Visibility*: increased visibility of the broad range of private contribution that remain disparate and unnoted as well as the establishment of infrastructure to channel these contributions effectively.

(2) *Integration*: there is an urgent need for multinational corporations to integrate better with local small and medium enterprises

and to strengthen links with the domestic ecosystem.

(3) *Business opportunities*: recognizing the needs of BoP markets and creating innovative solutions to meet these needs in a profitable and sustainable way is essential. Innovative solutions are likely to result in parallel changes in the economic behavior of all chain actors.

*Partnering for Prosperity* will work to enhance the visibility of private sector contribution: the impact that the private sector can have on the issues outlined is significant. For the private sector, the base of the pyramid is considered both the source of and the focus for innovations, as unique situations call for unique solutions. The role and potential of small and medium enterprises will be taken into account while planning activities of *Partnering for Prosperity*.

## 4. Achieving MDG1 with *Partnering for Prosperity*

Ten years after the advent of MDG1 it is evident that there are multiple national and international initiatives and that there is corporate enthusiasm on the topic. However, there is an apparent lack of knowledge regarding their strategy and expected impact. There is more to be gained by focusing the efforts towards the value chain and certain sectors, strengthening local capacities and leveraging the competencies of the public sector, the private sector and NGOs.



*Youngster walking the family cattle for a bite and a quick drink, Rwanda*

As outlined above, *Partnering for Prosperity* is focused on strengthening local sustainable food systems. Priority areas identified include:

- Developing sustainable and pro-poor sourcing
- Stimulating and improvement of local production for local consumption and trade
- Strengthening local entrepreneurship and development of the local private sector
- Providing healthy and safe food production and consumption, including water
- Aiding vulnerable groups amongst others children of 0-2 years, and women



*Dolphur fresh market, India*

The geographic focus of *Partnering for Prosperity* has been identified as Sub-Sahara Africa and South Asia. These areas have been identified based on the MDG1 indicator results: the needs as well as the opportunities in these regions are apparent. Three themes will be addressed, namely:

- Increasing quality of fresh food supply chains
- Developing rural retail chains, including distribution centers
- Stimulating pro-poor sourcing for local and regional markets

Through focus on these areas, geographies and themes, *Partnering for Prosperity* is committed

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**“Partnering for Prosperity is focused on strengthening local sustainable food systems.”**

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to helping realize the targets in MDG1. For the (Dutch) private sector, *Partnering for Prosperity* aims to encourage them to help them leverage their core competencies towards realizing MDG1 and, simultaneously, allow organizations to grow their business potential in these countries, whether it is broadening their activities in a



*Dairy farmers searching for market information, Tanzania*

current market or entering a new market. For many organizations, for example Unilever and Heineken, these identified countries are key markets: both profitable and growing. This reality can be the case for other organizations. With *Partnering for Prosperity*, the advantages of increased innovations in this area will be multifaceted and create a win-win-win situation: those individuals who currently live under \$1.25 a day will benefit by better nutritive products available and more opportunities for income generations, as will their communities, the companies, NGOs and governments

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**“Companies, NGOs, governments, communities and individuals who currently live under \$1.25 a day will all benefit.”**

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## 5. Partnering for Prosperity agenda

### 5.1 Activities in 2010

Activities developed in 2010 were:

- Publication on current status of the MDG 1 and private sector involvement
- Engage corporations, NGOs and public entities in at least 2 pilots and ensure their funding, preparing project plans

### 5.2 Activities from 2011 to 2015

Activities planned between 2011 and 2015 are:

- Design overall framework and scaling strategy for *Partnering for Prosperity*
- Expand the number of private sector initiatives aimed at strengthening local sustainable food systems in Sub-Sahara Africa and South Asia
- Increase the impact of the private sector initiatives on combating extreme hunger and poverty
- Facilitate an on-going learning process regarding cross-sectoral co-operation
- Develop an in-depth and informative communication strategy for the organization as well as pilots



Community meal, North Vietnam

## 6. The drivers behind *Partnering for Prosperity*

### 6.1 Global Compact Network Netherlands



The Netherlands Network of the UN Global Compact (GC NL) is an initiative of Dutch business leaders. Led and driven by signatory companies, GC NL is guided in its efforts by the ten Global Compact principles and by the Millennium Development Goals. The goal of Global Compact Network Netherlands is to achieve, between now and 2015, a significant step forward in the contribution from private business in attaining sustainable development. GC NL looks primarily at international sustainable development and CSR programs: it wants to translate the GC Principles and the MDG's into projects and programs of benefit to developing countries.<sup>xxii</sup>

### 6.2 BoP Innovation Center



The BoP Innovation Center (BoP Inc.) is an independent foundation that develops, builds capacity and accelerates the number and impact of market based pro-poor innovation strategies for low-income markets in developing countries. BoP Inc. is based on a strategic partnership of Wageningen UR, TNO, SNV, RSM Co Creation and Innovation Center, ICCO, and a growing number of private partners and international not for profit organizations in The Netherlands, Africa, Asia and Latin America. The aim of BoP Inc. is to accelerate the impact and scale of private sector driven pro-poor innovation strategies. The BoP Inc. accelerates the impact of market driven innovations in low income markets through incubating new private sector initiatives, enabling learning and capacity development and influencing policy agendas to improve the enabling environment.



Woman collecting market prices by phone, India

## References

- Appendix 1**
- Target 1.A: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day.* Description of Indicators:
- 1. Proportion of population below \$1 (PPP) per day:* percentage of the population living on less than \$1 a day, at 1993 international prices. This threshold line consists of consumption or income per person and includes consumption from personal production and income. As this poverty line has fixed purchasing power across countries or areas, the \$1 a day poverty line is often called an absolute poverty line. Please note that this threshold has been increased to \$1.25 a day, measured at 2005 international prices, adjusted for purchasing power parity (PPP).
  - 2. Poverty gap ratio:* mean distance separating the population from the poverty line (with the non-poor being given a distance of zero), expressed as a percentage of the poverty line.
  - 3. Share of poorest quintile in national consumption:* income that accrues to the poorest fifth of the population. As the consumption of the poorest fifth is expressed as a percentage of total household consumption (or income), this indicator is a "relative inequality" measure.
- Target 1.B: Achieve full and productive employment and decent work for all, including women and young people.* Description of Indicators:
- 1. Growth rate of GDP per person employed:* growth rate of GDP per person employed or labour productivity is defined as the growth rate of output per unit of labour input. Output is measured as "value added", which is the total production value minus the value of intermediate inputs, such as raw materials, semi-finished products, services purchased and energy inputs. Value added, called "gross domestic product" (GDP) in the national accounts, represents the compensation for input of services from capital (including depreciation) and labour directly engaged in the production. Labour input is defined as persons employed.
  - 2. Employment-to-population ratio:* proportion of a country's working-age population that is employed. For most countries, the working-age population is defined as persons aged 15 years and older, although this may vary slightly from country to country.
  - 3. Proportion of employed people living below \$1 (PPP) per day:* this is the share of individuals who are employed, but nonetheless live in a household whose members are estimated to be living below the international poverty line.
  - 4. Proportion of own-account and contributing family workers in total employment:* vulnerable employment is defined as the sum of the employment status groups of own-account workers and contributing family workers. Own-account workers are those workers who, working on their own account or with one or more partners, hold the type of jobs defined as a self-employment jobs (definition: remuneration is directly dependent upon the profits derived from the goods and services produced), and have not engaged on a continuous basis any employees to work for them during the reference period. Contributing family workers, also known as unpaid family workers, are those workers who are self-employed, as own-account workers in a market-oriented establishment operated by a related person living in the same household.
- Target 1.C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.* Description of Indicators:
- 1. Prevalence of underweight children under-five years of age:* children under five years old whose weight for age is less than minus two standard deviations from the median for the international reference population ages 059 months.
  - 2. Proportion of population below minimum level of dietary energy consumption:* percentage of the population whose food intake falls below the minimum level of dietary energy requirements. This is also referred to as the prevalence of under-nourishment, which is the percentage of the population that is under-nourished.
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### **Contacting *Partnering for Prosperity***

If you would like more information about *Partnering for Prosperity* or if your organization is ready to become involved, you can contact:

#### **Myrtille Danse**

E: [danse@bopinc.org](mailto:danse@bopinc.org)

T: +31 (0) 30 230 5910

#### **Eric Bouwmeester**

E: [ecb@hecht-ericbouwmeester.nl](mailto:ecb@hecht-ericbouwmeester.nl)

T: +31 (0) 6 510 73 610

#### **BoP Innovation Center**

T: +31 (0) 30 230 5910

E: [info@bopinc.org](mailto:info@bopinc.org)

W: [www.bopinc.org](http://www.bopinc.org)