Paths to progress for business and sustainability in emerging markets

In the wake of COVID-19, what can businesses do to support a sustainable recovery in developing and emerging economies? And how can governments create conditions that support corporate sustainability in the face of the current crisis? This Policy Note provides insights from the private sector, building on recent discussions of the Emerging Markets Network’s (EMnet) Working Group on Business and Sustainability in Emerging Markets, a new company survey, conversations with EMnet members and their contacts, as well as desk research. Here are the key takeaways:

- Across emerging markets sustainability initiatives may take a wide variety of forms, depending on both global and local contexts.
- While there is abundant anecdotal evidence of private sector sustainability initiatives across emerging markets, both prior to and in response to the COVID-19 crisis, presenting an accurate picture of their impact remains a challenge due to a lack of data and absence of uniform measurement and reporting.
- The COVID-19 crisis and its economic downturn has introduced new financial and resource constraints for sustainable initiatives in emerging markets. This could discourage sustainable initiatives in the short term, particularly where projects require significant upfront investments with delayed returns.
- Globally, investors are taking an increasing interest in ESG indicators, as an effective way to align investments with sustainable objectives and to manage risks.
- Emerging Markets governments encourage sustainable investment and reporting, as evidenced by a number of initiatives for example in China, Colombia and Egypt.
- Emerging markets and developing economies can do more to attract sustainable investment, to mitigate the impact of the crisis and support longer-term recovery.
- Harnessing the potential of the private sector to support an inclusive and sustainable recovery will be key in emerging markets, as the fiscal space for expansive public policies is set to narrow.
- Governments can enact policies conducive to sustainable private investment, based on legal certainty and a reassessment of existing sectoral policies.
- Public-private dialogue can support effective policy design, higher impact of private initiatives and better alignment with governmental priorities for post-COVID recovery, such as digital inclusion or green economy.
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Emerging Markets Network (EMnet) is an OECD-sponsored initiative dedicated to the private sector. Managed by the OECD Development Centre, the Network fosters dialogue and analysis on emerging economies and their impact on global economic and social issues.

EMnet gathers top executives (chief executive officers, vice-presidents, managing directors, chief financial officers, heads of strategy, chief economists) of multinational companies from diverse sectors, willing to engage in debates with high-level policy makers, including heads of state and ministers, and OECD experts.

EMnet events are closed to the public and media and operate under Chatham House Rule to encourage open and dynamic discussions on doing business in Africa, Asia and Latin America.

To learn more about EMnet, please consult www.oecd.org/dev/oecdemnet.htm.
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## ABBREVIATIONS AND ACRONYMS

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<tbody>
<tr>
<td>AfCFTA</td>
<td>African Continental Free Trade Agreement</td>
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<td>CAF</td>
<td>Corporación Andina de Fomento (Development Bank of Latin America)</td>
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<td>CAPEX</td>
<td>Capital Expenditure</td>
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<td>CO₂</td>
<td>Carbon Dioxide</td>
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<td>COVID-19</td>
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<td>CPLC</td>
<td>Carbon Pricing Leadership Coalition</td>
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<td>CSR</td>
<td>Corporate Social Responsibility</td>
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<td>Creating Shared Value</td>
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<td>EGX</td>
<td>The Egyptian Exchange</td>
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<td>EMnet</td>
<td>Emerging Markets Network</td>
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<td>EPI</td>
<td>Environmental Performance Index</td>
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<td>ESG</td>
<td>Environmental, Social and Governance</td>
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<td>EU</td>
<td>European Union</td>
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<td>EUR</td>
<td>Euro</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<td>FWF</td>
<td>Fonds zur Förderung der wissenschaftlichen Forschung (Austrian Science Fund)</td>
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<td>G20</td>
<td>Group of Twenty</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GEB</td>
<td>Grupo Energía Bogotá</td>
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<td>GRI</td>
<td>Global Reporting Initiative</td>
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<td>ICC</td>
<td>International Chamber of Commerce</td>
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<td>IFC</td>
<td>International Finance Corporation</td>
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<td>IKI</td>
<td>Internationale Klimaschutzinitiative (International Climate Initiative)</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<tr>
<td>M&amp;A</td>
<td>Mergers and Acquisitions</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>OEM</td>
<td>Original Equipment Manufacturer</td>
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<td>OTT</td>
<td>Over-The-Top</td>
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<td>PPE</td>
<td>Personal Protective Equipment</td>
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<td>Abbreviation</td>
<td>Full Form</td>
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<td>RSPO</td>
<td>Roundtable on Sustainable Palm Oil</td>
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<td>SARS-Cov-2</td>
<td>Severe Acute Respiratory Syndrome Coronavirus 2</td>
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<td>SDGs</td>
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<td>SMEs</td>
<td>Small and Medium-sized Enterprises</td>
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<td>SMS</td>
<td>Short Message Service</td>
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<td>UAE</td>
<td>United Arab Emirates</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
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<td>UNECA</td>
<td>United Nations Economic Commission for Africa</td>
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<td>UNIDO</td>
<td>United Nations Industrial Development Organization</td>
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<td>USA</td>
<td>United States of America</td>
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<tr>
<td>USD</td>
<td>United States Dollar</td>
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<tr>
<td>VIEW Collaborative</td>
<td>Vaccination Information and Empowerment at Work</td>
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<tr>
<td>WEF</td>
<td>World Economic Forum</td>
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<td>WRI</td>
<td>World Resources Institute</td>
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INTRODUCTION

For the purposes of this Policy Note of the OECD Emerging Markets Network (EMnet), the term sustainability describes the contribution of business to sustainable development. The commonly accepted definition of sustainable development is development that “meets our own needs without compromising the ability of future generations to meet their own needs, across three main pillars covering natural, social and economic resources” (World Commission on Environment and Development, 1987).

Many multinational enterprises have placed sustainability at the core of their corporate identity and of their business model, creating significant tensions with the traditional profit-driven business model. Across emerging markets, multinational enterprises have created sustainability initiatives that are locally relevant and embedded sustainability in their operations, leveraging collaborations for greater impact. Initiatives to measure progress and impact in this space have garnered interest in emerging markets and have the potential to further attract investment.

The COVID-19 (coronavirus) pandemic has seen many multinationals across emerging markets reach for sustainability in their immediate response, pivoting production, investing in supply chain resilience and working through collaborations. Examples of this are highlighted in this Policy Note. However, the crisis has the potential to affect sustainable business negatively, although it is not yet clear how permanently or how profoundly. In particular, the economic crisis could create disincentives for sustainable initiatives in the short term, particularly where projects require significant upfront investments with delayed returns. Sustainability can attract investment looking to invest responsibly and de-risk, particularly in emerging markets. Yet the downturn has introduced new financial and resource constraints for companies. Public policies and programmes can help companies recover from the crisis, without sacrificing years of efforts to transform their business models.

This Policy Note explores sustainability trends across emerging markets (pre-COVID) and the impact of the crisis in these countries. It also identifies ways for companies to increase their sustainability efforts, as well as opportunities for governments to work with the private sector in support of a sustainable and inclusive recovery.
1. SUSTAINABILITY IN EMERGING MARKETS

EMnet’s previous Policy Note on Sustainability highlighted the importance of the private sector to the achievement of the Sustainable Development Goals (SDGs) as well as the business opportunities presented by sustainability (OECD, 2018a). The SDGs themselves call for “partnerships between governments, the private sector and civil society” (UN, 2017) while companies recognised investments in sustainability as business opportunities despite the challenges involved (OECD, 2016). More recently, high-profile initiatives, such as the Business Roundtable’s “Statement on the Purpose of a Corporation” (Business Roundtable, 2019) have emphasised the commitment of business to society as a whole (Colvin, 2020). While some argue that this approach does not benefit stakeholders as its supporters claim (Bebchuk and Tallarita, 2020), this growing debate highlights the impact of companies on society and the importance of their role beyond immediate profit-making.

Businesses across emerging markets are affected by the same sustainability megatrends that can be observed globally. In emerging markets, these discussions are taking place against the backdrop of specific national or regional dynamics, from the need for a renewed social contract in Latin America to the government-led drive towards a more sustainable development pattern in the People’s Republic of China (hereafter ‘China’) and delivering on the promise of the African Continental Free Trade Agreement (AfCFTA).

Almost 20 years ago, research by the International Finance Corporation compared the business case for sustainability in developed markets to that of emerging markets. It found that, in the main, companies in emerging markets focused more on short-term cost savings and revenue gains. Intangible assets, such as brand value and reputation, were considered more significant in developed countries (IFC, 2002).

The full picture was and still is more complex than this overview might suggest, with prominent examples of emerging market companies already successfully placing sustainability at the core of their business proposition. Founded in 1969, Natura, a Brazilian cosmetics multinational, has built a reputation for treating the environment, suppliers and customers responsibly. Its business model connects the conservation of the Amazon with local communities and technological innovations. Natura built a business case for sustainability by sourcing sustainable ingredients in the rainforest for their beauty products, encouraging farmers to preserve trees and make a greater income by partnering with the company rather than logging. For example, the Ucuuba tree was threatened with extinction until it was tested for use as a cosmetic asset. It was protected from logging due to its increased value to farmers collaborating with Natura to grow it for cosmetics purposes.

Over the course of the years, many other emerging market multinationals have placed sustainability at the core of their corporate philosophy and business model. In 2011, Mahindra in India launched Mahindra Rise as a guiding philosophy for the Group, the third pillar of which is to create positive change within the organisation and in the ecosystem (The Economic Times, 2012). The company has also invested in business models adapted to the local market that have sustainability at their core. Mahindra’s electric vehicle company designed India’s first electric three-wheeler platform to address India’s bottleneck of short-distance commute. By contributing to the efforts to decarbonise Indian cities and by providing collective clean mobility solutions, Mahindra is a business case for sustainable development through green mobility in India (Babu, 2020).
Adapting sustainability initiatives in emerging markets

The IFC’s research also found that community investment and development, seen primarily as an overhead item in firms operating in developed countries, were important in emerging markets in retaining the license to operate and in reducing risk (IFC, 2002). An analysis of numerous examples submitted to EMnet, spanning a wide range of sectors, shows that companies are going beyond these incentives in designing their sustainability initiatives, leveraging their understanding of the local environment and their specific areas of business expertise, to maximise the relevance of these initiatives to their business models.

With widely varying social and economic conditions across emerging markets, sustainability initiatives need to adapt to more heterogeneous environments than those in more advanced economies. As noted in previous EMnet publications, this presents challenges across areas as wide-ranging as infrastructure, with significant gaps exacerbated by rapid urbanisation; labour markets with informal workers representing 70% of the workforce; or social protection, which for example only covers just over half of vulnerable populations and just under half of the poor in Latin America (OECD, 2020a). These differences also extend to sustainability policies. The 2020 Environmental Performance Index (EPI), which provides a data-driven summary of the state of sustainability around the world notes that, to date, good sustainable policy results are associated with wealth (i.e. with level of gross domestic product [GDP] per capita). One factor posited is that economic prosperity makes it possible for nations to invest more in policies and programmes that lead to desirable outcomes (EPI, n.d.). This trend may also be exacerbated by the exporting of polluting activities, such as management of plastic waste, to emerging markets such as Thailand, Malaysia, Vietnam, Turkey, and India. This practice has triggered concerns about the health and environmental impacts that could result in these countries, given their poorly developed plastics recycling facilities and relatively weak environmental and treatment standards (OECD, 2018c). This said, environmental health policies are gaining greater prominence across emerging markets, with many emerging markets governments including sustainability policies in their national plans. Circular economy is part of the national economic plans of both Colombia and Indonesia, while sustainable mobility is a policy priority in India (IKI, 2020). Yet much more remains to be done for these efforts to gain in scope and take hold across emerging markets as a whole.

In designing their sustainability strategies, multinationals operating in emerging markets need to take into account and adapt to these wide differences in local context. In resource-scarce areas, firms have introduced technologies and accelerated sustainability initiatives, with the aim of improving efficiency, saving energy and reducing waste. For example, SUEZ, a leader in smart and sustainable resource management, has partnered with Chile’s largest water utility company, Aguas Andinas, to process Santiago’s wastewater using the principles of the circular economy: design out waste and pollution, keep products and materials in use and regenerate natural systems. Aware of the local resource limitations, SUEZ’s biofactories adjusted to reduce pollution in the Mapocho River and are generating bioenergy and fertilisers in the process. It created self-sufficiency using renewable energy sources and systems to control emissions, minimising environmental impacts in the region. The wastewater treatment plant has become a centre that produces resources (water, nutrients, fertiliser) and energy (biomethane, electricity, heat), with minimal environmental impact on noise, odours and landscape. Treated wastewater is re-used directly or indirectly for agriculture to enhance the resilience of territories and to mitigate water scarcity risks.
The political context is also a critical factor for companies to take into account to ensure the impact of their sustainability strategies. In Colombia, the energy company Grupo Energía Bogotá launched an initiative called Energy for Peace. The programme seeks to help build peace in territories affected by the armed conflict through an electrical energy transmission project. Among the objectives is the strengthening of the social and institutional fabric, bringing security, progress and well-being to communities in areas affected by violence, going beyond operational and humanitarian demining. The project includes environmental, education and training initiatives, such as Bosques de Paz (Forests for Peace), Habilidades para la Paz (Skills for Peace) and Energía que Construye mi Futuro (Energy to Build my Future), among others.

Promoting climate-smart dairy initiatives underpins Danone’s Algerian H’lib Dzair project. The project is adapted from traditional Algerian dairy farming models and provides farmers with technical expertise, as well as individual audits and advice, enabling them to become more competitive and to reduce their ecological footprint. H’lib Dzair also contributes to the circular economy by encouraging local production of feed and use of agro-industrial and agricultural by-products, while supporting milk collectors by improving milk quality.

The Mars and ‘Economics of Mutuality’ initiative, the Maua business in Kenya is an example of how financial goals can be achieved while acting sustainably to improve the income and well-being of impoverished communities. The Maua business established a new route to market by engaging partners in informal settlements and rural areas that were difficult to reach through traditional distribution channels by expanding the distribution of Mars Wrigley products through local micro-distributors. The project uses non-financial metrics to drive business performance holistically (including financial returns).

Circular economy roadmaps were introduced in China in 2013 (OECD, 2018b). More than 60% of the industrial waste generated in 2014 was "utilised", compared to about 45% in 2000 and 30% in 1990. Recovered materials and products grow on average by 0.3% annually. In 2015, China recovered a total of 246 million tonnes of scrapped metals, plastics, paper, glass, tyres, batteries, electrical and electronic equipment, automobiles and ships, representing a total value of 515 billion yuan (OECD, 2018d). In a context where digital access is high and e-waste is a growing issue, in 2020, Huawei Technologies improved their online One-Stop trade-in programme: when customers trade in their old device, they can get the new device at the same time. To incentivise returns, by recycling old devices, customers receive vouchers to purchase new ones. Since 2015, Huawei Technologies’ trade-in programme has reached nearly half a million devices. Its circular-economy model provides an opportunity to maximise the product value, reduce waste and have a positive environmental and ecological impact. Companies are also building on efforts by local authorities. Unilever has joined forces with the Alibaba Group to launch the country’s first large-scale closed-loop plastic recycling system. The joint initiative – called Waste-Free World – is described as an active response to the Shanghai government’s plan to create a plastic packaging management system (Unilever, 2021).

**Mainstreaming sustainability in emerging markets**

Placing sustainability at the core of multinational companies’ strategies implies a sustainable approach across the whole of business, often reflected in company-wide sustainability
commitments, which should in turn always be adapted to the local context. For example, global initiatives on responsible business conduct such as the recommendations in the *OECD Guidelines for Multinational Enterprises* (OECD, 2011) set expectations that businesses, while contributing to economic, environmental and social progress, also need to manage negative impacts on people, society and environment associated with their activities including through their supply chains and business relationships. Similarly, the Ten Principles of the United Nations Global Compact require companies to operate in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption across their global operations.

While standards may vary across countries, the OECD Guidelines for Multinational Enterprises note that “a state’s failure either to enforce relevant domestic laws or to implement international human rights obligations, or the fact that it may act contrary to such laws or international obligations, does not diminish the expectation that enterprises respect human rights” (OECD, 2011). The Guidelines also encourage enterprises to work to raise the level of environmental performance in all parts of their operations, even if this may not be formally required by existing practice in the countries in which they operate. They specifically note that enterprises should take due account of their social and economic effects on developing countries. The potential costs of failing to do so were set out in EMnet’s previous Policy Note on Sustainability. These can take the form of missed business opportunities, but also reputational costs. It cited the efforts made by Nike, which was ranked the most sustainable apparel and footwear company in North America following years of reputational challenges (OECD, 2018a).

The mainstreaming of sustainability has led to accountability across the supply chain, including from purchasers and end-customers, for companies to ensure that sustainable principles are embedded in their business operations and in those of their suppliers. This has created strong incentives for companies operating across emerging markets to invest in more effective monitoring and tighter controls and audits of their supply chain, and to trace and verify sustainable sourcing more effectively.

**Cross-sector collaboration can help companies achieve impact**

In many instances, collaborations, particularly in the form of partnerships to supplement specific needs, have allowed companies to achieve greater impact. Barry Calebaut, a global manufacturer of chocolate and cocoa products, has established a collaboration with SAP, a software solutions company, to help enable sustainable cocoa farming, providing traceability and sustainability-related activity records. The SAP solution allows for data collection at every level of the supply chain, providing tighter monitoring and assessment of individual farmers’ and community needs, which results in higher quality and targeted impact support.

Companies seeking to move the dial have also grouped together at industry level to create vehicles for change. Certification initiatives, such as the Roundtable on Sustainable Palm Oil (RSPO), allow industry to encourage sustainable production. Indeed, almost 20% of palm oil globally is RSPO certified, with the majority coming from Indonesia and Malaysia (RSPO, 2020a). The RSPO has seen an increase in membership from emerging markets companies. China is one of the biggest market for palm oil globally (Gillespy, 2020). As of August 2020, the number of
Chinese RSPO members had increased by 50% over the same period last year to 222, of which 163 are from mainland China (RSPO, 2020b).

The incentives created by these initiatives complement action by governments: they do not replace them. A favourable enabling environment can create a level playing field for companies and favour an all-of-industry approach, while still allowing for complementary targeted initiatives where required.

**Challenges to measuring progress on sustainability in emerging markets**

There is abundant anecdotal evidence of sustainability initiatives across emerging markets led by the private sector. Yet, presenting an accurate picture of their impact remains a challenge. The lack of a common measurement and reporting standard in particular makes it difficult to interpret existing evidence, while the lack of data themselves poses additional challenges. Measurement of non-financial performance of all businesses, not just the leading few, is necessary to hold businesses accountable and better monitor progress.

**There is an appetite for better measurement of sustainability efforts**

Initiatives offering voluntary measurement services across emerging markets have had significant success, although not uniformly through regions or countries. In Latin America, markets including Argentina, Brazil and Chile show significant uptake of voluntary certification methods, such as B Corp, overtaking certain European countries (Sistema B, n.d.). These initiatives do not have equal cross-sector appeal, with representation higher among consumer-facing brands, where the business case for undertaking this form of audit may be stronger, than across other sectors.¹ Yet, there is potential for wider reach, particularly through the incorporation of companies in sectors with systemic impact. Bancolombia, for example, partners with B Corp to measure and manage the positive impact of their suppliers (B The Change, 2016).

Recent years have witnessed a significant increase in responsible business conduct (RBC) due diligence legislation, in support of sustainability efforts. From 2010 to 2020, legislation has been passed in many developed markets, and mandatory rules are currently being considered in several countries and by the European Union (OECD, 2021a). These developments could have implications for all actors globally, including those from emerging markets. In parallel, some emerging markets have been stepping up efforts in increasing sustainability. Along with economic growth and integration into the global economy, Thailand has also made considerable strides in the area of inclusive and sustainable development. While challenges remain in some areas of RBC, there is strong political will to address them. A regional leader in RBC, Thailand became the first country in Asia to adopt a standalone National Action Plan on Business and Human Rights (2019-2022) (OECD, 2021b).

A key global trend in the uptake of Environmental, Social and Governance (ESG) factors is pressure from investors, who are increasingly focused on climate risks (Wamsley, 2020). They pragmatically want to see comparable data, to better understand underlying company and industry risks, as well as accurately report on the impact of their investments. Large and listed companies are facing growing pressure from the investment community, which is increasingly taking data on ESG into account when making investment decisions. This interest is mirrored in the growing
number of national reporting provisions on sustainability related topics. To date, national reporting provisions primarily cover climate change, human rights, labour and anti-corruption and are featured both on a voluntary and mandatory basis. In terms of the composition of the reporting provisions, overall, it is clear that climate change is a top agenda item for policymakers. On the social agenda, human rights and labour similarly score highly in terms of frequency of the topic being addressed (Carrots & Sticks, 2020).

Figure 1. Where the largest number of reporting provisions are found (2020)


The above graph covers key reporting provisions, meaning any instrument, mandatory or voluntary, that either require, encourage and/or support organisations to report on or disclose information related to their sustainability performance. This includes “non-financial” or “pre-financial” and “integrated” information found in annual financial, integrated or sustainability reports, on websites, in documents submitted to stock exchanges for listing purposes, and in data published in response to questionnaires and specific regulations.

For large listed companies at least, sustainability reporting has moved away from showcasing preferred projects, towards external assessments that often adopt a “comply or explain” approach, penalising companies that are not able to justify missing data. Many businesses are now ESG ranked, including by mainstream agencies, such as Bloomberg, which feature indexes targeting emerging markets (Bloomberg, 2020). The Dow Jones Sustainability Emerging Markets Index, for example, aims to represent the top 10% of the largest 800 companies in 20 emerging markets, ranked by long-term economic, environmental and social criteria (S&P, 2020).

Global initiatives are complemented by country-led initiatives to enhance the visibility of ESG investments. The Egyptian Exchange, Egypt’s stock exchange, recently launched an ESG index with the stated purpose of raising the profile of companies that perform well along the three
parameters of environmental, social and corporate governance responsibility, compared with their market peers (EGX, 2020). Initiatives to enhance reporting at the national level across emerging markets, including in China (The Reporting Exchange, 2018) and Colombia (Carrots & Sticks, 2020), show that governments see the potential in incentivising these forms of investments.

No common set of measurement criteria

ESG investing has grown considerably and is fast becoming mainstream. Yet market participants across the board are missing the relevant, comparable ESG data they need to properly inform decisions, manage risks, measure outcomes, and align investments with sustainable, long-term value (OECD, 2020c). One of the difficulties in progressing further and faster in measuring sustainability in business is the proprietary nature of many measurement initiatives. Each rating agency develops their index based on different methodologies and criteria, often not publicly disclosed. The competition between ranking firms can create confusion, as companies are ranked differently by different indexes, and there have been high-profile examples of rankings failing to provide a comprehensive ESG assessment, particularly when it comes to reflecting sector-specific risks. In the wake of the Samarco disaster, for example, the Corporate Human Rights Benchmark suspended Vale, noting that its assessment of human rights allegations was not particularly well suited to dealing with rare large-scale harm events (CHRB, 2019). Fragmented ESG frameworks and inconsistent disclosure requirements also mean that both institutional investors and corporates cannot properly communicate on their ESG-related decisions, strategies and performance criteria, with beneficiaries and shareholders. This in turn makes it hard for such beneficiaries to assess how their saving are used, and for companies to attract financing at a competitive cost that fully considers ESG factors (OECD, 2020c).

Global initiatives that seek to create a set of common measurement and reporting criteria will be key to unlocking progress in this area. Advances have been made by the Global Reporting Initiative (GRI) which has developed a number of standards for reporting publicly on economic, environmental and social impacts, and the World Economic Forum, which has proposed a set of common metrics on sustainable value creation (WEF, 2020).

The OECD is currently developing a complementary initiative, using its Well-Being Framework as a starting point to measure the non-financial performance of firms by stakeholders across different dimensions of well-being. This framework, which distinguishes between people’s current well-being and the resources that contribute to well-being in the future, allows looking at business’ performance in terms of well-being and sustainability in a comprehensive manner. By aligning the measure with established country-level indicators of progress, it has the added advantage of shining a light on how businesses perform relative to national progress indicators. The OECD also supports the Business for Inclusive Growth (B4IG) coalition to advance and harmonise measurement approaches for monitoring inclusion and sustainability aligned with the Pledge to Fight against Inequalities. The progress made in ESG reporting also bodes well for the ability of companies across emerging markets to adapt to these global initiatives and ultimately benefit from them.

These initiatives complement OECD work on responsible business conduct, help support a common understanding of sustainability achievements and promote cross-recognition between different initiatives and programmes. For example, in the garment sector, the OECD has launched
a voluntary process to assess the alignment of these frameworks and indicators with the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector. This work includes, for example, an Assessment of the Sustainable Apparel Coalition, whose Higg Brand & Retail Module is a tool to assess the environmental and social performance of its brand and retail members (OECD, 2019a).

**ESG performance and financial accounting are not yet connected**

Failing to take into account sustainability can have an effect on financial performance. Research by Société Générale found that two-thirds of companies hit by a major ESG controversy saw their stock price underperform the MSCI World by an average of 12% in each of the following two years (Andrew, 2020). Yet, currently, very few companies are tracking the return on their ESG investments in their accounting systems. Thus, there are virtually no connections between accounting data and sustainability investments (Whelan, 2020).

There are examples of companies seeking to account for external costs better and to represent the value of certain investments more accurately. In 2016, Mahindra was the first Indian company to announce an internal carbon price. Internal carbon pricing produces carbon value that can be used as a financial metric in decision-making, allowing organisations to determine the most cost-effective strategy to reduce their emissions. Internal carbon pricing is a decision-making tool companies use, to understand their exposure to external carbon pricing schemes and to guide their business decisions and investments. The capacity of this metric to effect change, therefore, depends on the extent to which it is considered in decision-making. Critically, it helps organisations understand the climate-related financial risks and opportunities that could arise from government policies related to the transition to a low-carbon economy. Its use has become widespread across business and governments and established across emerging markets, thanks to both the global reach of supply chains and uptake by business.

An initiative proposed by The Adecco Group intends to reflect the value of an investment in skills more accurately. It proposes accounting and investment models to help change how expenses for human capital investments are capitalised over time and, therefore, to incentivise investment in training and skills (The Adecco Group, n.d.).

These efforts are important in that they propose a path forward, but also because they shine a light on the way in which current business metrics fall short of effectively accounting for the benefits of investing in sustainability, and the human cost of failing to do so. They show that, despite progress, there are significant challenges and disincentives under current business metrics for companies to prioritise sustainability. The tension between sustainability metrics and the bottom line is likely to become particularly acute during economic crises, especially when they are of the magnitude seen in the wake of COVID-19.
2. THE IMPACT OF COVID-19 ON SUSTAINABILITY: IN THE SPOTLIGHT AND UNDER PRESSURE

The human toll of the COVID-19 (coronavirus) crisis is still unfolding. At the time of writing, global cases are edging close to 50 million, with over 1 million deaths. Parts of the world headed for second or third lockdowns are struggling to contain the contagion and ensure that health systems are not overwhelmed while trying to salvage the economy. The impact of the virus varies by region, but the economic and social crisis is of a global nature.

All G20 countries except China will suffer recessions in 2020. Although a fragile recovery is expected next year, many countries’ output at the end of 2021 will still be well below what was projected prior to the pandemic (OECD, 2020b). Across emerging markets, recessions in several African countries – the first in 25 years – is now likely, with ripple effects on already high poverty numbers (Beegle and Christiaensen, 2019). GDP in 2020 is expected to decline by 2.9%, on average, in Emerging Asia and by 2.8% in the Association of Southeast Asian Nations-10 (OECD, 2020d). Despite high heterogeneity across countries, all Latin American countries are being hit by the crisis, and on average, GDP growth will contract by more than 9.0% in 2020 (OECD et al., 2020). The impact on businesses and livelihoods stands to be dramatic. In Latin America, the COVID-19 crisis is particularly difficult for the close to 40% of workers who do not have access to any form of social assistance or social protection mechanism, but also for micro and small firms that lack capacity to absorb this shock. Projections show that 2.7 million companies are likely to close, most micro-enterprises, which would entail the loss of 8.5 million jobs, and poverty rates may increase by 4.4 percentage points in 2020 (OECD et al., 2020).

COVID-19 has revealed tensions, weaknesses and inequalities across emerging markets that are inherent in existing economic and social systems. In many instances, it has also exacerbated them, particularly on vulnerable categories such as women (Box 1).

Box 1. COVID-19 and gender in emerging markets

The COVID-19 crisis is having a significant impact on the condition of women. Lockdown and confinement measures have primarily affected economic sectors in which women are over-represented, such as health care, hospitality or the garment industry, entailing acute job losses and income reduction for the category. At the same time, lockdown measures and school closures are increasing the unpaid care and domestic work burden that mainly falls on women’s shoulders, which further constrains their ability to maintain employment and income.

This situation is aggravated by high informality rates for women, excluding them from the benefits of formal social protection systems put in place by governments, to cope with the closure of food markets and restrictions on the operations of street vendors. The lack of comprehensive gender-disaggregated data to measure the socio-economic consequences of the COVID-19 crisis for women, coupled with recovery packages that did not take women’s constraints or the gendered dimension of the crisis into account, are likely to deepen pre-existing inequalities.
Box 1. COVID-19 and gender in emerging markets (cont.)

Just as governments should shape policies with a gender lens to avoid widening inequalities, companies should take the unequal impact of the COVID-19 pandemic into account when designing sustainability initiatives, particularly but not solely in sectors where women are over-represented.


The OECD finds that the speed and depth of the economic crisis have shown that a core principle of the global economy – prioritising short-term economic growth and efficiency over long-term resilience and well-being – can have huge societal costs. The precariousness of long and complex global value chains has been revealed, with many countries struggling to acquire medical and other strategic supplies. Social inequalities have been exposed and rapidly exacerbated by the massive but uneven loss of employment, with the equivalent of more than 300 million jobs potentially at risk. Although this is not the first economic crisis to expose these fragilities, the depth and breadth of the current circumstances have brought the issues of resilience and preparedness high in the public consciousness (OECD, 2020f).

The impact of COVID-19 has been felt across all sectors, but in a highly unequal way, with industries including air transport, travel, tourism, and hospitality particularly affected (OECD, 2020d). The COVID-19 crisis is also causing abrupt reductions in the operations of foreign firms in developing countries. This, in turn, affects workers, whose jobs, incomes and livelihoods are at risk. Just as with domestic business (OECD, 2020g) some foreign firms have been able to shield their workforce from such impacts and are choosing to keep and pay employees during the suspension of activities, many businesses have had to lay off workers or reduce their work hours (Box 2).

Several general cross-sector trends can be identified, to analyse the impact of COVID-19 on the shape of sustainability initiatives, as companies reorganise their business to adapt to a “new normal” (Figure 2).
Figure 2. Job creation intensity of FDI in the developing world during COVID-19, by industry

Note: Capex = announced capital expenditure.
In response to an EMnet survey, companies across all sectors reported that they had not decreased their sustainability efforts following the outbreak of the pandemic, with some declaring an increase in the portfolio of projects, and others choosing to adapt their existing initiatives. As the health crisis continues and the economic outlook remains uncertain, there is increased pressure on both governments and business to cut costs (UNCTAD, 2020). Nonetheless, firms have reaffirmed their commitment to sustainability as a strategy for the recovery. The reaction of companies in the immediate response to the pandemic, shows that sustainability initiatives have created their own set of incentives for business and suggests that the business case for sustainability remains relevant.

Corporate purpose-guided responses to the COVID-19 pandemic

As COVID-19 spread and its global impact on health and the economy became clearer, we saw a number of instances where multinational companies sought to complement government efforts to fight the pandemic, as well as the launch of global initiatives to support the response. Schneider Electric, whose Tomorrow Rising fund covered all geographies where the company was present, made financial contributions to 74 different local initiatives that provided emergency support to over one million people, amongst the most vulnerable to the effects of the pandemic.

Many multinational enterprises also adapted to the fast-changing circumstances and dedicated significant manufacturing resources to supporting public efforts. As gaps in global supply chains for essential products appeared, companies sought to adapt or “pivot” (Balch, 2020) their manufacturing facilities to develop items in scarce supply globally, such as hand sanitiser, face masks and ventilators. Companies across emerging markets were no exception, with responses adapted to market needs. For example, Mahindra developed affordable ventilator models adapted to the needs of the local market (Dasgupta, 2020). Many companies designed these initiatives in consultation and in collaboration with governments. Doing so allowed for a response tailored to specifications that would have the most impact in supporting public-sector efforts.

The nature of the pandemic and health policy responses meant companies operating in the digital space played an important role in promoting resilience through their initiatives. SAP offered free access to its services for three months to help buyers and suppliers connect quickly and effectively, notably to support supply chain resilience in Africa, minimising the disruption caused by shipment delays, capacity issues and increased consumer demand in times of crisis (SAP, 2020). Information and communications technology companies, such as AT&T and Telefónica, worked in collaboration with governments in Latin America to support distance education initiatives during school closures. Efforts towards greater financial inclusion through innovative digital finance initiatives meant providers could move swiftly to facilitate digital payments, including in support of social protection programmes, which research indicates reduced the unbanked population throughout Latin America by 25% (Americas Market Intelligence, 2020).

The pandemic has also brought a new focus on the role of employers in empowering their staff to act as a force for good. From the start of the crisis the pharmaceutical company MSD, recognising the need for additional health care professionals in regions where SARS-CoV-2 is spreading, updated their company volunteering policy to allow employees who are trained in health professions such as medicine, nursing, laboratory technology, and other areas, to volunteer their time to aid...
their communities while maintaining their pay. MSD recognised that their responsibility to society went beyond maintaining critical supplies of medicines to their patients or the launch of SARS-CoV-2 vaccine and therapeutic research and development programmes, to include activating their employee base to support their local health systems and communities.

Employer-employee relations may also play a critical role in addressing the pandemic. The World Economic Forum has launched a cross-sectoral coalition focusing on the important role vaccination will play to end the COVID-19 pandemic. Efforts focus on addressing the rising problem of misinformation and declining trust in vaccination, which could undermine the effective deployment of vaccines. The VIEW Collaborative (Vaccination Information and Empowerment at Work) is a coalition of global companies committed to taking a proactive approach to addressing employees’ questions and concerns about vaccines. The objective is to ensure that employees have the credible information they need to make informed decisions when COVID-19 vaccines become available. A number of horizontal collaborations have also emerged, not least in the area of health. The pandemic resulted in the largest exchange of scientific data in history and brought head-on competitors into joint initiatives (Bellens and Atalla, 2020).

Sustainability as a tool for resilience across global supply chains

The COVID-19 crisis have accelerated structural shifts happening in global supply chains: increased supplier diversification ensuring supply chain continuity, changing consumer’s habits moving towards more sustainable and local products as well as digitalisation and automation of manufacturing processes and so forth. In parallel, the pandemic eroded trust in international trade and global supply chains as a driver of economic and social development, by undermining economic integration, encouraging trade restriction, negatively impacting FDIs growth and reigniting debated around reshoring and economic nationalism.

At the time of writing, the long-term impact of the COVID-19 crisis remains unclear. When the pandemic hit, it resulted in disruptions to business that had significant impacts on suppliers, particularly SMEs. In the course of responding to crises, sustainability and responsible business considerations have become increasingly central in investment decisions, sourcing practices and trade dialogues, which overall shape the structure of global supply chains and contribute to the progress on sustainability. Multinational companies that had invested in their supply chain could react quickly to support their partners and help them be more resilient. Danone was able to deploy financial support of around EUR 300 million, including EUR 250 million of available cash flow for extended payment terms, and credit to farmers, suppliers and smaller customers in its global ecosystem. Likewise, L’Oréal shortened the payment delays to 9,000 suppliers and froze the payments of 100,000 clients (e.g. hair salons, small perfume shops) until their businesses resumed.
Companies that have worked closely with their supply chain to promote responsible and sustainable business conducts are both well-placed and incentivised to maintain existing structures. As such, these efforts not only had a beneficial impact for businesses, but also supported resilience. The software that Schneider typically used to monitor conflict mineral compliance, became an important tool for monitoring real-time production status (Cosgrove, 2020). Mars and the Economics of Mutuality report that their Maua business pilot in Kenya not only allowed the company to support independent distributors with support and advice throughout the crisis but that this distribution community promoted business resilience, generating profits at a time when other distribution networks were significantly affected.

In the instances cited above, sustainability efforts provided readily available tools and created built-in incentives that could counter what was, in many sectors, the devastating and systemic impact of the economic downturn. As efforts to measure the impact of these initiatives continues, companies will also be in a better position to reap the rewards of integrating sustainability principles into their business model.

Policymakers have also increasingly integrated components and incentives on RBC on their policy agenda to respond to the health, economic and confidence crises. For example, in Asia, RBC and sustainability have been put forward in the ASEAN Comprehensive Recovery Framework (ACRF) and in the 31st APEC ministerial meeting.

Box 2. A multi-stakeholder response: garment sector case study

In Bangladesh, garments account for more than 80% of exports. By April, more than 1 100 garment factories in Bangladesh reported demand shocks that represented almost 1 000 million pieces and more than USD 3 billion (United States dollar) in cancelled or postponed orders by global buyers (FWF, 2020). International buyers are halting new orders, asking suppliers not to ship clothing already made and deferring payments. In these cases, manufacturers have already incurred costs and may be in debt to their suppliers. Cancellation of orders may cause suspension of scheduled wages and shutdown of factories on a large scale. As the sector employs over 4 million people in Bangladesh, mostly women, this will have a severe knock-on effect on livelihoods (OECD, 2020f).

Donors and international organisations are helping mitigate these effects and building resilience in the sector through co-ordinated efforts. An example is Better Work Bangladesh, a multi-stakeholder initiative led by the International Labour Organization, the International Finance Corporation, the Bangladesh Ministry of Labour and Employment, various employer organisations and 25 brand and retail partners, and supported by multiple governments, including Australia, Canada, Denmark, the Netherlands, Switzerland and the United Kingdom (OECD, 2020g). It provides training and assistance, collaborating with workers, employers and the government of Bangladesh to improve working conditions and boost the competitiveness of the garment industry in the country.

Sustainable investment in emerging markets

The potential to unlock investment and generate a competitive advantage creates powerful incentives to pursue sustainability efforts, particularly in a context where global investment is dropping. Studies suggest that sustainable investment has paid off in the context of COVID-19, especially in emerging markets (Friede et al., 2015). The initial four months of 2020 show that ESG funds are outperforming the broader market during the pandemic (Whieldon, Copley and Clark, 2020; Zhou et al., 2020). Evidence of higher return on investment over a longer period remains contested, not least given the widespread discrepancies in criteria among ESG indexes (Boffo and Patalano, 2020). What is clear is that ESG indicators are attracting greater investor interest globally and are perceived as an attractive investment product for emerging markets (Dunne, 2020), particularly to manage risk.

Emerging markets and developing economies can further explore the potential of sustainable investment, in order to mitigate the impact of the crisis. Evidence shows that the COVID-19 pandemic affected greenfield investments more intensively in emerging markets than in advanced economies (fDi Markets, 2020). In the first half of 2020, M&A deal values in emerging markets fell by 18%, while the actual number of completed deals decreased by 22%. In the same period capital expenditures dropped by 9% in advanced economies as compared to the last half of 2019, while they plunged by 46% in emerging markets and developing countries (OECD, 2020). Governments in emerging markets have therefore an interest in unlocking sources of sustainable finance, to make their countries more competitive and maximise the positive impact of private investments. To secure sustained private capital inflows, policy makers should be looking at best practices in the public finance space and promote recovery stimulus packages that support sustainable and innovative corporate practices. This year has also seen a significant number of new green bond issues by countries in emerging markets, including Egypt, the first Arab country to do so (Reuters, 2020b), and Chile, which created the conditions to issue more green, social or sustainable bonds, by publishing a new regulatory framework with the support of the Inter-American Development Bank (Segal, 2020).
3. THE SHAPE OF SUSTAINABILITY POST-COVID: POLICIES FOR THE FUTURE

The OECD has warned that, in order to ensure a sustainable and resilient recovery from the COVID-19 crisis, a return to "business as usual", including environmentally destructive investment patterns, must be avoided. Economic recovery packages should be designed to "build back better", meaning that, in addition to supporting economic recovery, policies also need to trigger investment and behavioural changes that will reduce the likelihood of future shocks and increase society’s resilience to them. Central to this approach is a focus on well-being and inclusiveness (OECD, 2020f).

The social and economic case for a sustainable and resilient recovery is clear. Despite this, in many countries policy responses have, so far, mostly scored poorly on environmental and inclusiveness metrics. Furthermore, announced stimulus packages to date had a net negative environmental impact in 16 of the G20 countries, including the emerging economies (Vivid Economics, 2020).

Harnessing the potential of business for the recovery will be key in emerging markets, as the fiscal space post-COVID-19 is set to narrow. There is scope for policy action in a range of areas that are considered as enablers of sustainable and inclusive growth, such as digitalisation, the green economy and gender equality. It is also critically important to understand the regulatory impact of policy measures on sustainability efforts and to look for opportunities for multi-stakeholder collaborations (OECD, 2019b).

Creating an enabling environment for sustainability

A number of regulatory initiatives across emerging markets have primarily focused on the financial contribution companies can make to wider sustainability initiatives (WRI, 2018). A prominent example is India, which mandated Corporate Social Responsibility (CSR) contributions by large companies in 2008 and regulated their purpose in 2014. However, the lack of impact assessment frameworks and clear outcomes-based targets makes it difficult to present an overall picture of the effects of this initiative. On the main purpose of the legislation, which was to increase the amount of CSR expenditure by large Indian companies, studies suggest that levels of expenditure may have dropped (Mukherjee, Bird and Duppati, 2018).

Discussions in EMnet meetings suggest that a broader policy approach focusing on the enabling environment for sustainable business models could better support a resilient and inclusive recovery. Companies highlighted the importance for governments to enact policies conducive to sustainable private investment, based on legal certainty and a reassessment of existing sectoral policies. In the case of digitalisation, policy changes in the wake of COVID-19 have already laid the groundwork for progress. Companies recognise that governments and regulators globally have gone to great lengths in their response to the current crisis (OECD, 2020h), and note that some of the policy responses across a wide range of areas – from expedited digitalised customs procedures, labour policies allowing for remote working, reduced reporting requirements and additional spectrum availability – showing potential to support inclusive digitalisation and long-term economic growth.
Decarbonisation is another area where government policies and private initiatives, such as internal carbon pricing, are pushing in the same direction and can be supported by multi-stakeholder collaboration (CPLC, 2020). As of June 2019, 57 carbon pricing initiatives have been implemented or scheduled for implementation. This consists of 28 emissions trading systems in regional, national, and subnational jurisdictions, and 29 carbon taxes, primarily applied at the national level (CPLC, 2020). Dialogue with the private sector can help unpick how these multiple initiatives interact and make clear their impact on business across a range of sectors, as well as identify drivers of adoption or barriers to implementation.

Companies operating internationally are also well placed to support the sustainability objectives of regional initiatives. The AfCFTA for example has the potential to support sustainable and inclusive growth across Africa. The agreement explicitly references the importance of women’s empowerment for the development of international trade and economic co-operation and emphasises the promotion of gender equality as one of its general objectives (UNECA, 2020). However, implementing the provisions of the trade agreement alone will not be sufficient to achieve these social objectives. For example, empowering female entrepreneurs to take advantage of the AfCFTA will require a combination of policies focused on, among others, access to finance, entrepreneurship, access to markets, mentorship and digital skills (UNECA, 2020), all areas where private-sector contributions could complement government actions.

Public-private collaboration for sustainable development

Policy dialogue with the public sector on opportunities for collaboration can enhance the impact of private initiatives and can encourage alignment with the priorities of governments. Closer collaboration will allow businesses and governments to identify concrete projects, where common objectives can support progress and increase positive impact. High-ambition projects that require public-private collaboration have the potential to garner the support of multinational companies to maximise their impact and ultimately result in gains that will benefit all of industry. Examples include circular economy, which is part of Colombia’s national economic plan, and sustainable mobility, a policy priority in India (IKI, 2020).

Public-private collaboration is particularly effective when it helps identifying initiatives that leverage the competences of the private sector in support of specific policy objectives. For example, Internet para Todos, developed by Telefónica, Facebook, CAF (the Development Bank of Latin America) and the Inter-American Development Bank, was created to connect communities in isolated areas in Peru, while ensuring a financial return and commercial viability that could be replicated in the region, ultimately to bring Internet access to over 100 million people in Latin America. Through this project, a combination of new technologies and business models have rendered previously unconnected and under-connected areas in Peru profitable (NERA Economic Consulting, 2020).

The OECD has already stressed that achieving a greening of the economy will require a combination of incentives, investment and support measures to ensure a smooth transition and maintain popular support (OECD, 2019c). Even before the pandemic, public-private partnerships to develop innovative technologies showed the potential to generate significant jobs and growth, while making efforts to decarbonise the economy. South Africa’s Renewable Energy Independent Power
CONCLUSION

The COVID-19 crisis has encouraged many multinationals to further embed sustainability considerations into their corporate practices. This is in line with significant progress in recent years which has seen both global and locally driven sustainability initiatives shape ways of doing business across emerging markets. While there are difficulties in accurately measuring and mapping this progress, it remains uneven across emerging markets. Wider challenges such as growing inequality and the looming climate crisis create a pressing need to move further faster.

The economic crisis that has accompanied the pandemic presents a real challenge for companies wishing to enhance their sustainability efforts. As seen throughout this paper, the financial, logistical and sanitary impacts of the pandemic are making it difficult for firms to systematically prioritise and incorporate sustainability into their core business.

In this challenging and rapidly changing context, the role of governments will be decisive in both encouraging and channelling private sector efforts. Discussions in EMnet meetings favour an approach which seeks to support sustainable business models that can support a resilient and inclusive recovery. There is an opportunity for governments to enact policies conducive to sustainable private investment, based on legal certainty and a reassessment of existing sectoral policies. Policy dialogue will be critical to ensuring private sector efforts can progress in line with government priorities whether through digital transformation, the transition to a green economy or enhanced trade and regional collaboration. A favourable enabling environment can promote an all-of-industry approach, attract more sustainable private investment and facilitate public-private collaborations.
ANNEX: CASE STUDIES

This section provides examples of how multinational companies engaged with the OECD Emerging Markets Network (EMnet) are taking action to achieve the Sustainable Development Goals (SDGs), particularly in emerging markets. Unless otherwise indicated, companies provided the materials to the EMnet Secretariat, based on bilateral interactions following the meetings of the EMnet Working Group on Business and Sustainability in March and July 2020.

AT&T

AT&T is a multinational conglomerate and among the world’s largest telecommunications companies, with important operations in Latin American countries. AT&T is driving innovation in education to promote student success through its initiative AT&T Aspire, and through the international programme ESCUELA+. AT&T is leveraging technology, relationships and social innovation to help advance all students.

Through AT&T Latin America (Vrio, a subsidiary) technologies-products-services, AT&T is working to have a positive impact on education while bridging the digital gap in the most remote and vulnerable communities in Latin America. The ESCUELA+ programme offers TV education programming deployed in schools, acting as a catalyst for positive change in primary and secondary education. ESCUELA+ works in collaboration with private companies, government departments of education and other stakeholders, to positively transform the classroom experience. The programme combines deployment of technologies by DIRECTV and SKY, third-party and original educational content and support materials, innovative audio/visual classroom teaching methodology, specialised customer service, and ongoing communication and engagement.

By year-end 2018, ESCUELA+ had incorporated its 9th country (Brazil) and reached over 9 000 schools. Approximately 80% of the participating schools are rural, which also makes the programme one of the most active in bridging the digital divide. Since the start of the programme, more than 2 million students have been reached, 16 500 teachers trained in person on an annual basis, 500 teaching support materials created, 1 100 workshop hours logged and a dedicated ESCUELA+ channel to broadcast original, partner and Ministry of Education content was launched.

In response to the COVID-19 crisis, AT&T aims to provide information, education and entertainment. AT&T is creating a Distance Learning and Family Connections Fund to give parents, students and teachers tools they need for at-home learning. The fund will also provide resources to maintain meaningful connections and bonding opportunities for those isolated from family and friends. The Distance Learning and Family Connections Fund is collaborating with the Khan Academy to improve and expand on line learning resources, including those who rely on free resources. It will also support the development of new resources designed specifically for COVID-19 school closures and will be available in more than 40 languages.

Additionally, AT&T subsidiary Vrio announced together with its partners that it will release access to its educational content channel ESCUELA+, as well as the creation of ESCUELA+ folders to deploy educational content via OTT/TVE platforms DIRECTV Go and SKY Play. This measure will benefit clients located in Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru, Uruguay and Venezuela. The users at these locations will be able to access the channel for free. Almost 10 000
schools have access to this channel as part of the ESCUELA+ Corporate Social Responsibility programme.

**Bancolombia**

Bancolombia is a financial institution that provides a range of financial products and services in Latin America. The company has redefined its corporate purpose in a bottom-up exercise by collaborating with organisations to measure and manage the positive impact of their suppliers through voluntary certification methods, such as B Corp.

Bancolombia aims to look beyond financial incentives when choosing its suppliers. It aims to select those that will have a positive social impact on customers and promote sustainable development in the region. The company formed the Measure What Matters partnership with B Lab, the non-profit organisation that certifies B Corporations, and Sistema B, B Lab’s Latin American partner. Through this partnership, Bancolombia has made adjustments in its business practices to ensure it can measure and manage the positive impact of the banks’ suppliers, to allow for a deeper engagement with its customers throughout Latin America.

Bancolombia is committed to develop a corporate purpose following the COVID-19 crisis. The company is identifying the main challenges that various sectors of the economy must face in order to reactivate the economy. It focuses mainly on the agro-industrial sectors, small and medium-sized companies, technological modernisation, sustainable mobility, sustainable construction, decarbonisation of polluting industries, financial inclusion, financial education and empowerment of women.

**CNH Industrial**

CNH Industrial is a global company leader in the capital goods sector that, through its various businesses, designs, produces and sells agricultural and construction equipment, trucks, commercial vehicles, buses and specialty vehicles, in addition to a broad portfolio of powertrain applications. The company aims to power sustainable transformation through good practices and processes in various areas, such as environment, safety and human rights. CNH Industrial incorporates a responsible approach to the management of its supply chain, from local companies to large multinational enterprises, going beyond commercial transactions to foster mutually sustainable collaborations with partners that share the company’s principles.

Carbon footprint reduction is one of the company’s sustainability goals, with the aim of cutting CO₂ emissions in manufacturing and logistics processes, as well as in vehicle usage, shifting towards a more environmentally friendly product portfolio. For example, in agriculture, through precision farming technologies, CNH Industrial helps farmers to steward resources and reduce emissions; in construction, CNH Industrial is committed to alternative fuel technologies with its new methane-powered concept ProjectTETRA.

Through CNH Industrial’s materiality analysis, the company has identified and prioritised economic, environmental and social measures consistent with its business strategy, and stakeholder priorities.
CNH Industrial highlights how companies can be sustainably managed according to the specific context and needs of local economies. For example, CNH Industrial provides guidance to local suppliers in emerging markets on various topics: from requesting the adoption of a code of ethics in defence of social issues, to working towards the best possible management of production sites through the dissemination of the World Class Manufacturing programme. In parallel, the company promotes or actively participates in projects aimed at developing local communities, such as youth training projects, which have a dual purpose: to develop technical professionals for the company or its service network, and to give young people the professional skills required by local labour markets.

**Danone**

Danone is a French multinational food-products company with sales in over 120 countries. It is the largest company worldwide in fresh dairy products and plant-based products. Danone has a number of projects in emerging markets to transform farming practices in a way that lowers carbon emissions, strengthens water management and biodiversity, and drives inclusion for smallholder and family farmers to transform farming practices in line with the SDGs.

To contribute to the sustainability of the small, traditional dairy farming model in Algeria, the H’lib Dzair project provides farmers with technical expertise, as well as individual audits and advice, enabling them to become more competitive and to reduce their ecological footprint. Milk collectors are also supported to improve milk quality. Algeria is facing a high rate of unemployment in rural areas. Small farmers have low technical and managerial expertise, and their outdated equipment makes them vulnerable in a competitive market. A result of Algerian farms’ low productivity and low milk quality is that the country as a whole, and Danone-Djurdjura Algeria in particular, are dependent on imported milk. With the support of the Danone Ecosystem Fund, Danone-Djurdjura Algeria and GIZ International, the H’lib Dzair project is supporting the small, sustainable dairy farm model in Algeria. It also provides appropriate equipment that fulfils cold chain requirements, such as cooling tanks, improving quality and reducing losses. The use of a more adapted feed in the form of locally produced vetch-oats also improves milk productivity while reducing water consumption and CO₂ production.

As well as helping milk smallholders become more competitive and thus increase their revenue, H’lib Dzair fosters the circular economy by encouraging the local production of feed and the use of agro-industrial and agricultural by-products, such as tomato pulp or cereal straw. In supporting rural development in Algeria while preserving the local ecosystem, Danone-Djurdjura Algeria is securing the volume and quality of its milk sourcing in a way that reduces its ecological footprint.

In response to the COVID-19 pandemic, Danone leveraged the Ecosystem Fund to provide support to the most vulnerable members in its global value chain hit by the crisis. The Danone Ecosystem Fund unblocked EUR 4.4 million in order to support the waste pickers, street vendors, small farmers and caregivers Danone has been working with over the last ten years.
Enel

Enel is one of the largest power companies in the world by revenue, operating in 32 countries including in Latin America, Africa and Asia. Over half of its installed capacity is from renewable energy.

Enel adopts a creating shared value (CSV) model that integrates social-environmental factors in the business processes and throughout the entire value chain. Responsible community relations constitute a pillar of Enel’s strategy. An essential lever to carry out these projects is the recourse to around 800 partnerships with an ecosystem of organisations, companies, institutions and academia.

Colombia’s Cundinamarca 100% programme is an example of the initiatives that Enel is adopting in developing countries to support access to energy aims. Its goal is to bring electricity to rural homes with no electricity coverage, as they are located in geographically isolated areas or in locations that are difficult to access.

The project began in 2016 with the participation of public partners and private associations. Considering the difficulties that connecting new families located in remote areas in Cundinamarca implies, three different energy strategies were implemented tailoring solutions to specific needs: connection to conventional networks, installation of solar panels and use of micro grids to guarantee access to energy 24/7. Connecting to conventional networks consists of installing new transmission lines, poles and transformers, with the goal of providing electricity from pre-existing substations to the new homes. In turn, installing solar panels lies in the use of technological devices that capture energy from solar radiation in order to produce domestic electricity through many solar cells that convert light into energy. Finally, using micro grids consists of dynamic integration of different technological developments for generation, transmission, distribution and storage of electricity.

To date, more than 2 300 families from 87 municipalities have benefited from the programme, which has positively impacted their quality of life and their social and economic development. In addition to guaranteeing access to energy, the initiative also includes education and professional training projects for the start-up of production companies and support for local agricultural development.

In 2020, Colombia’s Global Compact Network awarded the Recognition of Good Practices for Sustainable Development to Enel-Codensa for Cundinamarca 100% programme for its contribution to the fulfilment of the Sustainable Development Goals (SDG).

Eni

Eni is one of the global oil and gas super-players, active in 66 countries in the world. Eni engages in oil and natural gas exploration, field development and production, as well as in the supply, trading and shipping of natural gas, LNG, electricity and fuels.

Eni, in partnership with United Nations Industrial Development Organization (UNIDO), has lead co-operation initiatives based on areas of common interest, from youth unemployment to the agricultural value chain, renewable energy and energy efficiency, particularly in Africa. It is a model of public-private co-operation that contributes to the development of local communities.
The case study of Campo del Gado in Mozambique is part of the implementation of the Coral South Project Sustainability Plan. It is based on Eni's vision that both the development of the local communities and the preservation of the environment are of critical importance to the sustainability of its projects and to furthering development, innovation and infrastructure in the region.

The agreement foresees the implementation of a pilot project for the creation of a coral nursery site in the Vamizi Island's Marine Sanctuary, in partnership with the coastal communities. The Vamizi Island in Mozambique is surrounded by the ecologically and economically vital coral reefs, which represent an important marine environment and carry rich biodiversity. In the last decade, the Community Counsel of Fishery of Vamizi Island has maintained a marine sanctuary in 50% of the island waters, to preserve fish stocks and promote future local food security. The partnership involves the coastal communities during the creation and monitoring phases of the nursery, as well as graduate students from the Natural Sciences Faculty at Unilurio in the city of Pemba. It enables development for the local population through employment, education and improved livelihoods.

**Essilor**

Essilor is a world leader in ophthalmic optics and a key player in visual health. Headquartered in France, the company is active in 78 countries. Its mission, which drives its strategy and business around the world, is to improve lives by improving sight. Essilor considers good vision a basic human right and has a global ambition to eliminate uncorrected poor vision from the world by 2050. Today, uncorrected poor vision is a global health crisis and the largest unaddressed disability in the world. Some 2.7 billion people, or one in three, suffer from uncorrected poor vision due to lack of awareness and access, 90% of whom live in emerging markets or the so-called base of the pyramid.

Essilor’s efforts to eliminate uncorrected poor vision from the world by 2050 started in 2013, when a dedicated division was launched within Essilor with a clear goal of reaching the 2.7 billion people by tackling the biggest barriers to universal vision correction: access and awareness. Its targets, aligned with the SDGs, drive efforts and enable Essilor to measure progress.

Since 2013, Essilor has created sustainable access to vision care for over 370 million people in emerging markets by establishing more than 16 000 access points and inclusive businesses. Through these and the company’s philanthropic initiatives, Essilor has helped over 38 million people around the world access their first pair of glasses.

Through inclusive business programmes, such as Eye Mitro (Bangladesh), Eye Mitra (India), Mitra Mata (Indonesia) and access points in Cambodia, Essilor is training unemployed and underemployed people at the base of the pyramid to become primary vision care entrepreneurs for their communities, bringing vision care where it was unavailable before. An impact study of the Eye Mitra programme, involving nearly 400 Eye Mitras serving 70 000 wearers across six districts, showed a total quantifiable impact of USD 4.4 million per year, including the economic impact of wearers’ increased earnings and increased productivity. If scaled up to all districts in India, the Eye Mitra model would represent a total potential impact of USD 487 million per year for the country. A follow-up study on the model shows that these entrepreneurs typically experience a 3- to 7-times increase in lifetime earnings. The model's total quantified impact (social return-on-investment for entrepreneurs and beneficiaries) is 25 to 48 times. A gender study is being undertaken to understand the impact of being a female Eye Mitra; the baseline results are promising. Females
feel more empowered after becoming an Eye Mitra due to an increase in income, a higher propensity to save and a greater ability to contribute to family income and decision-making.

**Grupo Energía Bogotá**

Grupo Energía Bogotá (GEB) is a Colombia-based multinational with a diversified portfolio of power and natural gas utilities, serving customers in Brazil, Colombia, Guatemala and Peru.

With **Energy for Peace**, GEB has established a project that seeks to restore the rights of victims affected during armed conflict in Valle, Tolima and Huila in Colombia. The objective is to recover territory through operational and humanitarian demining, while providing safe conditions for the Tesalia-Alférez Electric Energy Transmission Project. Anti-personnel mines have harmed over 11,500 Colombians since 1990. Working jointly with the National Army and The Halo Trust, a non-governmental organisation, GEB launched this project in 2018. That year, 19 explosive devices were deactivated.

The project goes beyond operational and humanitarian demining, to include environmental, educational, and training objectives, such as Forests for Peace, Skills for Peace and Energy to Build my Future, among others. Through Skills for Peace, GEB trained 27 community leaders, teachers and officials of the township of Herrera, in the municipality of Rioblanco (Tolima), who received additional training in teaching for peace, conflict management and gender equality. It is an example of how a public-private partnership can develop a genuine relationship with local communities in a scalable model.

**Huawei Technologies**

Huawei Technologies is a leading global provider of ICT infrastructure and smart devices, headquartered in Shenzhen, China. More than 3 billion people in over 170 countries use Huawei’s products and services to make calls, send text messages, or surf the internet.

Huawei’s path towards a **circular-economy model** provides an opportunity to maximise the product value, reduce waste and have a positive environmental and ecological impact. It includes both trade-in and collecting, ultimately refurbishing, recycling and marketing second-hand phones for social entrepreneurs in emerging markets.

To avoid environmental pollution caused by e-waste, the company established a trade-in programme. The programme works by repairing old but functioning devices to be sold by partners through official second-hand market channels. Alternatively, old devices that no longer function are given to accredited eco-friendly business partners for recycling and disassembly. In 2020, Huawei Technologies improved their online One-Stop trade-in programme: when customers trade in their old device, they can get the new device at the same time. Furthermore, by recycling old devices, customers receive vouchers to purchase new ones. Since 2015, Huawei Technologies’ trade-in programme has reached nearly half a million devices.

Since 2017, Huawei Technologies has been continuously improving its global recycling system. Process devices, such as phones, tablets, laptops, wireless routers, satellite boxes and satellite box components, are recycled using standardised, environmentally sensitive methods. By the end of 2019, there were 1,300 recycling centres in 48 countries and regions, and over 5,000 tonnes of
waste electronics was processed. In 2020, the company estimates that the recycling amount will increase to 3,000 tonnes, compared with 1,468 tonnes in 2019.

Through its recycling centres, Huawei Technologies promotes a circular economy model by reusing most of the raw material. For example, refurbished screens undergo stringent testing before re-entering the retail market. This process means that fully functional, refurbished screens become available at half price, contributing to the circular economy.

In addition, the company works closely with suppliers to reacquire and re-use raw materials from old devices and components. Through 23 industrial processes, the company re-uses aluminium, copper, steel and plastic resources to avoid landfill disposal and negative impact on the environment. For example, by working with suppliers and the Chinese Research Academy of Environmental Sciences, Huawei Technologies successfully recycles resin powder, which is a major material in electronics waste landfills.

**Mahindra & Mahindra**

Mahindra & Mahindra is an Indian multinational manufacturing corporation operating in 22 key industries including automotive, agribusiness and real estate. Mahindra & Mahindra believes that as a conglomerate it has a wide responsibility towards the community.

As economic growth fuels demand, mobility for one billion people needs a fresh look in India. In order to build the nation responsibly, shared and multi-modal electric mobility solutions are the way. To achieve a cleaner transport sector, a combination of measures need to be implemented: planned and better-designed cities, non-motorised transport facilities, more public transport, and on-road fleets being converted to all-electric. Rapid urbanisation in India has seen an increase in corporate commute and despite the presence of cab-hailing aggregators, the majority of Indians opt for public transport, creating a huge demand for last- and first-mile commute.

Mahindra Electric has designed India’s first electric three-wheeler platform, addressing issues of short-distance commute or to get from the origin to the nearest transportation hub. By providing collective clean mobility solutions, thus decarbonising Indian cities, Mahindra is making a stronger business case towards sustainable development and a commitment to green mobility in India.

The COVID-19 lockdowns resulted in clean air, clean water in rivers and lower levels of pollution showing the possibility to reconfigure lifestyles. There are many low carbon technologies to adopt to achieve this. Some, such as green buildings and cleaner alternate fuels (especially from waste) are well on their way to becoming mainstream and Mahindra Group has a presence in both the businesses.

Buildings cause more than 30% of the world’s emissions. Green buildings no longer cost more than regular buildings to construct. Residents incur 30% lower energy costs when living in a green building. There is no reason why the supply side and the demand side should not be encouraged to make the transition right away. Mahindra Lifespaces has shown that green buildings are a win-win for all stakeholders by constructing 22+ million sq. ft. of green real estate. Mahindra is the only real estate company in India with an approved [Science Based Targets initiative (SBTi)](https://sciencebasedtargets.org). Mahindra Lifespaces company is also committed to carbon neutrality by 2040.
Two billion tonnes of municipal waste is generated every year and this is expected to reach 3.4 billion tonnes by 2050; 50 to 60% of this waste is pure energy and another 25% is completely recyclable. The food waste can be converted to compressed natural gas and used as fuel. There is no shortage of demand for this fuel. Mahindra Waste to Energy Limited has partnered with the city of Indore in its journey of becoming the cleanest city in the country and shown that waste to energy is a very impactful way of building forward better. Policy measures that ensure regular and adequate supply of raw material will make this a large, viable sector with assured demand.

During the COVID-19 crisis, Mahindra & Mahindra has offered support to the communities and the government by producing PPE-like masks and face shields, and medical equipment, such as ventilators, and has collaborated with and supported start-ups to do the same. The company is also working to develop a new low-cost ventilator.

Mars / Economics of Mutuality

Mars is an American multinational active in food processing (confectionary, gum, candy, mints, beverages) and veterinary services (including pet food) in more than 80 countries.

Mars’ internal think tank, Catalyst, launched the Economics of Mutuality programme, dedicated to developing a new business model whereby mutuality drives a superior level of holistic business performance. In collaboration with Mars Wrigley, Catalyst created the Maua business in Kenya to provide a new route to market for Mars Wrigley’s treats and snacks. The Maua business aims to engage partners in informal settlements and rural areas that are difficult to reach through traditional channels, and to promote the benefits of entrepreneurship and opportunity in challenging business contexts, particularly in impoverished areas that lack infrastructure and investment. The project supports the non-financial wealth of the communities, in order to grow businesses that substantially affect participants’ income and well-being.

Maua is designed and managed using principles and practices that derive from the Economics of Mutuality approach by engaging non-financial metrics to drive business performance in terms of profit and wider social benefits. The core strategy is to focus on investing in the community’s human and social capital, with the understanding that the success of the micro-entrepreneurs and the wider ecosystem will also lead to benefits for Mars Wrigley. With this aim, Catalyst has developed key business practices:

- Start where business is not present: rural or urban low-income communities.
- Take an ecosystem approach to understand and address community pain points.
- Create a “hybrid value chain” by establishing mutual partnerships with a variety of citizen-sector organisations.
- Unlock entrepreneurship and enable it to flourish.
- Rigorously measure and manage performance with the new metrics of human, social and shared financial capital.

The programme has become a significant contributor to the Mars Wrigley Kenya business, exceeding USD 7 million in sales and representing nearly 15% of total sales in this region. However, the programme is assessed holistically through factors other than business performance or financial
gain alone and delivers measurable results across human, social and shared financial capital. For instance, research published by Oxford University’s Said Business School has shown that Maua creates benefits by enhancing trust and relationships in the community.

Maua is now run as an integrated part of the Mars Wrigley Kenya business. The programme has now been extended to Egypt, India and the Philippines.

Mars and the Economics of Mutuality implemented a strategy of communication and education to micro-distributors on health and hygiene practices to fight the spread of the Coronavirus. The company launched a communication campaign via SMS messages to 800 independent micro-entrepreneurs to adopt the right health and hygiene behaviours to keep them safe and to avoid spreading the virus.

By measuring Social Capital, the Maua team identified that peer support was the main driver of business resilience for micro-entrepreneurs.

Natura

Natura, a Brazilian multinational company and leader in cosmetics, hygiene and beauty products, has a presence in Argentina, Bolivia, Brazil, Chile, Colombia, France, Mexico, Peru and the United States. Natura is the first public company to be accredited as B Corp by B Lab, a non-profit organisation that evaluates a firm’s relationship with the environment, employees, customers and community, and whether it has an aim to create value for society.

Natura is improving its packaging, logistics and production processes to have a positive impact on the local economy, particularly to preserve the Brazilian Amazon rainforest. The company aims to achieve social, environmental and financial outcomes — people, planet and profit — by sourcing sustainable ingredients in the rainforest that can be used to make beauty products: it connects the conservation of the Amazon with local communities and with technological innovations.

Natura has encouraged the farmers it partners with to farm more sustainably by sourcing sustainable ingredients in the rainforest for Natura beauty products, and encouraged them to preserve vegetation. For example, the Ucuuba tree was threatened with extinction until it was tested for use as a cosmetics asset. Due to its increased value to farmers partnering with Natura, it is now protected from logging, as it can be grown for cosmetics purposes.

SAP

SAP, an enterprise software company, collaborated with Barry Callebaut, a global manufacturer of chocolate and cocoa products, to help enable sustainable cocoa farming. The new collaboration launched an innovative cloud-based solution for cocoa bean traceability and better sustainability data management.

The solution was developed with SAP and combines desktop and mobile access, allowing usage in the most remote locations. Information on farmers, their farms and their communities can be recorded digitally at every level of the supply chain. This enables the traceability of cocoa beans from the farmer to Barry Callebaut’s warehouse. In addition, sustainability-related activity records allow for assessment of individual farmers and community needs and analysis, resulting in higher
quality and higher impact support. Beyond the usual services, farmers now have improved access to seedlings, fertiliser and training that cater to their specific needs.

On the ground, the project is called Katchilè, based on a word from the local Baoulé language in Côte d’Ivoire meaning “change”. Katchilè is changing the way information is being collected, transmitted and used, and changing the lives of 65 000 cocoa farmers who participate across Côte d’Ivoire.

**SUEZ**

France-based SUEZ is a global leader in smart and sustainable resource management. The company is transforming three wastewater treatment plants in Santiago de Chile into plants that convert wastewater and sewer sludge, a wastewater treatment by-product, into clean energy, fertiliser and clean water. Wastewater from urban and industrial environments is directed to the biofactories, which harness natural processing techniques in order to minimise energy and chemical usage. Low-energy nitrogen treatment, coupled with the transformation of carbon into biomethane and dry biosolids, has enabled the plant to become energy positive. The wastewater treatment plant has become a centre that produces resources (water, nutrients, fertiliser) and energy (biomethane, electricity, heat), with minimal environmental impact on noise, odours and landscape. Treated wastewater is re-used directly or indirectly for agriculture to enhance the resilience of territories and to mitigate water scarcity risks.

SUEZ identified the greenhouse gas emissions mitigation imperative as a good entry point to catalyse and accelerate waste management systems. In Morocco, SUEZ is teaming up with Renault and Groupe PSA (Peugeot), two multinational car manufacturers, on their waste management. The partnership allows the companies to find solutions onsite and work on the product lifecycle, supporting PSA and Renault in the treatment and recovery of their industrial waste.

In addition, SUEZ supports the Moroccan government’s Industrial Acceleration Plan by helping Moroccan industrials organise a circular economy. SUEZ invested in two multi-modal platforms to recover industrial waste from the free zones of Kenitra and Tangier. The two contracts SUEZ won with PSA and Renault illustrate the benefits to the private sector when a commitment to sustainability is adapted to resource-scare areas by improving the production chain’s efficiency.

**Syngenta**

The Syngenta Group, active in more than 100 countries, is a leading global provider of agricultural technology, in particular seeds and crop protection products, nutrition products and digital services for farmers. It has its headquarters in Basel, Switzerland, and further locations in Chicago, Tel Aviv, and Shanghai.

The Cerrado ecoregion in Brazil is one of Latin America’s largest dryland landscapes, comprised of shrubland, savannah and large areas of open plain. The soil there is known to be some of the least fertile in the world, affected by a history of ranching for beef production, which has led to the degradation of up to 18 million hectares of soil. This degraded soil either lies barren or has been converted into pasture with low productivity.
Reverte is an initiative to influence the sustainable expansion of agriculture in the Cerrado biome. It aims to enable growers or cattle holders to make the investment needed to restore degraded pastureland back to cultivation, and provide the guidance and tools needed to guarantee return on investment. Syngenta and The Nature Conservancy are partners in the Reverte programme, supported by the Brazilian Agricultural Research Corporation and RedeILPF, which provide agronomic inputs and guidelines.

Reverte facilitates the adoption of integrated land, pasture management practices and sustainable technologies by enabling a more sustainable means of scaling agricultural production on low productivity degraded land without contributing to further land conversion. Degraded pastureland recovery also allows for regenerative agriculture and climate-resilient farming, including carbon sequestration, soil recovery and water efficiency. To achieve this, Syngenta and its partners are integrating various tools, including financing, seed varieties adapted to local conditions and soils, agronomic practices that enhance soil conditions, and digital tools that allow growers to control and monitor the improvement in soil conditions. To access the agricultural tools and guidance that are part of the commercial offer in Reverte, a grower/producer must ensure that their area complies with the programme’s environmental criteria (i.e. the Forestry Code) and obtain financial approval from involved banking entities. The grower must also follow the Reverte agronomic protocols for the duration of their involvement in the programme.

Reverte is focused on three main regions in the Cerrado (Goiâs, Maranhão and Mato Grosso) where Syngenta aims to increase governance and disclose best agriculture practices for sustainable expansion of agriculture in degraded pasturelands. In addition, Syngenta’s commercial offer aims to reach 30,000 hectares in its first year, with the expectation of scaling up to 100,000 hectares in the second year and 200,000 in the third year. In the first five years of implementation, there is potential to reach 1 million hectares.

Telefónica

Telefónica is a Spanish multinational telecommunications company, and one of the largest telephone operators and mobile network providers in the world with 337 million customers. Beyond Europe, the company has important operations in the Americas, where it is the leader in fibre and has more than 100 million customers.

Telefónica is investing in expanding internet access. Internet para Todos (Internet for all), developed by Telefónica, Facebook, Inter-American Development Bank Invest and CAF (Development Bank of Latin America), was created to connect communities in isolated areas, while ensuring a financial return and commercial viability that could be replicated to bring Internet access to unconnected areas across Latin America.

New technologies and business models have rendered previously unconnected and under-connected areas in Peru profitable, and Peru’s Internet para Todos aims to bring 4G mobile Internet access to 6 million people in more than 30,000 rural areas by the end of 2021.

This partnership enables operators to use communications infrastructure to expand coverage in rural areas. Telefónica has 3,130 towers across Peru; Internet para Todos aims to install an additional 866 by 2021. This programme also constitutes a growth opportunity for Telefónica by
offering the possibility of testing new business models and technologies in new locations and potentially expanding the customer base in new markets. The long-term goal is to replicate the approach in other countries in Latin America and the Caribbean, where some 100 million still have no Internet access.
Notes

1 Analysis of B Corp certified companies undertaken based on publicly available information on 27 October 2020.
2 Bancolombia is also taking steps to become a certified B Corp. www.elcolombiano.com/negocios/bancolombia-le-apuesta-a-la-sostenibilidad-PE12619143.
3 The EMnet survey targeted multinational companies active across emerging markets and was conducted from March to April 2020.
4 Case studies created on the basis of publicly available information.

References


For more information about the OECD Emerging Markets Network, contact the Secretariat:

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www.oecd.org/dev/oecdemnet.htm