

Southern Business Challenge

World Summit on Sustainable Development

Initiated by
Centre for Social Markets

Southern Africa Regional Workshop Report



**Monday 2 September 2002
Johannesburg, South Africa**

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**DUTCH MINISTRY OF HOUSING
SPATIAL PLANNING AND THE ENVIRONMENT**



BACKGROUND TO THE INITIATIVE

The Rio Earth Summit in 1992 was a watershed in the history of environmental diplomacy but not a turning point for unsustainable global production and consumption patterns. Will the World Summit for Sustainable Development (WSSD) in 2002, the ten-year review of the Earth Summit in South Africa, be any different? Or will the same voices, arguments and counter-arguments dominate? This will depend on how different parts of society mobilise to make this an event that matters. The future of the planet will depend upon it.

Business has a key role to play. Agenda 21, the Earth Summit's Global Action Plan, devotes an entire chapter to the role of business and industry. Southern business, in particular, has a crucial though much overlooked role to play. A powerful engine of development, progressive Southern business has been overwhelmingly absent in international policy discussions. It is the missing link. The force that can propel developing and developed country decision-makers, in partnership with civil society actors, to undertake reforms in the direction of sustainable development and poverty eradication.

It is now time to bring the dynamism of progressive Southern entrepreneurs to the international stage. To connect policy with practitioners in the cause of sustainable development and social justice. Progressive Southern businesses must now engage with the international policy debate on environment-development issues to challenge governments and break political and ideological deadlocks. The WSSD is an important opportunity to signal this change and breathe new life into global efforts for sustainable and equitable development.

What is the Southern Business Challenge?

The Southern Business Challenge (SBC) is a new international network bringing together progressive companies and entrepreneurs from developing countries to promote an action agenda for sustainability and social justice. The network has been initiated by the UK and India-based Centre for Social Markets. All SBC Members are committed to the four principles of sustainable development, social justice, personal ethics and corporate integrity.

What is the goal of the Southern Business Challenge?

The goal of the SBC is to transform debate at international policy fora and promote practical action for equitable and sustainable development. SBC Members are an important new voice and a major new constituency. They mark the emergence of a powerful economic force for progressive change in developing countries. Politicians and policymakers, everywhere, should take note: - this is a network with a mission.

SOUTHERN AFRICA WORKSHOP - REPORT

Following the highly successful of the Southern Business Challenge at the World Summit on Sustainable Development in Johannesburg on Thursday 29 August, 2002, the SBC took advantage of geography and held a the second in its series of regional workshops, this time for Southern African business. The first of these workshops was held in Kolkata on Sunday 28 April, 2002, and two more are already in the diary:



- **Balkans SBC Regional Workshop**, Gostivar, Macedonia, Saturday 28 September, 2002
- **North Africa SBC Regional Workshop**, Marrakech, Morocco, Saturday 16 November, 2002

The rationale for these workshops is to encourage open discussion of the challenges facing companies seeking to develop sustainable ways of doing business, and to introduce the SBC. The objectives of the workshop were as follows:

I Corporate Social Responsibility in Southern Africa

- Examine the status of corporate social responsibility in the countries of Southern Africa, and the role of the private sector in achieving sustainable development in the region.
- Share experiences of overcoming difficulties in the field of sustainable development and build partnerships for future collaboration.

II Southern Business Challenge and the WSSD

- Introduce the Southern Business Challenge and examine the regional and international context within which it is emerging.
 - Expand upon the role the SBC has played at the WSSD, and the future of the SBC beyond Johannesburg.
 - Invite delegates to become involved with the work of the SBC.
 - Identify next steps and action plan.



The Workshop opened with Malini Mehra, Founder and Director of CSM, explaining the background of the Southern Business Challenge and the purpose of the Regional Workshop series.

Current SBC members were then asked to explain their work and the value of the SBC both to them and to international policymaking in general. For more information on their companies and inputs, please see the Launch Report.

SBC's Regional Associate, the African Institute of Corporate Citizenship, then gave an overview of the regional context of corporate social responsibility, and the role the Southern Business Challenge should take on in the region.

Then the floor was thrown open to questions. The ensuing discussion covered a wide range of relevant issues:

Barriers to energy access

Drawing on the expertise of some of the companies present, and the experiences of all participants, a large number of issues were raised about ensuring energy access to all. The Southern Business Challenge is shortly to publish a Discussion Paper on the role of southern business in providing sustainable energy to all.



Intellectual Property Rights

Very divergent views were expressed with regard to what kind of international framework and national legislation is required to ensure that developing countries benefit most from their natural resources and innovations. It was decided that this might be good subject for a future SBC Discussion Paper. The workshop was reminded that the SBC does not have to form a consensual position on an issue – rather its role is to bring the voices of southern businesses to the fore in a debate so far dominated by governments and northern multinationals.



Role of 'mainstream' business

The Sandton Hilton, where this workshop took place, was the centre of business activity throughout the summit. It was appropriated therefore that the question of partnership between northern and southern businesses, large and small, was raised. It was considered that one of the key roles 'mainstream' business could play was to support southern businesses in their efforts to both get their concerns on the agenda of conferences such as this?



It is noteworthy that as he rounded off the official Business Day, Lord Richard Holme, Vice Chair of Business Action for Sustainable Development, noted that small and medium sized businesses were again underrepresented at the convention. Lord Holme considered it the next challenge for the 'usual suspects' to recruit more SME's to attend such policy meetings.

An African perspective on CSR

The participants agreed that much of the thinking behind the movement for Corporate Social and Environmental Responsibility in northern countries is already an integral part of the way Africans do business. In the case of South Africa, in particular, there is a desire to marry the ideals that its people fought for during apartheid with the ethics of business.

LIST OF PARTICIPANTS

SBC Members:

NatuScience
Dezign Inc
Parallax
Snow Leopard Trek
Fulcrum Ecosystems

Businesses present:

Marula Natural Products
Safire
Bocofe Consulting
Baobab Fruit Juice
Crystal Clear
AGRID SA
Future Iron
MrMobile: SmartSolutions

Other organisations represented:

WBCSD – Sustainable Livelihoods Unit
Johannesburg Local Authority
African Institute for Corporate Citizenship

Apologies sent by:

The Government of South Africa, Environment Department.
BCSD – South Africa

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ABOUT THE CENTRE FOR SOCIAL MARKETS

The Centre for Social Markets (CSM) is an independent non-profit organization dedicated to making markets work for the triple bottom line - people, planet and profit. Through our offices in India and the United Kingdom, and an international network of partners and associates, CSM promotes responsible entrepreneurship, ethics and accountability worldwide. Founded in 2000, we are a values-based organisation committed to sustainable development and human rights.

CSM's work is divided into **five main work streams** focussing on business, investors, workers, consumers and governance respectively. Our primary **geographical focus** is on developing and transition countries, and our **key constituencies** are ethnic minority communities in industrialised countries, and domestic industry and stakeholders in developing countries.

Our primary activities include the following:

Education:

Conferences, workshops, bespoke seminars and training programmes;

Consultancy:

Consultancy services, incl. event facilitation and project development;

Programmes (local, regional & international):

- Southern Business Challenge
- Diaspora communities, ethnic minorities and corporate citizenship;

Policy:

Engagement in policy debate and advocacy at key fora;

Portal:

Focus on corporate responsibility in developing countries;

On-line Services:

Newsletter 'Social Markets', and regional e-list serves, e.g. CSR Asia;

Resource Centre:

Focus on corporate responsibility in developing countries;

Research & Publications:

Books, reports and discussion papers.

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