

REPORT

Measuring the contribution of civil society and the private sector to achieving the Millennium Development Goals

COMMISSIONED BY THE BUSINESS IN DEVELOPMENT PROGRAMME OF NCDO



RESEARCH DONE BY DSR

Dutch Sustainability Research

Contributions from
Novib Oxfam Netherlands and ABN Amro Bank



Measuring the contribution
of civil society and the private sector to achieving the
Millennium Development Goals

November 2005

Project commissioner: NCDO, The Netherlands
Project manager: Dutch Sustainability Research (DSR)

Contents

<i>Contents</i>	2
<i>Foreword</i>	4
<i>Executive summary</i>	5
Chapter 1 Introduction	8
1.1 The Millennium Development Goals	8
1.2 About this project	8
1.3 The approach	9
Chapter 2 Methodology	11
2.1 Development	11
2.1.1 Sources	11
2.1.2 What is measured	12
2.1.3 Weights and scoring	13
2.1.4 The MDG Framework	13
2.2 Application of the MDG Framework	17
2.2.1 Collecting and processing information	17
2.2.2 Experiences of ABN AMRO during the testing phase	17
2.2.3 Experiences of Novib during the testing phase	18
2.2.4 Adjustments in the methodology	18
Chapter 3 Results of the MDG Scan	19
3.1 Results for ABN AMRO Bank	19
3.2 Results for Novib	20
Chapter 4 Conclusions and recommendations	22
4.1 Conclusions	22
4.2 Recommendations	23
<i>Sources</i>	25
<i>Annex 1: Project participants</i>	26
<i>Annex 2: Example of indicators in the MDG Framework, including weights</i>	27
<i>Annex 3: About NCDO</i>	29
<i>Annex 4: About Dutch Sustainability Research (DSR)</i>	30
<i>Annex 5: About Novib</i>	31
<i>Annex 6: About ABN AMRO</i>	32

Acronyms:

DSR Dutch Sustainability Research

MDG Millennium Development Goals

MNC Multinational Corporation

NCDO National committee for international cooperation and sustainable development

NGO Non-governmental (development) organisation

Acknowledgements

NCDO would like to thank Rabbi Soetendorp, of The Netherlands, for inspiring this project. He was himself inspired by the lack of clarity on the role that companies can play in contributing to the MDGs at the World Economic Forum in Davos 2004.

We would also like to thank Mark Malloch Brown, then Administrator of the UNDP, for scoping the project. Also Soren Peterson of UNDP's Nordic office provided useful advice. Furthermore this project would not have succeeded without the cooperation of ABN AMRO Bank and Novib (Oxfam The Netherlands) in being the first test candidates for this MDG Framework. The wisdom and pragmatism of the members of this project's Expert Panel has been especially useful.

Thierry Sanders,
Programme coordinator 'Business in Development',
NCDO

Foreword



This new publication from NCDO, entitled "Measuring the contribution of civil society and the private sector to achieving the Millennium Development Goals" is a very timely and welcome initiative. As the global community intensifies its focus on achieving the MDGs, better tools are needed to measure the impact of various sectors' efforts. Both the corporate sector and civil society have a crucial role to play in achieving the MDGs and this publication is therefore to be commended for putting this issue on the top of their agendas.

Kemal Derviş, UNDP Administrator



Executive summary

The Business in Development programme of NCDO (Dutch national committee for international cooperation and sustainable development) has commissioned Dutch Sustainability Research (DSR) to develop a methodology to measure the contribution of one Dutch Multinational (MNC) and one Dutch development organisation (NGO) to the Millennium Development Goals (MDGs) of the UN. The short-term objective of the project is to raise awareness for the MDGs and to stimulate and improve contributions of companies and development organisations to these goals. The long-term objective is to make the discussion about the private sector contributions to the MDGs less speculative. With the MDG scan, one can benchmark companies on their MDG performance. This information can for example be used to launch new SRI funds. At the same time, focus and effectiveness of development efforts to achieve the MDGs are enhanced. Though the objectives are clear, this report is not meant as an end-product. It is an ongoing process in which this report attempts to set the first step in quantifying the contribution of MNCs and NGOs to the MDGs.

DSR executed the project in three phases. A development phase that has resulted in an MDG Framework, a testing phase that has resulted in an MDG Scan of an MNC and an NGO, and a third phase that has resulted in the underlying report. The project is innovative as it develops a framework to *rate* the performance of MNCs or NGOs to the MDGs. Although reports have been published that qualitatively discuss the possible contributions of MNCs or NGOs to the MDGs, none of these present a framework and quantitative instrument to measure and compare the contributions of MNCs and NGOs to the MDGs.

The Millennium Development Goals

In September 2000, 189 nations, committed themselves to the United Nations Millennium Declaration. The objective of the Declaration is to promote a comprehensive and coordinated approach to reduce poverty, halting the spread of HIV/AIDS and providing universal primary education. The Millennium Development Goals (MDGs) are quantified targets for addressing extreme poverty in its many dimensions. Eight goals are distinguished:

1. Eradicate extreme poverty and hunger
 2. Achieve universal primary education
 3. Promote gender equality and empower women
 4. Reduce child mortality
 5. Improve maternal health
 6. Combat HIV/AIDS, malaria and other diseases
 7. Ensure environmental sustainability
 8. Develop a Global Partnership for Development.
- All UN member states have pledged to meet these goals by the year 2015.

Developing an MDG Framework for NGOs and MNCs

The MDG Framework is an instrument to measure the contribution of MNCs and NGOs to all eight MDGs. It measures the *efforts* of a MNC or NGO to contribute to achieving the MDGs and the *added value* of its presence and/or activities in developing countries. The MDG Framework does not take into account what the actual impacts of the activities are.

The development of the MDG Framework started with a review of relevant MDG literature. Especially the reports of the UN Millennium Project Task Forces were useful. Measurability, comparability, and discernability were considered to be of key importance by DSR to develop

the MDG Framework. However, the Task Force reports excel in thoroughness and detail. As a result an unlimited number of indicators could be developed for each MDG. Moreover, the Task Force reports' focus is very much on governments of developing and developed countries. This makes it difficult for MNCs and NGOs to contribute to the MDGs in their full scope. Therefore, the recommendations and priorities of the reports were carefully scrutinised to seek out those elements to which the contributions of an MNC or NGO to the MDGs could be measured.

After the literature review DSR concluded that it would best serve the project to develop a generic tool (instead of a sector specific tool). Furthermore, we decided that the model would not compare the MDG performance of MNCs with the performance of NGOs as both organizations have different core activities. And finally, the separate scores of the MDGs would not be aggregated into one total score for all MDGs. In developing the MDG Framework, DSR drafted relevant indicators (questions) for both MNCs and NGOs (based on the above literature review), and composed and consulted an expert panel to get feedback on the selection of indicators, proposed weights and any critical methodology issues.

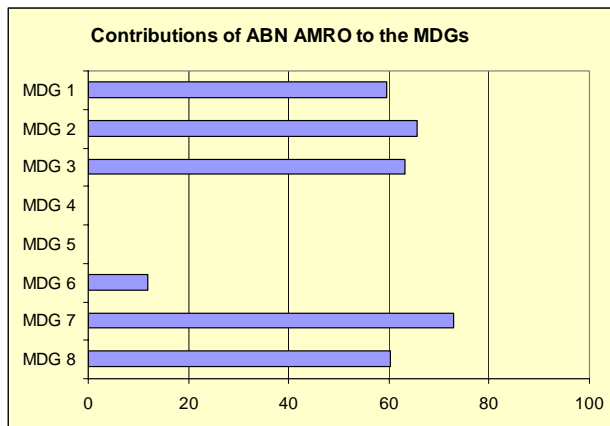
For each MDG, DSR distinguished so-called sub goals. All potential contributions of MNCs and NGOs from the literature review were translated into indicators (questions) for each of these sub goals. Furthermore, for all MDGs the MDG Framework consists of questions that investigate policies, management systems and performance (positive and negative). Activities regarding advocacy, intervention or lobbying were not taken into account, since the effort and the output are difficult to quantify. An exception is made when these activities are gathered in one coherent campaign that has clear targets and activities. Involvement of MNCs and NGOs in controversies that contribute negatively to the MDGs were measured as well. This leads to negative scores for an indicator and as such lowers the overall score for an MDG. Although some indicators of the MDG Framework might focus on the same subject for MNCs and NGOs, they might differ in application, as the activities of the organizations are different. Each indicator/question receives a score and a weight (varying between 0 and 100). The scores mirror the actual data collected on an NGO or MNC. The weight depends on the priority (high, medium, low) given to each indicator and to the number of indicators assigned to each MDG.

Testing the framework: An MDG Scan of an NGO and an MNC

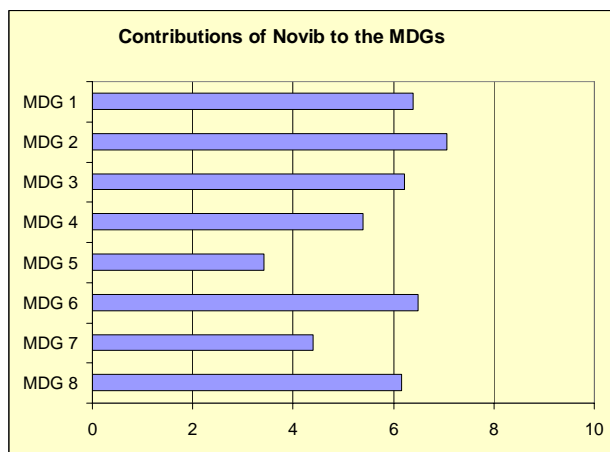
Two MDG Frameworks have been developed: one for MNCs with offices in developing countries and one for NGOs (not necessarily with offices but activities in developing countries). These frameworks developed in the first phase have been based on desk research and by consulting experts. As the objective of the project is to develop a tool to measure the contribution of MNCs and NGOs to the MDGs, it was found crucial to test the developed MDG Framework on real-life situations. Two Dutch candidates were sought with activities in developing countries to test the framework. Both ABN AMRO (MNC) and Novib (NGO) were found interested in participating in the project. DSR collected public and corporate information of both organizations. The information was carefully analysed and scores were allocated within an MDG Scan. The preliminary results were discussed with the testing candidates. During the interviews ABN AMRO and Novib commented on the draft results and provided additional information. The relevant information was incorporated into the model and final results were again discussed with the test candidates.

The following graphs present the results for both ABN AMRO and Novib. It is crucial to note again that two frameworks have been developed and tested: one for a MNC (ABN AMRO)

and one for an NGO (Novib). The two figures can therefore not be compared with each other. For this reason the scales are different as well.



The first figure presents the overall results of ABN AMRO. Of all MDGs, ABN AMRO achieves the highest score on MDG 7 (environmental sustainability). ABN AMRO also scores relatively high on MDG 1, 2, 3, and 8 (poverty and hunger; education; gender equality; global partnership). The results reflect the focussed efforts of ABN AMRO towards the MDGs as described in their last sustainability report.



The following graph presents the overall results of Novib. It is interesting to note that the scope of Novib's activities include all MDGs. The level of attention, however, differs somewhat per MDG. The highest score is received for MDG 2 (education), followed closely by MDGs 6, 1, 3 and 8 (HIV, AIDS, malaria; poverty and hunger; gender equality; global partnership).

Conclusions and recommendations

In general one can conclude that the MDG Scan is capable of measuring the intentions of ABN AMRO and Novib to contribute to achieving the MDGs. Both test candidates have expressed that the exercise has been very valuable to them. However, the performance of an MNC and an NGO cannot be compared. The MDG Scan can only be used as a benchmark when comparing the performance of a company over time, or when comparing the performance of multiple companies (within a sector) at a certain moment in time. Furthermore, for MNCs it's considered to be crucial to incorporate the core activities of a business in the analysis.

The report lists seven recommendations for possible improvements. The two most important recommendations relate to output measuring (for example, the number of women reached by women empowerment programmes) and indirect contribution measuring (for example, the finance activities of a financial institution). Both topics are only limited taken into account in the current framework. The test candidates feel that including these impacts would contribute to the quality of the MDG Scan.

Chapter 1 Introduction

1.1 The Millennium Development Goals

The Millennium Development Goals (MDGs) are the world's time-bound and quantified targets for addressing extreme poverty in its many dimensions – income poverty, hunger, disease, lack of adequate shelter, and exclusion. It also promotes gender equality, education, and environmental sustainability. They also include basic human rights – the rights of every person on the planet to health, education, shelter, and security.

In September 2000, 147 heads of State and Government, and 189 nations, committed themselves to the United Nations Millennium Declaration to make the right to development a reality for everyone and to free the entire human race from want. They acknowledged that progress is based on sustainable economic growth, which must focus on the poor and human rights. The objective of the Declaration is to promote ‘a comprehensive approach and a coordinated strategy, tackling many problems simultaneously across a broad front’. All 191 UN member states have pledged to meet these goals by the year 2015.

The specific MDGs are:

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

The MDGs are divided by the UN into 18 targets that include 48 indicators to measure progress.

1.2 About this project

This project, *The contribution of NGOs and MNCs to the Millennium Development Goals*, was commissioned by the Business in Development programme of NCDO (Dutch national committee for international cooperation and sustainable development). The objective of the project is:

To measure the contribution to the Millennium Development Goals (MDGs) of one Dutch Multinational and one Dutch development organisation.

By making the MDG contribution of companies and development organisations measurable, the short-term goal of the project is to raise awareness for the MDGs and to stimulate and improve contributions of companies and development organisations to these goals.

By making the MDG contribution of companies and development organisations measurable, the long-term goal for the project is:

1. The discussion about the private sector contribution to development becomes less speculative.
2. The focus and effectiveness of development efforts to achieve the MDGs by 2015 are enhanced.

3. It then becomes possible to create a benchmark and index of corporate MDG performance. This can be the beginning of a new series of development-oriented Socially Responsible Investment funds. Hence creating a new financial product that can generate additional funds for (private sector) development. In turn this should stimulate companies to pay more attention to their MDG performance.

1.3 The approach

Three phases were distinguished in the execution of this project. In the first phase the methodology was developed, in the second phase the methodology was tested, and in the third phase, the results are published.

Phase 1: Develop methodology: MDG Framework

In this phase, the following steps were taken:

1. Review MDGs literature, in order to assess which goals, targets and indicators are relevant for MNCs and NGOs.
2. Draft relevant indicators (questions) for both MNCs and NGOs.
3. Compose and consult an expert panel¹ to get feedback on the selection of indicators, proposed weights and the critical methodology issues.
4. Finalise the set of relevant indicators for measuring the MDGs.
5. Construct the MDG Framework for MNCs and NGOs.

Phase 2: Test the developed methodology: MDG Scan

In this phase, the MDG Framework was tested on one MNC (ABN AMRO) and on one NGO (Novib). The following steps were taken:

1. Find an MNC and an NGO to participate in the scan.
2. Hold an introductory meeting with the selected MNC and NGO to discuss the project.
3. MDG Scan: analyse information, including desk research of publicly available information on the test participants and other relevant additional information provided by the participants themselves. Furthermore, a search engine (which is a proprietary tool of DSR) was used to screen more than 20 websites of key NGOs in the field of corporate social responsibility. Media coverage was also screened for relevant information.
4. Interview MNC and NGO participants to discuss the draft conclusions of the MDG Scan and to collect additional information.
5. Incorporate new information in the MDG Scan.
6. Interview MNC and NGO participants to discuss the results.
7. Present final results to the MNC and NGO. Relevant comments were used in Phase 3.

Phase 3: Publish the report

In the third phase, leading to the publication of the results, the following steps were taken:

1. Compose a report of the development of the methodology (MDG Framework) and the results of the testing phase (MDG Scan).
2. Prepare an executive summary for media and other stakeholders.
3. Develop a manual in which the methodology is clearly described.
4. Develop a template in which the results of future benchmarks can be recorded.

¹ The members of the expert panel are presented in annex 1.

Reading guide

Chapter 2 of this report describes the development of the methodology (the MDG Framework) and its application in the testing phase (the MDG Scan). Chapter 3 presents the results. Conclusions and recommendations are discussed in Chapter 4.

Chapter 2 Methodology

This chapter provides an overview of assumptions that have been made and boundaries that have been set in developing the methodology to assess the contributions of companies (MNCs) and development organisations (NGOs) to the MDGs.

The main goal of the project is to show that the contributions of MNCs and NGOs to the MDGs can be expressed in a meaningful score. Due to the nature of the MDGs the methodology is only useful for companies and non-governmental development organisations operating in developing countries.

Because of its pioneering nature² this project should be seen as a pilot only. The contribution of the test MNC and NGO were assessed, enabling a starting point for the development of a generic benchmarking system. In the course of time, the methodology will be fine-tuned.

The ambition of the project is not to compare MNCs and NGOs, but to compare results within the two target groups. Therefore, the MDG Framework will eventually consist of two separate parts: one comparing companies and one comparing NGOs.

The model developed is generic and was not influenced by the test participants. A division of the benchmark according to the sector in which the NGO or MNC operates is possible at a later stage, but was not part of this project.

The separate scores of the MDGs are not aggregated into a total score. Consequently companies within one sector and with a high score in one MDG, which is close to its core activities, will not appear to underperform compared to companies with activities in all MDG areas.

2.1 Development

This section describes the sources used to develop the framework, what is measured, the weight and scoring, and the actual MDG Framework itself.

2.1.1 Sources

The starting point for developing the methodology were the reports of the UN Millennium Project Task Forces. These reports excel in thoroughness and detail. As a result an unlimited number of indicators could be developed for each MDG, in order to completely cover and focus on all details and possibilities. This unfortunately would not add to the ability to distinguish between the different MDGs nor to the differences between MNCs or NGOs. The number of sources was limited in order to develop a simple and relative standard with a limited number of indicators. Measurability, comparability, and discernability were considered to be of key importance. While the Task Force reports were a main source, the focus of them is very much on governments of developing and developed countries. This makes it difficult for MNCs and NGOs to automatically contribute to the goals in their full scope. Therefore the recommendations and priorities of the reports were carefully scrutinised to seek out those elements to which the test MNC and NGO could contribute.

² To date MDG measurement has been carried out at the country level, not on the organisational level. Only ITT, has appears to have made efforts to undertake a company level MDG Scan.

For MNCs, several reports (for example, the United Nations Development Programme and the Global Reporting Initiative) translate the MDGs to corporate activities and contributions. These were used to elaborate the methodology. A comparable translation to NGO-activities was not readily available.

2.1.2 What is measured

A prerequisite for a test MNC was that it has activities in developing countries. What is assessed are the efforts the company makes to contribute to achieving the MDGs and the added value of its presence and/or business activities in developing countries. The focus of the methodology is on the efforts made. Examples are intentions, policies, programmes and performance data. The mere presence of business activities in developing countries was not assessed, for example, an MNC would not receive a score based on the simple fact that it has a production plant in or sources from developing countries. In addition, the actual impact of the contributions was not taken into account at this stage (for example, how many children went to school and finished their primary education on account of the efforts of the MNC/NGO).

The method does not distinguish as to whether an organisation operates in only one or many developing countries, nor if the contributions to the MDGs occur in one or many such countries.

When assessing programmes of MNCs, a threshold was set for those that cover at least 30% of activities in developing countries. This threshold level was chosen to distinguish MNCs that happen to have a few activities in this area and companies that have identified this subject as a key focus and therefore most probably have taken measures to monitor and evaluate progress.

Activities regarding advocacy, intervention or lobbying were not taken into account, since the effort and the output are difficult to quantify. An exception is made when these activities are gathered in one coherent campaign that has clear targets and activities. These were considered to be programmes.

The involvement of MNCs and NGOs in controversies that contribute negatively to the MDGs were also measured. The involvement leads to the deduction of points. The number of points deducted depends on the seriousness of the involvement. In the assessment of a controversy the following characteristics were taken into account: the frequency of occurrence, the seriousness compared to similar cases (for example the height of fines), media or NGO attention for the controversy and the measures taken to avoid occurrence in the future. Management response to controversies plays an important part in the assessment. To guarantee objectiveness in the assessment, special attention was given to the reliability of the sources. MNCs or NGOs may also play a positive part in controversies, for example by uncovering them. This is not included in the controversy assessment but in other indicators.

There is a certain hierarchy within the MDGs: MDG 1 and 8 definitely have a much broader scope than MDG 2 to 7. Since the scores of separate MDGs are not added up to one total score, this variance in the MDGs is not reflected in the methodology.

2.1.3 Weights and scoring

In order to rate the contribution of NGOs and MNCs to the MDGs, every indicator received a score and a weight. Both were between 0 and 100%. The priority given to an indicator is reflected in its' weight. The score is the result of the data collected in the MDG Scan.

The total contribution to an MDG can be calculated with the following formula:

$$X_a = \sum_{i=1}^n RS_{ix} * W_i$$

Where:

X_a is the total score for a company/ NGO for MDG_a

RS_{ix} is the raw score of company/NGO X for indicator i (within MDG_a; $0 \leq RS_{ix} \leq 100$)

W_i is the weight of indicator i (within MDG_a; weight <100%)

a is the MDG ($1 \leq a \leq 8$)

i is the indicator within MDG_a

n is the number of indicators

The raw score depends on the extent to which the MNC or NGO meets the indicator. For instance, if a company policy is required on child labour, the score is as follows:

100%	Formal, corporate policy
50%	No formal policy, but evidence of such activities
0%	No formal policy and no evidence of activities

The weight depends on the priority (high, medium, low) given to each indicator and to the number of indicators assigned to each MDG. The members of the Expert Panel were asked for input for the allocation of priorities as proposed by DSR. This input was considered elementary, since the priority implies a value judgment and should reflect the opinion of stakeholders. There is no difference between MNC priorities and NGO priorities. A high priority indicator receives 1.5 times the score of a medium indicator and a low priority indicator receives half of the score of a medium indicator.

Involvement in controversies leads to a negative score that is subtracted from the total score for the MDG.

Obviously, there is a discrepancy between the contributions of MNCs and NGOs to the MDGs, since the MDGs belong to the core business of NGOs, whereas for MNCs the links to the core business are limited (e.g. a pharmaceutical company has clear links to MDG 6 and 8 that refer to medicines, but the links to the other MDGs are less obvious). To make up for this discrepancy, the requirements to NGOs are stricter than those to MNCs: more emphasis is given to the quality of the programmes of NGOs.

2.1.4 The MDG Framework

The UN Task Forces often place similar indicators within more than one MDG. This leads to overlap. For example, gender equality may contribute to the achievement of most MDGs and a recommendation to empower women and girls can therefore be found in the majority of Task Force Reports. But, since the results need to distinguish between the MDGs, all contributions were allocated to only one MDG, which was considered to be the most appropriate. Indicators to assess the contribution of MNCs and NGOs to gender equality and

empowerment of women were assessed as part of MDG 3 (promote gender equality and empower women).

For a more coherent approach to the contributions, subgoals were used. For example, for MDG 1 (eradicate extreme poverty and hunger), the subgoals were defined as ‘Community development’, ‘Employment’ and ‘Fight malnutrition’. Once all potential contributions were named and grouped, they were elaborated into indicators (questions that lead to a score).

Indicators can be divided into three types:

P (policy): which indicates whether:

- The MNC addresses the issue in a (corporate) policy or the issue is a primary area of support (through Philanthropy, volunteer work, in-kind giving etc.).
- The NGO addresses the issue in its mission statement or policies.

M (management system): which indicates whether:

- The MNC has corporate or regional programmes to implement the issue.
- The NGO has programmes to implement the issue and at the same time the quality of the programmes is evaluated, i.e. the coherency, the coordination with other international, national or local initiatives, the duration (at least 3 - 5 years), the inclusion of local capacity building, the monitoring and evaluation (on a regular basis) and the results (disclosed).

K (key data or performance): which indicates whether:

- the MNC/NGO achieves results in addressing the issue.

The number of indicators varies per MDG. The tables below provide an overview of the indicators and priorities for each MDG. A distinction is made between Policy (P), Management systems (M), and Key data/performance (K).

MDG 1: Eradication of poverty and hunger

#	Indicator	MNC	NGO	Priority
<i>Subgoal 1: Stimulate community development</i>				
1	Local entrepreneurship	1 (P)	1 (M)	High
		1 (M)		High
2	Essential products and services	1 (K)	1 (K)	High
<i>Subgoal 2: Provide employment and living wages</i>				
3	Local recruitment	1 (P)	1 (M)	Low
4	Employability	1 (M)	1 (M)	High
			1 (K)	High
5	Living wages	1 (P)	1 (M)	Medium
		1 (K)		High
6	Right to organize	1 (P)	1 (M)	Medium
		1 (K)		High
7	Vulnerable groups	1 (K)	1 (M)	Medium
<i>Subgoal 3: Stimulate local agricultural production</i>				
8	Productivity	1 (K)	1 (M)	Low
<i>Subgoal 4: Fight malnutrition</i>				
9	Nutrition	1 (K)	1 (M)	Medium
<i>Controversies</i>				
–	Involvement in MDG-related controversies	1 (K)	1 (K)	High

MDG 2: Achieve universal primary education

#	Indicator	MNC	NGO	Priority
<i>Subgoal 1: Employment – child labour</i>				
1	Child labour	1 (P)	1 (P)	High
		1 (M)	1 (M)	High
2	Quality of initiatives	1 (M)	1 (M)	Medium
<i>Subgoal 2: Stimulating primary education</i>				
3	Policy	1 (P)	1 (P)	High
4	Enrolment rates	1 (K)	1 (M)	Medium
5	Retention rates	1 (K)	1 (M)	Medium
6	Quality of primary education	1 (K)	1 (M)	Medium
<i>Controversies</i>				
–	Involvement in MDG-related controversies	1 (K)	1 (K)	High

MDG 3: Promote gender equality and empower women

#	Indicator	MNC	NGO	Priority
<i>Subgoal 1: Tackle gender discrimination</i>				
1	Non-discrimination	1 (P)	1 (P)	High
		1 (M)	1 (M)	High
<i>Subgoal 2: Stimulating primary education</i>				
2	Empower women	1 (M)	1 (M)	High
		1 (K)	1 (K)	High
3	Secondary education	1 (K)	1 (M)	Low
<i>Controversies</i>				
–	Involvement in MDG-related controversies	1 (K)	1 (K)	High

MDG 4: Reduce child mortality

#	Indicator	MNC	NGO	Priority
<i>Subgoal 1: Strong health systems</i>				
1	Policy	1 (P)	1 (P)	High
2	Health systems	1 (M)	1 (M)	High
3	Support	1 (K)	1 (M)	Low
<i>Subgoal 2: Health education</i>				
4	Education	1 (K)	1 (M)	Medium
<i>Controversies</i>				
–	Involvement in MDG-related controversies	1 (K)	1 (K)	High

MDG 5: Improve maternal health

#	Indicator	MNC	NGO	Priority
<i>Subgoal 1: Strong health systems</i>				
1	Policy	1 (P)	1 (P)	High
2	Health systems	1 (M)	1 (M)	High
3	Support	1 (K)	1 (M)	Low
<i>Subgoal 2: Health education</i>				
4	Education	1 (K)	1 (M)	Medium
<i>Controversies</i>				
–	Involvement in MDG-related controversies	1 (K)	1 (K)	High

MDG 6: Combat HIV/AIDS, malaria and other diseases

#	Indicator	MNC	NGO	Priority
<i>Subgoal 1: Provide health education</i>				
1	Policy	1 (P)	1 (P)	High
2	Education	1 (K)	1 (M)	Medium
<i>Subgoal 2: Improve access to medicine</i>				
3	Policy	1 (P)	1 (P)	High
4	Availability	1 (K)	1 (M)	Medium
5	Affordability	1 (K)	1 (M)	Medium
<i>Controversies</i>				
–	Involvement in MDG-related controversies	1 (K)	1 (K)	High

MDG 7: Ensure environmental sustainability

#	Indicator	MNC	NGO	Priority
<i>Subgoal 1: Reduce environmental impact</i>				
1	Environmental impact	1 (P)	1 (P)	High
		1 (M)	1 (M)	High
2	Education	1 (K)	1 (M)	Medium
<i>Subgoal 2: Protect ecosystems and biodiversity</i>				
3	Biodiversity	1 (K)	1 (K)	Medium
4	Natural resources	1 (M)	1 (M)	High
<i>Subgoal 3: Improve living conditions</i>				
5	Household hygiene	1 (K)	1 (M)	Medium
6	Slums	1 (K)	1 (M)	Low
<i>Subgoal 4: Improve small-scale agricultural techniques and systems</i>				
<i>Controversies</i>				
–	Involvement in MDG-related controversies	1 (K)	1 (K)	High

MDG 8: Develop a global partnership for development

#	Indicator	MNC	NGO	Priority
<i>Subgoal 1: Contribute to the global partnership</i>				
1	Contribution	1 (P)	1 (P)	High
		1 (K)	1 (M)	High
		1 (K)	1 (K)	High
<i>Subgoal2: Create local capacity</i>				
2	Local capacity	1 (P)	1 (P)	High
		1 (K)	1 (M)	High
<i>Subgoal 3: Improve infrastructure</i>				
3	Regional infrastructure	1 (K)	1 (M)	Medium
<i>Subgoal 4: Make available science and new technologies</i>				
1	Academies and research	1 (K)	1 (M)	Medium
2	Higher education	1 (K)	1 (M)	Medium
<i>Controversies</i>				
–	Involvement in MDG-related controversies	1 (K)	1 (K)	High

2.2 Application of the MDG Framework

The test participants involved in the project were ABN AMRO Bank and Novib (Oxfam, The Netherlands). This section summarises the steps taken during the testing phase (MDG Scan) and describes:

- how the information has been collected and processed.
- the experiences and feedback of the test MNC and NGO.
- adjustments in the methodology during the testing phase.

2.2.1 *Collecting and processing information*

A starting point for filling in the MDG Scan, was to collect relevant information from the NGO and the MNC. The test candidates were requested to send relevant corporate information to DSR. In addition DSR screened the publicly available corporate sources of the NGO and MNC. Furthermore, other public sources were screened to find possibly relevant information on controversies. DSR used its proprietary search engine, WiseGuys, which web crawls 20 NGO websites on sustainability issues. In addition the Dutch media was screened (Financieele Dagblad, Volkskrant, NRC and Trouw).

The collected information was carefully analysed and a score was selected. Before the draft results were sent to the test candidates, a second analyst performed a check of the results. The preliminary results were discussed with the testing candidates. During the interviews the NGO and MNC commented on the draft results and provided additional information. The relevant information was incorporated into the model and final results were again discussed with the test candidates.

2.2.2 *Experiences of ABN AMRO during the testing phase*

During the first interview ABN AMRO responded that the indicators in the model made sense, that they understood the meaning of the indicators and were able to provide appropriate answers. Four particular issues were raised:

1. ABN AMRO noted that the interpretation of questions is not always clear. ABN AMRO would be inclined for example to also include indirect impact through its financing activities for a number of questions. However, the goal was to look specifically at policies and programs contributing directly to the MDGs. It would therefore add to the quality of the outcome if an objective and independent person/organisation checks if the collected or submitted information is really appropriate for an indicator.
2. In the MDG Framework many management system indicators for MNCs demand that at least 30% of the activities in developing countries address a specific issue. However, policy indicators are defined on holding/corporate level and performance data looks at local communities in which the company operates, without setting a minimum threshold for local activities. This could cause inconsistencies. A company could theoretically influence the results of the MDG Scan by establishing a 'best practice' office/country that is very pro-active towards local communities with respect to all MDGs. This would lead to a higher score on performance indicators and hence a higher score on the MDGs. The performance would however not be representative for the company, as the results are mainly based on the performance of one branch office.
3. ABN AMRO pointed out that the current MDG Scan is applicable to all industries. This is a good starting point but the impact of financial institutions is often indirect. A

sector specific model could incorporate the direct and indirect impact of financial institutions.

4. ABN AMRO concluded that the current MDG Scan mainly looks at intentions and not necessarily at results or how effective the initiatives are.

2.2.3 Experiences of Novib during the testing phase

Novib works with so-called Aims and Strategic Change Objectives (SCO's). All programmes and campaigns are linked back to these aims and SCO's. The MDG Framework for NGOs takes into account the quality of the programmes and not the scale of the programmes. Since the aims and SCOs of Novib are described in a very broad way, one could say that Novib is bound to have programmes addressing all indicators described in the methodology. However, it was agreed with Novib to focus on key areas of Novib and leave out indirect impact or side effects of projects. An example is programmes for the development of regional infrastructure, which is not a direct focus area of Novib. However, in case a new school is built which also requires a new road, Novib will build the road. As such this can be seen as an infrastructure project. However, building the road is initially not an explicit objective of the project, it only contributes to reaching the overall goal.

Due to the wealth and thoroughness of information available at Novib, analysing the data was complex and labour intensive. In addition, many programs relate to more than one indicator. It was difficult to therefore evaluate monitoring and evaluation systems, let alone the results from the programs.

2.2.4 Adjustments in the methodology

During the testing phase several ideas for adjustments and recommendations were generated. Some refer to textual adjustments to clarify the meaning or application of an indicator. In other cases this was related to the scope or answer categories of the indicators. These adjustments have been incorporated in the MDG Framework as published in this report.

The following illustrates such an adjustment: Sometimes NGOs organise global campaigns to draw attention to a specific issue (for example, fair trade). Although the original model looked at coherent programmes, no specific approach was developed for campaigns. Campaigns were considered to be coherent programs. In order to receive the highest score NGOs now need to fulfil four requirements:

- campaigns should last for at least one year.
- campaigns should be organized with other (international) partners.
- the NGO should explain the objectives of the campaign.
- the NGO should report how it is planning to achieve the objectives.

Additional suggestions for more fundamental changes were also made. These are discussed in Chapter 4.

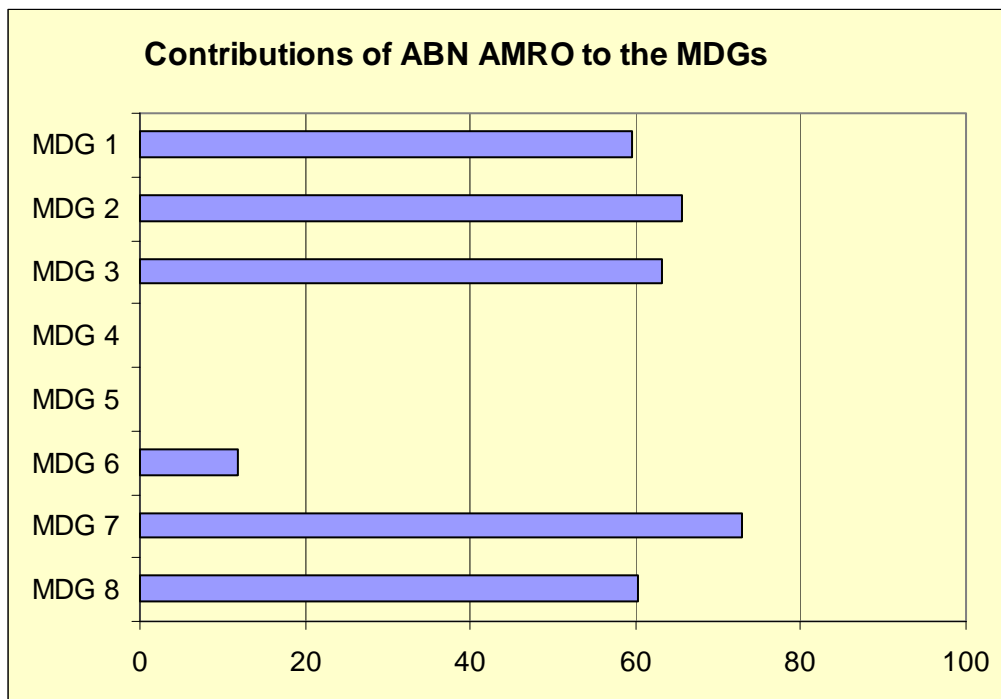
Chapter 3 Results of the MDG Scan

This chapter summarizes the results of the MDG Scan for the testing candidates.

3.1 Results for ABN AMRO Bank

The results of the MDG Scan for ABN AMRO are displayed in Figure 1 below. Of all the MDGs ABN AMRO achieves the highest score on MDG 7 (environmental sustainability). ABN AMRO also scores relatively high on MDG 1, 2, 3, and 8 (poverty and hunger, education, gender, global partnership). The results seem to reflect the efforts of ABN AMRO on the MDGs. The company states in its sustainability reports that its contributions to the MDGs ‘will be mainly in the area of poverty alleviation (microfinance), education (social and community investment), protecting the environment (building sustainable business processes and risk management framework) and developing and strengthening international trade and financial systems (emerging markets and risk advisory services)’. MDG 4 and 5 (child mortality and maternal health) are not focus points for ABN AMRO, and hence it does not score any points on these MDGs. Although MDG 3 and 6 (gender and HIV, AIDS and malaria) are also not focus points of ABN AMRO, the company does contribute to these MDGs.

Figure 1 Contributions of ABN AMRO to the MDGs



The final results were discussed with ABN AMRO. Mr Sandrijn Weites, Senior Vice President, Head Strategy & Sustainability Reporting of ABN AMRO gave the following comments:

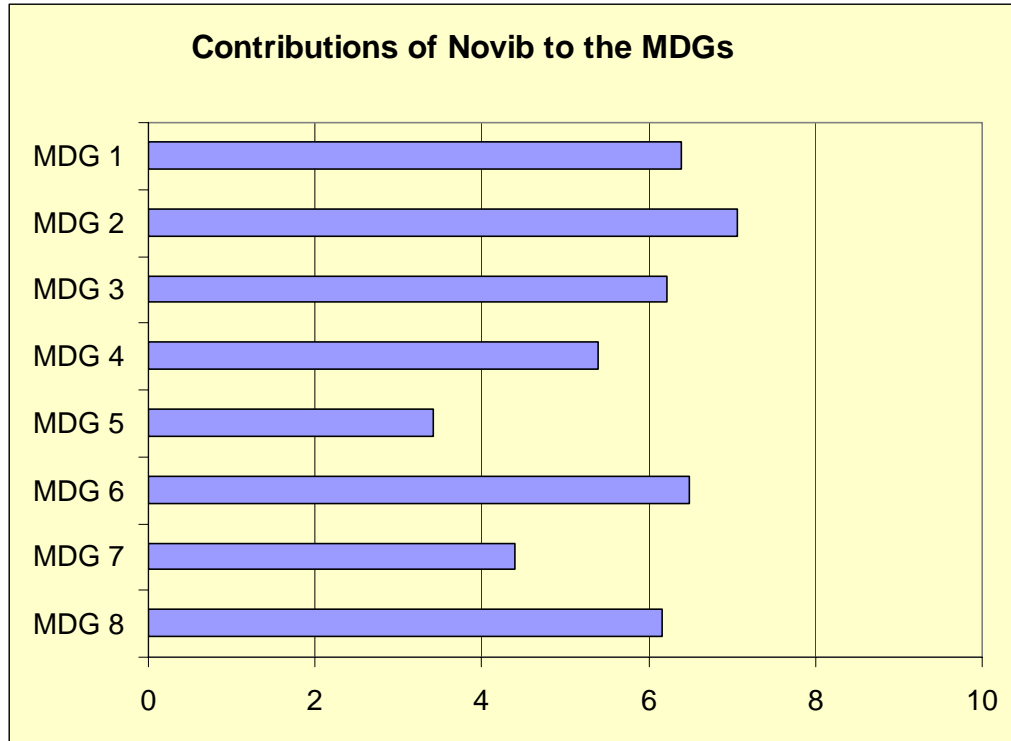
- The MDG Scan gives a clear and representative picture of ABN AMRO’s contributions to the MDGs. He however commented that ABN AMRO’s core activity is to indirectly stimulating sustainable development through its financing activities, for example by financing agricultural projects or health care through its loans to agricultural and health related companies. These contributions are not measured by the MDG Scan: see Chapter 4.

- The MDG Scan can be considered as a useful tool for companies. If a company scores relatively low on a specific MDG, then it can consult the model to see what alternative measures it can take to improve its performance. A company can also set performance targets (for example, a minimum score of 60% to MDG 5) to monitor its performance over time.
- An interpretation of the results is still difficult. For example, is a performance of 60% relatively good or bad? Comparison with other listed companies will improve the interpretation of these scores.

3.2 Results for Novib

The results of the MDG Scan for Novib are displayed in Figure 2 below. Because Novib has been tested on a different framework (see Chapter 2) the scales are different to those in Figure 1. It is crucial to note that because of different frameworks the results of Novib cannot be compared with those of ABN AMRO. It is interesting to see that the scope of Novib's activities include all the MDGs. The level of attention differs somewhat per MDG. The highest score is received for MDG 2 (education), followed closely by MDGs 6, 1, 3 and 8 (HIV, AIDS, malaria; poverty and hunger; gender equality; global partnership). The MDGs that receive relatively less attention are MDG 5 (maternal health) and MDG 7 (environmental sustainability). The reason why Novib scores lowest on maternal health is related to the fact that health in general is addressed by Novib and no specific reference is made to maternal health. It is not one of Novib's core focus areas. The lower score for the environmental issues seems to reflect the efforts of Novib to address social themes. Environmental issues are taken into account when they have an impact on social issues.

Figure 2 Contributions of Novib to the MDGs



The results were discussed with Novib. According to Mr. Frans de Laaf, responsible for Special Projects at Novib, there is a growing interest within the organisation in the results of the scan and the way Novib contributes and reports about the MDGs. According to Novib the

MDG Measurement Framework

results of the scan only partly reflect Novib's profile. Especially MDG 3 (gender equality) scores relatively low even though it is their key focus area.

Chapter 4 Conclusions and recommendations

4.1 Conclusions

This section describes the main conclusions of the project.

Measurable

In general one can conclude that the MDG Scan is capable of measuring the intentions of ABN AMRO and Novib to contribute to achieving the MDGs. Based on the feedback received from both ABN AMRO and Novib it should also be mentioned that ABN AMRO is more comfortable about the outcome of the test than Novib. Novib feels that the test only partly reflects Novib's profile on gender equality.

Comparable

During the project there were extensive discussions about comparability of the results at two levels:

1. Can the performance of an MNC and an NGO be compared?
2. Can the performance of MNCs that operate in different sectors be compared?

The answer to the first question is, no, since the MDGs belong to the core business of NGOs, whereas for MNCs the links to the core business are limited. It is therefore not the intention of the project or the MDG Scan to compare between MNCs and NGOs. The result is that two separate benchmarks have been developed, one for MNCs and one for NGOs. It should be avoided that the results of these two benchmarks are linked to each other.

As to the second question: the developed MDG Framework is generic. The need for a sector specific approach can be determined during the execution of the MDG Scan. A sector specific approach can also be achieved by:

- Determining the relevance of MDGs for a specific sector: In such a case the score of a company operating in a specific sector is measured only by evaluating the MDGs with high relevance. This way the contributions to separate MDGs remain comparable between sectors.
- Determining the relevance of indicators for a specific sector, that is setting sector specific weights: In such a case the score of a company operating in a specific sector is measured by using sector specific weights to the indicators. This way the contributions to the MDGs can only be compared within a certain sector.
- A third and very labour-intensive change would be to determine different indicators per sector. This requires developing as many MDG Frameworks as there are sectors and requires a close scrutiny of the rating methodology. It is therefore not recommended.

Benchmark

In the MDG Scan the contribution to the MDGs was assessed for one multinational company only. In order to truly create such a benchmark, the activities of the testing phase will have to be repeated for other MNCs as well.

Performance

The outcome of the MDG Scan shows that both ABN AMRO and Novib contribute positively to the MDGs. ABN AMRO has made a corporate policy choice about focus areas linked to the MDGs. The scoring therefore differs greatly per MDG. The focus areas of ABN AMRO are in the field of poverty and hunger, education, gender, environmental and global participation. Health care is not defined as a focus area. The company's scores on MDG 4,5

and 6 is therefore low. The scope of Novib is broader. The differences between MDGs are therefore less significant. The only MDG that is given relatively low focus is maternal health. See further Chapter 3 for detailed results.

4.2 Recommendations

The test phase and the discussions that took place with ABN AMRO and Novib have led to a number of observations. These observations have been translated into a number of recommendations.

Observation: Output

Due to the time that would be involved in gathering data, it is impossible to assess the actual output of contributions to the MDGs. Therefore the MDG Scan focuses mainly on the efforts made and the transparency of the organisations. The measuring of output is a hot issue for NGOs that are involved in developing countries. The requirements of government subsidizers of these NGOs focus more and more on output. NGOs are making a true effort to deliver this data. However, the comparability of the data depends on the definitions applied by the NGOs and the way the data is measured.

Even as it stands now, the MDG Scan sometimes already requires more output data (for example, the NGO monitors the percentage of women that is reached by their women empowerment programmes) than the NGO can supply. It therefore seems more important to investigate within the MDG Scan whether they disclose key data (and as such monitor and report on it) than to study the calculated ratios based on output data themselves.

Recommendation 1

Measuring of actual output would add to the quality of the MDG Scan. When more information about output becomes comparable, it should be considered for inclusion. For the time being, efforts within an MDG Scan should be directed towards measuring the transparency on output data (i.e. monitoring and reporting).

Observation: Indirect contributions

During the gathering of information, it became clear that a financial institution often contributes to the MDGs in an indirect way, i.e. by financing activities that contribute. The current MDG Scan does not provide a possibility to value indirect contributions. An example is ABN AMRO investing a substantial amount of money in companies that are involved in health care, infrastructure etc. The MDG Framework only looks at micro finance in this respect. On the other hand, the MDG Framework does take into account involvement in controversies including controversies related to financing activities. To only measure negative impact and not positive impact in any indirect involvement is not consistent.

Recommendation 2

Consider the possibility to incorporate indirect contributions in the MDG Scan, by including this in the answer categories or define a specific application for financial institutions.

Observation: Priority

One of the members of the expert panel, Mr Th. Dijkstra, ran a statistical test on the results of MDG Scan, to check the reliability of the priorities and weights applied. The outcome of his verification was that overall the scores could be reproduced, although some restrictions should be noted. First of all, such a test is usually done when the results of a number of candidates that can be compared, are available. This was obviously not the case, since the project

included one testing candidate for each type of organisation only. Furthermore, one of the candidates received no score at all for three MDGs and the range of scores in these MDGs could therefore not be calculated.

Recommendation 3

To improve the reliability, it is recommended to:

- Repeat the statistical tests when the results of a number of candidates are available.
- Consider to set minimum weights to indicators (the weight of an indicator can become very small based on the number of indicators per MDG and priorities given).

Observation: Objectivity

During the test phase it became clear that some indicators can be interpreted in different ways. To safeguard consistent and high quality scoring it is important that an independent and objective organisation analyses the information. Furthermore, when several persons analyse different organisations, a consistency check across all analysed organisations is needed. This prevents differences in interpretation and leads to a more reliable result.

Recommendation 4

Safeguard the consistency of the results of the MDG Scan by leaving the assessment of the contributions to independent and objective persons/organisations. Consider a consistency check.

Observation: Consistency

During the testing phase it became clear that all MDGs include an indicator on mission statement and/or policy. The only exception to this is an indicator on mission statement and/or policy on MDG 1 for the NGO framework. From a consistency point of view, one could consider to also add a policy question for MDG 1 for the NGO framework.

Recommendation 5

For consistency reasons add a policy questions to MDG 1.

Observation: Scope

For some indicators it is easy to score points irrespective of the scope of activities. An example is the indicator on biodiversity. The investigated indicator tested whether MNCs or NGOs support local environmental NGOs, irrespective of the money involved and/or the number of NGOs supported. In such cases, the MNCs or NGOs could easily score points if it supports one NGO with a small amount of money.

Recommendation 6

Consider the relevance of a minimum threshold for management systems and performance data indicators.

Observation: Impact

One could say that the impact of programmes differs per country. In crises areas (after war, diseases etc.) distress is much higher and it is much more difficult to achieve sustainable development than in other areas. However, the potential impact of measures could contribute greatly to the MDGs in such areas as well.

Recommendation 7

Consider the areas/countries in which NGOs and MNCs operate.

Sources

1. Millennium Project (www.unmillenniumproject.org).
2. *Investing in Development – A Practical Plan to Achieve the Millennium Development Goals*, UN Millennium Project.
3. *Indicators for Monitoring the Millennium Development Goals: Definition, Rationale, Concepts and Sources*, UN Development Group.
4. Millennium Development Goals (www.developmentgoals.org).
5. World Business Council for Sustainable Development (www.wbcsd.org).
6. *Communicating Business Contributions to the Millennium Development Goals*, Global Reporting Initiative.
7. *Business & Economic Development Sector Reports*, AccountAbility, BSR, Brody Weiser Burns.
8. *A Better World for All – Progress towards the international development goals*, IMF, OECD, UN, World Bank Group.
9. *Business Commitment to the Millennium Goals*, Instituto Ethos
10. *Doing Business with Business – Development NGOs interacting with the corporate sector*, Radboud Universiteit Nijmegen
11. *Halving hunger: it can be done*, Task Force on Hunger.
12. *Business and the Millennium Development Goals – A framework for action*, UNDP, IBLF

Annex 1: Project participants

Expert Panel

An Expert Panel was consulted on multiple occasions during the development of the MDG Framework. Valuable feedback was provided and integrated in this project. All panel members participated on personal title. The full responsibility for the project is with DSR and NCDO.

Participants of the Expert Panel were:

- **Ms Gemma Crijns:** Four years Managing Director EIBE/Institute for Business Ethics/Nyenrode Business University. Previously 17 years various work experience at Amnesty International.
- **Ms Anneke Slob:** Coordinator Evaluation and Monitoring ECORYS-NEI, Rotterdam. Previously eight years of experience as Inspector at the Inspection Development and Policy Evaluation for the Ministry of External Affairs, The Netherlands.
- **Mr Allert van der Ham:** Director Programmes and Projects at Hivos. Previously Manager South and Central Asia/Middle East at Novib and Advisory/Teamleader for a development project aimed at improving crop, process and marketing of organic and fair trade coffee in Indonesia.
- **Mr Casper van Zijl:** Head Sustainability at Ahold. Previously worked for six years at the United Nations and more than two years at different NGO's.
- **Ms Teresa Fogelberg:** Associate Director Global Reporting Initiative.
- **Mr Theo Dijkstra:** Associate professor of Mathematical Finance at the Faculty of Economics, University of Groningen and Head of Financial Consultancy at SNS Asset Management.

MDG Scan

During the test phase the MDG Framework was tested on one MNC and one NGO. The participants of the MDG Scan were:

- ABN AMRO:
 - Mr Sandrijn Weites: Senior Vice President, Head Strategy & Sustainability Reporting,
 - Mr Khalid Sheikh, Senior Vice President, Emerging Markets Analysis & Multilateral Organisations,
- Novib:
 - Mr Frans de Laaf, Special Projects
 - Mr Ted van Hees, Project Manager Millennium Development Goals Campaign
 - Mr Ronald Messelink, Head of Quality and Control and Controller
 - Ms Coryse Barendregt, Senior Advisor Quality and Control

DSR

The project has been executed by DSR. The members of the project team were:

- Mr Marcel Jeucken PhD: Director
- Ms Rosl Veltmeijer: Head of Research
- Ms Christa Florschutz: Senior Sustainability Analyst
- Ms Esther de Vet: Sustainability Analyst

Annex 2: Example of indicators in the MDG Framework, including weights

MDG 1: Eradication of poverty and hunger

Sub-goal 1: Stimulate community development

By stimulating community development, MNCs and NGDOs can stimulate local economic growth and thereby help reduce poverty and hunger. The most obvious contribution of MNCs is in line with the core activities, i.e. the choice to source locally and to provide access to its products. Community development by NGDOs, in order to reduce poverty and hunger, may be considered a core activity in itself.

Indicator	MNC / NGDO	P/M/K	Description	Sub-indicators	Weight	Distribution	
Local entrepreneurship	MNC		The company builds business linkages with local small, medium and micro-enterprises in the communities that host it (I.e. sources products and services locally instead of importing them from the home country)				
		P	The company has a policy to source products and services in the country / community in which it operates	0.11	100%	Formal, corporate policy	
					50%	No formal policy, but evidence of such activities	
					0%	No formal policy and no evidence of such activities	
	M	Programs for the development of local entrepreneurship, like providing micro credits or essential means of production	0.11	100%	Corporate programs		
	50%			Regional programs, covering > 30 % of activities in developing countries			
	0%			No regional programs or programs covering < 30% of activities in developing countries			
	NGDO		The NGDO stimulates, through programs, the development of small, medium and micro-enterprises in the countries in which it operates				

MDG Measurement Framework

		M	The NGDO has coherent programs for the development of small, medium and micro-enterprises that are developed in coordination with other international, national or local initiatives, that last for at least 3-5 years, that are monitored and evaluated on a regular basis and the results of which are disclosed in the NGOs public reporting.	0.14	100%	Programs live up to all five conditions	
					70%	Programs live up to three or four conditions	
					40%	Programs live up to one or two conditions	
					0%	No programs or programs don't live up to any of the conditions	
Essential products and services	MNC		The company takes measures to provide access to essential products and services at an affordable price				
		K		The company provides local access to essential products and services through differential pricing, development of products for developing countries, supporting the transfer of technologies, training and information sharing programs, donating goods and (volunteer)services.	0.11	100%	Three or more of measures mentioned to improve local access are taken
						70%	Two of the measures mentioned
						40%	One of the measures mentioned
	0%					No evidence of such measures	
	NGDO		The NGDO provides, through programs, access to essential products and services at an affordable price				
		M		The NGDO has coherent programs for the provision of essential products and services at an affordable price, that are developed in coordination with other international, national or local initiatives, that last for at least 3-5 years, that are monitored and evaluated on a regular basis and the results of which are disclosed in the NGOs public reporting.	0.14	100%	Programs live up to all five conditions
						70%	Programs live up to three or four conditions
40%						Programs live up to one or two conditions	
0%	No programs or programs don't live up to any of the conditions						

Annex 3: About NCDO

The Dutch National Committee for International Cooperation and Sustainable Development's (NCDO) core goal is to strengthen and highlight public support for international cooperation and sustainable development and achievement of the Millennium Development Goals.

The NCDO is working to increase public support for international cooperation and sustainable development from its own recognisable profile. The NCDO involves many organisations and individuals in policy (areas) and the implementation thereof. The NCDO does not receive any financial grass-root support for its activities. The organisation does not mobilise funds through membership contributions or donations. The NCDO also collaborates with organisations in the Netherlands and Europe that contribute to public support-enhancing activities.

The NCDO's task is to involve the public in the general debate as much as possible in order to increase public support. To this end, the organisation operates in five capacities, focusing its policy on the bringing together, strengthening and rendering visible of social initiatives. Where necessary, it launches its own initiatives to draw attention to these problems.

The Business in Development programme aims to engage Dutch companies and its employees in market-oriented approaches to poverty reduction. This programme stimulates cooperation between companies in the Netherlands and developing countries.



www.ncdo.nl / www.businessindevelopment.nl

Annex 4: About Dutch Sustainability Research (DSR)

Dutch Sustainability Research is an independent research company in the Netherlands providing reliable and standardized information on the sustainability of companies to primarily institutional investors. DSR is a joint initiative of MeesPierson (Fortis Group), pension fund PGGM and Triodos Bank. DSR collects information on the sustainability of Benelux companies within the international network of Sustainable Investment Research International (SiRi) Company. DSR is an important shareholder and co-initiator of SiRi Company. DSR is also a key partner within the SiRi Company Network for methodology and product development.

SiRi Company is the world's largest independent provider of SRI research and consulting services for institutional investors and financial professionals. The key strength of the independent research and consulting philosophy of SiRi Company is the recognition that, while global investing requires global research, company analysis must take account of local circumstances and cultural differences. SiRi Company Network Partners provide direct SRI research on corporations based in their own home markets, but with consistent content, in a standardized format, and with harmonized quality standards set by SiRi Company. This gives clients the benefits of global coverage based on local knowledge. SiRi Company provides detailed profiles and ratings on the largest global companies. SiRi Company clients include some of the largest asset managers, insurance companies, pension funds, banks, and social investment institutions in the world.

The core products of DSR build on a digital database, SiRi Pro. This innovative web-based rating tool can be fully customized to client needs and builds upon detailed SiRi Company profiles containing over 25 pages of high quality analysis. The rating tool enables clients to simply and quickly integrate their unique sustainability vision and sustainability investment policy into company assessments or use standard SiRi Company criteria. Clients can use the tool for benchmarking and individual company assessments, including best-in-class analysis and exclusionary screening. Based on the experiences gained in product and methodology development for clients and SiRi Company, DSR is actively approached by organizations outside the investment community for sustainability research projects, such as NGOs companies, governments, and academia.

Dutch Sustainability Research



Annex 5: About Novib

An honest income; enough food; clean drinking water; a proper education; safety and freedom of speech: millions of people around the world are still not receiving what they are entitled to.

People are fighting for these rights in many countries throughout the world. Novib (www.novib.nl) joins them in this fight by supporting local development projects, by influencing the policy of national and international governments and organisations, including the private sector, and by campaigning in the Netherlands.

This approach enables people in developing countries to stand on their own two feet and is aimed at achieving a sustainable result. Future generations will also benefit from the progress made.

Novib works together closely with the eleven sister organisations of Oxfam International and with more than 3,000 local organisations. Together they form a worldwide movement of people with a single, communal goal: a just world, which is free of poverty for everyone. The more people are involved, the stronger we stand.



Annex 6: About ABN AMRO

ABN AMRO (www.abnamro.com) is a prominent international bank with origins going back to 1824. It is the 11th biggest bank in Europe and 20th in the world (ranked by tier 1 capital) and has over 3,000 branches in almost 60 countries and territories, a staff of about 98,000 full-time equivalents worldwide and total assets of EUR 855.7 billion as of 30 June 2005.

Its business strategy is built on five elements:

1. Creating value for its clients by offering high-quality financial solutions which best meet their current needs and long-term goals;
2. Focusing on:
 - Consumer and commercial clients in its home markets of the Netherlands, the US Midwest, Brazil and in selected growth markets around the world;
 - Selected wholesale clients with an emphasis on Europe, and financial institutions;
 - Private clients;
3. Leveraging its advantages in products and people to benefit all its clients;
4. Sharing expertise and operational excellence across the Group;
5. Creating 'fuel for growth' by allocating capital and talent according to the principles of Managing for Value, its value-based management model.

ABN AMRO aims for sustainable growth to benefit all its stakeholders: its clients, its shareholders, its employees, and society at large. In pursuing this goal ABN AMRO is guided by its Corporate Values and Business Principles.

This strategy is implemented through a number of (Strategic) Business Units ((S)BUs). Each of these units is responsible for managing a distinct client segment or product segment, while also sharing expertise and operational excellence across the Group, seeking opportunities for standardisation, and exploiting new market solutions to provide clients with even better products and services. Wholesale Clients provides integrated corporate and investment banking services to corporate, institutional and public sector clients worldwide. Consumer & Commercial Clients focuses on retail and SME clients in three home markets – the Netherlands, the US Midwest and Brazil and in a number of selected growth markets. Private Clients & Asset Management provides private banking services to wealthy clients and investment products to financial intermediaries and institutional clients. Transaction Banking is its product organisation covering all payments and trade in the bank for its retail, private client, commercial and wholesale markets.



Measuring the contribution of civil society and the private sector to achieving the Millennium Development Goals

COMMISSIONED BY THE BUSINESS IN DEVELOPMENT PROGRAMME OF NCDO



National Committee
for International Cooperation
and Sustainable Development of the Netherlands

www.ncdo.nl

CONTACT NCDO

Thierry Sanders,
programme coordinator
Business in Development

Kim van Baaren,
project officer
Business in Development

www.businessindevelopment.nl

Download this report from www.businessindevelopment.nl

november 2005

