# Unlocking the Opportunities for Business to Promote Just, Peaceful, and Inclusive Societies

A summary of expert perspectives from the 2019 Anglo American–GlobeScan SDG Leadership Forum on Goal 16: Peace, Justice and Strong Institutions

September 2019



Sustainable
Development Goals
Leadership Series

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

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# Unlocking the Opportunities for Business to Promote Just, Peaceful, and Inclusive Societies

**82** attendees

from **18** countries

**3** hours of online, text discussion

**540** comments, ideas, and examples

## What we set out to do

On 26th June 2019, a diverse range of stakeholders from civil society, government, multilateral organisations, and the private sector joined hosts GlobeScan and Anglo American for the Sustainable Development Goal (SDG) Leadership Forum for Goal 16: Peace, Justice and Strong Institutions. The Forum was a global, online, text-based discussion with participants from 18 countries. Over the course of two sessions, held at different points during the day, guest contributors from 16 organisations were invited to help seed the discussion and share their expertise on the topic.

Together, we explored the potential for business and other societal actors to make SDG 16 a priority and collaborate for positive impact around transparency, institutional capacity building, effective policy support, and inclusive institutions. This report summarises what we heard across the discussions and identifies key challenges and priorities for action. The report also shares results from several polls that participants were asked to answer during the Forum.

A full list of the participating guest contributors is provided in the Appendix of this report.

A list of examples and resources relevant to SDG 16, as provided by Forum participants, can also be found in Appendix.

The SDG Leadership Series is a set of seventeen online discussions, hosted by GlobeScan and our partners, that bring together the world's leading thinkers to share and develop strategies for making progress on the Global Goals.

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# Introduction from GlobeScan

At GlobeScan, we believe stronger leadership is needed to inspire and catalyse collective action to address each one of the 17 Global Sustainable Development Goals (SDGs). Our SDG Leadership Series is a set of online discussions that connects some of the world's leading and influential thinkers together.

We are delighted to have co-hosted this SDG Leadership Forum with Anglo American on Goal 16: Peace, Justice and Strong Institutions. Sustainable Development Goal 16 (SDG 16) aims to promote peaceful and inclusive societies, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels. These are all pillars of well-functioning societies where every individual, organisation, and institution can thrive.

Our aim for this forum was to bring together a wide range of stakeholders to discuss transparency, anti-corruption, institutional capacity building, and effective policy support, and to explore the potential for business and other societal actors to make SDG 16 a priority and collaborate for positive impact.

From our discussion, it is clear that SDG 16 offers an opportunity to ensure institutional accountability, a fundamental piece of a well-functioning society. A country with strong transparent and accountable institutions allows all stakeholders to benefit from access to stable justice systems and enhanced societal trust. It also enables business to leverage secure supply chains, reliable infrastructure, and inclusive cultures. Moreover, SDG 16 is an enabler to progress on all other Sustainable Development Goals.

Concerted efforts, multi-stakeholder dialogues, and collective action are necessary for change, and our forums provide a space for stakeholders to learn, inspire fresh thinking, and share best practice examples to turn ideas into action. Through listening to and engaging with each other, progress can be made to bring us one step closer to a 2030 where we can all thrive in peaceful and just societies.

**Chris Coulter**
CEO, GlobeScan

GLOBESCAN

# Introduction from Anglo American

You only have to read some of the quotes from the participants in this exercise to recognise that SDG 16 is central to operating sustainable business in emerging economies. This is particularly true for mining. which is dependent on an agreed sense of fair dealing—a three-way process in which governments give licences to companies who make their due payments back to government, and also create benefits for society in an open, accountable, and positive way. It is this three-way consultative principle that underpins the Extractive Industries Transparency Initiative of, which Anglo American is an active supporter.

Importantly, the contribution from companies goes beyond just the immediate economics. As a responsible corporate citizen, we are expected to ensure the system around us works properly. Being legally compliant with our contract or mineral resource regulation is not, of itself, enough if the wider development objectives of our activities are not being met. This is why it is important for us to take part in the debate about impact against external indicators such as the UN Sustainable Development Goals. The idea is that we get early feedback from stakeholders on where the areas of greatest challenge are, and how we can most usefully join forces. This can be stretching, but in a good way. Hopefully, it gives us direction and a mandate. It is certainly better than just putting out a corporate sustainability report and inviting others to approve.

The governance issues that congregate under SDG 16 can be particularly difficult, and companies sometimes prefer to steer away from them in favour of more practical deliverables. Administrative and policy capacity building, for example, is not a subject on which companies can claim expertise. But we need to work out how we can help in this area, if communities around mines are to become more self-reliant both during and after the mining takes place. As many of the expert commentators have said, this is an opportunity to be embraced, not a risk to be mitigated.

**Richard Morgan**
Head of Government Relations
Anglo American

# Executive Summary

Sustainable Development Goal 16 (SDG 16) aims to promote peaceful and inclusive societies, provide access to justice for all, and build effective, accountable. and inclusive institutions at all levels. As it strives toward these aims, SDG 16 is the **foundation for progress on all sixteen of the other Global Goals**, which rely on effective institutions and stable societies.

**The rule of law, strong institutions, and peaceful societies are critical for a well-functioning business environment.** There are abundant and serious risks to businesses and societies that do not act to promote SDG 16, from economic instability, to weak judicial systems and regulatory uncertainty, violence, and human rights abuses. Despite these risks, participants in our discussion see this Goal as **a great opportunity for business to foster more stable environments that enable stronger economic growth, translating into reliable infrastructure, higher quality talent pools, and more secure supply chains, while contributing to societal wellbeing.** During our discussion, this positive opportunity was felt to far outweigh the risks.

Our discussion among expert stakeholders from across the world identified numerous ways in which businesses can help to make progress on this SDG and move from a position of compliance to one of more active leadership:

- **Internally embedding transparency and inclusivity into business operations and culture.** Transparency is fundamental to accountable governance, public access to information, and the fight against corruption. The expectations of business to be transparent include both external disclosure and internal business culture. Open information is not considered to be enough to be truly transparent—a company must ensure this information is accessible to the right stakeholders and translated into something meaningful through effective communications. Another internal action that businesses can take is to lead by example through fostering inclusive institutions. Participants see a role for companies not only to promote internal diversity policies, but also to drive wider cultural change.

- **Scaling up impact through industry-wide collaboration and engaging suppliers.** Businesses are encouraged to scale up their contribution by acting collectively, alongside industry peers and companies from other sectors to amplify impact and add credibility to their actions. There is also significant potential for business to cascade good practices down into their supply chains, both through mandatory minimum requirements and through less-formal learning and sharing.

- **Collaborating with governments to build institutional capacity.** Looking beyond business at other crucial actors, participants in the discussion feel there is a role for business to support governments in building capacity. There is a spectrum of approaches that companies can take here, starting with complying with their regulatory obligations through to identifying common goals, building capacity sharing opportunities and creating two-way learning relationships.

- **Empowering a strong civil society for more inclusive policymaking.** It is crucial for private-public collaboration to be transparent and to include civil society. Businesses can ensure more credible and effective policy advocacy if they engage and collaborate proactively with civil society. Ensuring a strong civil society voice is seen as crucial to building and maintaining functioning societies as well as a more inclusive policy process.

In moving from compliance toward proactive and vocal support of SDG 16, trust is a key enabler. Without this trust, businesses will struggle to find the credibility they need to contribute and collaborate effectively. Business can build trust by being transparent, open and honest, by holding themselves accountable, and through actively engaging with diverse stakeholders. As well as a requirement, trust is an outcome—progress on the areas highlighted will help to strengthen trust in business, in a global landscape where trust levels are often critically low.

# The Role of Business in SDG 16

## 1. Peace, justice, and strong institutions as a foundation for the Global Goals

### KEY TAKEAWAY

SDG 16 provides the foundation for progress on all other Goals, with stable and peaceful societies critical for a well-functioning business environment.

While governments should play a primary role in advancing countries toward peaceful, fair, and institutionally strong societies, our participants agreed that businesses and other societal actors can also be important contributors to this Goal.

> " *As the discussion has shown, it's quite clear that the SDG 16 ambition on governance is too important to leave to governments alone.*
>
> **– Phil Mason,** Formerly DFID

The discussion started by reflecting on how businesses depend on reliable rule of law and stable societies to exist and grow. Stakeholders emphasised that stable and peaceful societies are critical for a well-functioning business environment. While the end goal of businesses contributing to SDG 16 should be greater social wellbeing for the country, participants saw this as a great opportunity for business too.

> " *Private sector actors play a strong role in the implementation of SDG 16. This SDG is an entry point in the 2030 agenda, as you cannot have prosperity in a society where peace and institutions do not work in a balanced way.*
>
> **– Luciana Trindade de Aguiar,** United Nations Development Programme, Brazil

Moreover, stakeholders stressed that building peaceful societies is imperative to enable the wider SDG agenda. SDG 16 is described as cross-cutting and a foundation for progress on all other Goals. Peace is seen as both an enabler for and a result of sustainable development.

> " *According to estimations by the World Bank and the United Nations, by 2030 over half of the world's poor will be living in countries affected by high levels of violence; it is therefore imperative to focus on building peaceful societies in order to create an enabling environment for the wider SDG agenda and for future business. SDG 16 as a cross-cutting goal, in which peace is both a foundation through which to achieve sustainable development and also an overarching outcome of the successful achievement of the other SDGs.*
>
> **– Trine Pertou Mach,** International Alert

> " *The SDGs acknowledge the important role that businesses have to play in achieving the goals by 2030, and SDG 16 provides a great opportunity for businesses to show precisely how, by acting collectively, they can go beyond mere compliance and make a positive contribution to strengthening the rule of law on which they depend.*
>
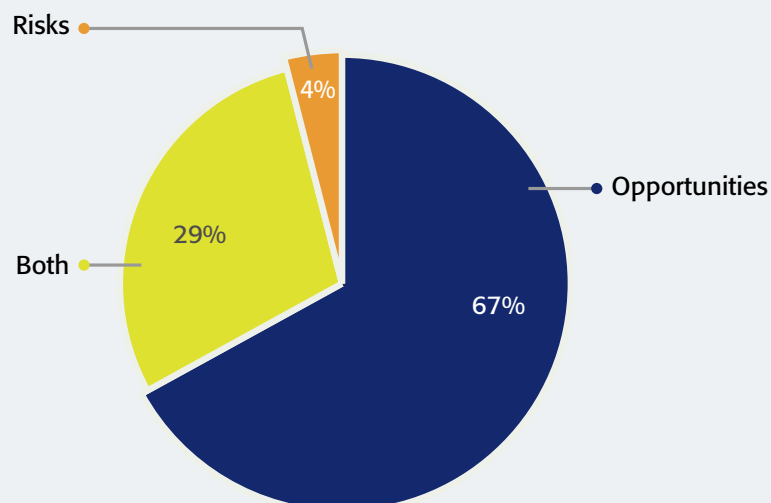> **– Murray Hunt,** Bingham Centre for the Rule of Law

## 2 . Risks and opportunities for business involvement

### KEY TAKEAWAY

Participants considered SDG 16 as a great opportunity for business to both support long-term growth and contribute to societal wellbeing.

Participants were very positive about businesses contributing to SDG 16. Responses to a polling question asked during the Forum showed that a large majority of participants believed SDG 16 is an opportunity for business, and almost nobody saw it as solely a risk area.

**Do the areas covered by SDG 16, Peace, Justice and Strong Institutions, present more of a risk or an opportunity for business? (*n*=49)**



Risks — 4%
Both — 29%
Opportunities — 67%

## RISKS

Countries with weak institutions and judicial systems can be characterised by a myriad of issues such as **instability, public discontent, poverty, displacement, corruption and uncompetitive practices, uncertain and non-transparent government regulation, as well as forced labour and human rights issues in the supply chain.**

These wide-ranging issues and the instability they cause are highly likely to **hinder investment and long-term growth in the market.**

For the market as a whole, corruption causes market inefficiencies as transaction costs become uncertain, making it uncompetitive.

Specific negative outcomes for individual companies include broken trust, consumer discontent, legal uncertainty, and financial instability.

## OPPORTUNITIES

As businesses work collaboratively with civil society and government on transparency and accountability, they can foster a more **stable environment** that enables stronger **economic growth**. In time, this translates into diverse benefits from more **reliable infrastructure** to a **higher-quality talent pool** and a **secure supply chain**. These are enablers for what participants believe is the most important opportunity: **business growth and sustainable commercial success.**

Furthermore, there is potential for companies to share methods and best practices **to raise the bar on compliance and integrity across sectors in the economy**, creating a multiplier effect.

Participants also highlight that a peaceful and stable context contributes to **healthy, safe, and engaged employees**. Advocating for SDG 16 can also help businesses and brands in matching and **aligning with consumer values**, by leading the way on issues that are of crucial importance to people in countries around the world.

> *One of the key opportunities for businesses in prioritising this SDG is that it will perpetuate growth. As businesses work with civil society and government on greater transparency and accountability, it fosters greater stability, which in turn contributes to creating an environment that is more conducive to economic growth, which can be realised in more pragmatic terms as more jobs, better delivery of services, etc. It becomes an upward cycle, if the commitment to this SDG is internalised and reflected in the business model as a new way of working.*
>
> **– Dhulce-Janice McGuire,** USAID Southern Africa

" *While some businesses may thrive in situations of conflict and chaos, most will find operating in a peaceful context defined by strong governance more conducive to their bottom line and to long-term investments in their business; to the health and safety of their employees; to the stability of their supply chains; to the infrastructure they depend on; and to their attractiveness to investors among other things.*

**– Alec Crawford,** International Institute for Sustainable Development (IISD)

" *Over the past 60 years, GDP growth has been three times higher in highly peaceful countries than in countries with low levels of peace, so the peacefulness of a country can act as a good predictor of a country's future macroeconomic environment. This helps set the business case for proactive investments in SDG 16.*
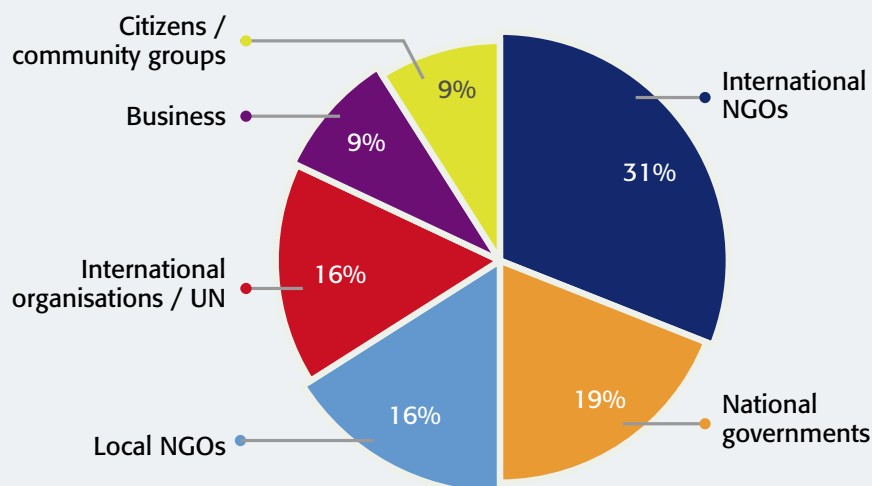
**– Michelle Breslauer,** UN Global Compact

" *Businesses have to realise that this is not only an ethical problem, it is a problem that affects profits and the sustainability of business. Today the short-term gain generated by corruption may be lost in the medium or long term due to increased criminal prosecution and social rejection caused by corruption. The private sector must be the example, not just the actor that follow the legal rules. They can be one step in front in countries with a weak rule of law.*

**– Alberto Precht Rorris,** Chile Transparente

Despite participants seeing a powerful opportunity in businesses contributing to SDG 16, they also believed the private sector has not stepped up yet. According to the results of another of our poll questions, international NGOs were believed to have been leading in accelerating progress toward the Goal, followed by national governments.

**Which of the following actors has played the most influential role in accelerating progress toward SDG 16 to date? (*n*=33)**



Citizens / community groups — 9%
Business — 9%
International organisations / UN — 16%
Local NGOs — 16%
International NGOs — 31%
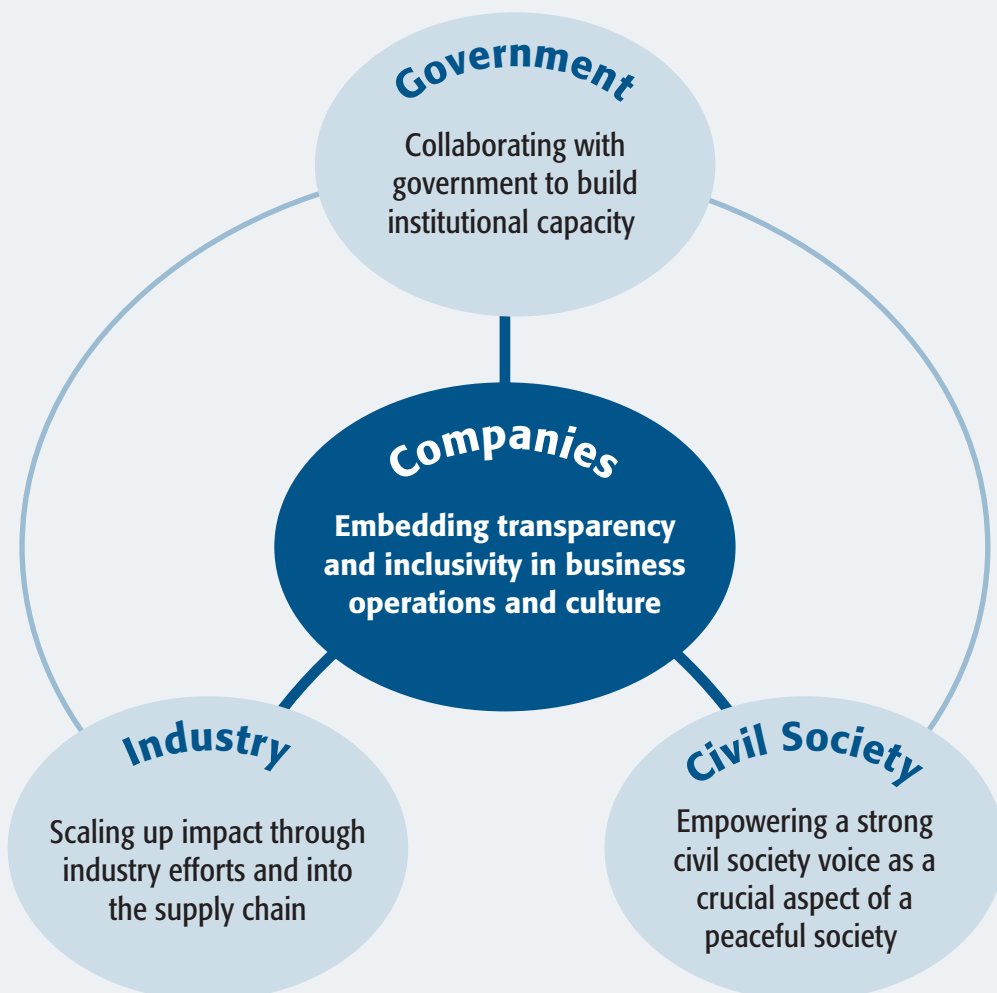National governments — 19%

# How Business Can Help Catalyse Progress toward SDG 16

The discussion showed that there are many actions business can take within their own organisations to accelerate progress toward SDG 16. In addition, there is also strong potential beyond this for businesses to become catalysers of a larger impact. More systemic change is possible through collaborating with the wider industry, government, and civil society.

*Figure 1:*

Business activities and collaborations catalysing multi-stakeholder action



**Government**
Collaborating with government to build institutional capacity

**Companies**
Embedding transparency and inclusivity in business operations and culture

**Industry**
Scaling up impact through industry efforts and into the supply chain

**Civil Society**
Empowering a strong civil society voice as a crucial aspect of a peaceful society

## 1. Embedding transparency and inclusivity in business operations and culture

Transparency and diversity are fundamental to address key dimensions of SDG 16, such as accountable governance, anti-corruption, public access to information, respect for the rule of law, and inclusive decision making. Businesses can become role models in these dimensions by implementing internal control systems, increasing disclosure efforts, and promoting internal diversity policies.

### Transparency—Internal and External

## KEY TAKEAWAY

Transparency is not only about external disclosure and reporting, but relies on strong governance and needs to be embedded into internal business culture, values, and processes.

Stakeholders encouraged each other to think about what transparency means and how it can translate into the possible. They agreed that so far, transparency has been understood as making data more open and complying with reporting and disclosure regulation, with the assumption that desired outcomes would come naturally from that. However, they stated that this approach is not enough, and that transparency needs to be ingrained in business culture to make a real impact in the world.

> " *Transparency and open data are still languishing in a reporting and compliance mind-set. It's all about fulfilling obligations to release information. We have to get it truly ingrained into the real-world to the ways that citizens live and companies do business.*
>
> **– Phil Mason,** Formerly DFID

Participants recommended a variety of actions as best practice to embed transparency in businesses and organisations and drive progress on SDG 16. These actions can be categorised as internal and external practices.

## Strong Internal Governance

Stakeholders suggested a diversity of internal policies and emphasised the importance of transparency initiatives at all levels of an organisation to truly embed it in the culture. Some examples provided include:

- Codes of conduct and ethics, which are recommended as a starting point (the existence of these alone is not enough). Participants emphasised that codes of conduct need to be enforced and involve mechanisms for prevention and detection of breaches. It was also recommended that the codes be regularly reviewed and updated.

- Whistle-blower protection policies and internal reporting systems to protect those speaking out against infraction and non-compliance. It is important to make these mechanisms accessible in order to encourage a speak-up culture.

- Zero tolerance policies on corruption and bribery among staff at all levels.

- Internal control systems and audits to evaluate and ensure processes are transparent.

> *Thinking specifically about anti-corruption, strong transparency often starts with engagement at all levels of an organisation. My experience is that the vast majority of people in business want to do the right thing and want to work for businesses that reflect their personal values, but they sometimes need to realise that is what the business actually wants from them and that if they report something, it will be dealt with.*
>
> **–Harriet Territt,** Jones Day

## Transparent External Communications

Stakeholders also suggested several policies around disclosure and reporting for companies to improve transparency in their communications. Some examples provided include:

1. Show commitment publicly through a stated policy on corporate transparency that:

   - Is approved at the most senior level of the business enterprise;

   - Is informed by relevant internal and/or external expertise;

   - Stipulates the enterprise's expectations of personnel, business partners, and other parties directly linked to its operations, products, or services;

   - Is publicly available and communicated internally and externally to all personnel, business partners, and other relevant parties;

   - Is reflected in operational policies and procedures necessary to embed it throughout the organisation.

2. Public disclosure and improved reporting mechanisms, including on:

   - Beneficial owners/share register;
   - Transactions with government.

3. Release information on time to the right stakeholders. Business can add value to civil society and government initiatives and studies by disclosing data and other information when needed. This is a great way to build stakeholder engagement at the same time.

4. Disclosing challenges as well as successes, being open about difficulties, and the actions needed to address these.

Participants emphasised that, although the practices above are positive and impactful, for transparency to be truly embedded in the operations and strategy of the company, they need to be backed up by less-tangible dimensions, such as the company's leadership "tone," culture, and values.

## Inclusive Institutions

## KEY TAKEAWAY

Businesses can contribute to fostering inclusive institutions by leading by example. As well as promoting internal diversity policies, participants saw a role for companies in driving fundamental cultural change through providing access to quality education and skills development.

An important pillar of SDG 16 is representative politics and inclusive decision making. Businesses can contribute to making progress toward this by promoting inclusivity in their own organisations, leading by example themselves, and driving cultural change. While acknowledging this is not an easy task, participants encouraged businesses to ensure values, strategies, operations, and relationships across their own operations and their value chains promote diversity and inclusion.

Developing a company's own set of diversity goals and targets is seen as a starting point, which can move on to evaluation and disclosure. This is a great way to build and communicate the organisation's commitment internally and externally.

> *The promotion of diversity is two-fold: (1) paradigm change, linked to how people see the roles and space for other people, and (2) more policy and technical issues. Without driving fundamental change in perspectives and paradigms, the policy issues may do little to create institutional cultures and policies that promote diversity. You need fundamental commitment to diversity, driven from the top and not rely on policies.*
>
> **– Msingathi Sipuka,** United Nations South Africa

Inclusive recruitment policies and parental leave were two examples recommended as great internal mechanisms to revise and use as diversity catalysers. However, many stated the need for change from a more intangible perspective, fostering a work culture that drives a fundamental change in existing paradigms, stereotypes, and unconscious bias and discrimination. This is the most important challenge participants believe business may face in promoting diversity, as internal policies are sometimes not enough when a discriminatory culture persists. In these contexts, continuous training and education that raise internal awareness on diversity are key, and so is the presence of positive role models.

> *By ensuring values, strategies, operations, processes, and relationships (including supply chain) promote diversity and inclusion, e.g., gender parity in pay/representation; paternity/maternity leave to allow both men and women to spend time with families but also allow women to remain in/return to the workplace; respect and opportunities for racial minorities, LGBTQ, and persons with disabilities, etc. And making sure that representative decision making is indeed representative of the society/ societies in which the organisation operates.*
>
> **– Christina Koulias,** United Nations Global Compact

Another opportunity businesses have to enable diversity is to look at the very start of the recruitment chain, at their upcoming talent, and promotion pipeline. Vulnerable groups normally have less access to education, for example, so they may be less qualified for senior positions. In this situation, business action can focus on internal skills development systems and external advocacy for inclusive education.

> *This is a challenge if the population from which you are pulling does not have equal access to quality education and skills development, then your candidate pool is biased against diversity. There are measures that can always be put in place in terms of recruitment and promotion practices, but again, if the candidate pool is limited, real diversity within the workplace will be limited. Before you think about this, you have to look at the education value chain. Maybe that's where business can be of value—advocating for better education and skills development systems.*
>
> **– Dhulce-Janice McGuire,** USAID

> *Business must view inclusivity and representation as a key output and as such invest in this space through building skills of marginalised groups, budgets for diversity training etc.—effectively bridging the gap that blocks marginalised groups from participating in decision-making processes.*
>
> **– Mashudu Masutha,** Corruption Watch

## 2. Scaling up impact through industry-wide efforts and into the supply chain

### KEY TAKEAWAY

Businesses are encouraged to scale up their contribution to SDG 16 by acting collectively and across their supply chains to promote principles of transparency, compliance, and accountability.

Throughout the discussion, the potential of business to catalyse action within wider industry was mentioned frequently. Participants see opportunities for companies to scale up impact vertically, along their supply chains, as well as horizontally, through collective business action within and across sectors. These strategies have the potential to create more impact at scale.

Collaboration within companies through industry associations and business networks is highly recommended in order to raise standards and encourage lagging business. Moreover, participants highlighted the key role of small and medium enterprises, as they are key drivers of economic growth and job creation in developing countries and are worse off in terms of progress against SDG 16.

As an industry, participants believe businesses can contribute to policy design by pointing out unintended consequences of policy and provide expertise that a government may not have access to. Participants encouraged the private sector to support policy development by forming coalitions of business, even cross-sectoral ones. They highlighted that this process needs to be done transparently and be grounded in ethics, integrity, and respect for human rights. Examples mentioned of sectors coming together were the Maritime Anti-Corruption Network and the Extractive Industries Transparency Initiative.

> *Considering that they interact regularly with country institutions, companies can also form coalitions to demand for better and stronger institutions, and to also provide feedback on weaknesses that governments need to address. This would be contributing positively to institutions building.*
>
> **– Ed Olowo-Okere,** The World Bank

Businesses can also play a quasi-regulatory role overseeing the behaviour of the companies that supply them. An initial step is to extend compliance programs from employees to distributors and local partners. Participants believed that big businesses have the power to educate, train, and enforce. Stakeholders acknowledged the challenges of scaling internal policies and controls across supply chains with diverse standards and high risk of non-compliance. However, many believed this is feasible, citing examples such as the fair trade movement or the progress made in other areas such as health and safety. Participants also encouraged companies to go further and commit to refusing to do business with entities proven to be involved with corruption or not complying with transparency policies. They argued this is a powerful move to incentivise better behaviours.

> *It's important to be transparent and have the necessary policies. However, taking swift action to refuse or revoke business from non-compliant companies is often the best way to effectuate change. In addition to being a "stick," this can also serve as an incentive for companies to win business from large, international companies.*
>
> **– Hilary Huber,** Standard Chartered

# 3. Collaborating with government to build institutional capacity

## KEY TAKEAWAY

There is a role for businesses to support governments in strengthening the capacity and effectiveness of national institutions. It is crucial for this private-public collaboration to be transparent and to include civil society.

Stakeholders agreed that there is a role for businesses in supporting institutional capacity building without taking the role of government. This can take the form of private-public engagement, with the objective to support the government in obtaining, improving and retaining skills, knowledge, tools, and other resources needed for the institutions to fulfil their responsibilities and provide service and value to society.

However, businesses and governments becoming close can be seen negatively in society given the risks of blurring the lines between elected representatives and industry interests. Stakeholders pointed out that this is a challenge that companies and governments often face in trying to collaborate on capacity building. In order to overcome these challenges, participants highlighted that opportunities for collaboration should be leveraged in a coordinated, transparent manner and in close collaboration with civil society. Real transparency here, on the objectives of each party and clearly communicated ways of working, can go some way to reassuring external observers that collaborations are legitimate and conducted in the public interest.

> *In countries where government is weak, the expectations placed on business to fill the vacuum are higher. However, it is not the role of business to fulfil the role of the state. When the lines are blurred, the results are not ideal.*
>
> **– Cristina Bruce,** Anglo American

> *Companies can definitely support government in strengthening the capacity and effectiveness of national institutions. But they need to handle such relationships with care. Companies acting individually risk being too exposed. They can better achieve this through their industry or sectoral organisations, or business associations. In fact, strengthening associations' capacity to engage with government on business integrity, transparency and governance in a substantive and impactful way is a real contribution that companies can make.*
>
> **– Brook Horowitz,** IBLF Global

Participants suggested a wide range of approaches through which companies can support government capacity building, which are summarised in Figure 2.

## 1. Compliance and obligations

The simplest way for businesses to support government and its institutions is to comply with regulation and pay their fair amount of taxes. This is the most basic way to provide government with the necessary funds to build and run public institutions.

## 2. Start a dialogue

Ongoing dialogue with government and key stakeholders—particularly civil society—is necessary to ensure that institutions are reflecting the needs of society.

> *Honestly, governments and business very often seem to operate on different planets. It is crucial that there is dialogue and awareness between the two. Governments cannot make good policy without understanding the business reality and business has to understand and comply with regulations. More open dialogue should take place between business and government.*
>
> **– Yvette Sweringa,** CSR Europe

## 3. Identify common goals

Identifying common goals can bridge the gap between government and business interests and align both parties toward shared objectives. It can identify the intersection between social welfare and business prosperity, enhancing companies' contributions to society at scale. Suggested areas of collaboration are as diverse as health, education, employment, environmental stressors like water, etc.

> *The process of development belongs to all national stakeholders, and I think where there are opportunities for collaboration or for sharing of best practices to achieve common goals, where one stakeholder has capacity and the other does not, we should promote it. Agree though that it can't be in an uncoordinated way.*
>
> **– Msingathi Sipuka,** United Nations South Africa

## 4. Identify capacity sharing opportunities

Once there is a common direction or goal for businesses and governments to collaborate toward, stakeholders should determine the most relevant opportunities for action. Stakeholders suggested a few areas of potential collaboration between companies and governments:

- Financing and resources: Companies can support in filling the gap in financing for the SDGs. In particular, SDG 16 may fall behind as a priority and therefore lack resources to implement initiatives to accelerate progress. This leaves an opportunity for companies to step in.

- Technical training: Companies have specific skill sets they can offer (compliance tools, management know-how, training techniques, policy development, public communications, a focus on delivery, resource management, whistleblowing policy, training on unconscious bias against minorities or women, etc.)

- Data and knowledge: Enabling evidence-based decision making and policy shaping by supporting research and sharing information on a range of topics, from climate to geology, water, etc.

- Technology and innovation: Companies may have greater capacity to invest in research, technological development, and innovation. They can therefore be providers of technology and ideas to public institutions that can enhance efficiency and social services.

- Enhancing access to justice: Companies, especially law firms, can provide legal representation to vulnerable groups that are current excluded.

> *Business in collaboration with NGOs and social organisations may play a greater role in building the capacity of middle and lower layers in the government, especially in the areas of local governance systems. Governments hardly have any funds and systems to build the capacity of their staff around innovative delivery systems, collaborations, and public well-being. In India, there are some private organisations which are active in developing the capacity of government in the area of natural resource management, policing, and local governance.*
>
> **– Santosh Gupta,** Ecociate Consultant

> *Business can also bring more researched decision making to the table. They have experience of other countries and jurisdictions that they can bring into policy debates.*
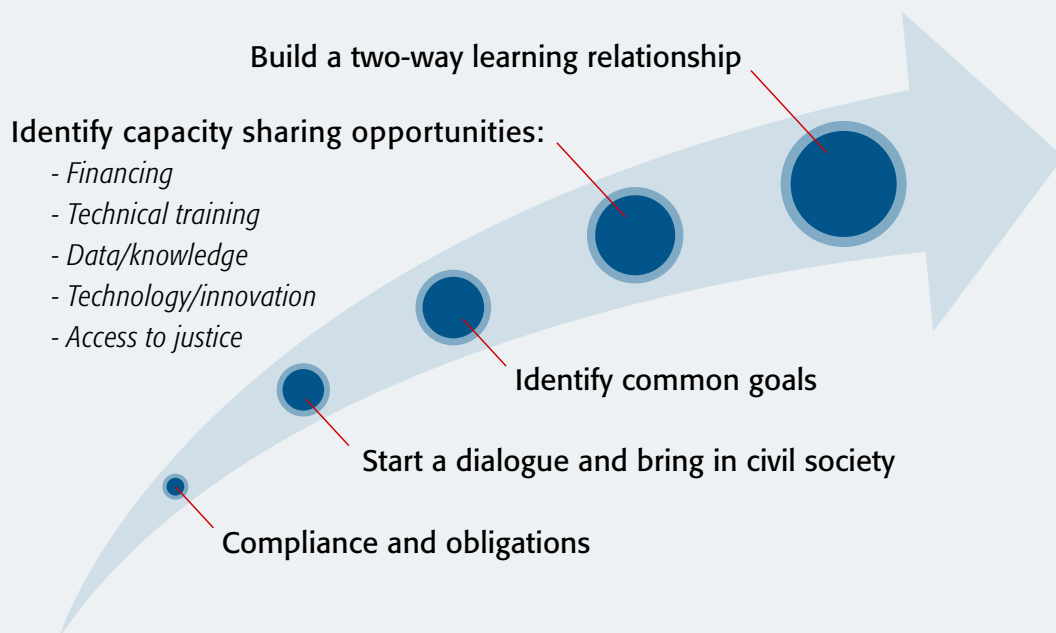>
> **– Tebello Chabana,** Minerals Council

## 5. Build a two-way learning relationship

Continuous private-public dialogue can enable the identification of learning opportunities in both directions, making the relationship stronger and more fruitful. Stakeholders highlighted that the focus of the relationship should be on pooling knowledge and leveraging the skills and expertise of different types of institutions. One example counter to this was given of companies poaching public sector talent. Instead of doing this, companies should aim to both share skills with and learn from experts within government in a more collaborative fashion.

*Figure 2:*
### Approaches to building institutional capacity



Build a two-way learning relationship

Identify capacity sharing opportunities:
- *Financing*
- *Technical training*
- *Data/knowledge*
- *Technology/innovation*
- *Access to justice*

Identify common goals

Start a dialogue and bring in civil society

Compliance and obligations

## 4. Empowering a strong civil society voice as a crucial aspect of a peaceful society

### KEY TAKEAWAY

Businesses can support policy development processes in the public interest by ensuring these are open and inclusive by amplifying and empowering civil society's voices.

Inclusive decision making is a pillar of SDG 16, both in businesses, as explored earlier, and in government policy design. Participants described policy development as an engagement process where all societal stakeholders' representation is key. Policy design and decision-making processes benefit from inclusive representation and diverse points of view.

Participants suggested that business can play a role in ensuring participatory, co-creative inclusive policy making by amplifying the voices of civil society. They can do so by partnering and bringing them into the debate and even fund their participation when they cannot afford it. Civil society plays an important role in facilitating the relationship and getting action to come out of dialogue, while making sure collaborations are truly responsive to local development interests. Including civil society also enables truly independent and impartial intermediaries.

> " *Another major way that businesses can support is in helping to ensure that the policy development process includes multiple voices/experiences. They sometimes have the power to help other voices get heard.*
>
> **– Harriet Territt,** Jones Day

> " *The private sector often has government networks, which could be leveraged to amplify the voices of civil society and other rights-based organisations.*
>
> **– Dhulce-Janice McGuire,** USAID Southern Africa

Participants acknowledge that perceptions of business interfering with policy design are often negatively associated with lobbying, which is often perceived as businesses seeking their own interests regardless of societal wellbeing. In response, they recommend working closely with civil society and being transparent and open about the objectives of the dialogue and contributions, so that others can scrutinise these and hold all parties to account.

> " *Business should definitely engage directly and proactively with government capacity building, but must maintain a clear separation between their contribution and the government's contribution. Agree with other contributors about the crucial importance of truly independent and impartial civil society organisations, which can perform an important intermediating role between government and business to help maintain that separation whilst still actively engaging.*
>
> – **Murray Hunt,** Bingham Centre for the Rule of Law

> " *Multi-stakeholder groups are an effective way to bring the different perspectives and those most affected together with those who have influence, to move in complementary ways.*
>
> – **Leor Rotchild,** Canadian Business for Social Responsibility (CBSR)
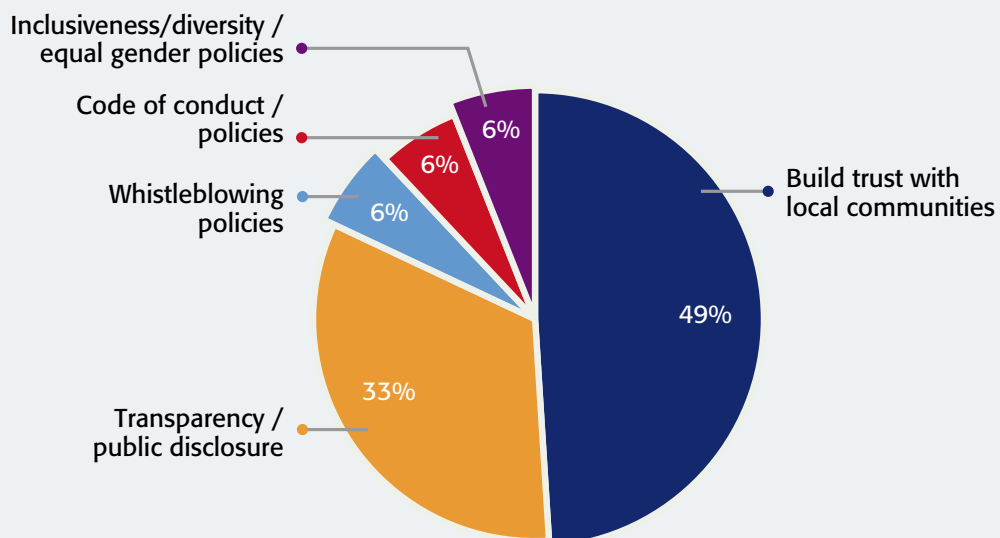
# The Importance of Societal Trust

## KEY TAKEAWAY

Trust is an important element of an organisation's social licence to get involved in topics such as anti-corruption, capacity building, and policy advocacy. Once this is established, progress in these areas will further build and reinforce this trust, both in business and other actors.

In the process of moving from compliance toward proactive and vocal support to SDG 16, participants emphasised the importance of societal trust in business and their social license to operate. Trust is required of business in order to be credible actors on SDG 16, while progress on the goal will further build, enhance, and reinforce this trust.

Many participants suggested building trust with local communities should be a priority for companies to best support progress on SDG 16.

**Which of the following internal initiatives should large private companies prioritize in order to best support progress on SDG 16? (*n*=18)**



- Inclusiveness/diversity / equal gender policies — 6%
- Code of conduct / policies — 6%
- Whistleblowing policies — 6%
- Transparency / public disclosure — 33%
- Build trust with local communities — 49%

Participants agree that a trustworthy business is one that demonstrates consistency between what it says and what it does. This links to participants' reflections on transparency, which show that alignment between reporting and internal culture and action is key. They suggested that business needs to "walk the talk" and avoid empty rhetoric, both crucial to build credibility.

Moreover, to truly contribute to SDG 16 and be trusted, participants emphasise the need for companies to hold themselves accountable and be genuinely honest, in both good and bad times. In order to connect with the rest of society, vulnerability in acknowledging failure as well as openness to receiving criticism are key.

> *By holding themselves more accountable and publicly acknowledging and reprimanding when one of their own fails to hold up tenets of SDG 16. Also being more open to criticism and genuinely seeking feedback from civil society to improve business practices.*
>
> **– Dhulce-Janice McGuire,** USAID Southern Africa

Multi-stakeholder collaboration and participation is highly important to provide a degree of impartiality and ensure societal interests are prioritised by including communities and relevant actors in discussions and in building initiatives. This will enable the business to become more representative of society and therefore more trusted.

> *Credibility and trust can only be built through accountable business practices and transparency to all stakeholders. Create strategic partnerships with key stakeholders and create multi-stakeholder advocacy initiatives.*
>
> **– Mashudu Masutha,** Corruption Watch

> *Businesses engender trust when they provide results, show integrity in doing so, and demonstrate concern for their society and supply chains. Easy to state and very difficult to do well.*
>
> **– Glenn Frommer,** ESG Matters

> *Understand the context you operate in, understand the interest of those that operate in the same environment and build your strategy to speak to their interests.*
>
> **– Msingathi Sipuka,** United Nations South Africa

> *That's the game: authentic transformation of motive. And there are marvellous examples of such companies who started by nurturing that DNA and systematically created a virtuous circle of wellbeing for all their stakeholders. It's not rocket science, but motivation, ingenuity, and the authentic joy of enhancing the web of life.*
>
> **– Elsie Maio, Humanity, Inc.,** SoulBranding Institute

> *Integrate SDG 16 in the business and report on it as on other SDGs committed to. The SDGs are interconnected and business should also see that their contributions to other SDGs must be adapted to make a contribution to peace, and not assume 'peace to be covered by SDG16' alone. Businesses depend on reliable rule of law and stable societies to exist and grow, so all are interdependent. This will ultimately build credibility and trust.*
>
> **– Trine Pertou Mach,** International Alert

# List of Expert Guest Contributors

Thank you to the 18 expert guest contributors who joined us for the Forum and contributed their invaluable ideas:

- Alberto Precht Rorris, *Executive Director, Transparency International Chile*

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- Richard Morgan, *Head of Government Relations, Anglo American*

- Tebello Chabana, *Senior Executive, Public Affairs and Transformation, Minerals Council*

- Trine Pertou Mach, *Head of Economic Development for Peace, International Alert*

# Shared Examples and Resources

Forum participants share the following examples and resources relevant to SDG 16:

- **AB InBev**'s Project BrewRIGHT is using innovative technology to become more effective at checking for and investigating compliance.

- **Unilever**'s CEO issued an urgent call for trade bodies around the world to support climate action public policies.

- **The Institute of Business Ethics** launched an app, the IBE Speak Up Toolkit, which helps employees to speak up and raise issues of concern in the workplace.

- **OpenOwnership** drives transparency by making it easy to publish and access data about who owns companies.

- **The Maritime Anti-Corruption Network** provides a good example of an industry taking collective action.

- **The UN Global Compact** "Promoting Anti-Corruption Collective Action" report helps businesses to learn more about the UN Global Compact Collection Action Project in partnership with five Global Compact Local Networks, improve anti-corruption practices within their individual organisations, and to engage other businesses, governments, and civil society in anti-corruption collective action.

- The **U4 Anti-Corruption Resource Centre** published a study on the relationship between business integrity and commercial success.

- **The Institute for Economics and Peace** published a Business & Peace Report about peace being a good predictor of economic success.

- **The United Nations Global Compact** launched the Action Platform for Peace, Justice and Strong Institutions to provide a forum for policy dialogue between governments, businesses, and civil society that results in concrete action toward improving accountability, integrity, and transparency within companies and the countries where they operate. It also published a Practical Guide for Collective Action Against Corruption, and a Business for the Rule of Law Framework.

- **Transparency International**'s Integrity Watch provides a platform showing and tracking lobbying activity in the EU and Chile.

- **Business & Human Rights Resource Centre** and **ISHR** published a guide for business on how to amplify the voice of civil society.

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