

**Introduction to the WSSD Multi-Stakeholder Dialogue at Prepcom II, 29 January 2002**  
**Mark Moody-Stuart, Chairman, Business Action for Sustainable Development**

1. It is an honour and a pleasure to be here at the opening of the Multi-Stakeholder dialogue. As you may know, the International Chamber of Commerce, the World Business Council for Sustainable Development and many other business organizations around the world have come together to build an initiative, **Business Action for Sustainable Development**, as a specific focus for the business contribution to the World Summit in Johannesburg.
2. We welcome and value the way you, Mr Chairman, your Bureau and Mr Desai and his staff have actively engaged with business and other NGOs in this process and hope that this continues. We also applaud the South African Government for their cooperation and look forward to continuing the constructive dialogue we have established with Minister Valli Moosa and his colleagues. In this we all benefit from considerable support from our partnership with the South African Business Co-ordinating Forum.
3. Since Rio, business has learned a great deal, and I believe made considerable progress. The views of business are expressed in a paper submitted to this meeting, and we welcome the contribution of the Secretary General's report. I would also like to draw your attention to the work done over the last few months by various industry sectors in preparation for WSSD. Much of this has been done by business and industry organisations under the auspices of UNEP, in conjunction with the CSD Secretariat, preparing reports on their implementation of Agenda 21. These reports, and there are 22 of them covering different business and industry sectors, have been discussed with representatives of NGO's, labour organisations, academia and international institutions. Other work, such as in the Mining, Minerals and Sustainable Development initiative and the initiative "Towards a Sustainable Cement Industry" is being prepared in separate preparatory processes, but with the same commitment to openness and to partnership. At this multi-stakeholder dialogue there are representatives of nearly every one of these sectors and initiatives. We are gathering examples of further partnership initiatives and will publish them on our website - [www.basd-action.net](http://www.basd-action.net)
4. These efforts show the very strong commitment by business to a process of reporting on progress, engaging in dialogue in a process of continuous improvement and perhaps above all to partnership to achieve common goals. These are not just rear view mirror efforts, but in most cases they contain clear statements of direction or commitments. There is a suggestion that there might be two types of output from the Johannesburg Summit, one a clearly intergovernmental agreement on ways of strengthening the institutional framework for Sustainable Development and the other tangible and result oriented initiatives and partnerships involving major groups and aimed at practical implementation in specific sectors, the progress of which can be monitored. I believe that the work done by industry sectors provides very valuable input into this second type of output.
5. Let me emphasize that business is committed to sustainable development because it is good business. The WBCSD and the ICC and the organisations supporting BASD comprise thousands of companies around the globe, whose leaders believe that the pursuit of sustainable development is good for enterprises, the planet and its people. Many of these organisations subscribe to the Secretary General's Global Compact, with its commitment to partnership in addressing economic, environmental and social principles. There are many cases that can be made for sustainable development: moral, ethical, religious and

environmental, but representatives of global business and industry emphasize the business case. The business case has a “triple bottom line” based on financial, social, and environmental performance. The paradigm is not “either or” but rather “and also”.

6. A sustainable business excels on the traditional scorecard of return on financial assets and shareholder and customer value creation, but also embraces community and stakeholder success. It holds its natural and social environments to be as important as its technology portfolio and its employees’ skills. The rationale is not based solely on short-term, financial returns, because companies comprise, are led by, and serve people with vision and values. Companies that do not reflect their people’s best vision and values in their actions will wither in the marketplace in the long-term.
7. Sustainable development is best achieved through open, competitive, rightly-framed international markets that encourage efficiency and innovation, both necessities for sustainable human progress. Business remains the most potent force for wealth creation, and the extent to which that wealth contributes to poverty eradication depends largely on societal choices. Countries with low incidences of poverty have largely achieved this through creating frameworks that encourage business enterprise and supplement this with supportive welfare programmes. These enterprises offer people tools – business opportunities, jobs, wages, investment possibilities, training, and pensions – with which to build secure lives. Governments that make it hard for business to do business and that try to take the place of business in meeting peoples’ needs stand in the way of prosperity.
8. Markets are sometimes seen as being impersonal and serving the interests mainly of large corporations. On the contrary, markets serve the interests of the individual and the consumer. Which one of us, when seeking to buy lunch, does not want the opportunity to choose the quality and price that suits us? Which small farmers do not want to know that they are able to sell their produce, not to a monopoly purchaser, government or private sector, who gives them a take it or leave it price, but to a market where they can be informed about pricing and have some choice of outlet? In order to achieve this all markets need a proper regulatory framework, a framework which prevents the formation of monopolies, government or private, which ensures the availability and accuracy of information, so that choices can be made. A key to the establishment of sound markets is to remove access barriers such as those which prevent the access of agricultural goods to any countries, or distort the market through subsidies.
9. There is no doubt as to the overriding issue for sustainable development that needs to be addressed at Johannesburg – the eradication of poverty. Clearly the divisions in the world today between the developed and the under-developed, the rich and the poor, the haves and the have nots, those areas with good governance and those without are unacceptable. They are also unsustainable and it is in the interest of global stability and prosperity to address them. We believe that the creation and expansion of sound business is an essential contribution to Sustainable Development and we in business are committed to work in partnership with others to achieve this. This is not something that can be achieved merely by exhorting business or endeavouring to regulate business. We need the right conditions for business activity to develop, and these conditions include sound governance in terms of working institutions of civil society, including education and information, ensuring rights to property and security, and addressing the evil of corruption. Business is willing to work together with others to address the overall issue of sound governance without which neither we nor society cannot operate effectively.

10. I have mentioned the work done by industry sectors. While there are overarching issues common to all businesses, business works most effectively on a sectoral basis. And it is mainly on an industry sectoral basis, or even individual company basis, that commitments can be made, targets can be set and performance monitored. The business contribution to the eradication of poverty will come from sectoral efforts in such fields of energy and transportation, mining and natural resources, water, agriculture, health and information. I very much hope that the agenda at Johannesburg will allow time for specific sessions on areas such as these, so that in addition to agreement on ways of strengthening the institutional framework for Sustainable Development, we will be able to develop other tangible and result oriented initiatives and partnerships involving major groups aimed at practical implementation in specific sectors towards the delivery of the goals of Agenda 21, the progress of which can be monitored. Business is preparing these initiatives in the lead up to Johannesburg and business leaders are prepared to play their part with others at the World Summit.
11. Finally, Mr Chairman, our hope is that we can use this multi-stakeholder dialogue session to act as a catalyst for change. Business, as all major groups, wants meaningful dialogue and engagement throughout the process and at the Summit itself. We are all striving to achieve real and lasting, truly sustainable, development. Business is a part of that process and part of the solution. Let us all move forward together.