



The UN Global Compact -The Promotion of Regional Integration through Trade

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The Africa Finance & investment Forum**

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New Orientation



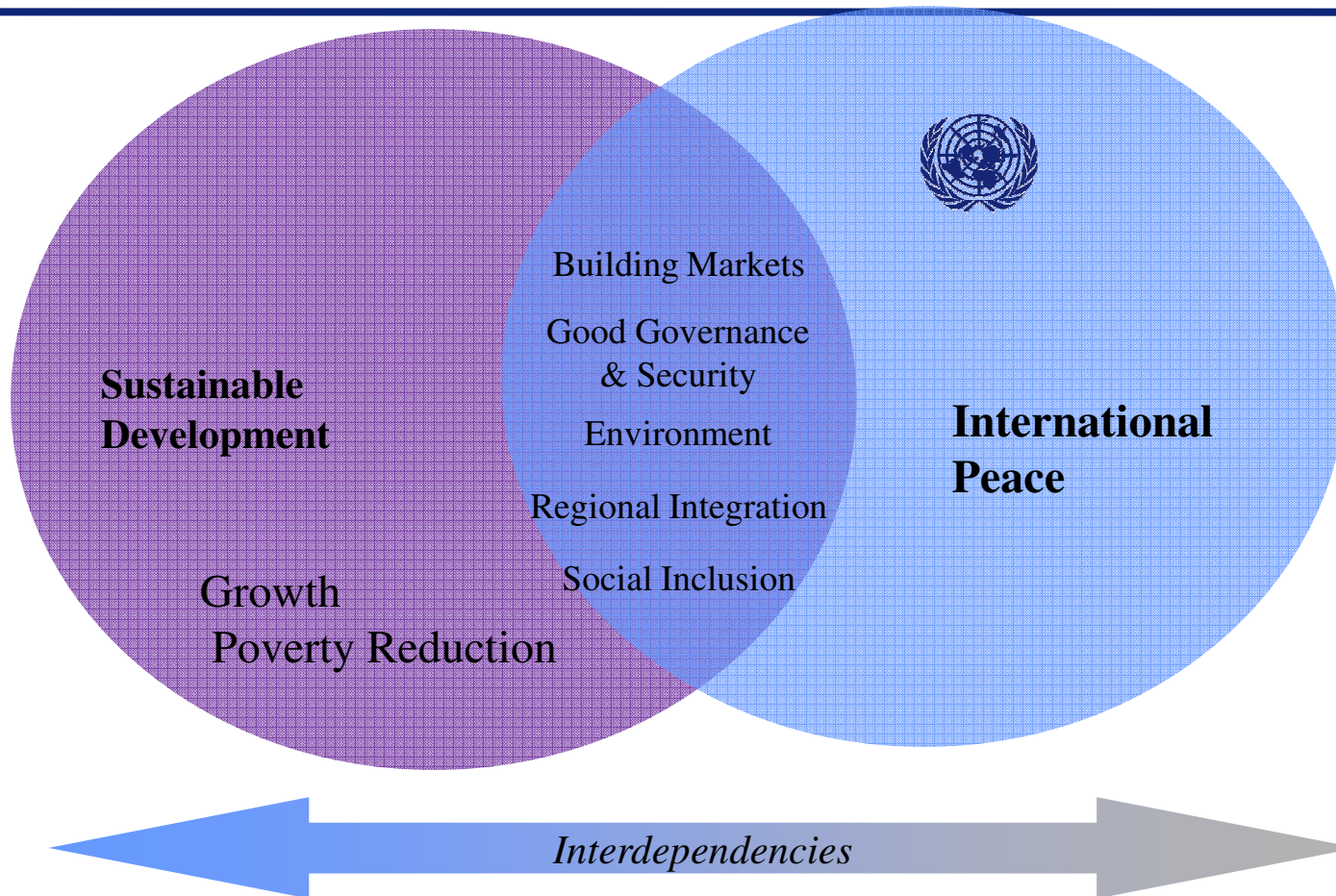
UN Secretary-General Ban Ki-Moon



“Today’s collaboration between the United Nations and other partners recalls the Organization’s foundational spirit, when politicians, scholars, business leaders and others shared the belief that business, trade and investment were essential pillars of peace and prosperity”.



Peace & Development: Overlapping Objectives





Why partnership of shared interest..?



- 🌐 Private Sectors at the heart of development-
(Nexus between Peace & Development, Investment & Trade) ;
- 🌐 Regional Integration - Trade;
- 🌐 Globalization has remained uneven process;
- 🌐 Sustainable societies and markets for all;
- 🌐 Achievement of the MDGs -2015-slide 6.



The Millennium Development Goals



Eradicate Extreme Poverty and Hunger



Achieve Universal Primary Education



Promote Gender Equality and Empower Women



Reduce Child Mortality



Improve Maternal Health



Combat HIV/AIDS, Malaria and other Diseases



Ensure Environmental Sustainability



Develop a Global Partnership for Development.



Globalization ... Regional integration in Africa



Basic Statistics on MDGs -2015

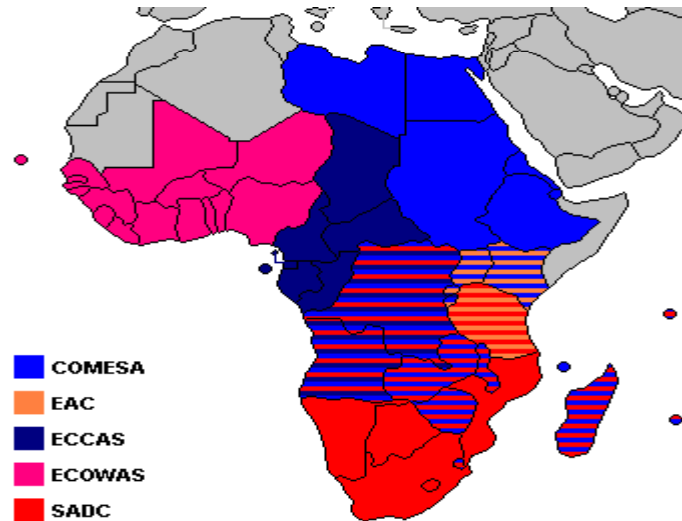
- 🌐 Globalization has transformed the economies of Asia / Latin America..., Africa remains on the fringes of the global economy in terms of capital and investment flows and Regional Integration through trade;
- 🌐 GDP: \$ 1,092.8 billion as at 2006;
- 🌐 Population: 950 million (2007) ,
- 🌐 Average Per capita Income: \$663;
- 🌐 1/6 people globally, or 50% of Africans live on less than US \$1per day, MDGs -2015- Slide 6;
- 🌐 Rich natural and human resources endowment but production is still – less than 3% of world trade (2008), of this, **Intra - African trade contributes less than 8.3% of imports&9.3% of exports.**



The Economic & Monetary Organizations in Africa



**8 RECs: ECOWAS/ECCAS/SADC/COMESA/AMU/IGAD/EAC/
CENSAD,
2 MONETARY ZONES: UEMOA/ CFA franc zone)**





The Regional Integration grouping



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- 🌐 The level of intra-African trade grouping: spaghetti-bowl groupings :
 - Out of the 53 countries, 27 are members of two regional groupings;
 - 18 countries belonging to three regional groupings;
 - 1 country is a member of no less than four groupings
 - 🌐 Strengthening of regional integration by African countries as part of their development strategies.



UN Partnership -Private Sector/ Social Actors



The UN Global Compact Initiative

“To help create a more sustainable and inclusive Regional/global economy”



The UN Global Compact



- A voluntary SR initiative - 2000
- 10 universal principles:
 - Human Rights
 - Labour Condition
 - Environment
 - Anti-Corruption
- A multi-stakeholder platform



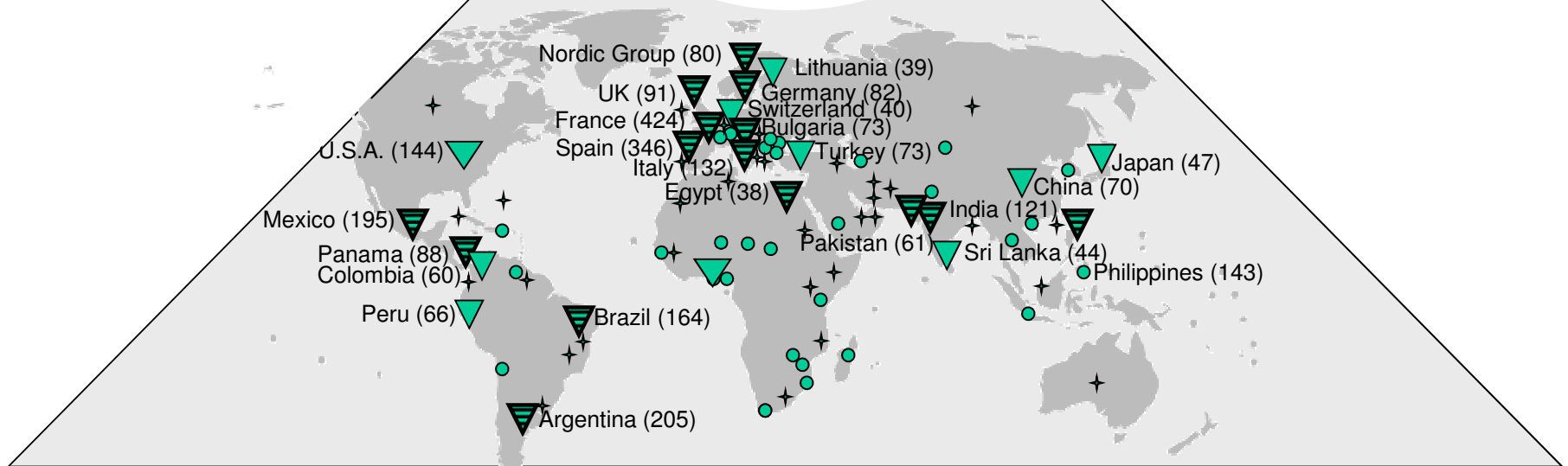
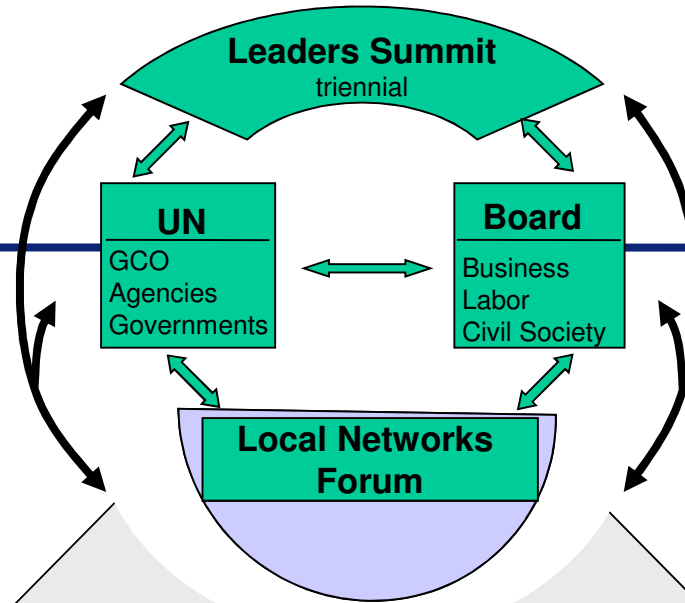
Towards Global Partnerships...



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- **The Initiative asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of :**
 - Human Rights, Labour Standards, Environment, and Anti-Corruption*
 - **Make the 10 principles part of organizational strategy, operations and culture everywhere;**
 - **Facilitate Regional Trade, Inclusiveness and Partnerships toward the implementation of NEPAD Programmes and the achievement of UN development goals –MDGs.**



Global Compact Network Key Components



GC networks with a governance model	GC networks	GC participants but no network
6,000 companies from over 120 countries	1000 Global labour and civil society organizations	Academic networks and other partners



Global CSR Trends



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- 🌐 Corporate responsibility goes truly global, promote Regional Economic & Trade Integration;
 - 🌐 Sharing best practices;
 - 🌐 Financial markets are catching up- ESG issues,
 - 🌐 A new symbiosis: corporate governance and corporate responsibility .



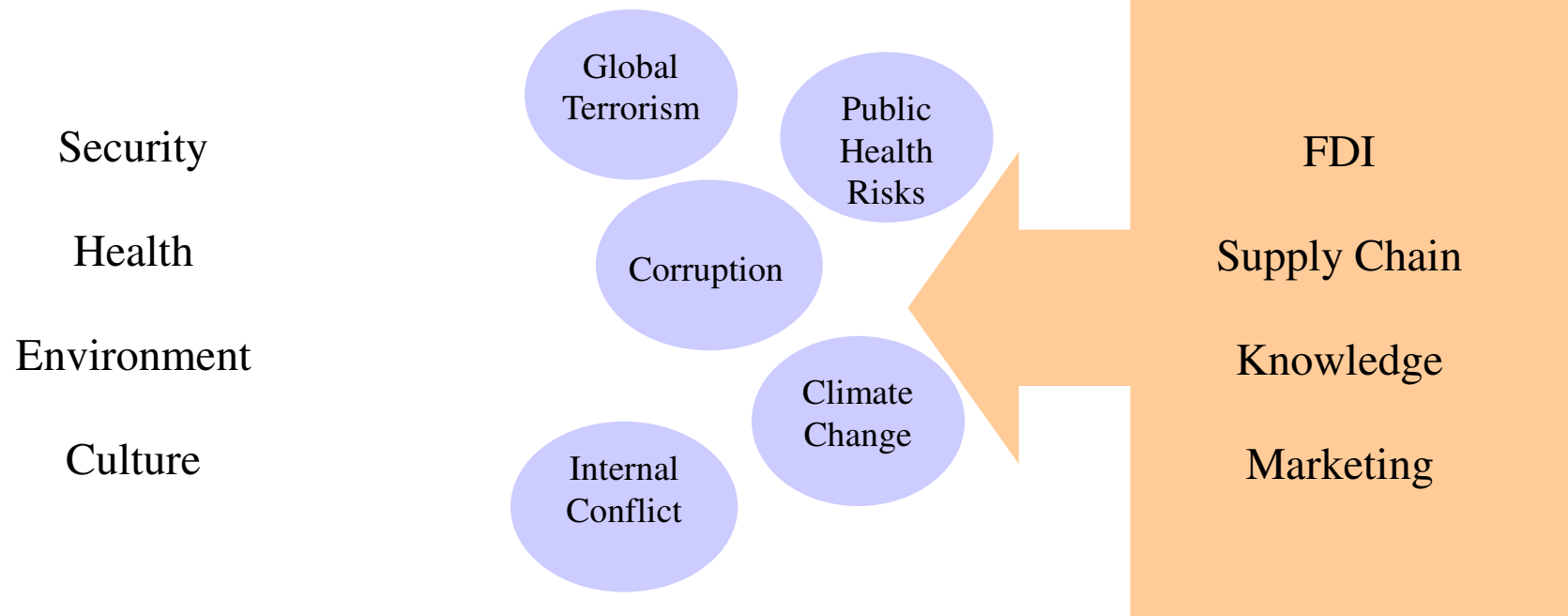
The Principles for Responsible Investment -ESG



Issues goes Region/ Global

Regional/Global Risks

Business goes R/ Global





Who Cares Wins - Principles for Responsible Investment



“Better investment markets and more sustainable societies”

- *US \$5 Trillion aligned with PRI in June 2006,*
- *US \$ 18 Trillion assets in 2009 = >10% of global capital - 2009*
- *538 Inst.-signatories – May 2009*

New York Stock Exchange April 27th, 2006



Way forward for Regional Integration



- 🌐 African regional trade integration can play an important role in enhancing Africa's international competitiveness
- 🌐 Promote Private Sector contribution to development goals;
- 🌐 Harmonization of “hard” and “soft” Infrastructures;
- 🌐 A strategic development policies that will help integrate African countries into the global economy against the backdrop of a global economic crises;
- 🌐 Public-Private Sector Partnership (FMO -PTA Bank);
- 🌐 Trust-building in the emerging market/ developing ... Africa
(Creation of enabling environment for investment/ partnership-Institutional investors.



Conclusion



-  **Regional integration is not an end in itself; it should be seen as a stepping stone towards Africa's attractiveness to investment and export competitiveness**
-  **Private Sector Development – welcome EMRC Initiative;**
-  **Multilateral frameworks including, CSR trends-UNGC, ADB IFC, FAO and , the WTO Doha Round are bound to re-configure the future of intra-African Trade;**
-  **African Business Community- need for continuous network at the regional/global levels - APSF 2010.**