

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

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NCDO regularly surveys the Dutch public opinion towards international cooperation. Furthermore, NCDO has research done about international issues concerning Dutch development cooperation. This is a summary of one of those researches. The complete research report can be viewed on www.businessindevelopment.nl. More researches can be found on www.ncdo.nl.



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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 an approach to reducing 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. All UN member states have pledged to meet these goals by the year 2015.

Millennium Development Goals

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

Phase 1: Developing an MDG framework for NGOs and companies

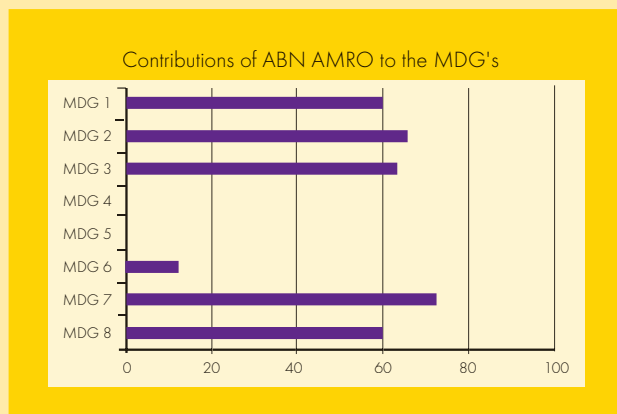
The MDG framework is an instrument to measure the contribution of the private sector and civil society to all eight MDGs. It measures the efforts of a company or NGO to contribute to achieving the MDGs and the added value of the presence and/or activities of the company or NGO in developing countries. The MDG framework does not take into account the actual impact of the activities. The framework can easily be adjusted to measure impact, however collecting the data is difficult.

The development of the MDG framework started with a review of relevant MDG literature, with measurability, comparability, and discernability being considered to be of key importance by DSR. The literature review led DSR to the conclusion that it would best to develop a generic tool (instead of a sector specific tool). Furthermore, DSR decided that the model would not compare the MDG performance of companies with the performance of NGOs, as both organisations have different objectives and activities. And finally, the separate scores of the MDGs would not

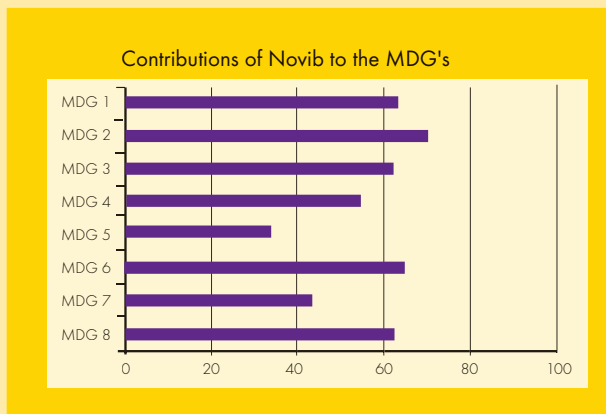
be aggregated into one total score for all MDGs.

Phase 2: Testing the framework: An MDG Scan of an NGO and a company

The MDG framework that was developed in the first phase was based on desk research and consulting experts. An objective of this project was to develop a tool to measure the contribution of companies and NGOs to the MDGs, it was found crucial to test the developed MDG framework on real-life situations. Two Dutch candidates with activities in developing countries were sought to test the framework. Both ABN AMRO Bank and Novib-Oxfam were willing to participate. DSR collected public-domain and corporate information about both organisations. The information was carefully analysed and scores were allocated within the MDG framework. The preliminary results were discussed with the tested candidates. During these discussions, 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.



graph 1



graph 2

Results

ABN AMRO's highest MDG score is for MDG 7: environmental sustainability. The company also has a relatively high score for 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 (graph 1).

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

The two graphs above present the overall results of respectively ABN AMRO and Novib.

On a scale from 0 to 100, 100 means the maximum efforts of the organisation to achieve the MDGs. For each MDG different indicators were used to measure these efforts. You can find more information about the results and methods of research on www.businessindevelopment.nl.

Conclusions

The general conclusion is that the MDG framework is capable of measuring the intentions of ABN AMRO and Novib to contribute to achieving the MDGs. Both organisations said that the exercise has been very valuable to them. However, the performance of a company and an NGO cannot be compared. The MDG framework can only be used

to benchmark the performance of an organisation over time, or to compare the performance of multiple companies (within a sector) at a certain moment in time. Furthermore, for companies it is considered crucial to incorporate and focus on the core activities of a business in the analysis.

INTRODUCTION

The Millennium Development Goals (MDG) measurement framework was commissioned by the Business in Development programme of NCDO (National Committee for International Cooperation and Sustainable Development) and carried out by Dutch Sustainability Research (DSR).

DSR executed the project in three phases: a development phase, which resulted in the MDG framework, a testing phase, which used the MDG framework to carry out an MDG Scan of a Dutch company (ABN Amro Bank) and a Dutch development organisation (Novib-Oxfam), and a reporting phase.

This MDG measurement framework is the first of its kind. The MDG framework has been developed to measure the policies, effort and contribution of a company or a development organisation to the millennium development goals (MDGs). It has been developed in an easy-to-apply approach so that companies and NGOs can measure their own MDG contribution. This will hopefully encourage the users of the framework to report their MDG performance, eventually promoting effective achievement to the MDGs themselves. In time this method could be used to develop an index or benchmark for development-oriented 'socially responsible investment' funds.