



# Emerging Markets Multinationals Network For Sustainability (EMM)



Implemented by: **giz** Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH



EMSD is a network of change agents and decision makers from think tanks, multinational corporations, and the financial sector. Our members jointly develop and implement solutions for sustainable economic development in emerging economies through consultation, dialogue, and research. We bring these solutions into national and international fora, contributing to the global sustainability transition and the protection of global public goods.



The Emerging Market Multinationals Network for Sustainability (EMM) is a growing network of currently more than 200 leading sustainability managers and executives of multinational companies that are based or are operating in emerging economies. The EMM network works on developing and implementing progressive sustainability and environmental standards, turning them into successful business solutions that benefit the companies, their customers, stakeholders and the environment. The EMM network ensures that insights from these business solutions feed into global fora and processes such as the G20, the OECD, or the World Economic Forum.



## The EMM Network Approach

The EMM Network seeks to capture, advance, and multiply the efforts of its members in order to support the scaling-up and rolling-out of sustainable business models in emerging markets. This is achieved through a series of exclusive events, specific initiatives, and an online knowledge and learning hub. The Network identifies areas of collaboration between its members, and facilitates peer-to-peer interaction. When the need arises, members can be connected with GLZ's advisory services and thereby benefit from its vast experience in jointly implementing sustainability initiatives with businesses worldwide. The EMM Network gathers and communicates success stories of sustainable business solutions and helps create a powerful voice for sustainable business in and from emerging markets. The EMM Network addresses sustainable business model innovation through three initiative areas:

**Transparency and Information Disclosure:** The EMM Network is a center of excellence for high quality sustainability reporting and quantifying the sustainable returns on our member companies' investment. EMM Network members share best practices and lessons-learned in producing sustainability reports that matter. Also, our members engage in joint applied research projects on quantifying the sustainability of their investment ventures. Resulting higher levels of transparency lead to improved stakeholder relations and eventually better business results for our members.

**Green Business Model Innovation:** The EMM Network supports all stages of the development and roll-out of innovative environmentally friendly business models. We offer expertise and good practice information on sustainable resource management and environmentally friendly, low-carbon development. The EMM Network ensures a close linkage of applied tools with the core business of its members – ensuring the relevance and making the business case for sustainability.

**People-Oriented Business Model Innovation:** The EMM Network supports all stages of the development and roll-out of innovative people-oriented business models. We support joint learning about compliance with international social and labour standards, guidelines and certification schemes. In addition, EMM Network members have the opportunity to adapt and develop new tailor-made standards and guidelines to reflect their country or industry-specific achievements with regard to sustainability.



## The EMM Network Initiative Model

While each initiative of the EMM Network is tailored to the specifics of the challenge, our model initiative approach follows a five-step process.



- **Background Analysis:** Identifying the principal sustainability challenges and analyzing the background context, which often includes the legal environment, best practices, and business concerns.
- **Action Framework:** Through collaboration amongst our members, a specific action framework is defined, which may take the form of an industry guideline, a code of conduct, or an analytical tool.
- **Implementation:** A selected group of EMM Network members design and implement pilot projects to test the action framework within their businesses.
- **National and international Peer-Learning & Presentation:** The framework and pilot evaluations are presented at fora for public input. Lessons learned from the pilots and perspectives from the public and outside experts are fed back into improving the action framework.
- **Policy Recommendation:** Policy recommendations are formulated, often in conjunction with independent research organizations and with our sister networks under the umbrella of the Emerging Market Sustainability Dialogues, the Economic Policy Forum (EPF) and Emerging Markets Dialogue on Finance (EMDF). These policy recommendations are communicated to relevant public agencies, fed into inter-governmental processes, and replicated in other emerging markets.



## Model Initiative 1: Sustainable Mining

**Objective:** Developing and implementing Sustainability Guidelines in Outbound Mining Investments

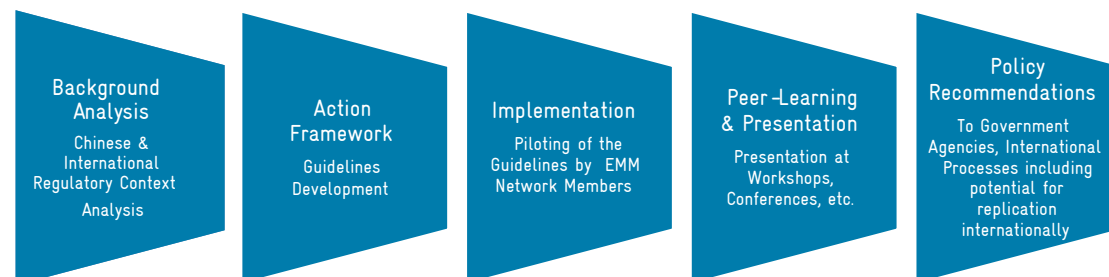
**Country:** China, to be replicated in other emerging economies

**Duration:** Ongoing

**Partner:** China Chamber of Commerce of Metals Minerals & Chemicals Importers & Exporters (CCCMC)



On 24 October 2014, CCCMC launched the **Chinese Guidelines for Social Responsibility in Outbound Mining Investment**. The Guidelines were developed as part of an initiative of the EMM Network addressing the fact that Chinese mining companies play a major role with regard to social, environmental and ethical impacts of the mining industry globally. CCCMC represents a membership of more than 6000 companies, encompassing the majority of Chinese mining companies investing abroad and trading mineral, metal and hydrocarbon products. The Guidelines represent the first industry specific guidance on social responsibility for the Chinese Mining industry. The Guidelines are structured along eight social responsibility issues and provide guidance for mining companies on establishing social responsibility management systems, disclosing social responsibility information, and continuously improving the economic, social and environmental performance with regard to the principles and requirements specified in these Guidelines. The EMM Network will continue to support CCCMC in establishing the necessary structure for the Guidelines' implementation, including monitoring and evaluation capacities, networking, peer-learning formats, reporting, etc.







## Model Initiative 2: Sustainable Infrastructure

**Objective:** Developing and implementing a Guide on Social Responsibility for Chinese International Contractors

**Country:** China

**Duration:** Ongoing

**Partner:** China International Contractors Association (CHINCA)



On 20 December 2010, CHINCA officially released the **Guide on Social Responsibility for Chinese International Contractors** on their Sixth Members' Assembly in Beijing, which was developed with GIZ's supports under the framework of the Sino-German CSR Project. Founded in 1988, the China International Contractors Association (CHINCA) is a Chinese trade association with more than 1,400 member companies, of which 800 are engaged in international project contracting and investment. Initially, 29 CHINCA member companies volunteered to pilot implementing the Guide. The pilot companies represented a combined turnover of 24 billion USD in 2010. Currently, at least 42 companies pilot the implementation of the Guide. Their experiences have been documented in detailed case studies, which serve as a reference point for further companies to follow suit. Also, emerging from this initiative, CHINCA has joined hands with other companies, associations and think tanks from other emerging markets to further shape and define the concept of "Sustainable Infrastructure" internationally. The EMM Network will continue to support CHINCA in establishing the necessary structure for the Implementation of its guidelines, including monitoring and evaluation capacities, networking, peer-learning formats, reporting, etc.

### Background Analysis

CSR Road Map Development

### Action Framework

CSR Guide Development

### Implementation

Piloting of the CSR Guide by EMM Network Members

### Peer-Learning & Presentation

Presented at Workshops, Conferences, etc.

### Policy Recommendation

Communicated to Government Agencies, International Processes, and Replicated Internationally



## **GIZ -** **Solutions that work**

### **Who we are:**

GIZ is a not-for-profit enterprise, owned by the German government. In 2014 our business volume exceeded two billion euros. Around 70 per cent of our workforce of more than 16,000 people is national personnel working in over 130 countries.

### **What we do:**

On behalf of the German Government, we provide services worldwide in the field of international cooperation for sustainable development. GIZ has over 50 years of experience in a wide variety of areas, including economic development and employment, energy and the environment, and peace and security. Cooperation with companies, trade associations and chambers of commerce is a key focus of GIZ's work. On behalf of the German Government, we promote private sector engagement in emerging and developing countries, and improve companies' economic efficiency and development effectiveness.

### **Who we work for:**

We offer a wide range of services to governments, companies, international institutions and private foundations. Thanks to our excellent market knowledge and global contacts, GIZ is an ideal partner for companies. All our projects and cooperative activities focus on linking business interests with development-policy goals so as to create a win-win situation for everyone involved.








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