



**EMPLOYERS'
FEDERATION
OF PAKISTAN**
The Apex Body of Employers



**International
Labour
Organization**

Roadmap for Business Engagement in the UN Sustainable Development Cooperation Framework Process

Key Entry Points for the
Pakistan Business Task Force,
Employers Federation of Pakistan



Copyright © 2023

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by means, electronic, mechanical, photocopying, recording or otherwise, without prior permission from the Employers' Federation of Pakistan and its unit, Pakistan Business Task Force.

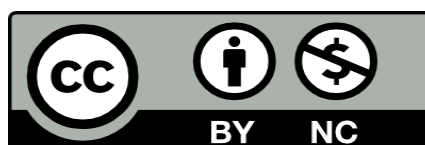
This work was made possible thanks to technical assistance funded by ILO, Pakistan. Employers' Federation of Pakistan (EFP) and its Pakistan Business Task Force (PBTF) for SDGs thankfully acknowledge ILO, Pakistan.

Consultant: Shadab Fariduddin

Views expressed herein are of the consultant and author alone and they do not represent, in any way, EFP, PBTF and/or ILO

This work is licensed under the Creative Commons Attribution – Non-Commercial 4.0 International License. To view a copy of this license, visit <http://creativecommons.org/licenses/by-sa/4.0/> or send a letter to Creative Commons, PO Box 1866, Mountain View, CA 94042, USA.

The content can be freely shared with due acknowledgment and credit to the author and publisher.



This license allows reusers to distribute, remix, adapt, and build upon the material in any medium or format for noncommercial purposes only, and only so long as attribution is given to the creator.

It includes the following elements:

- BY  – Credit must be given to the creator
- NC  – Only noncommercial uses of the work are permitted

Recommended Citation

Fariduddin, S. (November 2023). Roadmap for Business Engagement in the UN Sustainable Development Cooperation Framework Process -- Key Entry Points for the Pakistan Business Task Force, Employers Federation of Pakistan.

TABLE OF CONTENTS

FOREWORD	IV
ACRONYMS AND ABBREVIATIONS	V
EXECUTIVE SUMMARY	1
TO FACILITATE AND INCENTIVISE PRIVATE SECTOR ENGAGEMENT	3
OVERVIEW OF UN SUSTAINABLE DEVELOPMENT COOPERATION FRAMEWORK IN PAKISTAN.....	4
PAKISTAN AND THE SUSTAINABLE DEVELOPMENT GOALS.....	4
PRIORITY SDG OUTCOMES FOR PAKISTAN IN THE UNSDCF	4
MECHANISMS FOR MONITORING UNSDCF PROGRESS.....	5
UNSDCF – A MULTIPLE-STAKEHOLDER ENDEAVOUR.....	6
ROLE EXPECTED OF PRIVATE SECTOR UNDER UNSDCF 2023-27 FOR PAKISTAN	7
CHALLENGES OF THE PRIVATE SECTOR	8
THE CONTRIBUTION OF PAKISTAN BUSINESS TO SDGS.....	9
BARRIERS, CHALLENGES AND OPPORTUNITIES IN PRIVATE SECTOR CONTRIBUTION TO SDGs	11
CONCLUSIONS FROM THE MAIN STUDY	11
RECOMMENDATIONS TO THE POLICY MAKERS ON HOW TO MAKE USE OF THIS CONTRIBUTION IN REPORTING	13
DATA COLLECTION AND COLLABORATION	13
INTEGRATION INTO NATIONAL REPORTING FRAMEWORKS.....	13
EFFECTIVE ENGAGEMENT WITH THE BUSINESS SECTOR	13
TRANSPARENT COMMUNICATION TO THE PUBLIC.....	13
FACILITATION AND INCENTIVES FOR PRIVATE SECTOR ENGAGEMENT	14
COLLABORATION WITH PBTF AND UNSDCF.....	14
KEY ENTRY POINTS FOR PBTF FOR EFFECTIVE ENGAGEMENT IN THE NEW UNSDCF PROCESS.....	15
ROLE OF ILO, PAKISTAN	15
FUNCTIONS OF PBTF	16
KEY ENTRY POINTS FOR PBTF IN THE UNSDCF PROCESS	16
MANNER OF ENGAGEMENT WITH UNRC.....	20
TARGETS, STEPS AND TIMELINES FOR REVIVING PBTF.....	21
ANNEX 1: CONCEPTUAL MODEL, RESEARCH APPROACH AND METHODOLOGY	24
CONCEPTUAL MODEL FOR THE SDG RESEARCH.....	24
ANNEX 2: TERMS OF REFERENCE FOR PBTF	28
AIMS & OBJECTIVES	28
MANDATE AND FUNCTIONS	28
INTERVENTIONS IN RELATION TO UNSDCF 2023-27	29
COORDINATION WITH UNRC	29
MEMBERSHIP AND GOVERNANCE.....	29

FOREWORD

The Road Map for business engagement in the UN Sustainable Development Cooperation Framework Process is a significant initiative on the part of the Pakistan Business Task Force for UNDSCF. It is part of the report that include the contribution of business to the SDGs in Pakistan. More importantly, the Road Map provides the entry points that PBTF may pursue in its engagement in the UNDSCF process.

At a time when the world is dealing with multiple crisis situations ranging from political, environmental, to socio economic challenges, we are prone to fall behind in implementing the 2030 Agenda for sustainable development. We need engagement from all. Food insecurity, debt, inflation, job loss, health issues and poverty are a reality for many and the private sector and business and employers' organisations' knowledge, innovation, technology, data, and financing are needed more than ever. The UN Resident Coordinators (RCs) play a critical role in bringing all parties together at the local level in addressing many humanitarian and economic crises.

The UN Secretary General's report "Our Common Agenda" specifically underlines the important role of the private sector in inclusive multilateralism including through responsible innovation and harnessing technology. The report also invites a broader range of businesses, from multinational corporations to micro, small and medium-sized enterprises (MSMEs), to participate in the SDGs and climate action, including through business models that align with efforts to rethink measures of progress and prosperity.

The Road Map of the PBTF is therefore a pathway for the private sector to contribute to the UNDSCF outcomes by aligning business practices with SDGs. The recommendations made to the policy makers to leverage the private sector's contribution in reporting on SDGs in Pakistan is significant. It is hoped that PBTF will make maximum use of the Road map to achieve its objective of contributing towards to promotion of SDGs in Pakistan.

I take this opportunity to thank our ILO Consultant, Shadab Fariduddin, for his excellent compilation of the Road map after undertaking many stakeholder meetings and interviews. I also thank the ILO Country Director Islamabad, Mr Geir Tonstol, for his support and enthusiasm to make sure that employers in Pakistan are at the table along with the multilateral partners in taking forward the 2030 agenda.

RAVI PEIRIS

SENIOR SPECIALIST EMPLOYERS' ACTIVITIES

ILO DWT SOUTH ASIA

November 12, 2023

Karachi

ACRONYMS AND ABBREVIATIONS

APR	Awareness, Practice and Reporting
BAs	Business Associations
CCA	Common Country Assessment
COP	Communication of Progress
CSR	Corporate Social Responsibility
DWCP	Decent Work Country Programme
EAD	Economic Affairs Division (Gov't of Pakistan)
EBMO	Employer and Business Member Organization
EFP	Employers' Federation of Pakistan
ESG	Environmental, Social and Governance
FPCCI	Federation of Pakistan Chambers of Commerce and Industry
GTG	Gender Theme Group
GOP	Government of Pakistan
IDI	In-Depth Interview
ILO	International Labour Organization
JSC	Joint UN-Government Steering Committee
KEP	Key Entry Point
KPI	Key Performance Indicators
MAF	Management and Accountability Framework
MNE	Multi-National Enterprise
NGO	Non-Governmental Organisation
OC	Oversight Committee
OG	Outcome Groups
OICCI	Overseas Investors Chamber of Commerce and Industry
OMT	Operations Management Team
PBC	Pakistan Business Council
PBTF	Pakistan Business Task Force
PCP	Pakistan Centre for Philanthropy
PME	Planning, Monitoring and Evaluation Group
PMT	Programme Management Team
PPP	Public-Private Partnership
PPT	Provincial Programme Team
PSC	Provincial Steering Committee

RC	Resident Coordinator
RM	Road Map
SDG	Sustainable Development Goal
SME	Small and Medium Enterprise
TOC	Theory of Change
UNCF	UN Cooperation Framework
UNCG	United Nations Communications Group
UNCT	UN Country Team
UNDP	UN Development Programme
UNDS	UN Development System
UNGC	UN Global Compact
UNPRI	UN Principles for Responsible Investing
UNRC	UN Resident Coordinator
UNSDCF	UN Sustainable Development Cooperation Framework
WASH	Water, Sanitation and Hygiene
WEBCOP	Workers Employers Bilateral Council

EXECUTIVE SUMMARY

The private sector has recently emerged as an important stakeholder in contributing to Pakistan's achievement of the Sustainable Development Goals. This Road Map for Business Engagement outlines the processes and requirements necessary in order for Pakistan's private sector to effectively engage with the United Nations Sustainable Development Cooperation Framework (UNSCDF, also referred to as the UNCF), through the Pakistan Business Task Force (PBTF), in order to contribute to meeting Pakistan's SDG commitments. The UNSDCF acknowledges the importance of the private sector, noting that it can play a critical role in achieving the SDGs in Pakistan by creating employment, building skills, spurring innovation, providing essential infrastructure, and supplying affordable goods and services.

Although the private sector has a role to play in contributing to all five priority outcomes identified by the Government of Pakistan (GOP), Outcome 4 (Sustainable and Inclusive Green Economic Growth and Decent Work) is the main focus of private-sector engagement.

The Road Map works from the assumption that the private sector has valuable contributions to make, and that those contributions will flow from a mutually-beneficial feedback loop: i.e. the UNSDCF for Pakistan 2023-27 expects the Government to create a favourable policy and regulatory framework and it requires the private sector to be aware of the SDGs; recognise the need for investing in sustainability; change current or adopt new business practices that advance the sustainability agenda, and report on results of their sustainability and social contribution using the established core indicators.

The private-sector contribution - both current and in the future - needs to be captured, processed and reported in a manner that makes the reported results comparable and aligns them to national reporting on SDGs by Pakistan. That is only possible when there is a clear and mutually-agreed pathway of engagement between the UN and the private sector on the UNSDCF process. Pakistan Business Task Force (PBTF) has been established at the Employers' Federation of Pakistan (EFP), with support from ILO to function as a bridge between the UN and the private sector. PBTF's goal is to support the UN in achieving the SDGs with the active participation of the private sector.

The UNSDCF identifies a number of challenges and barriers faced by the private sector in contributing to the SDGs. These include a lack of awareness about the SDGs, a lack of capacity to implement sustainable practices, a lack of funds and investment incentives, and policy barriers that make it difficult and expensive to invest in sustainable practices. Other challenges include short-term profit priorities, regulatory challenges, financial constraints, data accessibility issues, and a lack of expertise in sustainability reporting. Despite these challenges, a number of significant organisational best practices for private-sector SDG contributions have been identified in this Road Map.

The Road Map makes clear that the private sector can contribute to the achievement of the UNSDCF outcomes by: [investing in sustainable development](#) by aligning business practices with the SDGs, including promoting renewable energy, sustainable agriculture, and climate-focussed education; [creating jobs](#) by investing in businesses that are expanding and creating new opportunities; [promoting innovation and green technologies](#) by investing in research and development, and by [adopting sustainable practices](#) by reducing environmental impacts and ensuring that supply chains are ecologically sustainable. [Engaging with stakeholders and establishing partnerships](#) with all levels of

government, civil society, and other businesses will also be a critical focus in promoting and achieving the SDGs.

The UNSDCF process consists of (i) a Governance structure: i.e. a joint management structure to oversee the UNSDCF framework implementation, ensuring coordination and effectiveness; data management systems related to the priority outcomes and therefore capable of informing decision-making and tracking progress; results-monitoring mechanisms to capture progress against the five priority SDGs; and the reporting requirements that will capture impacts and enable Pakistan to report on progress against specific SDGs. Annual reviews will gauge progress and identify areas needing improvement, while multi-stakeholder partnerships will be significant factors in coordinating implementation and achieving the SDGs.

In addition to identifying a number of key entry points for the PBTF to effectively engage in the new UNSDCF process (Section 4), the Road Map makes the following recommendations to policy makers for leveraging the private sector's contribution in reporting on the SDGs in Pakistan.

TO SUPPORT DATA COLLECTION AND COLLABORATION

- Establish a collaborative framework involving Government agencies, the EFP, and private sector organisations to systematically collect data on the private sector's contributions to the SDGs.
- Encourage and incentivize private sector entities, especially larger corporations, to report their SDG-related initiatives and achievements through mandatory or voluntary reporting mechanisms.
- Promote the use of common data collection templates and reporting standards, aligned with global SDG reporting frameworks, to streamline data collection processes.

TO INTEGRATE PRIVATE-SECTOR SDG-RELATED DATA INTO NATIONAL SDG REPORTING FRAMEWORKS

- Develop guidelines and tools to assist private sector organisations in aligning their reporting with national reporting requirements, including the SDG Indicators.
- Periodically review and update those reporting frameworks to accommodate the evolving contributions of the private sector.

TO ENSURE EFFECTIVE ENGAGEMENT WITH THE BUSINESS SECTOR

- Foster a collaborative environment by convening regular dialogues between Government, the EFP, and private sector representatives to share insights, challenges and best practices in SDG reporting.
- Offer capacity-building and training programs to assist private sector entities, particularly SMEs, women- and youth-led businesses, to improve their reporting capabilities.
- Recognize and reward private sector organisations that excel in SDG reporting and align their practices with national development priorities.

TO ENSURE TRANSPARENT COMMUNICATION TO THE PUBLIC

- Develop a centralised platform or database where information on the private sector's contributions to the SDGs can be easily accessed by the public.

- Promote transparency and accountability by requiring private sector entities to publish their SDG-related reports and initiatives on their websites and other accessible platforms.
- Conduct awareness campaigns targeting the general public, highlighting the significant role of the private sector in advancing the SDGs.

TO FACILITATE AND INCENTIVISE PRIVATE SECTOR ENGAGEMENT

- Explore tax incentives or other financial mechanisms to encourage private sector investments in sustainable development projects aligned with the SDGs.

OVERVIEW OF UN SUSTAINABLE DEVELOPMENT COOPERATION FRAMEWORK IN PAKISTAN

The United Nations Sustainable Development Cooperation Framework (UNSDCF) for Pakistan is a compact between the UN and the Government of Pakistan that is nationally owned and aligned with Pakistan's National Sustainable Development Strategy, sectoral strategies, and national planning instruments. The UNSDCF, also referred to as the UN Cooperation Framework (UNCF), is a strategic document that outlines the UN's cooperation with Pakistan to achieve the sustainable development goals (SDGs) from 2023 to 2027.¹ The UNSDCF process is based on a strong theory of change (TOC), drawing on a Common Country Assessment (CCA) conducted by the UN to assess needs, challenges, and opportunities in Pakistan. The UNSDCF process aims to improve the effectiveness, alignment with national priorities, and efficiency of UN interventions in Pakistan. CCA is the UN's independent, collective, integrated, forward-looking, and evidence-based analysis of the country's context for sustainable development.² It is an impartial, collective, and integrated analysis of the socio-economic environment for sustainable development. It is a signature analytical function carried out by the UN development system concerning the situation both in-country and at the regional and global levels that shapes the context for sustainable development. CCA has been used in the UNSDCF process to assess needs, challenges, and opportunities in Pakistan and to improve the effectiveness, alignment with national priorities, and efficiency of UN interventions in Pakistan.³ The UNSDCF is one of the core responsibilities of the UN Resident Coordinator (UNRC).

PAKISTAN AND THE SUSTAINABLE DEVELOPMENT GOALS

Pakistan adopted the Sustainable Development Goals (SDGs) as its own national development goals in February 2016.⁴ The country's progress on the SDGs was assessed as "modest" overall in 2021.⁵

In terms of achievements, Pakistan has made the most progress on climate action, ranking 128th out of 193 countries in 2023 with an overall score of 58.97 percent.⁶ However, the country has made no significant progress on zero hunger, quality education, gender equality, clean energy, innovation, sustainable cities and communities.⁷

Recent disasters have had a significant impact on Pakistan's achievement of the SDGs. For instance, a recent flood (2022) caused damages estimated at \$14.9 billion, losses at \$15.2 billion, and needs at \$16.3 billion.⁸ This has undoubtedly affected the country's ability to invest in and achieve the SDGs.

PRIORITY SDG OUTCOMES FOR PAKISTAN IN THE UNSDCF

The UNSDCF 2023-27 for Pakistan has prioritised five development outcomes to improve people's lives especially the lives of those at the greatest risk of being left behind. Those at the highest risk of being left behind in Pakistan's pursuit of the SDGs are those who lack access to basic social services such as

1 https://pakistan.un.org/sites/default/files/2022-11/Pakistan_UNSDCF_Final.pdf (Accessed October 2, 2023)

2 <https://data.berkeley.edu/project/un-common-country-analysis-cca> (Accessed October 21, 2023)

3 Op. cit.

4 https://www.pc.gov.pk/uploads/report/National_SDGs_Framework_-_NEC_2018.pdf (Accessed October 21, 2023)

5 <https://www.icsf.net/resources/pakistan-sdgs-status-report-2021/> (Accessed October 21, 2023)

6 <https://dashboards.sdgindex.org/rankings> (Accessed October 21, 2023)

7 <https://www.thenews.com.pk/tns/detail/955905-pakistans-progress-on-sdgs>

8 <https://www.undp.org/pakistan/press-releases/pakistan-sdg-investments-climate-financing-facility-established-mobilize-private-sector-investments-development> (Accessed October 21, 2023)

health, nutrition, water, sanitation and hygiene (WASH), education and social protection.^{9,10} These outcomes, and the logics thereof, are:¹¹

1. **BASIC SOCIAL SERVICES:** If basic social services, including health, nutrition, WASH, education, and social protection, are strengthened there will be increased equal access to sustainable quality services for all.
2. **GENDER EQUALITY AND WOMEN'S EMPOWERMENT:** If gender equality and women's empowerment are promoted, there will be increased opportunities for women and girls as equals to participate in all aspects of life, including education, employment, and decision-making.
3. **CLIMATE CHANGE AND THE ENVIRONMENT:** If the health of the Indus River Basin is restored and protected, and if resources are equitably and efficiently used, the Indus will sustain a thriving civilization from its sources to the sea, and Pakistan will be much better equipped to adapt to climate change and mitigate its impacts on, inter alia, water, forests, air pollution and food production.
4. **SUSTAINABLE INCLUSIVE ECONOMIC GROWTH AND DECENT WORK:** If there is sustainable and inclusive green economic growth and decent work, there will be equitable employment opportunities, enhanced productivity, a sustainable business environment, and the realisation of workers' rights.
5. **GOVERNANCE:** If inclusive, accountable and efficient governance systems are in place, they will provide equitable service delivery, affordable and accessible justice systems, and enable people to be aware of – and obtain – their rights.

The UNSDCF Pakistan's Results Framework¹² outlines specific performance indicators for measuring progress towards achieving each of the five priority outcomes. For example, Outcome 1 (Basic Social Services) includes performance indicators such as universal health coverage index, the prevalence of stunting among children under five years old, proportion of the population using safely-managed drinking water services, and proportion of the population using basic sanitation services.

MECHANISMS FOR MONITORING UNSDCF PROGRESS

The UNSDCF process uses a results-based management approach to track progress towards the five priority outcomes and ensure that the UN's interventions are effective and efficient. The key performance indicators (KPIs) used to monitor the UNSDCF process in Pakistan are the global indicators being used for tracking SDGs.

The UNSDCF process will monitor and report on the results achieved towards the five priority outcomes. The process will use an exhaustive data management system to collect, analyse, and report on the data related to those outcomes. The data management systems will ensure that the UN has access to accurate and timely data to inform decision-making and track progress towards the outcomes.

⁹<https://pakistan.un.org/en/206433-united-nations-sustainable-development-cooperation-framework-unsdcf-2023-2027-pakistan> (Accessed: October 21, 2023)

¹⁰ https://pakistan.un.org/sites/default/files/2022-11/Pakistan_UNSDCF_Final.pdf (Accessed: October 21, 2023)

¹¹ Ibid., p. 21

¹² Ibid., p.56

The UNSDCF in Pakistan incorporates several key monitoring and oversight mechanisms to ensure its effective implementation:¹³ In addition to the results-monitoring and data management discussed above, those mechanisms are:

1. **A GOVERNANCE STRUCTURE:** The UNSDCF process has established a joint management structure to oversee framework implementation, ensuring coordination and effectiveness.
2. **MULTI-STAKEHOLDER PARTNERSHIPS:** Engaging a broad spectrum of stakeholders, including the private sector, civil society, and academia, the UNSDCF process emphasises coordinated implementation and the importance of partnerships in achieving the SDGs.
3. **ANNUAL REVIEWS:** UNRC will ensure that annual assessments are conducted to gauge progress towards achieving the five priority outcomes and identify areas of improvement. Those reviews involve and inform all stakeholders and thus keep the UNSDCF relevant and effective in achieving the SDGs in Pakistan

UNSDCF – A MULTIPLE-STAKEHOLDER ENDEAVOUR

The UNSDCF was developed through a consultative, cross-sectoral and results-oriented approach. It involved various actors including UN agencies, the Federal and Provincial Governments, and their Line Ministries, as well as technical experts, national partners, civil society, international institutions, development partners, the private sector, academia, disability organisations and international NGOs.

The UNSDCF for Pakistan recognizes the importance of multiple stakeholders. It urges the UN System to engage with them all, while playing its own main roles as:

- **CONVENOR OF DIVERSE STAKEHOLDERS** to influence change and consolidate views and contributions from a range of stakeholders;
- **ADVISOR ON DEVELOPMENT** that provides technical assistance and advice to the Government and other stakeholders;
- **PROMOTER OF INTERNATIONAL BEST PRACTICES** to share knowledge and expertise and
- **ADVOCATE FOR LEAVING NO ONE BEHIND** to ensure that the most vulnerable and marginalised groups are not excluded from the development process.

While all stakeholders are important, three in particular address the interplay of cooperation for the UNSDCG process.

GOVERNMENT: The Government of Pakistan (GOP) plays a pivotal role in the UNSDCF process, which is anchored in national development priorities. The formulation of the UNSDCF is led by the Government with robust participation from various Line Ministries and Provincial Governments. The GOP formulates policies, provides resources and implements national plans in line with the five priority SDG outcomes in order to meet the country's commitment to achieving all of the SDGs.

CIVIL SOCIETY OR NGOS: Non-governmental organisations play a critical role in the UNSDCF process by providing technical expertise, mobilising communities, and advocating for the rights of marginalised

¹³ Ibid., p.56

groups. NGOs provide valuable sector-specific feedback to the UN and the Government to improve implementation of the UNSDCF process and achieve the five priority outcomes.

BUSINESS AND THE PRIVATE SECTOR: Thus far both the government and the NGOs have been at the forefront of driving the SDGs in Pakistan while the private sector has only recently emerged as an important stakeholder. The UNSDCF acknowledges the importance of the private sector, noting that it can play a critical role in achieving the SDGs in Pakistan by creating employment, building skills, spurring innovation, providing essential infrastructure and supplying affordable goods and services. The UNSDCF process recognizes the importance of the private sector in achieving these outcomes and has sought to engage with the private sector to enhance its envisaged roles and facilitate the private sector's contribution to achieving sustainable development in Pakistan.

ROLE EXPECTED OF PRIVATE SECTOR UNDER UNSDCF 2023-27 FOR PAKISTAN

As noted, the UNSDCF for Pakistan advances the 2030 Agenda for Sustainable Development by positing an active role for the private sector through all five priority outcomes. However Outcome 4 (*Sustainable and Inclusive Green Economic Growth and Decent Work*) is the main focus of private-sector engagement.

The Outcome 4 outputs include increased investment in renewable energy, sustainable agriculture, eco-tourism, and other green sectors. The outcomes include increased access to finance for small and medium enterprises (SMEs), increased SME productivity, an increased number of green jobs created, and an increased number of workers with improved working conditions. The intended impact consists of sustainable and inclusive economic growth that benefits all segments of society. Similarly, Outcome 5 (Climate Change and the Environment) offers ample opportunities for the private sector to get actively engaged and, according to the World Bank, attract private investment to build its climate resilience in sectors such as water management, agriculture, urban infrastructure, municipal services and housing.¹⁴

The private sector is expected to contribute to the achievement of the UNSDCF outcomes by:

- **INVESTING IN SUSTAINABLE DEVELOPMENT:** by investing in businesses that are aligned with the SDGs, such as those that promote renewable energy, sustainable agriculture, or education.
- **CREATING JOBS:** by investing in businesses that are expanding and creating new opportunities.
- **PROMOTING INNOVATION AND GREEN TECHNOLOGIES:** by investing in research and development, and by adopting new technologies that can help to achieve the SDGs.
- **ADOPTING SUSTAINABLE PRACTICES:** by reducing their environmental impact, and by ensuring that their supply chains are ecologically sustainable.
- **ENGAGING WITH STAKEHOLDERS:** by working with governments, civil society and other businesses to promote the SDGs.¹⁵

The UNSDCF aims to establish stronger partnerships with the private sector and to support initiatives that increase sources of funding for development-resource mobilisation.¹⁶ It needs to be highlighted

¹⁴<https://www.worldbank.org/en/news/press-release/2022/11/10/pakistan-urgently-needs-significant-investments-in-climate-resilience-to-secure-its-economy-and-reduce-poverty> (Accessed: October 25, 2023)

¹⁵ <https://pakistan.un.org/en/232810-abridged-version-united-nations-sustainable-development-cooperation-framework-unsdcf-2023> (Accessed: October 2, 2023)

¹⁶ Ibid, p.30

here that each of the areas underlined is proposed as a solid business case for large-scale private investment with attractive returns. This approach is in sharp contrast with the traditional Corporate Social Responsibility (CSR) model, in which businesses are encouraged to allocate a minuscule share of their profits to social causes.

CHALLENGES OF THE PRIVATE SECTOR

The UNSDCF document also identifies a number of challenges that the private sector faces in contributing to the SDGs in Pakistan. These include:

- **LACK OF AWARENESS** among businesses about the SDGs and the role that they can play in achieving them.
- **LACK OF CAPACITY** to implement sustainable practices and install inclusive organisational mechanisms.
- **LACK OF FUNDS AND INCENTIVES** for businesses to invest in sustainable and inclusive practices.
- **POLICY BARRIERS** that make it difficult for businesses to invest in sustainable and inclusive practices.

In light of these challenges, the UNSDCF for Pakistan 2023-27 expects the Government to create a favourable policy and regulatory framework and the private sector to:

- **BE AWARE OF THE SDGs** or the Environment, Social and Governance (ESG) movement and the concomitant opportunities;
- **RECOGNISE THE NEED FOR INVESTING** in social impact and sustainability;
- **CHANGE CURRENT OR ADOPT NEW BUSINESS PRACTICES** that advance the social and sustainability agenda, and
- **REPORT ON RESULTS** of their sustainability and social contribution using the established core indicators.

The private-sector is already contributing significantly to SDGs, knowingly or unknowingly. That contribution needs to be captured, processed and reported in a manner that makes the reported results comparable and aligns them to national reporting on SDGs by Pakistan. That is only possible when there is a clear pathway of engagement between the UN and the private sector in the UNSDCF process.

THE CONTRIBUTION OF PAKISTAN BUSINESS TO SDGs

The private sector, in its pursuit of growth and profits, creates employment, builds skills, spurs innovation, provides essential infrastructure, and supplies affordable goods and services, which are essential for achieving the SDGs. These contributions go unnoticed and/or un-reported in the national accounting for progress towards SDGs.

A research study that captures private-sector contribution to the SDGs informs this Road Map (RM) for business engagement.¹⁷ The study captures findings on the current state of Awareness, Practice and Reporting (APR) of the SDGs in the private sector, which tends to favour an alternative term, Environment, Social and Governance (ESG), to describe what the SDGs cover (See Annex 2 for details on the conceptual model and research methodology used in the APR study).

The study found that businesses in Pakistan are increasingly aware of the SDGs, with 90% of respondents reporting that they are either fully or somewhat familiar with the SDGs. However, awareness levels vary widely, with 76% of organisations exhibiting no, low, or moderate levels of awareness. Most businesses believe that they are contributing to some of the SDGs, with 84% reporting that they are contributing either to a large extent or to some extent. However, only 24% of organisations surveyed have a high level of awareness of the SDGs and are taking concrete steps to contribute to all of them. Businesses were asked to pinpoint specific SDGs to which they think they are contributing.

There is a growing recognition of the importance of both social and environmental SDGs, with businesses primarily focusing their contribution on health, gender equality, and climate action. However, there is less emphasis on the SDGs related to peace, justice, and strong institutions (Table 1).

Highest contribution (60 percent or more)	Lowest contribution (35 percent or less)
1) Good Health and Well-being (SDG 3): 78 percent	1) Peace, Justice, and Strong Institutions (SDG 16): 19 percent
2) Gender Equality (SDG 5): 73 percent	2) Life on Land (SDG 15): 21 percent
3) Climate Action (SDG 13): 68 percent	3) No Poverty (SDG 1): 22 percent
4) Decent Work and Economic Growth (SDG 8): 65 percent	4) Life Below Water (SDG 14): 24 percent
5) Industry, Innovation, and Infrastructure (SDG 9): 65 percent	5) Zero Hunger (SDG 2): 24 percent
6) Affordable and Clean Energy (SDG 7): 62 percent	6) Sustainable Cities and Communities (SDG 11): 32 percent
7) Responsible Consumption and Production (SDG 12): 60 percent	

Table1: Highest and lowest ranked contributions to the SDGs

HEALTH AND GENDER GOALS RECEIVE THE HIGHEST PRIVATE SECTOR CONTRIBUTION: The data indicates that reporting businesses view "Good Health and Well-being" (SDG 3) and "Gender Equality" (SDG 5) as the highest priorities for contributing to the SDGs.

¹⁷ The Private Sector's Contribution to the Sustainable Development Goals -- A Study on Awareness, Practices and Reporting of SDGs in Pakistan, 2023. Unpublished

CLIMATE ACTION AND ECONOMIC GROWTH FOLLOW: "Climate Action" (SDG 13) and "Decent Work and Economic Growth" (SDG 8) are also significant priorities for businesses to contribute to, with substantial percentages of respondents recognizing their importance.

EMPHASIS ON SUSTAINABLE PRACTICES: Goals related to sustainability, such as "Responsible Consumption and Production" (SDG 12) and "Clean Water and Sanitation" (SDG 6), are recognized by a significant portion of respondents.

EDUCATION AND HUNGER: While "Quality Education" (SDG 4) received a moderate percentage of responses, "Zero Hunger" (SDG 2) had a lower percentage, indicating that it might not be as high a priority for the surveyed businesses.

LIMITED ATTENTION TO CERTAIN GOALS: Goals such as "Life on Land" (SDG 15) and "Peace, Justice, and Strong Institutions" (SDG 16) received relatively lower attention from respondents, suggesting that these areas may not be as prominent in their sustainability efforts.

PARTNERSHIPS AND POVERTY: "Partnerships for the Goals" (SDG 17) and "No Poverty" (SDG 1) received relatively low prioritisation by the surveyed businesses.

These self-reported contributions emanate from organisational policies that drive SDG-related practices and reporting in the private sector.

Approximately 70% of surveyed private sector organisations in Pakistan have sustainability policies in place, and 60% collaborate with NGOs on SDG-related initiatives.

Implementation challenges include resistance to change, resource limitations, lack of requisite knowledge and skills, a myopic business focus, and external factors such as unfavourable economic conditions and mistrust of the government.

Despite these challenges, numerous businesses are effectively contributing to the SDGs through actions such as recycling, renewable energy investments, and empowerment initiatives. Some organisations are also proactively addressing marginalised groups within their SDG practices. Having a visionary approach, aligning actions with vision, investing in technology and innovation, training people and creating the right incentives for them emerge as organisational best practices for SDG contribution.

However, integrating sustainability into core business practices remains a hurdle for more than half of private sector organisations in Pakistan due to a lack of capacity and the absence of guidance, tools and frameworks. This is a key area for improvement, as it is essential for businesses to create long-term economic value while also addressing the SDGs.

There is a positive trend towards sustainability reporting and communication among businesses in Pakistan. A healthy 71% of respondents say that their organisation tracks, measures, and reports their sustainability results. However, a significant 29% do not.

This is likely due to the evolving standards of sustainability reporting, which can be complex and costly to implement, especially for small and medium-sized enterprises (SMEs) that are evidently less equipped for sustainability reporting and communication. Moreover, 63% of organisations either report

occasionally or not at all on sustainability, highlighting the need to incentivize them to report in a more focussed manner. Half of the businesses evaluate their contributions to the SDGs, while the other half do not. Yet even those who do report do not feed their results into the national progress on SDGs.

BARRIERS, CHALLENGES AND OPPORTUNITIES IN PRIVATE SECTOR CONTRIBUTION TO SDGs

The research findings reveal several barriers to private sector engagement with the SDGs, including awareness gaps, short-term profit priorities, regulatory challenges, financial constraints, data accessibility issues, and a lack of expertise in sustainability reporting. Challenges identified by businesses range from a lack of awareness and knowledge to financial concerns and perceived inadequate government support and incentives. These challenges underscore the need for comprehensive efforts to foster greater private sector engagement in sustainability initiatives.

The low level of awareness of the UNSDCF among respondents (only 33 percent) highlights the need to raise awareness about the framework among the public and stakeholders. There is a clear interest among many private sector organisations to understand how the UNSDCF relates to their industry and the potential benefits it can offer.

Respondents expressed a desire for more and concrete actions by the Employers' Federation of Pakistan (EFP) and its Pakistan Business Task Force (PBTF), which is mandated to promote the private sectors' engagement in the UNSDCF process for achieving the national SDG targets. These actions form the recommendations for the PBTF in terms of the three broad pillars of the APR; that is, raise awareness of the importance of the SDGs and the relevance of UNSDCF for businesses; train on ways of integrating the SDGs into business practices; and educate and facilitate on reporting for SDGs while making it convenient for the entire private sector, especially SMEs. PBTF must also advocate to shape supportive policies, business-friendly regulations and incentives for trade and industry to actively participate in achieving the SDGs. Collaboration with other organisations like the Pakistan Stock Exchange, Securities and Exchange Commission of Pakistan, International Finance Corporate, and Pakistan Business Council will magnify PBTF's effectiveness in supporting the UNRC in achieving the SDGs in Pakistan.

CONCLUSIONS FROM THE MAIN STUDY

Businesses and employers have a pivotal role to play in promoting the United Nations SDGs and contributing to national and global sustainable development. Besides the examples shared above, a key initiative working towards this goal is the United Nations Global Compact (UNGC), which has a Secretariat at the EFP. The UNGC's voluntary effort encourages companies and employers in Pakistan to adopt sustainable and socially responsible practices. The UNGC focuses on engaging businesses in advancing the SDGs through ten principles covering human rights, labour, the environment, and anti-corruption. Employers, especially businesses and corporations, are actively participating in these efforts in the following ways:

Businesses are jointly encouraged by the teams of UNGC network and EFP to commit to a) the ten principles of the UNGC and b) the principles enshrined in the ILO's multinational enterprise (MNE) Declaration¹⁸ "that provides direct guidance to enterprises on social policy and inclusive, responsible

¹⁸ https://www.ilo.org/empent/areas/mne-declaration/WCMS_570332 (Date Accessed: October 2, 2023)

and sustainable workplace practices”. This guidance covers areas like respecting human rights, promoting fair labour practices, protecting the environment and preventing corruption. By adhering to these principles, employers demonstrate their dedication to advancing the SDGs. Integrating the SDGs into business strategies, operations, and reporting is crucial. Employers identify the specific SDGs that are most relevant to their industry and operations, set specific targets as challenges, and invest through actions to contribute to those goals.

EFP rewards employers through different awards while recognizing their contributions to national development and achieving the SDGs. Furthermore, employers use reporting mechanisms, such as annual Communication on Progress (COP) reports, to allow companies to showcase their sustainability initiatives and their alignment with the SDGs.

The Workers Employers Bilateral Council (WEBCOP) brings together representatives from workers' unions or associations and employers' organisations with an aim to promote social justice, Decent Work, and cooperation between labour and management, address local challenges, and work collectively towards achieving the SDGs. This collaborative approach fosters innovation and the sharing of best practices.

Lastly, engaging employees in sustainability efforts is vital. Employers can raise awareness about the importance of the SDGs among their workforce and empower employees to drive positive change within their workplaces and communities.

In conclusion, the APR model, especially designed for this research, is vital: it identifies where businesses and employers can be supported to fill in awareness, practices and reporting gaps and thus can play a significant role in promoting the SDGs by committing to UNGC principles, integrating the SDGs into their policies and operations, and through transparent reporting linked to COP. In this regard, collaboration with stakeholders, and engagement with their employees in sustainability efforts is a necessity. Through these actions, private sector employers in Pakistan will contribute to the national and global efforts to achieve the SDGs and promote sustainable development.

RECOMMENDATIONS TO THE POLICY MAKERS ON HOW TO MAKE USE OF THIS CONTRIBUTION IN REPORTING

Policy makers can leverage the private sector's contribution in reporting on the SDGs in Pakistan in the following ways:

DATA COLLECTION AND COLLABORATION

- a. Establish a collaborative framework involving Government agencies, the EFP, and private sector organisations to systematically collect data on the private sector's contributions to the SDGs.
- b. Encourage and incentivize private sector entities, especially larger corporations, to report their SDG-related initiatives and achievements through mandatory or voluntary reporting mechanisms.
- c. Promote the use of common data collection templates and reporting standards, aligned with global SDG reporting frameworks, to streamline data collection processes.

INTEGRATION INTO NATIONAL REPORTING FRAMEWORKS

- a. Ensure that the data collected from the private sector on SDG contributions is integrated into the national SDG reporting framework.
- b. Develop guidelines and tools to assist private sector organisations in aligning their reporting with national reporting requirements, including the SDG Indicators.
- c. Periodically review and update reporting frameworks to accommodate the evolving contributions of the private sector.

EFFECTIVE ENGAGEMENT WITH THE BUSINESS SECTOR

- a. Foster a collaborative environment by convening regular dialogues between Government, the EFP, and private sector representatives to share insights, challenges and best practices in SDG reporting.
- b. Offer capacity-building and training programs to assist private sector entities, particularly SMEs, women- and youth-led businesses, to improve their reporting capabilities.
- c. Recognize and reward private sector organisations that excel in SDG reporting and align their practices with national development priorities.

TRANSPARENT COMMUNICATION TO THE PUBLIC

- a. Develop a centralised platform or database where information on the private sector's contributions to the SDGs can be easily accessed by the public.
- b. Promote transparency and accountability by requiring private sector entities to publish their SDG-related reports and initiatives on their websites and other accessible platforms.
- c. Conduct awareness campaigns targeting the general public, highlighting the significant role of the private sector in advancing the SDGs.

FACILITATION AND INCENTIVES FOR PRIVATE SECTOR ENGAGEMENT

- a. Explore tax incentives or other financial mechanisms to encourage private sector investments in sustainable development projects aligned with the SDGs.
- b. Establish public-private partnerships (PPPs) that create mutual benefits for both the Government and private sector organisations, further incentivizing their active participation in SDG-related initiatives.
- c. Implement a clear regulatory framework that encourages private sector entities to embed sustainability practices into their core operations.

COLLABORATION WITH PBTF AND UNSDCF

- a. Leverage the PBTF and UNSDCF to coordinate and facilitate private sector contributions to the SDGs.
- b. Encourage PBTF to serve as a conduit for communication and collaboration between the private sector and Government entities, ensuring that the private sector's efforts are effectively integrated into national development strategies.
- c. Highlight the potential benefits and opportunities for private sector engagement within the UNSDCF, making it an attractive platform for businesses to align their efforts with national and global sustainable development objectives.

By implementing these recommendations, policymakers can harness the private sector's full potential in contributing to the SDGs and enhance the quality, transparency, and impact of SDG reporting in Pakistan.

KEY ENTRY POINTS FOR PBTF FOR EFFECTIVE ENGAGEMENT IN THE NEW UNSDCF PROCESS

EFP is the oldest Employer and Business Member Organization (EMBO) in Pakistan, having been operating since 1931. EFP has over 950 employers as its members all over Pakistan.¹⁹

When UNSDCF 2023-27 was formalised, ILO Pakistan, under the directive of the UNRC took the lead in engaging the business sector to contribute to Pakistan's achievement of the SDGs. The ILO helped to constitute the Pakistan Business Task Force (PBTF) under the aegis of EFP with eleven founding members in April 2022. These members include: Business Associations (BAs), the Employers' Federation of Pakistan (EFP), the Federation of Pakistan Chambers of Commerce and Industry (FPCCI), the Overseas Investors Chamber of Commerce and Industry (OICCI) and the UNGC Network of Pakistan. The goal for PBTF is to encourage and enable the business community to support the UN in achieving the SDGs as envisioned in the UNSDCF for Pakistan.

ROLE OF ILO, PAKISTAN

The International Labour Organization (ILO) plays a crucial role in engaging the private sector for the United Nations, primarily through its country offices and cooperation frameworks. The ILO's new policy guidance on the UN Development System (UNDS) reform (2022) outlines its functions in this context.²⁰ In the context of the UN Cooperation Framework (UNCF), ILO Country Offices are responsible for providing timely data and evidence-based analysis on Decent Work in the country, and aligning with areas of insufficient progress highlighted by the ILO supervisory bodies. This information serves as the ILO's input to the CCA of the Cooperation Framework and lays the foundation for a Decent Work diagnostic within the Decent Work Country Program (DWCP). To achieve this, ILO Offices are expected to mobilise expertise both regionally and at headquarters. DWCP and its results feed directly into the priority outcomes of the UNSDCF, particularly Outcome 4, Decent and Inclusive Employment.

The ILO Country Offices also play a vital role in actively engaging constituents - particularly social partners, i.e. employers and workers - in the Cooperation Framework process. They promote participation in UN planning and programming processes, raise awareness about the UN CCA and UNSDCF, and provide support and capacity building to ensure effective participation in the formulation, implementation, monitoring, and evaluation of national SDG frameworks. Additionally, they facilitate direct dialogue between social partners and the UN Resident Coordinator (RC) and engage in multi-stakeholder forums in collaboration with relevant specialists.

In the context of public sector engagement and public-private partnerships (PPPs), the ILO recognizes the importance of engaging social partners effectively in order to promote the principles of tripartism, normative frameworks and social dialogue. The UNDS encourages the RC to forge partnerships at the national and sub-national levels with diverse entities, including civil society, trade unions, employers' organisations, the private sector and others, to support the 2030 Agenda.

¹⁹ <https://efp.org.pk> (Accessed: October 21, 2023)

²⁰ ILO Policy Guidance: Implementation of the UNDS REFORM – Update 2, April 2022

The ILO also emphasises private sector engagement and PPPs as opportunities for collaboration and resource mobilisation to achieve its objectives. It encourages the engagement of EBMOs as channels to connect with the private sector on the SDGs alongside the UNGC local networks. ILO country offices can engage with enterprises, foundations, and philanthropic initiatives in consultation with EBMOs to promote contributions to Decent Work, including through businesses' operations and supply chains.

In summary, the ILO's role in engaging the private sector for the UN involves providing data, participating in Cooperation Frameworks, engaging constituents, and promoting private sector collaboration to advance the UN's goals, especially in the context of Decent Work and sustainable development.

FUNCTIONS OF PBTF

The PBTF is a platform that connects the private sector with the UN to advance sustainable development. The PBTF founders have laid out clear guidelines and accountability mechanisms to ensure its effectiveness in leading this partnership. *(See Annex 2: TORs for PBTF)*

The PBTF advises the Government on how to support sustainable development and engage the private sector in the SDGs. The PBTF organises dialogues and cooperation between the Government, private sector and the UN, and arranges events and activities to enhance knowledge exchange and joint projects.

The PBTF mobilises the private sector to invest in sustainable development, by raising awareness of the SDGs among businesses, encouraging sustainable business practices, and fostering public-private partnerships. The PBTF tracks and reports on the private sector's impact on the SDGs, gathering data on investments, jobs, sustainability, and their outcomes on SDGs.

The PBTF also helps implement the UNSDCF 2023-27 by providing feedback on its progress, finding opportunities for private sector involvement in key outcome areas, facilitating partnerships between the private sector, government, and other actors, and tracking and reporting on the private sector's impact on the UNSDCF.

By bridging the gap between the private sector, government, and the UN, the PBTF ensures the private sector's optimal participation in the UNSDCF 2023-27. To play this role PBTF must interact with multiple stakeholders and at all possible levels of cooperation with the UN to become an effective voice for the private sector.

KEY ENTRY POINTS FOR PBTF IN THE UNSDCF PROCESS

A Key Entry Point (KEP) refers to a means of engaging in the UNSDCF process. In order to fulfil its goal of getting the business community in Pakistan to support the UN in achievement of SDGs, PBTF has several potential openings in terms of a) participating/assisting in certain functions that support the roles and responsibilities of the UNRC; and b) representation on country-level institutional forums established for monitoring UNSDCF results.

PBTF's KEPs in terms of assistive roles and functions

The UNSCDF for Pakistan, while highlighting the priority outcomes in which the private sector can contribute, also noted the challenges, such as the lack of awareness, capacity, funds and incentives along with policy barriers. The KEPs indicated for the PBTF are:

POLICY DIALOGUE, ADVOCACY AND COMMUNICATION to promote sustainable development goals and influence policy decisions

AWARENESS AND CAPACITY BUILDING to encourage private sector contributions to the SDGs;

RESOURCE MOBILISATION AND INVESTMENTS to achieve the SDGs and thereby contribute to the achievement of the UNSDCF outcomes;

INNOVATION AND TECHNOLOGY to catalyse the achievement of priority outcomes, especially Outcomes 4 and 5, that are directly linked with businesses and

PARTNERSHIPS AND COLLABORATION with the Government, civil society and other stakeholders, to contribute to the achievement of the UNSDCF outcomes.

Institutional KEPs for PBTF

PBTF assistive roles and functions can be helpful and impactful when they are able to convey the voice and contribution of the private sector to the UNRC decision-making process. It is critical to understand the inter-related roles and responsibilities of the UNCT and the UNRC, in order to effectively engage in this process. The UNSCDF in Pakistan has resulted from the elaborate yet coordinated efforts of the UN Country Teams (UNCT) under the leadership of UNRC. UNCTs prepare the UNSDCF together with national Governments, following extensive consultation with other national and international stakeholders to ensure ownership of and alignment with national development priorities. The Management and Accountability Framework (MAF) governs the RC system, providing a clear and unambiguous framework for that purpose, regionally, globally and in-country.²¹ The third section of the MAF discusses Country Level Relationships and Accountability Agreements, which are divided into five categories:²²

- 1) Leadership of UN development activities;
- 2) Strategic Planning and Programming;
- 3) Communications and Advocacy;
- 4) Common Business Operations and
- 5) Transparency and Results-Based Management at the Regional level.

Each category outlines the working relationships and accountabilities for results between the Resident Coordinator, the UN Country Team and other UN entities. The MAF document provides detailed information about the specific responsibilities and accountabilities for each category. It is through the MAF that the UNRC discharges his/her responsibility of implementing the UNSDCF, also referred to as the UN Cooperation Framework.

²¹ Management and Accountability Framework of the UN Development and Resident Coordinator System, Consolidated Version 15 September 2021, UN Sustainable Development Group.

²² Ibid. p.10

There is no specific category that outlines exclusive interaction between the private sector and the UN Development and RC System. However, the MAF document highlights the importance of engaging with diverse partners, including the private sector, to address national needs, priorities, and sustainable development challenges to advance the 2030 Agenda. Understanding the MAF will enable PBTF to effectively advocate for action and acceleration on the SDGs as per the UNCF agreed between the UN and the GOP. The UNSDCF 2023-27 for Pakistan therefore reflects this responsibility of UNRC, as mentioned in the MAF. While there is no specific category reserved for private sector engagement, the UNSDCF also specifies **Multi-Stakeholder Partnerships** as a means of engaging a broad spectrum of stakeholders, including the private sector, civil society and academia and promoting a coherent, collaborative approach to funding the UN development system.

As a cornerstone of the UN governance system with broad participation and clear accountability, including to Member States, the MAF seeks “to provide an accountability framework to hold members to account and to monitor their commitments and contribution towards achievement of the SDGs”.²³ This MAF purpose is reflected in several of the UNRC’s country-level duties.

The Resident Coordinator does the following:

LEADS AND SUPPORTS the UN Country Team (UNCT) in the development, monitoring, and reporting of the UN Cooperation Frameworks (UNCFs) with national governments and in consultation with other national and international stakeholders to ensure ownership and alignment with national development priorities, including the 2030 Agenda and the SDGs.

COORDINATES the UNCT’s implementation of the UN Cooperation Framework and works with UNCT members to ensure the alignment of entity programs and inter-agency pooled funding for development with national development needs and priorities and the 2030 Agenda.

ENGAGES with UNCTs on the alignment of their entities’ country program documents related to development activities and ensures that entities’ country programs derive from the UN Cooperation Framework according to the UN Sustainable Development Cooperation Framework Guiding Principles and Guidance.

ADVOCATES for, supports, catalyses, and enables the work of UNCT members and supports all UNCT members in reaching their entity-specific goals and participating in achieving common results.

PROACTIVELY ENGAGES with entities without a physical presence in the country to fully leverage the expertise from across the UN System, and for coordination of reporting under the UNSDF.

The duty of the UNRC to do the following: *Engages, convenes, and forges strategic partnerships at the national and sub-national level with diverse entities, including civil society, trade unions and employers’ organisations, networks of young people, the private sector, parliamentarians, academia, media and think tanks, and the broader development community, around the UN system’s collective support to the 2030 Agenda*²⁴ offers a KEP to PBTF.

²³ Ibid p.3

²⁴ Ibid, p.5

Given these roles and responsibilities of the UN Resident Coordinator, the PBTF can play a most effective role in **supporting the UNRC to engage, convene, and forge strategic partnerships with the private sector** at the national and sub-national levels around the UN system's collective support to the 2030 Agenda.

The PBTF has a strong network of relationships with Pakistani businesses, and it is well-positioned to help the UNRC to identify and engage with potential partners, as well as to develop and implement joint initiatives that support the SDGs. The PBTF can also play a role in advocating for the private sector to play a more active role in achieving the SDGs, and in raising awareness of the benefits of doing so.

Chapter Three of the UNSDCF for Pakistan outlines the governance and management structures that will support the framework's effective implementation. The Chapter is divided into two parts: the Cooperation joint management structure and the UN inter-agency management and coordination arrangements.²⁵

Three-tier Cooperation joint management structure

A **Joint UN-Government Steering Committee (JSC)** mechanism to ensure national ownership of all initiatives supported by the UN. This function is exercised by the Oversight Committee and Provincial Steering Committees. The mapping exercise of projects aligned with UNSDCF outcomes will form part of the responsibility of the Steering Committee.

The Oversight Committee (OC) provides national level oversight for the UN's work under the UNSDCF. It will be co-chaired by the Secretary of the Economic Affairs Division (EAD) and the United Nations Resident Coordinator (UNRC). The Committee's core functions include reviewing the strategic direction of the UNSDCF, Joint Work Plans and Joint Annual Reports, as well as discussing and resolving specific policy issues that arise due to implementation challenges. Other core functions include providing oversight for the UNSDCF's independent evaluation, overseeing the progress of the Provincial Steering Committees and undertaking joint resource mobilisation.

Provincial Steering Committees (PSCs) provide provincial oversight and increase sub-national ownership of the UN's work. They will each be co-chaired by the Chairman of Pakistan's Planning and Development Board/Additional Chief Secretary for Planning and Development, and the head of the UN entity 'lead' for the Province. The Committees' core functions include providing strategic oversight and guidance for UN engagement in the Province/administrative area, and reviewing the UN's work in the Province/administrative area, including planning and progress on reporting. Other core functions include ensuring that UN efforts are aligned with each Province's/administrative area's needs, priorities, development plans and government Annual Work Plans, as well as facilitating dialogue between provincial governments and the UN. The OC and PSCs meet at least twice a year.

It is useful to note that the UNSDCF governance structure allows for the participation of civil society and donor participation, albeit in an advisory role and on an as-needed basis. But the private sector's role finds no mention at all, although UNSDCF considers the private sector a vital stakeholder of and contributor to all five priority Outcomes, especially Outcomes 4 and 5.

²⁵ Op. Cit, p.50

UN inter-agency management and coordination arrangements

UNCT guides the UNSDCF's implementation. It is comprised of the Heads of all UN agencies working in Pakistan, including non-resident agencies.

The **Programme Management Team (PMT)** is responsible for UN programmatic coherence in the country. It is comprised of the Deputy Heads of the UN Agencies in Pakistan.

The **Planning, Monitoring and Evaluation Group (PME)** supports the Programme Management Team by providing guidance and advice on monitoring frameworks and the development of Joint Work Plans.

Outcome Groups (OGs) will support inter-agency engagement around the joint programming priorities of each of the five UNSDCF's priority outcomes.

The **Provincial Programme Teams (PPTs)** report to the Programme Management Team. They will support the UN lead agency in each Province/administrative area to engage with sub-national governments.

The **Gender Theme Group (GTG)** ensures that the UN system is unified and coordinated in providing support to the Government and other partners on issues related to gender equality.

The **United Nations Communications Group (UNCG)** will support the United Nations Country Team to develop and implement the UNSDCF Communication Strategy.

The **Operations Management Team (OMT)** will implement the Business Operations Strategy (BOS).

Overall, the UNSDCF's governance and management structures will support the framework's effective implementation, promote coherence, and ensure that the UN maximises the use of national systems and the promotion of national leadership.

The UNSDCF's governance and management structures emanate from the five categories of country-level relationships and accountability agreements of UNRC, which include joint strategic planning and programming, joint result-monitoring and evaluation, ensuring transparency, and joint advocacy and joint communication.

The UNSDCF's governance and management structures provide KEPs for private sector partners to engage with the UNRC on the UNSDCF process. PBTF, as representative body of the private sector, can participate in:

- the Oversight Committee and Provincial Steering Committees
- Outcome Groups and
- the United Nations Communications Group.

MANNER OF ENGAGEMENT WITH UNRC

It is suggested that the PBTF can engage with the UN Resident Coordinator (UNRC) in the UNSDCF process in a number of ways, including:

- **Participate in the UNSDCF governance and management structures.** The PBTF can participate in the Oversight Committee (OC) and Provincial Steering Committees (PSCs), as well as

Outcome Groups and the United Nations Communications Group. This would allow the PBTF to provide input into the UNSDCF process and to ensure that the private sector's perspective is represented not only in the CCA, the foundation of UNSDCF, but also in monitoring, consolidation and communication of results.

- **Hold regular meetings and dialogues with the UNRC and other UN representatives.** This would allow the PBTF to discuss opportunities for collaboration and to develop and implement joint initiatives that support the SDGs.
- **Establish joint working groups with the UN on specific topics of interest.** For example, the PBTF could establish a joint working group with the UN on climate change or on sustainable agriculture.
- **Develop and implement joint advocacy and communication strategies.** This would help to raise awareness of the SDGs and to encourage the private sector to play a more active role in achieving them.
- **Support the UN in mobilising resources for sustainable development.** The PBTF could help the UN to identify and engage with potential private sector investors, and to develop and implement innovative financing mechanisms.

Given that the PBTF is as-yet a non-functional entity, the following preliminary steps should be taken before it engages with UNRC in the implementation of the UNSDCF:

- **Become familiar with the UNSDCF.** The PBTF should carefully review the UNSDCF to understand its goals, objectives, and priority areas. This will help the PBTF to identify areas where the private sector can make a significant contribution.
- **Develop an engagement plan** that outlines its goals and objectives for engagement with the UNRC on the UNSDCF. The plan should also identify specific activities and initiatives that the PBTF will undertake.
- **Build relationships with the UNRC and other stakeholders.** involved in the implementation of the UNSDCF. This will help the PBTF to better understand their needs and priorities, and to identify opportunities for collaboration.
- **Establish a communication channel with the UNRC.** The PBTF could establish a dedicated communication channel with the UNRC to facilitate regular dialogue and information sharing.
- **Mobilise resources.** The PBTF will need to mobilise human and financial resources and technical expertise to support its engagement with the UNRC on the UNSDCF.

TARGETS, STEPS AND TIMELINES FOR REVIVING PBTF

Reviving a non-functional organisation like PBTF and making it capable of undertaking programmatic interventions requires a structured approach. PBTF can become operational and perform its functions to support the UNRC if it takes the following steps for its initial phase of three years.

Year 1: Establishing the foundation

Define clear objectives and vision (Months 1-2)

- Convene a meeting with the Board members and key stakeholders to define the organisation's vision and objectives.

- Develop a clear and compelling mission statement that outlines the PBTF's role in promoting sustainable development and SDG alignment within Pakistan.

Create an organizational structure (Months 3-4)

- Establish an organisational structure with designated roles and responsibilities.
- Recruit and hire a capable Executive Director or equivalent who can lead the organisation and bring the plan to fruition.
- Set up functional teams, including those responsible for advocacy, finance, partnerships, and communications

Develop a brand and online presence (Months 5-6)

- Design a professional logo, create branding materials, and establish a strong visual identity for PBTF.
- Build a user-friendly website that showcases PBTF's mission, goals, and upcoming initiatives.
- Activate social media profiles and engage with the target audience to start building brand recognition.

Engage stakeholders (Months 7-8)

- Organise a stakeholders' meeting to brief them on the revitalization plan and to seek their active involvement and support.
- Work with board members to tap into their networks and leverage their influence and expertise.
- Recruit volunteers or advisors who are passionate about the cause and can provide valuable input and assistance.

Operationalize the plan (Months 11-12)

- Develop a detailed operational plan based on the 3-year roadmap discussed earlier.
- Begin implementing the first set of actions outlined in the quarterly plan, starting with awareness campaigns and education.
- Monitor and evaluate progress and make necessary adjustments to the plan as required.

Awareness, education and capacity building (Year 1)

- Begin by creating an advocacy and engagement strategy.
- Formulate and launch a comprehensive awareness campaign about PBTF and its mission. Utilise digital and traditional media, as well as partnerships with business associations.
- Offer training sessions on SDGs and ESG standards for private sector entities.
- Develop informative content, webinars, and workshops to educate businesses on the importance of sustainability and aligning with SDGs.
- Expand training and capacity-building programs, including certifications for ESG standards.
- Create an online resource centre for businesses to access information, best practices, and tools for SDG alignment.

Year 2: Building momentum

Innovation, green technology and climate finance access (Year 2)

- Focus on making climate finance and impact-first capital accessible to private sector companies.
- Work on setting up dedicated funds and incentives.

- Collaborate with financial institutions to create investment vehicles for sustainable projects, such as green bonds or impact investment funds.
- Focus on making climate finance and impact-first capital accessible to private sector companies.

Partnerships and collaboration (Year 2)

- Facilitate partnerships between private sector entities and NGOs, academia, and international organisations.
- Encourage businesses to actively engage in SDG projects through joint initiatives.
- Showcase successful case studies and partnerships to demonstrate the positive impact of SDG-aligned projects.

Policy advocacy (Year 2)

- Initiate discussions with federal and local governments to highlight the need for pro-SDG policies at the national level and implementation of ESG across industries.
- Collaborate with relevant government bodies and ministries to influence and shape policies that align with sustainable development and incentivize the private sector.

Year 3: Sustaining and expanding impact

Monitoring, reporting and communication(Year 3)

- Promote transparency and accountability by encouraging businesses to track and report their sustainability efforts.
- Develop a reporting framework aligned with international standards and SDG indicators.

Throughout the three years, PBTF should maintain continuous communication with stakeholders and the public through various channels, including social media, newsletters, and public events. Measuring and demonstrating the impact of PBTF's efforts through quantifiable metrics, case studies, and success stories will help attract people's attention and foster trust.

Creating a "bang" in the market and garnering attention will require a coordinated effort that combines advocacy, education, financial support, and partnership building. Over time, as businesses see the benefits of SDG alignment and the opportunities for growth and positive impact, PBTF's reputation and influence will grow, ultimately leading to a stronger private sector's engagement in SDGs in Pakistan.

Annex 1: Conceptual model, research approach and methodology

The overarching research approach to this assignment consisted of:

- Conceptualization of the UNSDCF process around SDGs within business, trade and industry of Pakistan into a framework that would supply the information in line with the private sector's expected role under UNSCDF
- Designing data collection tools (survey and in-depth interview questionnaire) for capturing SDG contribution of the private sector
- Collecting and collating information and presenting it according to the conceptual framework

CONCEPTUAL MODEL FOR THE SDG RESEARCH

Integrating SDGs into business practices can be likened to an adoption of a socio-technological innovation. Whenever a new technology is introduced in a society, some people welcome the new technology, others abhor it. People, and organizations for that, matter typically fall into the categories of doubters, early adopters, followers and nihilists when faced with the decision to adopt an innovation be it technological, social or organizational. Their position vis-à-vis an innovation depends on several factors: fears, aspirations, awareness, perceived threats or benefits of adoption, and ease or difficulty of adoption. Integrating SDGs into businesses as envisaged under the UNSCDF can be regarded as a 'burden or a blessing' depending upon how SDG adoption process is perceived by trade and industry. It is therefore vitally important to find out industry's...

AWARENESS of the SDGs, their relevance to business, its importance for national development and their benefits for them (this can be thought of as "what UNSDCF for SDGs is and how it works for me".)

PRACTICES IN BUSINESS, current and planned, that play a role towards advancing sustainability and can be counted towards any of the SDGs with related indicators.

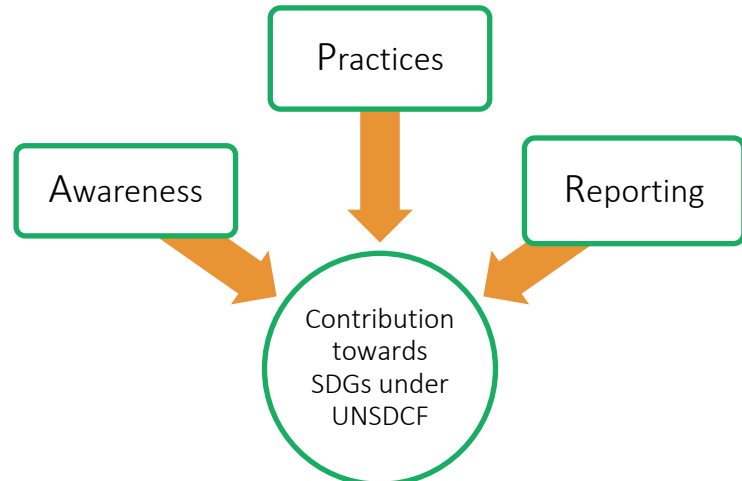


Figure 1: APR conceptual model for capturing private sector contribution

Reporting for SDGs, results from top management's commitment to a following a defined sustainability agenda with adequate capacity and resources in terms of requisite knowledge and skills. It is quite possible that numerous businesses in Pakistan have undertaken actions, such as renewable energy, water conservation, green technologies, that directly contribute to SDGs. Yet the sustainability impact of such practices is neither being captured nor being reported for reasons such as no or little incentive for reporting and lack of understanding and capacity.

It may be noted that there is a relationship between ESG and SDGs as mentioned in the UNSDCF. ESG stands for environmental, social, and governance, and it is a set of criteria used to evaluate the sustainability contribution of a commercial organization. In the business world, the term ESG is more commonly used than SDGs. The UN Principles for Responsible Investing (UNPRI) recognizes the importance of ESG factors in achieving the SDGs. The investment industry has committed to upholding six principles of responsible investing centered around ESG as a means of promoting SDGs.²⁶ UN's framework for advancing environmental and social sustainability in the UN system posits "the integration of ESG factors into its work".²⁷ The framework fits ESG into SDGs. Because ESG is backed by multi-trillion-dollar investment industry, businesses, trade and industry are familiar with ESG; they may not be that much aware of SDGs. So for this reason both terms, ESG and SDGs, were accounted for in the Awareness, Practices and Reporting (APR) model above.

DATA COLLECTION TOOLS

Two tools were designed to operationalize the APR model.

An e-survey was circulated to key decision-makers in trade and industry to

- gauge their levels of awareness and interest in participating in UNSDCF
- learn how their current practices are contributing to the SDGs,
- learn how they are reporting on their SDGs contribution, if at all, and
- list possible challenges and issues they think will hinder their cooperation with UNSDCF via PBTF.

An in-depth interview (IDI) questionnaire was used with key informants (CEOs, COOs, GMs) of business associations, EMBOs and leading businesses for gaining deeper insights, gather best practices related to SDGs and find out their commitment towards UNSDCF and their expectations from PBTF.

RESEARCH SAMPLE

The following plan was proposed and adopted.

Tool	E-Survey	IDs
Mode	Web-based; mobile-enabled	Face to face
Target respondents	Mid-level to senior management professionals	GMs, Owners, CEOs who make policy and strategy
Number of respondents (planned)	60-90	10-14
Sample achieved	83	20
Sampling method	Convenient /Purposive	Convenient/Purposive

Table 1: Research sample and respondents mix

The e-survey was uploaded here:

<https://www.esurveyspro.com/Survey.aspx?id=6ad3677c-5ff1-48a7-b8bf-4cd1b8bbb6b9>

There was a varying degree of completion of the e-survey:

- Total responses: (N=83)
 - Completion rate of quantitative section: 88 percent (n=73)
 - Completion rate of open-ended questions: 34 percent (n=28)
 - Personal information provided by: 33 percent (n=27)

²⁶<https://www.unpri.org/introductory-guides-to-responsible-investment/what-is-responsible-investment/4780.article> (Date Accessed: October 2, 2023)

²⁷ <https://sustainabledevelopment.un.org/content/documents/2738sustainabilityfinalweb-.pdf> (Date Accessed: October 2, 2023)

Data collection took place from July 30 to September 5, 2023 from all over Pakistan. Annex 2 provides details of the senior professionals interviewed.

Note to the readers:

All results that the e-survey generated in terms of fractional percentage have been rounded off to whole numbers in describing the response for every question.

DETAILS OF SURVEY RESPONDENTS

According to the survey results , the highest number of respondents were from the Manufacturing sector, at 53 percent. This is followed by the Service sector with 30 percent, the Agriculture sector with 7 percent, and the Trade and Mining and Recycling sectors each with 3 percent (Table 2).

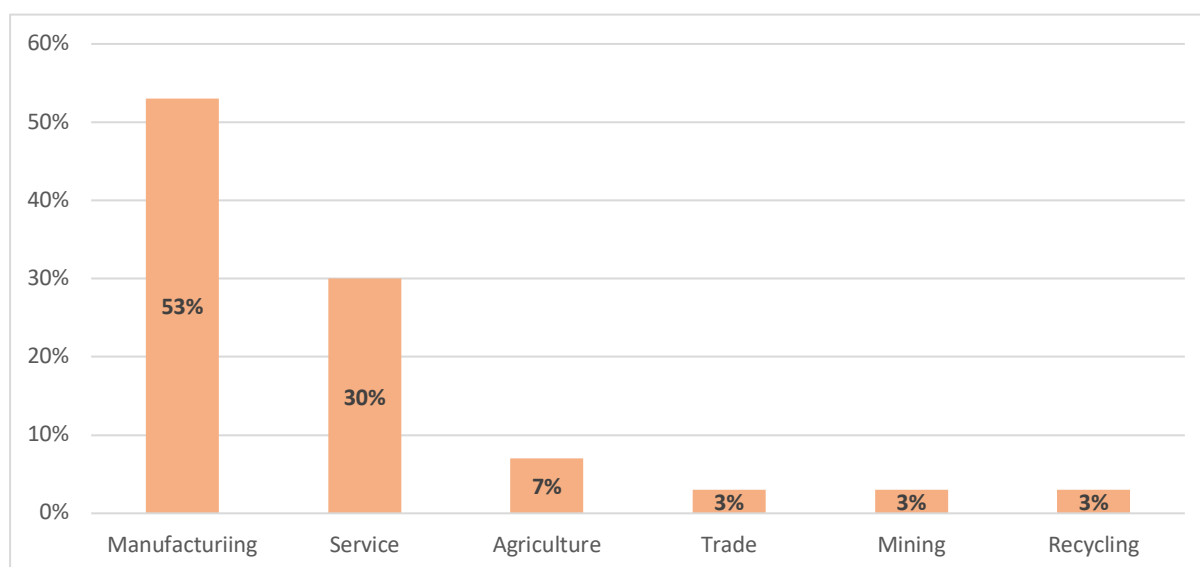


Table 2: Sectors of economy captured in e-survey

The other 21 percent of respondents were business organizations from construction and real estate, the media, oil and gas exploration and engineering sectors.

A wide range of private sector organizations responded to the survey (Figure 2). The most common type of organization represented in the survey is small and medium enterprises (SMEs), with 28 percent of the respondents. This is followed by multinational corporations (MNCs) with 21 percent, large national corporations with 17 percent, regional business organizations with 14 percent, and Trade associations/Chambers of commerce and industry with 13 percent.

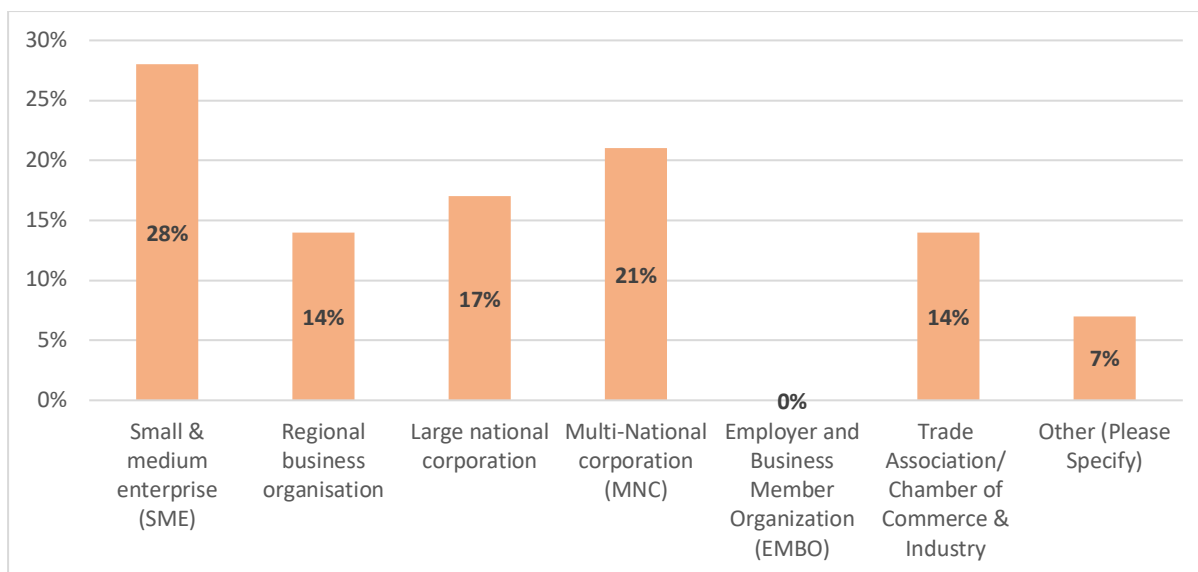


Figure 2: Types of responding organisation

The 7 percent “other” category represents consultants and self-employed professionals.

The research findings are presented as follows in the main report: Chapters 1 and 2 describe background and context of the assignment and details on research methodology. Chapter 3 contains the crux of the research: all findings with respect to the APR model appear here. Chapter 4 discusses industry-wide challenges and expectations from PBTF and UNRC. Chapter 5 distils the discussions into recommendations for PBTF’s road map of engagement and Chapter 6 presents case studies on best practices and the lessons they offer.

ANNEX 2: TERMS OF REFERENCE FOR PBTF

The draft TORs shared as deliverable 2-A (October 3, 2023) have been revised in light of the feedback and requirements of this RM. These are the final TORs advised for the EFP to make PBTF work effectively as per its stated purpose.

AIMS & OBJECTIVES

The Pakistan Business Task Force (PBTF) serves as an advisory and liaison body between trade and industry, government, and the UN in Pakistan. Aims and objects set the strategic direction of PBTF.

The goal for PBTF is to get the business community in Pakistan to support the UN in achieving SDGs.

To achieve this goal PBTF has the following aims

FOSTER PRIVATE SECTOR ENGAGEMENT: The primary aim of PBTF is to facilitate and promote meaningful engagement of the private sector in supporting the achievement of SDGs in Pakistan.

SUPPORT UNSDCF IMPLEMENTATION: PBTF aims to actively contribute to the successful implementation of the UN Sustainable Development Cooperation Framework (UNSDCF) by mobilising private sector resources and expertise.

ADVOCATE FOR POLICY ALIGNMENT: PBTF seeks to advocate for policy changes and incentives that encourage private sector investment in projects and initiatives aligned with the SDGs.

PROMOTE CROSS-SECTOR COLLABORATION: PBTF aims to promote collaborative initiatives that involve businesses from various sectors and encourage multi-stakeholder partnerships to address complex development challenges.

ENHANCE AWARENESS AND CAPACITY: PBTF aims to increase awareness within the private sector about the benefits of supporting the SDGs and to build the capacity of businesses to align their activities with sustainable development principles.

CONTRIBUTE TO UNSDCF PRIORITY OUTCOMES: PBTF's overarching aim is to make a tangible and measurable contribution to UNSDCF priority outcomes, especially those directly related to the private sector's expertise and capabilities.

MANDATE AND FUNCTIONS

The PBTF will have a clear mandate and functions. In addition to coordinating with the UNRC, PBTF will engage in:

ADVISING THE GOVERNMENT by providing advice on policies and programs that promote sustainable development and the private sector's role in achieving the SDGs.

FACILITATING DIALOGUE AND COLLABORATION BY fostering cooperation between the government, private sector, and the UN on SDG-related initiatives, including organising meetings, workshops, and joint programs.

ENGAGING IN ADVOCACY AND AWARENESS-RAISING TO PROMOTE THE SDGs among businesses, promote sustainable practices, and encourage public-private partnerships for SDG contributions.

BEING THE VOICE OF THE PRIVATE SECTOR by representing private sector businesses, particularly SMEs and women and youth-led enterprises, to develop and enhance their contribution towards the SDGs and

MONITORING AND REPORTING BY collecting and reporting data on private sector investments, job creation, sustainability practices, and their impact on the SDGs.

INTERVENTIONS IN RELATION TO UNSDCF 2023-27

In alignment with the UNSDCF 2023-27 and research findings on the Contribution of Private Sector to SDGs, PBTF will address awareness, practices, and reporting gaps in the private sector's SDG contributions by:

RAISING AWARENESS AND EDUCATION ON SDGs: Organizing workshops, seminars, and outreach activities, developing educational materials, and working with the media to promote SDG awareness among the private sector.

SUPPORTING SUSTAINABLE PRACTICES: Providing training and resources on corporate social responsibility, sustainable supply chain management, and environmental impact assessment.

DEVELOPING REPORTING TOOLS: Creating a standardised reporting framework for the private sector and providing training and support on its utilisation.

DATA COLLECTION AND ANALYSIS: Gathering data on private sector contributions to inform policy development, identify areas for greater impact, and develop support programs.

Timely reporting: Sharing the private sector's SDG contributions through annual reports, a dedicated website, and media collaboration.

SUPPORTING UNSDCF IMPLEMENTATION: Providing feedback on UNSDCF progress, identifying opportunities for private sector engagement in the five priority outcomes, and facilitating partnerships between the private sector, government, and other stakeholders for specific UNSDCF programs.

COORDINATION WITH UNRC

To play its role effectively and to be a forceful voice for the private sector in the UNSDCF process, PBTF shall seek representation on **UNSDCF governance and management structures** such as the Oversight Committee (OC) and Provincial Steering Committees (PSCs), as well as Outcome Groups and the United Nations Communications Group. This would allow the PBTF to provide input into the UNSDCF process and to ensure that the private sector's perspective is represented.

MEMBERSHIP AND GOVERNANCE

The PBTF would be composed of representatives from a variety of stakeholders, including the government, business associations, individual businesses, and civil society organisations. The PBTF will be chaired by a leading and respected business leader from the private sector.

EFP will nominate PBTF members based on criteria agreed with ILO/UNRC. The members will have a fixed tenure of two years and will serve on a voluntary basis.

PBTF will have a Nine-Member Board

- **CHAIRMAN:** The Chairman of PBTF will provide overall leadership and direction to the task force. This role should be filled by a prominent figure with substantial experience in the business sector.
- **EXECUTIVE DIRECTOR:** The Executive Director is responsible for the day-to-day operations and implementation of PBTF's activities. This position requires someone with strong organisational and managerial skills.
- **BOARD OF DIRECTORS (9 SEATS):** The Board of Directors shall consist of SEVEN other members who represent a diverse range of sectors within the business community. Consideration will be given to making the Board inclusive and broad-based. By inviting Industry Representatives from
 - Key industries such as manufacturing, agriculture, services, technology, healthcare, and energy to represent their respective sectors.
 - Small and Medium-sized Enterprises
 - Women- and youth-led businesses
 - Labour union leaders



BACK PAGE



**EMPLOYERS'
FEDERATION
OF PAKISTAN**
The Apex Body of Employers

To know more about us, please visit: www.efp.org.pk